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

C Name of organization
ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
3700 WASHINGTON AVENUE

City or town, state or province, country, and ZIP or foreign postal code
EVANSVILLE, IN 47750

D Employer identification number
35-0869065

E Telephone number
(812)485-4178

G Gross receipts $ 472,357,590

F Name and address of principal officer
KEITH JEWELL
3700 WASHINGTON AVENUE
EVANSVILLE,IN 47750

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

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

H(c) Group exemption number ▶ 0928

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

J Website: ▶ WWW STMARYS ORG

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

L Year of formation 1941

M State of legal domicile IN

Part I Summary

1 Briefly describe the organization's mission or most significant activities
DEDICATED TO SPIRITUALLY CENTERED CARE, WHICH IMPROVES THE HEALTH OF INDIVIDUALS AND COMMUNITIES

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

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	13
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	7
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	3,538
6	Total number of volunteers (estimate if necessary)	**6**	402
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	151,529
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	-238,257

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	1,527,361	10,823,280
9	Program service revenue (Part VIII, line 2g)	438,137,652	434,304,866
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	17,885,356	17,138,110
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	10,819,915	9,354,204
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	468,370,284	471,620,460
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	21,016,801	64,907,190
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	156,616,340	147,631,788
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶715,774		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	241,877,344	243,888,976
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	419,510,485	456,427,954
19	Revenue less expenses Subtract line 18 from line 12	48,859,799	15,192,506
Net Assets or Fund Balances		**Beginning of Current Year**	**End of Year**
20	Total assets (Part X, line 16)	614,660,665	617,201,774
21	Total liabilities (Part X, line 26)	213,767,120	198,479,327
22	Net assets or fund balances Subtract line 21 from line 20	400,893,545	418,722,447

Part II Signature Block

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

Sign Here

Signature of officer — Date: 2015-05-13

JOHN L ZABROWSKI CHIEF FINANCIAL OFFICER
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
SHAWNA M JIMENEZ		2015-05-01		P01222873

Firm's name ▶ DELOITTE TAX LLP — Firm's EIN ▶ 86-1065772

Firm's address ▶ 111 MONUMENT CIRCLE SUITE 2000
INDIANAPOLIS, IN 462045108 — Phone no (317) 464-8600

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

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

DEDICATED TO SPIRITUALLY CENTERED CARE, WHICH IMPROVES THE HEALTH OF INDIVIDUALS AND COMMUNITIES

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 $ 303,531,631 including grants of $ 64,907,190) (Revenue $ 441,278,940)

ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC (SMMC) PROVIDES INPATIENT AND OUTPATIENT MEDICAL SERVICES SERVING VANDERBURGH AND CONTIGUOUS COUNTIES AND PROVIDING SERVICES WITHOUT REGARD TO PATIENT RACE, CREED, NATIONAL ORIGIN, ECONOMIC STATUS, OR ABILITY TO PAY DURING FISCAL YEAR 2014, SMMC TREATED 16,123 INPATIENTS IN THE COMMUNITY FOR A TOTAL OF 78,171 PATIENT DAYS OF SERVICE SMMC ALSO PROVIDED SERVICES TO 346,485 OUTPATIENTS, INCLUDING 4,433 INPATIENT SURGERY PATIENTS, 53,219 EMERGENCY ROOM VISITS, 1,615 PHYSICIAN OFFICE VISITS, AND 28,338 CLINIC VISITS SEE SCHEDULE H FOR A NON-EXHAUSTIVE LIST OF COMMUNITY BENEFIT PROGRAMS AND DESCRIPTIONS

4b (Code) (Expenses $ 42,971,751 including grants of $) (Revenue $)

SMMC PROVIDES A SUBSTANTIAL PORTION OF ITS CORE HEALTH SERVICES TO THE POOR, UNINSURED, OR UNDERINSURED AND HAS PROACTIVELY TAKEN STEPS TO ADDRESS ACCESSIBILITY, AND THE FINANCING, AND DELIVERY OF HEALTHCARE TO THE UNDERSERVED DURING THE FISCAL YEAR ENDING JUNE 30, 2014, THE UNREIMBURSED COST OF FREE OR DISCOUNTED SERVICES PROVIDED TO PATIENTS WHO ARE DEEMED INDIGENT UNDER STATE, COUNTY, OR HOSPITAL GUIDELINES WAS $42,971,751, WHICH INCLUDED $17,952,308 OF TRADITIONAL FINANCIAL ASSISTANCE AND $25,019,443 IN UNPAID COSTS OF CARE FOR THOSE QUALIFYING FOR MEDICAID OR OTHER PUBLIC PROGRAMS FOR THE POOR SEE SCHEDULE H FOR A NON-EXHAUSTIVE LIST OF COMMUNITY BENEFIT PROGRAMS AND DESCRIPTIONS

4c (Code) (Expenses $ 1,424,341 including grants of $) (Revenue $)

IN ADDITION TO CORE MEDICAL SERVICES, SMMC AND COMMUNITY PARTNERS ASSESS COMMUNITY ASSETS AND NEEDS AND WORK TOGETHER TO ADDRESS ISSUES IMPACTING HEALTH AND QUALITY OF LIFE, WITH SPECIAL EMPHASIS ON THE POOR AND VULNERABLE IN FISCAL YEAR 2014, SMMC PROVIDED $1,424,341 IN UNBILLED SERVICES TO THE POOR AND TO THE BROADER COMMUNITY (WHEN COMBINED WITH THE COSTS OF FREE OR DISCOUNTED SERVICES FOR THE POOR LISTED IN LINE 4B, SMMC PROVIDED A TOTAL COMMUNITY BENEFIT OF $44,396,092 IN FISCAL YEAR 2014) SMMC SERVES AND SUPPORTS ITS COMMUNITY THROUGH SUCH PROGRAMS AS SUPPORT GROUPS, PUBLIC HEALTH SCREENINGS, AND NUTRITION COUNSELING SEE SCHEDULE H FOR A NON-EXHAUSTIVE LIST OF COMMUNITY BENEFIT PROGRAMS AND DESCRIPTIONS

4d Other program services (Describe in Schedule O)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ 347,927,723

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		No
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d	Yes	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b	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		No
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**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If so, complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**	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**	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		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	236		
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	3,538		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .	3b		Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

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

Section A. Governing Body and Management

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

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

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

Section C. Disclosure

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

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

▶ JOHN L ZABROWSKI 3700 WASHINGTON AVENUE
EVANSVILLE, IN 47750 (812) 485-4178

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) DARCY ELLISON SR VP/CNO	60 00 1 00	X						345,276	0	84,542
(2) DORON FINN MD BOARD MEMBER	1 00 0 00	X						0	0	0
(3) GWEN SANDEFUR EVP/COO	60 00 5 20	X						396,534	0	25,108
(4) JOHN STANLEY BOARD MEMBER	1 00 2 00	X						0	0	0
(5) KARL SASH MD BOARD MEMBER	1 00 56 00	X						0	653,364	94,682
(6) KEITH JEWELL CEO/PRESIDENT	60 00 10 00	X		X				0	10,096	0
(7) MARIA DEL-RIO MD BOARD MEMBER	55 00 0 00	X						402,499	0	33,899
(8) MICHAEL HERRELL MD CHAIR	1 00 5 00	X		X				0	0	0
(9) NADINE COUDRET BOARD MEMBER	1 00 1 00	X						0	0	0
(10) SHARON KAZEE BOARD MEMBER	1 00 1 00	X						0	0	0
(11) SISTER SHARON RICHARDT BOARD MEMBER	1 00 1 00	X						0	0	0
(12) SISTER XAVIER BALLANCE BOARD MEMBER	1 00 4 00	X						0	0	0
(13) TIMOTHY FLESCH THRU 122013 CEO/PRESIDENT	60 00 11 20	X		X				1,661,825	0	23,492
(14) TRICIA HENNING BOARD MEMBER	1 00 2 00	X						0	0	0
(15) JOHN ZABROWSKI CFO	60 00 1 00			X				0	0	0
(16) KIMBERLY HODGKINSON THRU 12014 CFO	60 00 3 00			X				361,522	0	21,294
(17) JANICE ERNEST VP/CARDIOVASCULAR & SYSTEM SUPPORT SERVICES	55 00 2 00				X			223,185	0	50,258

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) JOHN GREANEY VP/STRATEGIC SERVICES	55 00 0 00				X			207,438	0	24,640
(19) KATHY HALL VP/SMHS REGIONAL ADMINISTRATOR	55 00 3 00				X			213,081	0	28,541
(20) MICHAEL KLUEH VP/CRO	55 00 0 00				X			198,886	0	41,593
(21) MIKE WHITMORE VP/CLINICAL SUPPORT & ANCILLARY SERVICES	55 00 0 00				X			219,899	0	20,623
(22) VERNON MAAS MD VP/MEDICAL AFFAIRS	55 00 0 00				X			255,029	0	54,974
(23) ALIREZA KHAKBAZNEJAD MD PHYSICIAN	55 00 0 00					X		447,020	0	46,035
(24) CHARLES LACKEY MD PHYSICIAN	55 00 0 00					X		502,487	0	51,154
(25) JOHN GALLAGHER MD PHYSICIAN	55 00 0 00					X		445,032	0	78,982
(26) KATHRYN BRYAN MD PHYSICIAN	55 00 0 00					X		483,791	0	51,852
(27) MUREENA TURNQUEST-WELLS MD PHYSICIAN	55 00 1 00					X		616,313	0	81,210
(28) THOMAS LILLY FORMER KEY EMPLOYEE	0 00 0 00						X	240,841	0	15,219
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								7,220,658	663,460	828,098

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 ▶ 148

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
AMBULATORY CARE CENTER LLC 1125 PROFESSIONAL BLVD EVANSVILLE IN 47714	MEDICAL SERVICES	29,165,844
MID AMERICA CLINICAL LABS PO BOX 19163 INDIANAPOLIS IN 46219	MEDICAL SERVICES	4,273,890
TRIMEDX PO BOX 636129 CINCINNATI OH 45263	HEALTH CARE EQUIPMENT MANAGEMENT	2,715,798
EMERGENCY PROFESSIONAL SERVICE PO BOX 634850 CINCINNATI OH 45263	MEDICAL SERVICES	2,375,214
ST MARY'S PERIPHERAL VASCULAR SERVICES 3700 WASHINGTON AVENUE EVANSVILLE IN 47750	MEDICAL SERVICES	1,734,631

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 ▶ 51

Part VIII Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . .	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations . . .	1d	10,522,884			
	e	Government grants (contributions)	1e	300,396			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f $		54,175			
	h	**Total.** Add lines 1a-1f . . . . . ▶		10,823,280			
Program Service Revenue			Business Code				
	2a	OUTPATIENT SERVICE REV	621110	223,385,583	223,385,583		
	b	INPATIENT SERVICE REV	621110	210,919,283	210,919,283		
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f . . . . . ▶		434,304,866			
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		17,298,327			17,298,327
	4	Income from investment of tax-exempt bond proceeds . . ▶					
	5	Royalties . . . . . ▶					
			(i) Real	(ii) Personal			
	6a	Gross rents	631,151				
	b	Less rental expenses	555,613				
	c	Rental income or (loss)	75,538				
	d	Net rental income or (loss) . . . . . ▶			75,538		75,538
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory		21,300			
	b	Less cost or other basis and sales expenses		181,517			
	c	Gain or (loss)		-160,217			
	d	Net gain or (loss) . . . . . ▶			-160,217	-160,217	
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from fundraising events . . ▶					
	9a	Gross income from gaming activities See Part IV, line 19 . . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from gaming activities . . ▶					
	10a	Gross sales of inventory, less returns and allowances . a					
	b	Less cost of goods sold . . b					
	c	Net income or (loss) from sales of inventory . . ▶					
		Miscellaneous Revenue	Business Code				
	11a	APOTHECARY	446110	4,740,264	4,740,264		
	b	CAFETERIA/MISC SERV	722320	1,781,494		93,358	1,688,136
	c	LAB SERVICES	621500	337,571		32,861	304,710
	d	All other revenue		2,419,337	2,394,027	25,310	
	e	**Total.** Add lines 11a–11d . . . . . ▶		9,278,666			
	12	**Total revenue.** See Instructions . . . . . ▶		471,620,460	441,278,940	151,529	19,366,711

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	64,907,190	64,907,190		
2 Grants and other assistance to individuals in the United States See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	4,894,138	402,499	4,491,639	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	115,696,237	97,872,134	17,562,220	261,883
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits	19,540,106	15,924,130	3,573,541	42,435
10 Payroll taxes	7,501,307	6,113,160	1,371,857	16,290
11 Fees for services (non-employees)				
a Management	754,094	753,594	500	
b Legal	2,294		2,294	
c Accounting				
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	17,310,425	13,384,009	3,926,416	
12 Advertising and promotion	155,012	11,484	129,465	14,063
13 Office expenses	2,245,620	1,308,858	922,938	13,824
14 Information technology	170,210	93,675	76,535	
15 Royalties . .				
16 Occupancy	4,254,477	106,904	4,147,573	
17 Travel	239,768	134,951	82,973	21,844
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	187,806	79,027	108,700	79
20 Interest	4,191,850	3,423,566	768,284	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	12,401,752	11,083,963	1,317,789	
23 Insurance	1,419,559	1,159,026	260,097	436
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 PURCHASED SERVICES	113,884,124	48,518,679	65,363,193	2,252
b MEDICAL SUPPLIES	51,288,876	51,288,876		
c PROVIDER TAX EXPENSE	19,199,872	19,199,872		
d COST OF GOODS SOLD	5,778,431	5,778,431		
e All other expenses	10,404,806	6,383,695	3,678,443	342,668
25 **Total functional expenses.** Add lines 1 through 24e	456,427,954	347,927,723	107,784,457	715,774
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		3,446,252	1	342,125
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		54,541,611	4	61,369,645
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net		854,961	7	794,299
	8	Inventories for sale or use		6,068,368	8	7,950,756
	9	Prepaid expenses and deferred charges		2,562,612	9	575,375
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 323,174,944			
	b	Less accumulated depreciation	10b 247,039,015	85,224,143	10c	76,135,929
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11		55,798	13	64,262
	14	Intangible assets		279,255	14	7,578,268
	15	Other assets See Part IV, line 11		461,627,665	15	462,391,115
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		614,660,665	16	617,201,774
Liabilities	17	Accounts payable and accrued expenses		37,975,128	17	29,343,427
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		175,791,992	25	169,135,900
	26	**Total liabilities.** Add lines 17 through 25		213,767,120	26	198,479,327
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		400,893,545	27	418,722,447
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		400,893,545	33	418,722,447
	34	Total liabilities and net assets/fund balances		614,660,665	34	617,201,774

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	471,620,460
2	Total expenses (must equal Part IX, column (A), line 25)	2	456,427,954
3	Revenue less expenses Subtract line 2 from line 1	3	15,192,506
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	400,893,545
5	Net unrealized gains (losses) on investments	5	31,379,119
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	-28,742,723
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	418,722,447

Part XII Financial Statements and Reporting

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

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

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

Employer identification number
35-0869065

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
ST MARY'S MEDICAL CENTER OF EVANSVILLE INC	35-0869065

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		3,147
j	Total Add lines 1c through 1i			3,147
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Return Reference	Explanation
PART II-B, LINE 1	LOBBYING EXPENSES REPRESENT THE PORTION OF DUES PAID TO NATIONAL AND STATE HOSPITAL ASSOCIATIONS THAT IS SPECIFICALLY ALLOCABLE TO LOBBYING ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC DOES NOT PARTICIPATE IN OR INTERVENE IN (INCLUDING THE PUBLISHING OR DISTRIBUTING OR STATEMENTS) ANY POLITICAL CAMPAIGN ON BEHALF OF (OR IN OPPOSITION TO) ANY CANDIDATE FOR PUBLIC OFFICE

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
ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

Employer identification number
35-0869065

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					
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					

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

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		7,736,792		7,736,792
b Buildings		93,655,938	64,571,438	29,084,500
c Leasehold improvements		20,212,082	12,132,800	8,079,282
d Equipment		201,570,132	170,334,777	31,235,355
e Other				
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				76,135,929

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

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

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

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

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

(a) Description	(b) Book value
See Additional Data Table	
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	462,391,115

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	
See Additional Data Table	
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	169,135,900

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

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

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

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

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

Part XIII **Supplemental Information**

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

Return Reference	Explanation
PART X, LINE 2	THE SYSTEM ACCOUNTS FOR UNCERTAINTY IN INCOME TAX POSITIONS BY APPLYING A RECOGNITION THRESHOLD AND MEASUREMENT ATTRIBUTE FOR FINANCIAL STATEMENT RECOGNITION AND MEASUREMENT OF A TAX POSITION TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN THE SYSTEM HAS DETERMINED THAT NO MATERIAL UNRECOGNIZED TAX BENEFITS OR LIABILITIES EXIST AS OF JUNE 30, 2014

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 35-0869065
Name: ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

Form 990, Schedule D, Part IX, - Other Assets

(a) Description	**(b)** Book value
(1) OTHER RECEIVABLES	4,351,049
(2) DEFERRED COMPENSATION ASSET	5,093,422
(3) ESTIMATED SETTLEMENTS FROM THIRD PARTIES	2,756,338
(4) PHYSICIAN GUARANTEES ASSET	14,269,028
(5) OTHER CURRENT ASSETS	1,918,010
(6) INTEREST IN INVESTMENTS HELD BY ASCENSION HEALTH ALLIANCE	427,200,286
(7) ADVANCES TO AFFILIATES	124,239
(8) DUE FROM ST MARY'S AT HOME, INC	-157,975
(9) DUE FROM ST MARY'S HEALTH SERVICES, INC	-70,363
(10) DUE FROM ST MARY'S BUILDING CORPORATION	231,512
(11) DUE FROM ST MARY'S MEDICAL CENTER FOUNDATION OF EVANSVILLE, INC	370,292
(12) DUE FROM ST MARY'S PERIPHERAL VASCULAR SERVICES MANAGEMENT CO , LLC	150,042
(13) DUE FROM ST MARY'S MEDICAL GROUP, LLC	287,126
(14) DUE FROM ST MARY'S WARRICK EMERGENCY SERVICES, INC	1,229,644
(15) DUE FROM ST MARY'S WARRICK HOSPITAL, INC	1,191,054
(16) DUE FROM ST MARY'S ACUTE DIALYSIS SERVICES, INC	192,796
(17) DUE FROM ST MARY'S CARE PARTNERS, INC	-12,755
(18) DUE FROM ST VINCENT HEALTH, INC	1
(19) DUE FROM ST VINCENT HOSPITAL AND HEALTH CARE CENTER, INC	2,780,184
(20) DUE FROM MEDEXCEL, LLC D/B/A TRIMEDIX	487,185

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

1 **(a)** Description of Liability	**(b)** Book Value
DEFERRED COMPENSATION	5,093,422
SELF INSURANCE LIABILITY	1,812,228
ESTIMATED SETTLEMENT LIABILITY	5,313,181
AH SAVINGS LIABILITY	1,923,692
VALUATION ALLOWANCE	1,950,000
DEFERRED RENT PAYABLE	444,580
PHYSICIAN GUARANTEE LIABILITY	14,269,028
INTERCOMPANY DEBT WITH ASCENSION HEALTH ALLIANCE	135,459,870
DUE TO ST MARY'S AT HOME, INC	5,835
DUE TO ST MARY'S HEALTH SERVICES, INC	2,035
DUE TO ST MARY'S BUILDING CORPORATION	493,039
DUE TO ST MARY'S MEDICAL CENTER FOUNDATION OF EVANSVILLE, INC	2,348
DUE TO ST MARY'S PERIPHERAL VASCULAR SERVICES MANAGEMENT CO , LLC	222,157
DUE TO ST MARY'S MEDICAL GROUP, LLC	16,575
DUE TO ST MARY'S WARRICK EMERGENCY SERVICES, INC	7,035
DUE TO ST MARY'S WARRICK HOSPITAL, INC	65,854
DUE TO ST VINCENT HEALTH, INC	235,846
DUE TO ST VINCENT HOSPITAL AND HEALTH CARE CENTER, INC	312,432
DUE TO ASCENSION HEALTH MINISTRY SERVICE CENTER	1,506,743

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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
ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

Employer identification number
35-0869065

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) NORTH AMERICA	0	0	PROGRAM SERVICES	MEDICAL SUPPLIES	6,630
(2) NORTH AMERICA	0	0	PROGRAM SERVICES	LICENSES, PERMITS	5,478
(3) NORTH AMERICA	0	0	PROGRAM SERVICES	MINOR MEDICAL EQUIPMENT	25,628
(4) NORTH AMERICA	0	0	PROGRAM SERVICES	EQUIPMENT	25,760
(5)					
3a Sub-total	0	0			63,496
b Total from continuation sheets to Part I	0	0			0
c **Totals** (add lines 3a and 3b)	0	0			63,496

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:
Software Version:
EIN: 35-0869065
Name: ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

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 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
ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

Employer identification number
35-0869065

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year			
	☑ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for *free* care	3a	Yes	
	☐ 100% ☐ 150% ☑ 200% ☐ Other _____ %			
b	Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care	3b	Yes	
	☐ 200% ☐ 250% ☑ 300% ☐ 350% ☐ 400% ☐ Other _____ %			
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		No
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		
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)			17,952,308		17,952,308	3 930 %
b Medicaid (from Worksheet 3, column a)			62,605,772	37,586,329	25,019,443	5 480 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			80,558,080	37,586,329	42,971,751	9 410 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)		541,747	849,456	307,709	541,747	0 120 %
f Health professions education (from Worksheet 5)			383,281		383,281	0 080 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)		42,807	499,313		499,313	0 110 %
j **Total.** Other Benefits		584,554	1,732,050	307,709	1,424,341	0 310 %
k **Total.** Add lines 7d and 7j		584,554	82,290,130	37,894,038	44,396,092	9 720 %

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

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

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

Section A. Bad Debt Expense

			Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?	1		No
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2 4,138,370		
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	3 413,837		
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	103,917,649
6	Enter Medicare allowable costs of care relating to payments on line 5	6	153,275,886
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-49,358,237
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	1 ST MARY'S PERIPHERAL VASCULAR SERVICES MANAGEMENT COMPANY LLC	MANAGEMENT	75 000 %	0 %	75 000 %
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest—see instructions)
How many hospital facilities did the organization operate during the tax year? 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 ST MARY'S MEDICAL CENTER OF EVA INC

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

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

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 300 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☑ Income level			
b ☑ Asset level			
c ☐ Medical indigency			
d ☐ Insurance status			
e ☐ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☐ Residency			
i ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☐ The policy was posted on the hospital facility's website			
b ☑ The policy was attached to billing invoices			
c ☑ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☑ The policy was posted in the hospital facility's admissions offices			
e ☐ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☐ The policy was available upon request			
g ☐ Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	**17**		No
If "Yes," check all actions in which the hospital facility or a third party engaged			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			

Part V Facility Information *(continued)*

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

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

Policy Relating to Emergency Medical Care

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

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

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

Part V Facility Information *(continued)*

Section 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? **19**

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

Part VI Supplemental Information

Provide the following information

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

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

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

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

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

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

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

Form and Line Reference	Explanation
PART I, LINE 3C	THE ORGANIZATION PROVIDES MEDICALLY NECESSARY CARE TO ALL PATIENTS, REGARDLESS OF RACE, COLOR, CREED, ETHNIC ORIGIN, GENDER, DISABILITY, OR ECONOMIC STATUS THE HOSPITAL USES A PERCENTAGE OF FEDERAL POVERTY LEVEL (FPL) TO DETERMINE FREE AND DISCOUNTED CARE AT A MINIMUM, PATIENTS WITH INCOME LESS THAN OR EQUAL TO 200% OF THE FPL, WHICH MAY BE ADJUSTED FOR COST OF LIVING UTILIZING THE LOCAL WAGE INDEX COMPARED TO THE NATIONAL WAGE INDEX, WILL BE ELIGIBLE FOR 100% CHARITY CARE WRITE OFF OF CHARGES FOR SERVICES THAT HAVE BEEN PROVIDED TO THEM ALSO, AT A MINUMUM, PATIENTS WITH INCOMES ABOVE 200% OF THE FPL BUT NOT EXCEEDING 300% OF THE FPL, SUBJECT TO ADJUSTMENTS FOR COST OF LIVING UTILIZING THE LOCAL WAGE INDEX COMPARED TO NATIONAL WAGE INDEX, WILL RECEIVE A DISCOUNT ON THE SERVICES PROVIDED TO THEM

Form and Line Reference	Explanation
PART I, LINE 7	THE COST OF PROVIDING CHARITY CARE, MEANS TESTED GOVERNMENT PROGRAMS, AND COMMUNITY BENEFIT PROGRAMS IS ESTIMATED USING INTERNAL COST DATA, AND IS CALCULATED IN COMPLIANCE WITH CATHOLIC HEALTH ASSOCIATION ("CHA") GUIDELINES THE ORGANIZATION USES A COST ACCOUNTING SYSTEM THAT ADDRESSES ALL PATIENT SEGMENTS (FOR EXAMPLE, INPATIENT, OUTPATIENT, EMERGENCY ROOM, PRIVATE INSURANCE, MEDICAID, MEDICARE, UNINSURED, OR SELF PAY) THE BEST AVAILABLE DATA WAS USED TO CALCULATE THE AMOUNTS REPORTED IN THE TABLE FOR THE INFORMATION IN THE TABLE, A COST-TO-CHARGE RATIO WAS CALCULATED AND APPLIED

Form and Line Reference	Explanation
PART III, LINE 2	AFTER SATISFACTION OF AMOUNTS DUE FROM INSURANCE AND REASONABLE EFFORTS TO COLLECT FROM THE PATIENT HAVE BEEN EXHAUSTED, THE CORPORATION FOLLOWS ESTABLISHED GUIDELINES FOR PLACING CERTAIN PAST-DUE PATIENT BALANCES WITHIN COLLECTION AGENCIES, SUBJECT TO THE TERMS OF CERTAIN RESTRICTIONS ON COLLECTION EFFORTS AS DETERMINED BY ASCENSION HEALTH ACCOUNTS RECEIVABLE ARE WRITTEN OFF AFTER COLLECTION EFFORTS HAVE BEEN FOLLOWED, IN ACCORDANCE WITH THE CORPORATION'S POLICIES AFTER APPLYING THE COST-TO-CHARGE RATIO, THE SHARE OF THE BAD DEBT EXPENSE IN FISCAL YEAR 2014 WAS $15,058,871 AT CHARGES ($4,138,370 AT COST)

Form and Line Reference	Explanation
PART III, LINE 3	THE PROVISION FOR DOUBTFUL ACCOUNTS IS BASED UPON MANAGEMENT'S ASSESSMENT OF EXPECTED NET COLLECTIONS CONSIDERING ECONOMIC CONDITIONS, HISTORICAL EXPERIENCE, TRENDS IN HEALTHCARE COVERAGE, AND OTHER COLLECTION INDICATORS PERIODICALLY THROUGHOUT THE YEAR, MANAGEMENT ASSESSES THE ADEQUACY OF THE ALLOWANCE FOR DOUBTFUL ACCOUNTS BASED UPON HISTORICAL WRITE-OFF EXPERIENCE BY PAYOR CATEGORY, INCLUDING THOSE AMOUNTS NOT COVERED BY INSURANCE THE RESULTS OF THIS REVIEW ARE THEN USED TO MAKE ANY MODIFICATIONS TO THE PROVISION FOR DOUBTFUL ACCOUNTS TO ESTABLISH AN APPROPRIATE ALLOWANCE FOR DOUBTFUL ACCOUNTS

Form and Line Reference	Explanation
PART III, LINE 4	THE ORGANIZATION IS A PART OF THE ASCENSION HEALTH ALLIANCE'S CONSOLIDATED AUDIT IN WHICH THE FOOTNOTE THAT DISCUSSES THE BAD DEBT EXPENSE IS LOCATED ON PAGE 19

Form and Line Reference	Explanation
PART III, LINE 8	A COST TO CHARGE RATIO IS APPLIED TO THE ORGANIZATION'S MEDICARE EXPENSE TO DETERMINE THE MEDICARE ALLOWABLE COSTS REPORTED IN THE ORGANIZATION'S MEDICARE COST REPORT ASCENSION HEALTH AND RELATED HEALTH MINISTRIES FOLLOW THE CATHOLIC HEALTH ASSOCIATION ("CHA") GUIDELINES FOR DETERMINING COMMUNITY BENEFIT CHA COMMUNITY BENEFIT REPORTING GUIDELINES SUGGEST THAT MEDICARE SHORTFALL IS NOT TREATED AS A COMMUNITY BENEFIT

Form and Line Reference	Explanation
PART III, LINE 9B	THE ORGANIZATION HAS A WRITTEN DEBT COLLECTION POLICY THAT ALSO INCLUDES A PROVISION ON THE COLLECTION PRACTICES TO BE FOLLOWED FOR PATIENTS WHO ARE KNOWN TO QUALIFY FOR CHARITY CARE OR FINANCIAL ASSISTANCE IF A PATIENT QUALIFIES FOR CHARITY OR FINANCIAL ASSISTANCE CERTAIN COLLECTION PRACTICES DO NOT APPLY AND THE FINANCIAL ASSISTANCE PROGRAM IS FOLLOWED

Form and Line Reference	Explanation
PART VI, LINE 2	COMMUNITIES ARE DYNAMIC SYSTEMS IN WHICH MULTIPLE FACTORS INTERACT TO IMPACT QUALITY OF LIFE AND HEALTH STATUS AS PART OF THE ST MARY'S HEALTH SYSTEM, THE GOAL OF ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC IS TO WORK WITH ITS COMMUNITY TO CONDUCT AN ASSESSMENT AT LEAST EVERY THREE YEARS ASSESSMENTS MAY INCLUDE PRIMARY SURVEY DATA, SECONDARY DATA, FOCUS GROUP INPUT, COMMUNITY LEADERS' SURVEY AND OTHER DATA RESULTS ARE MADE AVAILABLE TO ORGANIZATIONS AND INDIVIDUALS THROUGHOUT THE COMMUNITY THESE NEEDS ASSESSMENTS ARE ALSO UTILIZED IN CREATING THE HOSPITAL'S INTEGRATED STRATEGIC FINANCIAL AND OPERATIONAL PLAN TO THAT END, ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC HAS BROUGHT TOGETHER A COMMUNITY ROUNDTABLE WITH THE PURPOSE OF DETERMINING THE RESOURCES AND NEEDS, PRIORITIZING ACTION AND WORKING IN PARTNERSHIP TO ADDRESS IDENTIFIED CHALLENGES WITHIN A DESIGNATED AREA SURROUNDING THE HOSPITAL ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC ALSO IDENTIFIES COMMUNITY HEALTH NEEDS BY EMPLOYING OTHER PUBLIC AGENCY NEEDS ASSESSMENTS SUCH AS WELBORN BAPTIST FOUNDATION AND THE UNITED WAY

Form and Line Reference	Explanation
PART VI, LINE 3	ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC COMMUNICATES WITH PATIENTS IN MULTIPLE WAYS TO ENSURE THAT THOSE WHO ARE BILLED FOR SERVICES ARE AWARE OF THE HOSPITAL'S CHARITY CARE PROGRAM AS WELL AS THEIR POTENTIAL ELIGIBILITY FOR LOCAL, STATE OR FEDERAL PROGRAMS SIGNS ARE PROMINENTLY POSTED IN EACH SERVICE AREA IN ADDITION, THE HOSPITAL EMPLOYS FINANCIAL COUNSELORS, HEALTH ACCESS WORKERS, AND ENROLLMENT SPECIALISTS WHO CONSULT WITH PATIENTS ABOUT THEIR ELIGIBILITY FOR FINANCIAL ASSISTANCE PROGRAMS AND HELP PATIENTS IN APPLYING FOR ANY PUBLIC PROGRAMS FOR WHICH THEY MAY QUALIFY ALL SELF-PAY PATIENTS RECEIVE A 15% DISCOUNT OFF THE TOP ON ALL CHARGES BEFORE STATEMENTS ARE MAILED

Form and Line Reference	Explanation
PART VI, LINE 4	ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC IS LOCATED IN EVANSVILLE, INDIANA AND SERVES VANDERBURGH AND CONTINGUOUS COUNTIES IN SOUTHERN INDIANA AND NORTH-CENTRAL KENTUCKY THE PRIMARY SERVICE AREA IS DEFINED AS VANDERBURGH, WARRICK AND POSEY COUNTIES THE POPULATION FOR THE PRIMARY SERVICE AREA WAS 287,757 IN 2014 ALSO THE MEDIAN INCOME FOR THE PRIMARY SERVICE AREA WAS $54,936 FOR 2014 WITH 16% OF CHILDREN BELOW POVERTY LEVEL

Form and Line Reference	Explanation
PART VI, LINE 5	TO PROVIDE THE HIGHEST QUALITY HEALTHCARE TO ALL PERSONS IN THE COMMUNITY, AND IN KEEPING WITH ITS NOT-FOR-PROFIT STATUS, ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC - DELIVERS PATIENT SERVICES, INCLUDING EMERGENCY DEPARTMENT SERVICES AND URGENT CARE SITES, TO ALL INDIVIDUALS REQUIRING HEALTHCARE, WITHOUT REGARD TO PATIENT RACE, ETHNICITY, ECONOMIC STATUS, INSURANCE STATUS OR ABILITY TO PAY- MAINTAINS AN OPEN MEDICAL STAFF THAT ALLOWS CREDENTIALED PHYSICIANS TO PRACTICE AT ITS FACILITIES- TRAINS AND EDUCATES HEALTH CARE PROFESSIONALS- PARTICIPATES IN GOVERNMENT-SPONSORED PROGRAMS SUCH AS MEDICAID AND MEDICARE TO PROVIDE TO THE POOR AND ELDERLY APPLICATION EVENTS ARE HELD AS WELL AS FOLLOW UP ASSISTANCE FOR INSURANCE- HEALTH ACCESS ADVOCATES ("HAA") ARE COMMUNITY BASED STAFF WHOSE PRIMARY ROLE IS TO SIGN CHILDREN UP FOR HOOSIER HEALTHCARE INSURANCE THEY CAN DO THIS BY ASSISTING FAMILIES IN APPLYING FOR HOOSIER HEALTHCARE INSURANCE HERE IN THE OFFICE, IN THE COMMUNITY, OR AT THE PATIENT'S HOME DURING THIS PROCESS, THEY CAN ALSO ASSIST FAMILIES WITH BASIC NEEDS SUCH AS FOOD, SHELTER AND CLOTHING THE ADVOCATES CAN ALSO ASSIST ADULTS WITH APPLYING FOR MEDICAID, HEALTHY INDIANA PLAN, AND OTHER RESOURCES SUCH AS PHARMACEUTICAL APPLICATIONS FOR THOSE WHO QUALIFY HAA WILL AT TIMES TRANSPORT PATIENTS TO NECESSARY APPOINTMENTS ADDITIONALLY, HAA PROVIDES ASSISTANCE TO THE LATINO POPULATION BY PROVIDING A BI-LINGUAL ASSOCIATE THIS ASSOCIATE SPEARHEADS A CERTIFIED MEDICAL INTERPRETER TRAINING PROGRAM THROUGH THE BRIDGING THE GAP PROGRAM - IS GOVERNED BY A BOARD IN WHICH INDEPENDENT COMMUNITY MEMBERS COMPRISE A MAJORITY- CONDUCTS COMMUNITY HEALTH NEEDS ASSESSMENTS AND HOLDS MEMBERSHIP ON OTHER PUBLIC AGENCY BOARDS TO ENHANCE WELL BEING OF THE COMMUNITY IN PARTNERSHIP PROGRAMS- PROVIDES DENTAL SERVICES FOR PRIMARY SERVICE AREA WITH MOBILE DENTAL FOR KIDS CLINIC- NUTRITION COUNSELING IS PROVIDED TO THE COMMUNITY AND SPECIFICALLY AREA SCHOOLS AND YOUTH GROUPS, SUCH AS FOOD PYRAMID PROGRAMS, STAFF HEALTH FAIR, ETC- COMPLIMENTARY THERAPIES INCLUDING MASSAGES, YOGA CLASSES, STRESS REDUCTION CLASSES AT HOPE RESOURCE CENTER FOR CANCER PATIENTS AND SURVIVORS- MALL WALKING PROGRAMS AND MONTHLY BLOOD PRESSURE SCREENINGS AT LOCAL MALL- CHRISTMAS PROGRAMS FOR THE POOR GREAT EXPECTATIONS AREA FAMILIES ARE IDENTIFIED FROM LOCAL GROUPS SUCH AS UNITED WAY, CHURCHES, AND THE SCHOOL SYSTEMS, AS NEEDING ASSISTANCE WITH CHRISTMAS ASSOCIATES OF ST MARY'S GIVE MONIES, FOOD, CLOTHING, TOYS, ETC TO FAMILIES IN NEED EACH YEAR - AUTISM VISIT WITH SANTA- WNIN KIDS DAY - MOBILE DENTAL KARE LAB- CPR CLASSES GIVEN AT LOCAL DAYCARES AND SCHOOLS- JOSLIN AND DIABETIC FOOT CLINIC - LECTURES, CLASSES, EXERCISE INSERVICES- SAFESITTERS EDUCATION FOR TEENAGERS PREPARING TO TAKE CARE OF YOUNG CHILDREN, TODDLERS, AND INFANTS- ST MARY'S NIGHTS AT CHILDREN'S MUSEUM OF EVANSVILLE- YOUTH FIRST RETREATS- AMERICAN RED CROSS BLOOD DRIVES- AMBULANCE, REHAB, AND MISC BILLINGS PAID FOR PATIENTS- PATIENT CARE FOR NON-PROFIT ECHO CLINIC- TRANSPORTATION SERVICES FOR PATIENTS AND FAMILIES - MEAL TICKETS FOR PATIENT FAMILIES

Form and Line Reference	Explanation
PART VI, LINE 6	AS A PART OF ST MARY'S HEALTH, INC , ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC IS DEDICATED TO IMPROVING THE HEALTH STATUS AND QUALITY OF LIFE FOR THE COMMUNITIES IT SERVES WHILE DESIGNATED ASSOCIATES AT ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC DEVOTE ALL OR SIGNIFICANT PORTIONS OF THEIR TIME TO LEADING AND ADMINISTERING LOCAL COMMUNITY-BASED PROGRAMS AND PARTNERSHIPS, ASSOCIATES THROUGHOUT THE ORGANIZATION ARE ACTIVE PARTICIPANTS IN COMMUNITY OUTREACH THEY ARE ASSISTED AND SUPPORTED BY DESIGNATED ST MARY'S HEALTH COMMUNITY DEVELOPMENT AND SERVICE STAFF WHO WORK WITH EACH OF ITS HEALTHCARE FACILITIES TO ADVOCATE FOR AND PROVIDE TECHNICAL ASSISTANCE FOR COMMUNITY OUTREACH, NEEDS ASSESSMENTS AND PARTNERSHIPS AS WELL AS TO SUPPORT REGIONAL AND STATE-WIDE PROGRAMS, COMMUNITY PROGRAMS SPONSORED BY ST MARY'S HEALTH IN WHICH ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC PARTICIPATES FORM 990, PART III, LINE 4A, 4B AND 4C COMMUNITY BENEFIT REPORTAS A MEMBER OF ASCENSION HEALTH, THE NATION'S LARGEST CATHOLIC HEALTHCARE SYSTEM, ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC CONTINUES TO BUILD AND STRENGTHEN SUSTAINABLE COLLABORATIVE EFFORTS THAT BENEFIT THE HEALTH OF INDIVIDUALS, FAMILIES, AND SOCIETY AS A WHOLE THE GOAL OF ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC IS TO PERPETUATE THE HEALING MISSION OF THE CHURCH ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC FURTHERS THIS GOAL THROUGH DELIVERY OF PATIENT SERVICES, CARE TO THE ELDERLY AND INDIGENT, PATIENT EDUCATION AND HEALTH AWARENESS PROGRAMS FOR THE COMMUNITY, AND MEDICAL RESEARCH OUR CONCERN FOR ALL HUMAN LIFE AND DIGNITY OF EACH PERSON LEADS THE ORGANIZATION TO PROVIDE MEDICAL SERVICES TO ALL PEOPLE IN THE COMMUNITY WITHOUT REGARD TO THE PATIENT'S RACE, CREED, NATIONAL ORIGIN, ECONOMIC STATUS, OR ABILITY TO PAY IN ORDER TO PORTRAY THE FULL BREADTH OF OUR CONTRIBUTION, OUR COMMUNITY BENEFIT INFORMATION IS DESCRIBED BELOW ORGANIZATIONAL COMMITMENT TO PROVIDING COMMUNITY BENEFITST MARY'S MEDICAL CENTER OF EVANSVILLE, INC IS A 494-BED ACUTE CARE HOSPITAL ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC SERVICES THE TRI-STATE AREA AROUND SOUTHERN INDIANA, INCLUDING SOUTHEASTERN ILLINOIS, AND NORTHWESTERN KENTUCKY ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC SEEKS TO IMPROVE THE PHYSICAL, MENTAL, SOCIAL AND SPIRITUAL HEALTH STATUS OF ITS SURROUNDING COMMUNITY ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC PROVIDES SIGNIFICANT RESOURCES ONLINE FOR PUBLIC USE AND EDUCATION AT WWW STMARYS ORG SUCH ITEMS INCLUDE INFORMATION ON ALLERGIES, ASTHMA, BACK PAIN, CANCER, DIABETES, HEART DISEASE, KIDNEY DISEASE, MEN'S HEALTH, ORTHOPEDIC HEALTH, MENTAL HEALTH, PARENTING, PATIENT SAFETY, PREGNANCY, SENIOR HEALTH, STRESS, STROKE, WEIGHT MANAGEMENT AND WOMEN'S HEALTH PLEASE VISIT WWW STMARYS ORG FOR A FULL LIST OF SERVICES

Additional Data

Software ID:
Software Version:
EIN: 35-0869065
Name: ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

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, SECTION B, LINE 3	
PART V, SECTION B, LINE 4	THE OTHER HOSPITAL FACILITIES WITH WHICH THE REPORTING HOSPITAL FACILITY CONDUCTED ITS CHN A INCLUDES ST MARY'S WARRICK HOSPITAL, INC , DEACONESS HOSPITAL, DEACONESS GATEWAY, DEACO NESS CROSSPOINTE, AND THE WOMEN'S HOSPITAL
PART V, SECTION B, LINE 5C	THE HOSPITAL FACILITY PRESENTED ITS CHNA TO THE COMMUNITY AT A LOCAL FINANCIAL INSTITUTION
PART V, SECTION B, LINE 7	THE HOSPITAL FACILITY'S COMMUNITY NEEDS HEALTH ASSESSMENT IDENTIFIED ACCESS TO CARE, ORAL HEALTH, AND EDUCATION TRAINING AS NEEDS OF THE COMMUNITY THE HOSPITAL FACILITY DID NOT TA KE ACTION TO ADDRESS THESE NEEDS AS IT HAS LIMITED FINANCIAL AND OTHER RESOURCES
PART V, SECTION B, LINE 20D	THE DISCOUNT WAS DETERMINED BY REVIEWING THE LOWEST DISCOUNT PROVIDED TO MANAGED CARE PAYE RS THAT COMPRISE AT LEAST 3% OF OUR VOLUME WITH AN ADDED PROMPT PAY DISCOUNT TO THE HIGHES T PAID DISCOUNT PROVIDED TO OUR MANAGED CARE PAYERS

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)
ST MARY'S SURGICARE 300 CIRCLE FRONT DRIVE EVANSVILLE,IN 47715	GENERAL SURGICAL CENTER
ST MARY'S SURGICARE 1125 PROFESSIONAL BLVD EVANSVILLE,IN 47714	GENERAL SURGICAL CENTER
ST MARY'S CONVENIENT CARE EAST 100 EPWORTH CROSSING SUITE B100 NEWBURGH,IN 47630	GENERAL SURGICAL CENTER
ST MARY'S MATERNAL-FETAL MEDICINE 3700 WASHINGTON AVENUE SUITE 2100A EVANSVILLE,IN 47750	GENERAL SURGICAL CENTER
ST MARY'S OUTPATIENT REHAB 1144 WASHINGTON SQUARE EVANSVILLE,IN 47715	GENERAL SURGICAL CENTER
ST MARY'S REHAB 3900 WASHINGTON AVENUE EVANSVILLE,IN 47714	GENERAL SURGICAL CENTER
ST MARY'S NORTHBROOK 3838 N FIRST AVENUE EVANSVILLE,IN 47710	GENERAL SURGICAL CENTER
ST MARY'S FOR CHILDREN 3900 WASHINGTON AVENUE EVANSVILLE,IN 47714	GENERAL SURGICAL CENTER
ST MARY'S OCCMED 2330 LYNCH ROAD EVANSVILLE,IN 47711	GENERAL SURGICAL CENTER
ST MARY'S CONVENIENT CARE - WEST 5320 WESTON ROAD EVANSVILLE,IN 47712	GENERAL SURGICAL CENTER
ST MARY'S NORTH POINTE REHAB 2300 LYNCH ROAD EVANSVILLE,IN 47711	GENERAL SURGICAL CENTER
ST MARY'S NORTHBROOK - DX RADIOLOGY 3838 N FIRST AVENUE EVANSVILLE,IN 47710	GENERAL SURGICAL CENTER
ST MARY'S IMAGING AND LAB 1138 WASHINGTON SQUARE EVANSVILLE,IN 47715	GENERAL SURGICAL CENTER
ST MARY'S NORTHBROOK - CT 3838 N FIRST AVENUE EVANSVILLE,IN 47710	GENERAL SURGICAL CENTER
ST MARY'S WEST SIDE X-RAY 2345 W FRANKLIN STREET EVANSVILLE,IN 47712	GENERAL SURGICAL CENTER

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)
JOSLIN DIABETES CENTER 3801 BELLEMEADE AVENUE EVANSVILLE,IN 47714	GENERAL SURGICAL CENTER
ST MARY'S WEIGHT MANAGEMENT CENTER 950 S KENMORE EVANSVILLE,IN 47714	GENERAL SURGICAL CENTER
ST MARY'S HEART INSTITUTE 3700 WASHINGTON AVENUE EVANSVILLE,IN 47714	GENERAL SURGICAL CENTER
ST MARY'S PRE-PROCEDURE CLINIC 1140 WASHINGTON AVENUE EVANSVILLE,IN 47714	GENERAL SURGICAL CENTER

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

▶ **Attach to Form 990**

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

Employer identification number
35-0869065

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) ST MARY'S OHIO VALLEY HEARTCARE LLC 3700 WASHINGTON AVENUE EVANSVILLE,IN 47750	27-3474697	501(C)(3)	3,700,345				OPERATING GRANT
(2) ST MARY'S PHYSICIAN NETWORK LLC 3700 WASHINGTON AVENUE EVANSVILLE,IN 47750	20-5023387	501(C)(3)	3,365,000				OPERATING GRANT
(3) ST MARY'S MEDICAL GROUP LLC 3700 WASHINGTON AVENUE EVANSVILLE,IN 47750	26-1356310	501(C)(3)	10,350,000				OPERATING GRANT
(4) PRIMARY PHYSICIAN NETWORK LLC 3700 WASHINGTON AVENUE EVANSVILLE,IN 47750	20-8775914	501(C)(3)	3,770,000				OPERATING GRANT
(5) ST MARY'S HEALTH INC 3700 WASHINGTON AVENUE EVANSVILLE,IN 47750	35-2057801	501(C)(3)	40,216,424				OPERATING SUPPORT
(6) ST MARY'S MEDICAL GROUP INC 3700 WASHINGTON AVENUE EVANSVILLE,IN 47750	35-2076827		2,500,000				OPERATING SUPPORT
(7) ST MARY'S CARE PARTNERS INC 3700 WASHINGTON AVENUE EVANSVILLE,IN 47750	35-1899562	501(C)(3)	1,000,000				OPERATING SUPPORT
(8) ST MARY'S AT HOME INC 3700 WASHINGTON AVENUE EVANSVILLE,IN 47750	35-1899560	501(C)(3)		5,421	FMV	EQUIPMENT	OPERATING SUPPORT

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . . ▶ 7

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

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

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

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

Return Reference	Explanation
PART I, LINE 2	ONE PERSON OF ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC , IS RESPONSIBLE FOR RESEARCHING AND COORDINATING GRANT PROPOSALS THIS PERSON IS ALSO RESPONSIBLE FOR ENSURING THAT TIMELY REPORTS ARE SENT TO THE GRANTOR THE CHIEF EXECUTIVE OF THE ENTITY OPERATIONS REVIEWS AND APPROVES ALL THE EXPENDITURES FROM THE GRANT FUNDS, ENSURING THEY ARE WITHIN THE GUIDELINES OF THE GRANT

Additional Data

Software ID:
Software Version:
EIN: 35-0869065
Name: ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ST MARY'S OHIO VALLEY HEARTCARE LLC 3700 WASHINGTON AVENUE EVANSVILLE,IN 47750	27-3474697	501(C)(3)	3,700,345				OPERATING GRANT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ST MARY'S PHYSICIAN NETWORK LLC 3700 WASHINGTON AVENUE EVANSVILLE,IN 47750	20-5023387	501(C)(3)	3,365,000				OPERATING GRANT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ST MARY'S MEDICAL GROUP LLC 3700 WASHINGTON AVENUE EVANSVILLE,IN 47750	26-1356310	501(C)(3)	10,350,000				OPERATING GRANT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
PRIMARY PHYSICIAN NETWORK LLC 3700 WASHINGTON AVENUE EVANSVILLE,IN 47750	20-8775914	501(C)(3)	3,770,000				OPERATING GRANT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ST MARY'S HEALTH INC 3700 WASHINGTON AVENUE EVANSVILLE,IN 47750	35-2057801	501(C)(3)	40,216,424				OPERATING SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ST MARY'S MEDICAL GROUP INC 3700 WASHINGTON AVENUE EVANSVILLE,IN 47750	35-2076827		2,500,000				OPERATING SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ST MARY'S CARE PARTNERS INC 3700 WASHINGTON AVENUE EVANSVILLE,IN 47750	35-1899562	501(C)(3)	1,000,000				OPERATING SUPPORT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ST MARY'S AT HOME INC 3700 WASHINGTON AVENUE EVANSVILLE,IN 47750	35-1899560	501(C)(3)		5,421	FMV	EQUIPMENT	OPERATING SUPPORT

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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
ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

Employer identification number
35-0869065

Part I Questions Regarding Compensation

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

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

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

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

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

Part III Supplemental Information

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

Return Reference	Explanation
PART I, LINE 3	ASCENSION HEALTH, A RELATED ORGANIZATION OF ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC , USES THE FOLLOWING TO ESTABLISH THE COMPENSATION OF THE ORGANIZATION'S CEO/EXECUTIVE DIRECTOR COMPENSATION COMMITTEE INDEPENDENT COMPENSATION CONSULTANT COMPENSATION SURVEY OR STUDY APPROVAL BY THE BOARD OR COMPENSATION COMMITTEE
PART I, LINE 4A	THE FOLLOWING HIGHEST COMPENSATED EMPLOYEE AND FORMER KEY EMPLOYEE RECEIVED SEVERANCE PAYMENTS FROM THE ORGANIZATION OR A RELATED ORGANIZATION DURING THE CALENDAR YEAR 2013 JOHN GALLAGHER, MD $105,715 THOMAS LILLY $99,920
PART I, LINE 4B	ELIGIBLE EXECUTIVES PARTICIPATE IN VARIOUS NON-QUALIFIED DEFERRED COMPENSATION PLANS ORGANIZED UNDER CODE SECTION 457(F) THE EXACT PURPOSE OF EACH PLAN VARIES, BUT THEY INCLUDE COMPENSATION LIMITATION MAKE-UP PLANS, VOLUNTARY DEFERRAL PLANS, DEFERRAL OF A PORTION OF INCENTIVE BONUS TYPE PLANS, ETC ANY AMOUNT ULTIMATELY PAID UNDER THE PROGRAM TO THE EXECUTIVE IS REPORTED AS COMPENSATION ON FORM 990, SCHEDULE J, PART II, COLUMN B IN THE YEAR PAID THE FOLLOWING INDIVIDUALS RECEIVED CURRENT YEAR DISTRIBUTIONS OF ALIREZA KHAKBAZNEJAD, MD $6,057 CHARLES LACKEY, MD $37,900 JOHN GALLAGHER, MD $55,791 KATHRYN BRYAN, MD $36,382 MICHAEL KLUEH $3,983 TIMOTHY FLESCH $2 KARL SASH, MD $39,996

Additional Data

Software ID:
Software Version:
EIN: 35-0869065
Name: ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

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				
DARCY ELLISON SR VP/CNO	(I) (II)	301,277 0	42,181 0	1,818 0	71,759 0	12,783 0	429,818 0	0 0
GWEN SANDEFUR EVP/COO	(I) (II)	344,978 0	50,551 0	1,005 0	11,903 0	13,205 0	421,642 0	0 0
KARL SASH MD BOARD MEMBER	(I) (II)	0 327,829	0 284,404	0 41,131	0 60,223	0 34,459	0 748,046	0 39,996
MARIA DEL-RIO MD BOARD MEMBER	(I) (II)	310,878 0	89,633 0	1,988 0	26,092 0	7,807 0	436,398 0	0 0
TIMOTHY FLESCH THRU 122013 CEO/PRESIDENT	(I) (II)	895,586 0	742,747 0	23,492 0	5,000 0	18,492 0	1,685,317 0	2 0
KIMBERLY HODGKINSON THRU 12014 CFO	(I) (II)	311,293 0	45,509 0	4,720 0	5,000 0	16,294 0	382,816 0	0 0
JANICE ERNEST VP/CARDIOVASCULAR & SYSTEM SUPPORT S	(I) (II)	192,567 0	28,560 0	2,058 0	30,531 0	19,727 0	273,443 0	0 0
JOHN GREANEY VP/STRATEGIC SERVICES	(I) (II)	179,861 0	26,736 0	841 0	5,000 0	19,640 0	232,078 0	0 0
KATHY HALL VP/SMHS REGIONAL ADMINISTRATOR	(I) (II)	184,845 0	27,817 0	419 0	13,538 0	15,003 0	241,622 0	0 0
MICHAEL KLUEH VP/CRO	(I) (II)	164,168 0	25,956 0	8,762 0	20,920 0	20,673 0	240,479 0	3,983 0
MIKE WHITMORE VP/CLINICAL SUPPORT & ANCILLARY SERV	(I) (II)	190,720 0	27,777 0	1,402 0	18,091 0	2,532 0	240,522 0	0 0
VERNON MAAS MD VP/MEDICAL AFFAIRS	(I) (II)	218,010 0	25,394 0	11,625 0	44,396 0	10,578 0	310,003 0	0 0
ALIREZA KHAKBAZNEJAD MD PHYSICIAN	(I) (II)	399,507 0	33,825 0	13,688 0	39,728 0	6,307 0	493,055 0	6,057 0
CHARLES LACKEY MD PHYSICIAN	(I) (II)	446,547 0	0 0	55,940 0	42,139 0	9,015 0	553,641 0	37,900 0
JOHN GALLAGHER MD PHYSICIAN	(I) (II)	188,045 0	81,435 0	175,552 0	66,112 0	12,870 0	524,014 0	55,791 0
KATHRYN BRYAN MD PHYSICIAN	(I) (II)	427,711 0	0 0	56,080 0	40,626 0	11,226 0	535,643 0	36,382 0
MUREENA TURNQUEST-WELLS MD PHYSICIAN	(I) (II)	537,509 0	59,296 0	19,508 0	65,253 0	15,957 0	697,523 0	0 0
THOMAS LILLY FORMER KEY EMPLOYEE	(I) (II)	104,387 0	32,962 0	103,492 0	11,648 0	3,571 0	256,060 0	0 0

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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
ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

Employer identification number
35-0869065

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) CAROL ACKERMAN	- SEE PART V -	48,709	SEE PART V		No
(2) JENNIFER HERRELL MD	- SEE PART V -	33,615	SEE PART V		No
(3) KIMBERLY WHITMORE	- SEE PART V -	53,624	SEE PART V		No

Part V Supplemental Information

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

Return Reference	Explanation
SCHEDULE L, PART IV	BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS(A) NAME OF PERSON CAROL ACKERMAN(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION SISTER-IN-LAW OF DARCY ELLISON(C) AMOUNT OF TRANSACTION $48,709(D) DESCRIPTION OF TRANSACTION CAROL ACKERMAN IS AN EMPLOYEE OF ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC AND RECEIVES COMPENSATION FROM THE ORGANIZATION (E) SHARING OF ORGANIZATION REVENUES NO
SCHEDULE L, PART IV	BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS(A) NAME OF PERSON JENNIFER HERRELL, MD(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION DAUGHTER OF MICHAEL HERRELL, MD(C) AMOUNT OF TRANSACTION $33,615(D) DESCRIPTION OF TRANSACTION JENNIFER HERRELL, MD IS AN EMPLOYEE OF ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC AND RECEIVES COMPENSATION FROM THE ORGANIZATION (E) SHARING OF ORGANIZATION REVENUES NO
SCHEDULE L, PART IV	BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS(A) NAME OF PERSON KIMBERLY WHITMORE(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION WIFE OF MIKE WHITMORE(C) AMOUNT OF TRANSACTION $53,624(D) DESCRIPTION OF TRANSACTION KIMBERLY WHITMORE IS AN EMPLOYEE OF ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC AND RECEIVES COMPENSATION FROM THE ORGANIZATION (E) SHARING OF ORGANIZATION REVENUES NO

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SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

Employer identification number
35-0869065

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded				
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (MEDICAL EQUIP)	X	1	54,175	FMV OF DONATED ASSET
26 Other ▶( )				
27 Other ▶( )				
28 Other ▶ ( )				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . | 29 | 0

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

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

Return Reference	Explanation
PART I, COLUMN (B)	THE NUMBERS IN COLUMN (B) REFER TO THE NUMBER OF CONTRIBUTIONS

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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
ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

Employer identification number
35-0869065

Return Reference	Explanation
FORM 990, PART IV, LINE 24A	ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC IS A HEALTH FACILITY THAT IS PART OF THE ASCENSION HEALTH SYSTEM ASCENSION HEALTH IS THE BORROWER FOR TAX-EXEMPT HOSPITAL REVENUE BONDS ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC HOLDS AN INTERCOMPANY NOTE PAYABLE WITH ASCENSION HEALTH, AND THIS INFORMATION IS REPORTED ON THE BALANCE SHEET

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6	ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC HAS A SINGLE CORPORATE MEMBER, ST MARY'S HEALTH SERVICES, INC

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A	ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC HAS A SINGLE CORPORATE MEMBER, ST MARY'S HEALTH SERVICES, INC WHO HAS THE ABILITY TO ELECT MEMBERS TO THE GOVERNING BODY OF ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B	ALL DECISIONS THAT HAVE A MATERIAL IMPACT TO ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC 'S FINANCIAL INFORMATION OR CORPORATION AS A WHOLE ARE SUBJECT TO APPROVAL BY ITS SOLE CORPORATE MEMBER, ST MARY'S HEALTH SERVICES, INC

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11	ST MARY'S HEALTH, INC 'S FINANCE COMMITTEE REVIEWS THE FORM 990 IN MARCH UPON RECEIVING DIRECTION FROM ITS TAX PREPARER THE FORM 990 IS THEN SENT TO THE GOVERNING BODY IN APRIL TO ALLOW FOR A THOROUGH REVIEW BY THE GOVERNING BODY PRIOR TO THE FILING DATE OF MAY 15TH THE GOVERNING BODY WILL REVIEW THE FORM 990 VIA A SECURE WEB-BASED PORTAL AND ASK ANY QUESTIONS REGARDING THE FORM 990 ANY QUESTIONS AND RESPONSES WILL BE POSTED TO THE WEB-BASED PORTAL BEFORE THE RETURN IS FILED ALL QUESTIONS AND RESPONSES WILL BE REVIEWED AND DISCLOSED IN THE MEETING MINUTES OF THE NEXT BOARD MEETING FOLLOWING THE REVIEW OF THE FORM 990

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	THE ORGANIZATION REGULARLY AND CONSISTENTLY MONITORS AND ENFORCES COMPLIANCE WITH THE CONFLICT OF INTEREST POLICY IN THAT ANY DIRECTOR, PRINCIPAL OFFICER, OR MEMBER OF A COMMITTEE WITH GOVERNING BOARD DELEGATED POWERS, WHO HAS A DIRECT OR INDIRECT FINANCIAL INTEREST, MUST DISCLOSE THE EXISTENCE OF THE FINANCIAL INTEREST AND BE GIVEN THE OPPORTUNITY TO DISCLOSE ALL MATERIAL FACTS TO THE DIRECTORS AND MEMBERS OF THE COMMITTEES WITH GOVERNING BOARD DELEGATED POWERS CONSIDERING THE PROPOSED TRANSACTION OR ARRANGEMENT THE REMAINING INDIVIDUALS ON THE GOVERNING BOARD OR COMMITTEE WILL DECIDE IF CONFLICTS OF INTEREST EXIST EACH DIRECTOR, PRINCIPAL OFFICER AND MEMBER OF A COMMITTEE WITH GOVERNING BOARD DELEGATED POWERS ANNUALLY SIGNS A STATEMENT WHICH AFFIRMS SUCH PERSON HAS RECEIVED A COPY OF THE CONFLICTS OF INTEREST POLICY, HAS READ AND UNDERSTANDS THE POLICY, HAS AGREED TO COMPLY WITH THE POLICY, AND UNDERSTANDS THAT THE ORGANIZATION IS CHARITABLE AND IN ORDER TO MAINTAIN ITS FEDERAL TAX EXEMPTION IT MUST ENGAGE PRIMARILY IN ACTIVITIES WHICH ACCOMPLISH ITS TAX-EXEMPT PURPOSE

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	IN DETERMINING THE COMPENSATION OF THE ORGANIZATION'S CEO, THE PROCESS, PERFORMED BY ASCENSION HEALTH, A RELATED ORGANIZATION OF ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC , INCLUDED A REVIEW AND APPROVAL BY INDEPENDENT PERSONS, COMPARABILITY DATA AND CONTEMPORANEOUS SUBSTANTIATION OF THE DELIBERATION AND DECISION THE COMPENSATION COMMITTEE REVIEWED AND APPROVED THE COMPENSATION IN THE REVIEW OF THE COMPENSATION, THE CEO WAS COMPARED TO INDIVIDUALS AT OTHER ORGANIZATIONS IN THE AREA WHO HOLD THE SAME TITLE DURING THE REVIEW AND APPROVAL OF THE COMPENSATION, DOCUMENTATION OF THE DECISION WAS RECORDED IN THE COMMITTEE MINUTES THE INDIVIDUAL WAS NOT PRESENT WHEN THEIR COMPENSATION WAS DECIDED COMPENSATION DETERMINATIONS OF ST MARY'S MEDICAL CENTER OF EVANSVILLE, INC 'S OTHER OFFICERS OR KEY EMPLOYEES ARE MADE BY ST MARY'S HEALTH, INC 'S MANAGEMENT IN DETERMINING COMPENSATION OF OTHER OFFICERS OR KEY EMPLOYEES OF THE ORGANIZATION, THE PROCESS INCLUDED A REVIEW AND APPROVAL BY INDEPENDENT PERSONS, COMPARABILITY DATA, AND CONTEMPORANEOUS SUBSTANTIATION OF THE DELIBERATION AND DECISION IN THE REVIEW OF THE COMPENSATION, THE OTHER OFFICERS OR KEY EMPLOYEES OF THE ORGANIZATION WERE COMPARED TO THE OTHER HOSPITALS' EMPLOYEES IN THE AREA THAT HOLD THE SAME POSITION FORM 990, PART VI, SECTION B, LINE 16B ST MARY'S HEALTH, INC AND SUBSIDIARIES (ST MARY'S) JOINT VENTURE OPERATING AGREEMENTS ARE NEGOTIATED WITH OTHER MEMBERS OF THE JOINT VENTURE TO ENSURE THAT ADEQUATE SAFEGUARDS ARE IN PLACE TO PROTECT ST MARY'S EXEMPT STATUS EACH AGREEMENT CONTAINS SPECIFIC LANGUAGE RELATED TO THE PROVISION OF HEALTH CARE SERVICES WITH A FOCUS ON COMMUNITY HEALTH BENEFIT AND MUST FOLLOW A FORMAL REVIEW PROCESS PRIOR TO CONTRACT EXECUTION ST MARY'S CONTINUALLY ENSURES THAT ITS EXEMPT STATUS IS PROTECTED BY ACTIVELY PARTICIPATING IN THE GOVERNANCE OF ALL ST MARY'S JOINT VENTURES

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION WILL PROVIDE ANY DOCUMENTS OPEN TO PUBLIC INSPECTION UPON REQUEST

Return Reference	Explanation
FORM 990, PART XI, LINE 9	FAS 158 PENSION -428,383 BOND REMIDIATION -13,523,000 NET ASSET TRANSFER WITH ST MARY'S HEALTH SERVICES, INC -1,588,575 NET ASSET TRANSFER WITH ST MARY'S HEALTH, INC -481,662 NET ASSET TRANSFER WITH ST MARY'S BUILDING CORPORATION -12,721,103

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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
ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

Employer identification number
35-0869065

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
See Additional Data Table												

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) ST MARY'S MEDICAL GROUP INC 3700 WASHINGTON AVENUE EVANSVILLE, IN 47750 35-2076827	INVESTMENT	IN	ST MARY'S HEALTH SERVICES INC	C	-1,556,561	257,378	100 000 %	Yes	

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

		Yes	No
Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule			
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties or **(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to related organization(s)	1b	Yes	
c Gift, grant, or capital contribution from related organization(s)	1c	Yes	
d Loans or loan guarantees to or for related organization(s)	1d	Yes	
e Loans or loan guarantees by related organization(s)	1e		No
f Dividends from related organization(s)	1f		No
g Sale of assets to related organization(s)	1g		No
h Purchase of assets from related organization(s)	1h		No
i Exchange of assets with related organization(s)	1i		No
j Lease of facilities, equipment, or other assets to related organization(s)	1j	Yes	
k Lease of facilities, equipment, or other assets from related organization(s)	1k	Yes	
l Performance of services or membership or fundraising solicitations for related organization(s)	1l		No
m Performance of services or membership or fundraising solicitations by related organization(s)	1m		No
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n		No
o Sharing of paid employees with related organization(s)	1o		No
p Reimbursement paid to related organization(s) for expenses	1p	Yes	
q Reimbursement paid by related organization(s) for expenses	1q	Yes	
r Other transfer of cash or property to related organization(s)	1r	Yes	
s Other transfer of cash or property from related organization(s)	1s		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:
Software Version:
EIN: 35-0869065
Name: ST MARY'S MEDICAL CENTER OF EVANSVILLE INC

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) ASCENSION HEALTH ALLIANCE PO BOX 45998 ST LOUIS, MO 631455998 45-3358926	NATIONAL HEALTH SYSTEM	MO	501(C)(3)	11A, I	N/A		No
(1) ASCENSION HEALTH PO BOX 45998 ST LOUIS, MO 63145 31-1662309	NATIONAL HEALTH SYSTEM	MO	501(C)(3)	11A, I	ASCENSION HEALTH ALLIANCE		No
(2) CENTRAL INDIANA HEALTH SYSTEM CARDIAC SERVICES INC 2001 W 86TH STREET INDIANAPOLIS, IN 46260 35-1869951	FREESTANDING OUTPATIENT CENTER	IN	501(C)(3)	11C, III-FI	STVINCENT HOSPITAL & HEALTH CARE CENTER INC	Yes	
(3) REHABILITATION HOSPITAL OF INDIANA INC 4141 SHORE DRIVE INDIANAPOLIS, IN 46254 35-1786005	REHABILITATION HOSPITAL	IN	501(C)(3)	3	STVINCENT HEALTH INC	Yes	
(4) SVH REAL ESTATE INC 10330 N MERIDIAN STREET STE 430N INDIANAPOLIS, IN 46290 20-5002285	REAL ESTATE HOLDING COMPANY	IN	501(C)(3)	11A, I	STVINCENT HEALTH INC	Yes	
(5) STJOSEPH HOSPITAL & HEALTH CENTER INC 1907 W SYCAMORE STREET KOKOMO, IN 46901 35-0992717	HOSPITAL	IN	501(C)(3)	3	STVINCENT HEALTH INC	Yes	
(6) STJOSEPH FOUNDATION OF KOKOMO INDIANA INC 1907 W SYCAMORE STREET KOKOMO, IN 46901 23-7313206	SUPPORTING ORGANIZATION	IN	501(C)(3)	11A, I	STJOSEPH HOSPITAL & HEALTH CENTER INC	Yes	
(7) STVINCENT ANDERSON REGIONAL HOSPITAL INC 2015 JACKSON STREET ANDERSON, IN 46016 46-0877261	HOSPITAL	IN	501(C)(3)	3	STVINCENT HEALTH INC	Yes	
(8) STVINCENT ANDERSON REGIONAL HOSPITAL FOUNDATION INC 2015 JACKSON STREET ANDERSON, IN 46016 35-2053693	SUPPORTING ORGANIZATION	IN	501(C)(3)	11A, I	STVINCENT ANDERSON REGIONAL HOSPITAL INC	Yes	
(9) STVINCENT CARMEL HOSPITAL INC 13500 N MERIDIAN STREET CARMEL, IN 46032 74-3107055	HOSPITAL	IN	501(C)(3)	3	STVINCENT HEALTH INC	Yes	
(10) STVINCENT CLAY HOSPITAL INC 1206 E NATIONAL AVENUE BRAZIL, IN 47834 35-2112529	CRITICAL ACCESS HOSPITAL	IN	501(C)(3)	3	STVINCENT HEALTH INC	Yes	
(11) STVINCENT DUNN HOSPITAL INC 1600 23RD STREET BEDFORD, IN 47421 27-2192831	CRITICAL ACCESS HOSPITAL	IN	501(C)(3)	3	STVINCENT HEALTH INC	Yes	
(12) STVINCENT FISHERS HOSPITAL INC 13861 OLIO ROAD FISHERS, IN 46037 45-4243702	HOSPITAL	IN	501(C)(3)	3	STVINCENT HEALTH INC	Yes	
(13) STVINCENT FRANKFORT HOSPITAL INC 1300 S JACKSON FRANKFORT, IN 46041 35-2099320	CRITICAL ACCESS HOSPITAL	IN	501(C)(3)	3	STVINCENT HEALTH INC	Yes	
(14) STVINCENT FRANKFORT HOSPITAL FOUNDATION INC 1300 S JACKSON FRANKFORT, IN 46041 35-1531734	SUPPORTING ORGANIZATION	IN	501(C)(3)	11A, I	STVINCENT FRANKFORT HOSPITAL INC	Yes	
(15) STVINCENT HEALTH INC 10330 N MERIDIAN STREET STE 430N INDIANAPOLIS, IN 46290 35-2052591	PARENT COMPANY	IN	501(C)(3)	11C, III-FI	ASCENSION HEALTH		No
(16) STVINCENT HEALTH WELLNESS AND PREVENTIVE CARE INSTITUTE INC 8333 NAAB ROAD STE 301 INDIANAPOLIS, IN 46260 46-1227327	HEALTH AND WELLNESS SERVICES	IN	501(C)(3)	9	STVINCENT HEALTH INC	Yes	
(17) STVINCENT HOSPITAL AND HEALTH CARE CENTER INC 2001 W 86TH STREET INDIANAPOLIS, IN 46260 35-0869066	HOSPITAL	IN	501(C)(3)	3	STVINCENT HEALTH INC	Yes	
(18) STVINCENT HOSPITAL FOUNDATION INC 10330 N MERIDIAN STREET STE 430N INDIANAPOLIS, IN 46290 35-6088862	SUPPORTING ORGANIZATION	IN	501(C)(3)	11A, I	STVINCENT HOSPITAL & HEALTH CARE CENTER INC	Yes	
(19) STVINCENT JENNINGS HOSPITAL INC 301 HENRY STREET NORTH VERNON, IN 47265 35-1841606	CRITICAL ACCESS HOSPITAL	IN	501(C)(3)	3	STVINCENT HEALTH INC	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501 (c)(3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled entity?	
						Yes	No
(21) STVINCENT MADISON COUNTY HEALTH SYSTEM INC 1331 SOUTH A STREET ELWOOD, IN 46036 35-0876389	HOSPITAL	IN	501(C)(3)	3	STVINCENT HEALTH INC	Yes	
(1) STVINCENT MEDICAL GROUP INC 8425 HARCOURT ROAD INDIANAPOLIS, IN 46260 27-2039417	PHYSICIAN PROFESSIONAL SERVICES	IN	501(C)(3)	9	STVINCENT HEALTH INC	Yes	
(2) STVINCENT MERCY HOSPITAL FOUNDATION INC 1331 SOUTH A STREET ELWOOD, IN 46036 31-1066871	SUPPORTING ORGANIZATION	IN	501(C)(3)	11A, I	STVINCENT MADISON COUNTY HEALTH SYSTEM INC	Yes	
(3) STVINCENT NEW HOPE INC 8450 N PAYNE ROAD INDIANAPOLIS, IN 46260 35-1733591	INTERMEDIATE CARE FACILITY	IN	501(C)(3)	9	STVINCENT HEALTH INC	Yes	
(4) STVINCENT RANDOLPH HOSPITAL INC 473 GREENVILLE AVENUE WINCHESTER, IN 47394 35-2103153	CRITICAL ACCESS HOSPITAL	IN	501(C)(3)	3	STVINCENT HEALTH INC	Yes	
(5) STVINCENT RANDOLPH HOSPITAL FOUNDATION INC 473 GREENVILLE AVENUE WINCHESTER, IN 47394 35-2133006	SUPPORTING ORGANIZATION	IN	501(C)(3)	11A, I	STVINCENT RANDOLPH HOSPITAL INC	Yes	
(6) STVINCENT SALEM HOSPITAL INC 911 N SHELBY STREET SALEM, IN 47167 27-0847538	CRITICAL ACCESS HOSPITAL	IN	501(C)(3)	3	STVINCENT HEALTH INC	Yes	
(7) STVINCENT SETON SPECIALTY HOSPITAL INC 8050 TOWNSHIP LINE ROAD INDIANAPOLIS, IN 46260 35-1712001	LONG TERM CARE HOSPITAL	IN	501(C)(3)	3	STVINCENT HEALTH INC	Yes	
(8) STVINCENT WILLIAMSPORT HOSPITAL INC 412 N MONROE STREET WILLIAMSPORT, IN 47993 35-0784551	CRITICAL ACCESS HOSPITAL	IN	501(C)(3)	3	STVINCENT HEALTH INC	Yes	
(9) STVINCENT WILLIAMSPORT HOSPITAL FOUNDATION INC 412 N MONROE STREET WILLIAMSPORT, IN 47993 74-3130159	SUPPORTING ORGANIZATION	IN	501(C)(3)	11A, I	STVINCENT WILLIAMSPORT HOSPITAL INC	Yes	
(10) SVSM INC 2001 W 86TH STREET INDIANAPOLIS, IN 46260 81-0607827	HOLDING COMPANY	IN	501(C)(3)	11A, I	STVINCENT HEALTH INC	Yes	
(11) ST MARY'S AT HOME INC 3700 WASHINGTON AVENUE EVANSVILLE, IN 47750 35-1899560	DME/HOME CARE	IN	501(C)(3)	11A, I	ST MARY'S HEALTH SERVICES INC	Yes	
(12) ST MARY'S BUILDING CORPORATION 3700 WASHINGTON AVENUE EVANSVILLE, IN 47750 23-7248362	REAL ESTATE HOLDING COMPANY	IN	501(C)(2)		ST MARY'S HEALTH SERVICES INC	Yes	
(13) ST MARY'S WARRICK EMERGENCY MEDICAL SERVICES INC 3700 WASHINGTON AVENUE EVANSVILLE, IN 47750 20-5342518	AMBULANCE SERVICES	IN	501(C)(4)		ST MARY'S HEALTH SERVICES INC	Yes	
(14) ST MARY'S HEALTH INC 3700 WASHINGTON AVENUE EVANSVILLE, IN 47750 35-2057801	HEALTH MINISTRY PARENT	IN	501(C)(3)	11C, III-FI	STVINCENT HEALTH INC	Yes	
(15) ST MARY'S PHYSICIAN NETWORK LLC 3700 WASHINGTON AVENUE EVANSVILLE, IN 47750 20-5023387	PHYSICIAN PROFESSIONAL SERVICES	IN	501(C)(3)	9	ST MARY'S HEALTH INC	Yes	
(16) ST MARY'S HEALTH SERVICES INC 3700 WASHINGTON AVENUE EVANSVILLE, IN 47750 35-1679526	INVESTMENT SERVICES	IN	501(C)(3)	11C, III-FI	ST MARY'S HEALTH INC	Yes	
(17) ST MARY'S CARE PARTNERS INC 3700 WASHINGTON AVENUE EVANSVILLE, IN 47750 35-1899562	TAX-EXEMPT AFFILIATE REIMBURSEMENTS	IN	501(C)(3)	11A, I	ST MARY'S HEALTH INC	Yes	
(18) ST MARY'S MEDICAL CENTER FOUNDATION OF EVANSVILLE INC 3700 WASHINGTON AVENUE EVANSVILLE, IN 47750 23-7045370	SUPPORTING ORGANIZATION	IN	501(C)(3)	11A, I	ST MARY'S MEDICAL CENTER OF EVANSVILLE INC	Yes	
(19) ST MARY'S WARRICK HOSPITAL FOUNDATION INC 1116 MILLIS AVENUE BOONVILLE, IN 47601 35-1961890	SUPPORTING ORGANIZATION	IN	501(C)(3)	11A, I	ST MARY'S WARRICK HOSPITAL INC	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(41) ST MARY'S WARRICK HOSPITAL INC 1116 MILLIS AVENUE BOONVILLE, IN 47601 35-1343019	HOSPITAL	IN	501(C)(3)	3	ST MARY'S HEALTH SERVICES INC	Yes	
(1) ST MARY'S OHIO VALLEY HEARTCARE LLC 901 ST MARYS DRIVE EVANSVILLE, IN 47714 27-3474697	CARDIOLOGY SERVICES	IN	501(C)(3)	11A, I	ST MARY'S HEALTH INC	Yes	
(2) ST MARY'S MEDICAL GROUP LLC 3700 WASHINGTON AVENUE EVANSVILLE, IN 47750 26-1356310	PHYSICIAN PROFESSIONAL SERVICES	IN	501(C)(3)	9	ST MARY'S HEALTH INC	Yes	
(3) PRIMARY PHYSICIAN NETWORK LLC 3700 WASHINGTON AVENUE EVANSVILLE, IN 47750 20-8775914	PHYSICIAN PROFESSIONAL SERVICES	IN	501(C)(3)	9	ST MARY'S HEALTH INC	Yes	

Form 990, Schedule R, Part III - Identification of Related Organizations Taxable as a Partnership

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in Box 20 of K-1 (Form 1065)	(j) General or Managing Partner?		(k) Percentage ownership
							Yes	No		Yes	No	
BREAST MRI LEASING COMPANY LLC 10330 N MERIDIAN ST STE 430N INDIANAPOLIS, IN 46290 42-6662493	SALE AND RENTAL SERVICES	IN	STVINCENT HOSPITAL AND HEALTH CARE CENTER INC	RELATED	235,288	43,117		No		Yes		50 000 %
CARMEL AMBULATORY SURGERY CENTER LLC 13421 OLD MERIDIAN ST STE 150 CARMEL, IN 46032 32-0014795	AMBULATORY SURGERY CENTER	IN	STVINCENT CARMEL HOSPITAL INC	RELATED	3,732,048	1,498,768		No		Yes		51 000 %
COOPERATIVE MANAGED CARE SERVICES LLC 9045 RIVER ROAD STE 250 INDIANAPOLIS, IN 46240 35-1999227	CASE MANAGEMENT	IN	STVINCENT HOSPITAL AND HEALTH CARE CENTER INC	UNRELATED	158,622	2,278,545		No		Yes		50 000 %
ENDOSCOPY CENTER LLC 13421 OLD MERIDIAN ST STE 150 CARMEL, IN 46032 32-0029881	ENDOSCOPY CENTER	IN	STVINCENT CARMEL HOSPITAL INC	RELATED	578,601	314,246		No			No	51 000 %
HANCOCK PHYSICIAN NETWORK LLC 801 N STATE STREET GREENFIELD, IN 46140 35-2051598	PRIMARY CARE PHYSICIAN PRACTICES	IN	STVINCENT HOSPITAL AND HEALTH CARE CENTER INC	RELATED	-3,111,767	2,034,584		No		Yes		50 000 %
HCH SVH CATH LAB SERVICES LLC 1000 N 16TH STREET NEW CASTLE, IN 47362 45-2087950	CATH LAB SERVICES	IN	STVINCENT HOSPITAL AND HEALTH CARE CENTER INC	RELATED	-357,761	1,333,459		No		Yes		50 000 %
MERIDIAN HEIGHTS ASSOCIATES LLC 6100 W 96TH STREET STE 250 INDIANAPOLIS, IN 46278 26-4020296	REAL ESTATE HOLDING	IN	STVINCENT CARMEL HOSPITAL INC	RELATED		3,773,781		No		Yes		50 000 %
NAAB ROAD SURGERY CENTER LLC 8260 NAAB ROAD STE 100 INDIANAPOLIS, IN 46260 35-1991390	AMBULATORY SURGERY CENTER	IN	STVINCENT HOSPITAL AND HEALTH CARE CENTER INC	RELATED	3,167,357	1,838,718		No		Yes		51 000 %
NEURO ONCOLOGY EQUIPMENT LLC 10330 N MERIDIAN ST STE 430N INDIANAPOLIS, IN 46290 74-3103803	SALE AND RENTAL SERVICES	IN	STVINCENT HOSPITAL AND HEALTH CARE CENTER INC	RELATED	396,120	1,386,917		No		Yes		50 000 %
STVINCENT HEALTHUSP LLC 15305 DALLAS PKWY STE 1600 ADDISON, TX 75001 20-3749962	AMBULATORY SURGERY CENTER	IN	STVINCENT HEALTH INC	RELATED	84,964	161,818		No		Yes		50 000 %
STVINCENT HEART CENTER OF INDIANA LLC 10580 N MERIDIAN STREET INDIANAPOLIS, IN 46290 36-4492612	HEART HOSPITAL	IN	CENTRAL INDIANA HEALTH SYSTEM CARDIAC SERVICES INC	RELATED	24,931,443	79,758,894		No			No	74 080 %
WOMEN'S PHYSICIAN SURGERY CENTER LLC 8081 TOWNSHIP LINE ROAD INDIANAPOLIS, IN 46260 35-2086841	AMBULATORY SURGERY CENTER	IN	STVINCENT HOSPITAL AND HEALTH CARE CENTER INC	RELATED	-122,846	45,663		No			No	58 900 %
AMBULATORY CARE CENTER LLC 1125 PROFESSIONAL BLVD EVANSVILLE, IN 47714 35-2006018	OP SURGERY	IN	ST MARY'S HEALTH SERVICES INC	RELATED	5,266,312	5,068,766		No		Yes		50 000 %
SETON HEALTH SERVICES LLC 3700 WASHINGTON AVENUE EVANSVILLE, IN 47750 27-0451316	EQUIPMENT RENTAL	IN	ST MARY'S HEALTH SERVICES INC	RELATED	45,743	55,336		No		Yes		50 000 %
ST MARY'S PERIPHERAL VASCULAR SERVICES MANAGEMENT CO LLC 3700 WASHINGTON AVENUE EVANSVILLE, IN 47750 20-5062635	MANAGEMENT SERVICES	IN	ST MARY'S MEDICAL CENTER OF EVANSVILLE INC	RELATED	465,380	321,989		No		Yes		75 000 %

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
ASCENSION HEALTH	P	53,330,850	FMV OF SERVICES OR CASH
PRIMARY PHYSICIAN NETWORK LLC	Q	10,310,869	FMV OF SERVICES OR CASH
PRIMARY PHYSICIAN NETWORK LLC	B	3,770,000	FMV OF SERVICES OR CASH
PRIMARY PHYSICIAN NETWORK LLC	C	3,310,000	FMV OF SERVICES OR CASH
ST MARY'S BUILDING CORPORATION	K	1,571,600	FMV OF SERVICES OR CASH
ST MARY'S BUILDING CORPORATION	Q	2,039,914	FMV OF SERVICES OR CASH
ST MARY'S BUILDING CORPORATION	R	12,721,103	FMV OF SERVICES OR CASH
ST MARY'S HEALTH SERVICES INC	Q	2,991,448	FMV OF SERVICES OR CASH
ST MARY'S HEALTH SERVICES INC	C	1,053,805	FMV OF SERVICES OR CASH
ST MARY'S HEALTH SERVICES INC	R	1,588,575	FMV OF SERVICES OR CASH
ST MARY'S MEDICAL CENTER FOUNDATION OF EVANSVILLE INC	C	806,137	FMV OF SERVICES OR CASH
ST MARY'S MEDICAL CENTER FOUNDATION OF EVANSVILLE INC	Q	705,188	FMV OF SERVICES OR CASH
ST MARY'S OHIO VALLEY HEARTCARE LLC	B	3,700,345	FMV OF SERVICES OR CASH
ST MARY'S PHYSICIAN NETWORK LLC	Q	9,972,542	FMV OF SERVICES OR CASH
ST MARY'S PHYSICIAN NETWORK LLC	B	3,365,000	FMV OF SERVICES OR CASH
ST MARY'S WARRICK EMERGENCY MEDICAL SERVICES INC	Q	1,104,030	FMV OF SERVICES OR CASH
ST MARY'S WARRICK HOSPITAL INC	D	62,308	FMV OF SERVICES OR CASH
ST MARY'S WARRICK HOSPITAL INC	Q	1,125,530	FMV OF SERVICES OR CASH
ST MARY'S AT HOME INC	Q	5,386,170	FMV OF SERVICES OR CASH
ST MARY'S MEDICAL GROUP LLC FKA ST MARY'S PHYSICIANS' HEALTH GROUP LLC	B	10,350,000	FMV OF SERVICES OR CASH
ST MARY'S HEALTH INC	B	40,216,424	FMV OF SERVICES OR CASH
ST MARY'S MEDICAL GROUP INC	B	2,500,000	FMV OF SERVICES OR CASH
ST MARY'S CARE PARTNERS INC	B	1,000,000	FMV OF SERVICES OR CASH
ST MARY'S HEALTH INC	C	4,712,941	FMV OF SERVICES OR CASH
ST MARY'S PHYSICIAN NETWORK LLC	C	640,000	FMV OF SERVICES OR CASH

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
ST MARY'S OHIO VALLEY HEARTCARE LLC	Q	1,386,408	FMV OF SERVICES OR CASH
ST MARY'S MEDICAL CENTER FOUNDATION OF EVANSVILLE INC	Q	705,188	FMV OF SERVICES OR CASH

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Form **4562**
Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172

2013

Attachment Sequence No **179**

Name(s) shown on return	Business or activity to which this form relates	**Identifying number**
ST MARY'S MEDICAL CENTER OF EVANSVILLE INC		35-0869065

Part I **Election To Expense Certain Property Under Section 179**

Note: *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4	Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2012 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2014 Add lines 9 and 10, less line 12 ▶	13	

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II **Special Depreciation Allowance and Other Depreciation (Do not include listed property.)** (See instructions)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III **MACRS Depreciation (Do not include listed property.)** (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2013	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B—Assets Placed in Service During 2013 Tax Year Using the General Depreciation System

	(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property						
b	5-year property						
c	7-year property						
d	10-year property						
e	15-year property						
f	20-year property						
g	25-year property			25 yrs		S/L	
h	Residential rental property			27 5 yrs	MM	S/L	
				27 5 yrs	MM	S/L	
i	Nonresidential real property			39 yrs	MM	S/L	
					MM	S/L	

Section C—Assets Placed in Service During 2013 Tax Year Using the Alternative Depreciation System

20a	Class life				S/L	
b	12-year			12 yrs	S/L	
c	40-year			40 yrs	MM	S/L

Part IV **Summary** (see instructions.)

21	Listed property Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instructions	22	0
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V **Listed Property** (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete* ***only*** *24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A—Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.***)**

24a Do you have evidence to support the business/investment use claimed? ☐ **Yes** ☐ **No** | **24b** If "Yes," is the evidence written? ☐ **Yes** ☐ **No**

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation/ deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						**25**		
26 Property used more than 50% in a qualified business use								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1						**28**		
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1							**29**	

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal(noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
	Yes	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions)

	Yes	**No**
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2013 tax year (see instructions)					
43 Amortization of costs that began before your 2013 tax year				**43**	
44 Total. Add amounts in column (f) See the instructions for where to report				**44**	

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Form **4562**
Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172

2013

Attachment Sequence No **179**

Name(s) shown on return	Business or activity to which this form relates	**Identifying number**
ST MARY'S MEDICAL CENTER OF EVANSVILLE INC	FORM 990 PAGE 10	35-0869065

Part I **Election To Expense Certain Property Under Section 179**

Note: *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount (see instructions)	1	500,000
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	2,000,000
4	Reduction in limitation Subtract line 3 from line 2 If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property Enter the amount from line 29	7	
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2012 Form 4562	10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2014 Add lines 9 and 10, less line 12 ▶	13	

Note: *Do not use Part II or Part III below for listed property. Instead, use Part V.*

Part II **Special Depreciation Allowance and Other Depreciation (Do not** include listed property **)** (See instructions)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III **MACRS Depreciation (Do not** include listed property.**)** (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2013	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

Section B—Assets Placed in Service During 2013 Tax Year Using the General Depreciation System

	(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property						
b	5-year property						
c	7-year property						
d	10-year property						
e	15-year property						
f	20-year property						
g	25-year property			25 yrs		S/L	
h	Residential rental property			27 5 yrs	MM	S/L	
				27 5 yrs	MM	S/L	
i	Nonresidential real property			39 yrs	MM	S/L	
					MM	S/L	

Section C—Assets Placed in Service During 2013 Tax Year Using the Alternative Depreciation System

20a	Class life				S/L	
b	12-year			12 yrs	S/L	
c	40-year			40 yrs	MM	S/L

Part IV **Summary** (see instructions.)

21	Listed property Enter amount from line 28	21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21 Enter here and on the appropriate lines of your return Partnerships and S corporations—see instructions	22	12,401,752
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V **Listed Property** (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement.)

Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete* ***only*** *24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A—Depreciation and Other Information (Caution: *See the instructions for limits for passenger automobiles.***)**

24a Do you have evidence to support the business/investment use claimed? ☐ **Yes** ☐ **No** | **24b** If "Yes," is the evidence written? ☐ **Yes** ☐ **No**

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation/ deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)						**25**		
26 Property used more than 50% in a qualified business use								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1						**28**		
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1							**29**	

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal(noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
	Yes	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**	**Yes**	**No**
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions)

	Yes	**No**
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2013 tax year (see instructions)					
43 Amortization of costs that began before your 2013 tax year				**43**	
44 Total. Add amounts in column (f) See the instructions for where to report				**44**	

Consolidated Financial Statements and Supplementary Information

Ascension Health Alliance
d/b/a Ascension
Years Ended June 30, 2014 and 2013
With Reports of Independent Auditors

Ascension

Consolidated Financial Statements and Supplementary Information

Years Ended June 30, 2014 and 2013

Contents

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Report of Independent Auditors

The Board of Directors
Ascension Health Alliance d/b/a Ascension

We have audited the accompanying consolidated financial statements of Ascension Health Alliance d/b/a Ascension, which comprise the consolidated balance sheets as of June 30, 2014 and 2013, and the related consolidated statements of operations and 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 Ascension Health d/b/a Ascension at June 30, 2014 and 2013, and the consolidated results of their operations and their cash flows for the years then ended in conformity with U S generally accepted accounting principles

Ernst + Young LLP

September 11, 2014

Ascension

Consolidated Balance Sheets
(Dollars in Thousands)

	June 30, 2014	2013
Assets		
Current assets		
Cash and cash equivalents	**$ 618,418**	$ 753,555
Short-term investments	**109,081**	113,825
Accounts receivable, less allowance for doubtful accounts ($1,260,407 and $1,297,609 at June 30, 2014 and 2013, respectively)	**2,419,616**	2,292,521
Inventories	**332,739**	297,233
Due from brokers *(see Notes 4 and 5)*	**343,757**	178,380
Estimated third-party payor settlements	**236,559**	119,379
Other *(see Notes 4 and 5)*	**562,367**	1,026,397
Total current assets	**4,622,537**	4,781,290
Long-term investments *(see Notes 4 and 5)*	**15,327,255**	14,156,447
Property and equipment, net	**8,410,629**	8,274,854
Other assets		
Investment in unconsolidated entities	**649,888**	628,772
Capitalized software costs, net	**778,705**	718,122
Other	**1,509,849**	1,487,886
Total other assets	**2,938,442**	2,834,780
Total assets	**$ 31,298,863**	$ 30,047,371

	June 30, 2014	2013
Liabilities and net assets		
Current liabilities		
Current portion of long-term debt	**$ 91,532**	$ 89,869
Long-term debt subject to short-term remarketing arrangements*	**1,345,530**	1,187,125
Accounts payable and accrued liabilities	**2,293,663**	2,278,242
Estimated third-party payor settlements	**450,054**	455,432
Due to brokers *(see Notes 4 and 5)*	**332,169**	493,420
Current portion of self-insurance liabilities	**226,856**	210,115
Other *(see Notes 4 and 5)*	**274,645**	639,566
Total current liabilities	**5,014,449**	5,353,769
Noncurrent liabilities		
Long-term debt (senior and subordinated)	**4,994,913**	5,278,304
Self-insurance liabilities	**541,859**	553,706
Pension and other postretirement liabilities	**428,679**	554,368
Other *(see Notes 4 and 5)*	**1,343,826**	1,178,597
Total noncurrent liabilities	**7,309,277**	7,564,975
Total liabilities	**12,323,726**	12,918,744
Net assets		
Unrestricted		
Controlling interest	**16,736,190**	14,986,302
Noncontrolling interests	**1,656,106**	1,592,356
Unrestricted net assets	**18,392,296**	16,578,658
Temporarily restricted	**391,226**	375,054
Permanently restricted	**191,615**	174,915
Total net assets	**18,975,137**	17,128,627
Total liabilities and net assets	**$ 31,298,863**	$ 30,047,371

*Consists of variable rate demand bonds with put options that may be exercised at the option of the bondholders with stated repayment installments through 2047 as well as certain serial mode bonds with scheduled remarketing mandatory tender dates occurring prior to June 30 2015 In the event that bonds are not remarketed upon the exercise of put options or the scheduled mandatory tenders management would utilize other sources to access the necessary liquidity Potential sources include liquidating investments drawing upon the $1billion line of credit and issuing commercial paper The commercial paper program is supported by the $1billion line of credit

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

Ascension

Consolidated Statements of Operations and Changes in Net Assets

(Dollars in Thousands)

	Year Ended June 30, 2014	2013
Operating revenue		
Net patient service revenue	**$ 19,193,307**	$ 16,326,684
Less provision for doubtful accounts	**1,273,354**	1,124,409
Net patient service revenue, less provision for doubtful accounts	**17,919,953**	15,202,275
Other revenue	**2,229,767**	1,334,623
Total operating revenue	**20,149,720**	16,536,898
Operating expenses		
Salaries and wages	**8,202,294**	6,974,951
Employee benefits	**1,747,739**	1,528,119
Purchased services	**1,210,276**	955,440
Professional fees	**1,279,459**	1,093,446
Supplies	**2,822,102**	2,334,427
Insurance	**128,535**	109,178
Interest	**194,616**	150,877
Depreciation and amortization	**899,389**	730,757
Other	**2,901,859**	2,140,182
Total operating expenses before impairment, restructuring and nonrecurring losses, net	**19,386,269**	16,017,377
Income from operations before self-insurance trust fund investment return and impairment, restructuring, and nonrecurring losses, net	**763,451**	519,521
Self-insurance trust fund investment return	**66,174**	34,985
Impairment, restructuring and nonrecurring losses, net	**(223,834)**	(103,344)
Income from operations	**605,791**	451,162
Nonoperating gains (losses)		
Investment return	**1,515,819**	736,300
Loss on extinguishment of debt	**(1,605)**	(4,079)
(Loss) gain on interest rate swaps	**(6,020)**	53,746
Income from unconsolidated entities	**5,539**	8,544
Contributions from business combinations, net	**–**	2,021,963
Other	**(63,119)**	(69,524)
Total nonoperating gains, net	**1,450,614**	2,746,950
Excess of revenues and gains over expenses and losses	**2,056,405**	3,198,112
Less noncontrolling interests	**245,893**	131,184
Excess of revenues and gains over expenses and losses attributable to controlling interest	**1,810,512**	3,066,928

Continued on next page

Ascension

Consolidated Statements of Operations and Changes in Net Assets (continued)

(Dollars in Thousands)

	Year Ended June 30, 2014	2013
Unrestricted net assets, controlling interest		
Excess of revenues and gains over expenses and losses	**$ 1,810,512**	$ 3,066,928
Transfers to sponsors and other affiliates, net	**(6,566)**	(9,152)
Contributed net assets	**(1,534)**	(1,050)
Membership interest changes, net	**45,255**	–
Net assets released from restrictions for property acquisitions	**62,537**	65,706
Pension and other postretirement liability adjustments	**23,990**	76,483
Change in unconsolidated entities' net assets	**4,571**	23,295
Other	**(24,514)**	4,507
Increase in unrestricted net assets, controlling interest, before loss from discontinued operations	**1,914,251**	3,226,717
Loss from discontinued operations	**(164,363)**	(76,829)
Increase in unrestricted net assets, controlling interest	**1,749,888**	3,149,888
Unrestricted net assets, noncontrolling interests		
Excess of revenues and gains over expenses and losses	**245,893**	131,184
Distributions of capital	**(531,159)**	(829,989)
Contributions of capital	**401,546**	1,579,187
Membership interest changes, net	**(52,530)**	–
Contributions from business combinations	–	64,738
Increase in unrestricted net assets, noncontrolling interests	**63,750**	945,120
Temporarily restricted net assets, controlling interest		
Contributions and grants	**99,885**	88,841
Investment return	**31,292**	17,232
Net assets released from restrictions	**(115,353)**	(108,193)
Contributions from business combinations	–	44,201
Other	**348**	1,088
Increase in temporarily restricted net assets, controlling interest	**16,172**	43,169
Permanently restricted net assets, controlling interest		
Contributions	**10,405**	2,664
Investment return	**7,942**	1,598
Contributions from business combinations	–	67,846
Other	**(1,647)**	(368)
Increase in permanently restricted net assets, controlling interest	**16,700**	71,740
Increase in net assets	**1,846,510**	4,209,917
Net assets, beginning of year	**17,128,627**	12,918,710
Net assets, end of year	**$ 18,975,137**	$ 17,128,627

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

Ascension

Consolidated Statements of Cash Flows

(Dollars in Thousands)

	Year Ended June 30, 2014	2013
Operating activities		
Increase in net assets	**$ 1,846,510**	$ 4,209,917
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation and amortization	**899,389**	730,757
Amortization of bond premiums	**(22,497)**	(13,948)
Loss on extinguishment of debt	**1,605**	4,079
Provision for doubtful accounts	**1,275,961**	1,128,717
Pension and other postretirement liability adjustments	**(23,990)**	(76,483)
Contributed net assets	**1,534**	1,050
Contributions from business combinations	**–**	(1,742,900)
Interest, dividends, and net (gains) losses on investments	**(1,621,227)**	(790,115)
Change in market value of interest rate swaps	**1,880**	(61,349)
Deferred gain on interest rate swaps	**(303)**	(303)
Gain on sale of assets, net	**(25,556)**	(4,008)
Impairment and nonrecurring expenses	**30,353**	17,259
Transfers to sponsor and other affiliates, net	**6,566**	9,152
Restricted contributions, investment return, and other	**(122,232)**	(98,755)
Other restricted activity	**6,362**	15,965
Nonoperating depreciation expense	**234**	317
(Increase) decrease in		
Short-term investments	**4,744**	212,624
Accounts receivable	**(1,393,667)**	(1,134,828)
Inventories and other current assets	**437,913**	(213,753)
Due from brokers	**(165,377)**	610,891
Investments classified as trading	**466,353**	(959,888)
Other assets	**(186,983)**	(182,693)
Increase (decrease) in		
Accounts payable and accrued liabilities	**(685)**	(2,009)
Estimated third-party payor settlements, net	**(124,475)**	30,604
Due to brokers	**(161,251)**	(387,193)
Other current liabilities	**(357,167)**	91,435
Self-insurance liabilities	**4,894**	(15,342)
Other noncurrent liabilities	**60,731**	(153,420)
Net cash provided by continuing operating activities	**839,619**	1,225,780
Net cash provided by (used in) and adjustments to reconcile change in net assets for discontinued operations, including write-down of assets	**126,554**	(19,386)
Net cash provided by operating activities	**966,173**	1,206,394

Continued on next page

Ascension

Consolidated Statements of Cash Flows (continued)

(Dollars in Thousands)

	Year Ended June 30, 2014	2013
Investing activities		
Property, equipment, and capitalized software additions, net	**$ (1,102,680)**	$ (871,203)
Proceeds from sale of property and equipment	**15,594**	26,321
Net cash used in investing activities	**(1,087,086)**	(844,882)
Financing activities		
Issuance of long-term debt	**512,231**	1,228,995
Repayment of long-term debt	**(606,502)**	(1,235,850)
(Increase) decrease in assets under bond indenture agreements	**(17,506)**	20,577
Transfers to sponsors and other affiliates, net	**(24,679)**	(26,112)
Restricted contributions, investment return, and other	**122,232**	98,755
Net cash (used in) provided by financing activities	**(14,224)**	86,365
Net (decrease) increase in cash and cash equivalents	**(135,137)**	447,877
Cash and cash equivalents at beginning of year	**753,555**	305,678
Cash and cash equivalents at end of year	**$ 618,418**	$ 753,555

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

1. Organization and Mission

Organizational Structure

Ascension Health Alliance, d/b/a Ascension (Ascension), is a Missouri nonprofit corporation formed on September 13, 2011 Ascension is the sole corporate member and parent organization of Ascension Health, a Catholic national health system consisting primarily of nonprofit corporations that own and operate local healthcare facilities, or Health Ministries, located in 23 of the United States and the District of Columbia

Ascension serves as the member or shareholder of various subsidiaries as listed below

- AH Holdings, LLC, d/b/a Ascension Holdings, LLC
- AHV Holding Company, LLC, d/b/a AV Holding Company
- Ascension Health
- Ascension Health Clinical Holdings, d/b/a Ascension Clinical Holdings
- Ascension Health Global Mission, d/b/a Ascension Global Mission
- Ascension Health Insurance, Ltd (AHIL)
- Ascension Health – IS Inc , d/b/a Ascension Information Services
- Ascension Health Resource and Supply Management Group, LLC d/b/a The Resource Group
- Ascension Health Leadership Academy, d/b/a Ascension Leadership Academy
- Ascension Health Ventures, d/b/a Ascension Ventures
- Ascension Investment Management, LLC (AIM)
- Ascension Alpha Fund, LLC, f/k/a CHIMCO Alpha Fund, LLC (Alpha Fund)
- Ascension Risk Services, LLC

Ascension and its member organizations are hereafter referred to collectively as the System

Effective July 15, 2013, Ascension Health Leadership Academy, LLC, Ascension Health Global Mission and Ascension Health Clinical Holdings began doing business as Ascension Leadership Academy, Ascension Global Mission and Ascension Clinical Holdings, respectively On July 17, 2013, AH Holdings, LLC began doing business as Ascension Holdings Effective October 14, 2013, CHIMCO Alpha Fund, LLC was renamed Ascension Alpha Fund, LLC

1. Organization and Mission (continued)

Effective November 4, 2013, Ascension Health Ventures, LLC was renamed Ascension Ventures, LLC and AHV Holding Company, LLC began doing business as AV Holding Company Effective December 12, 2013, Ascension Health – IS, Inc began doing business as Ascension Information Services Effective January 1, 2014, Catholic Healthcare Investment Management Company (CHIMCO) transferred all of its business and assets to AIM, a limited liability company wholly owned by Ascension and CHIMCO's successor in interest

Sponsorship

Ascension is sponsored by Ascension Sponsor, a Public Juridic Person The Participating Entities of Ascension Sponsor are the Daughters of Charity of St Vincent de Paul, St Louise Province, the Congregation of St Joseph, the Congregation of the Sisters of St Joseph of Carondelet, the Congregation of Alexian Brothers of the Immaculate Conception Province, Inc – American Province, and the Sisters of the Sorrowful Mother of the Third Order of St Francis of Assisi – US/Caribbean Province As more fully described in the Organizational Changes note, Marian Health System, which was previously sponsored by the Sisters of the Sorrowful Mother of the Third Order of St Francis of Assisi – US/Caribbean Province, became part of Ascension Health on April 1, 2013

Mission

The System directs its governance and management activities toward strong, vibrant, Catholic Health Ministries united in service and healing, and dedicates its resources to spiritually centered care which sustains and improves the health of the individuals and communities it serves In accordance with the System's mission of service to those persons living in poverty and other vulnerable persons, each Health Ministry accepts patients regardless of their ability to pay The System uses four categories to identify the resources utilized for the care of persons living in poverty and community benefit programs

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

1. Organization and Mission (continued)

- Unpaid cost of public programs, excluding Medicare, represents the unpaid cost of services provided to persons covered by public programs for persons living in poverty and other vulnerable persons

- Cost of other programs for persons living in poverty and other vulnerable persons includes unreimbursed costs of programs intentionally designed to serve the persons living in poverty and other vulnerable persons of the community, including substance abusers, the homeless, victims of child abuse, and persons with acquired immune deficiency syndrome

- Community benefit consists of the unreimbursed costs of community benefit programs and services for the general community, not solely for the persons living in poverty, including health promotion and education, health clinics and screenings, and medical research

Discounts are provided to all uninsured patients, including those with the means to pay Discounts provided to those patients who did not qualify for assistance under charity care guidelines are not included in the cost of providing care of persons living in poverty and other community benefit programs The cost of providing care to persons living in poverty and other community benefit programs is estimated by reducing charges forgone by a factor derived from the ratio of each entity's total operating expenses to the entity's billed charges for patient care

Certain costs such as graduate medical education and certain other activities are excluded from total operating expenses for purposes of this computation

The amount of traditional charity care provided, determined on the basis of cost, was $580,606 and $524,605 for the years ended June 30, 2014 and 2013, respectively The amount of unpaid cost of public programs, cost of other programs for persons living in poverty and other vulnerable persons, and community benefit cost is reported in the accompanying supplementary information

2. Significant Accounting Policies

Principles of Consolidation

All corporations and other entities for which operating control is exercised by the System or one of its member corporations are consolidated, and all significant inter-entity transactions have been eliminated in consolidation Investments in entities where the System does not have operating control are recorded under the equity or cost method of accounting Income from unconsolidated entities is included in consolidated excess of revenues and gains over expenses and losses in the accompanying Consolidated Statements of Operations and Changes in Net Assets as follows

	Year Ended June 30, 2014	2013
Other revenue	**$ 83,317**	$ 105,173
Nonoperating gains, net	**5,539**	8,544

Use of Estimates

Management has made estimates and assumptions that affect the reported amounts of certain assets, liabilities, revenues, and expenses Actual results could differ from those estimates

Fair Value of Financial Instruments

Carrying values of financial instruments classified as current assets and current liabilities approximate fair value The fair values of other financial instruments are disclosed in the Fair Value Measurements note

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and interest-bearing deposits with original maturities of three months or less

2. Significant Accounting Policies (continued)

Short-Term Investments

Short-term investments consist of investments with original maturities exceeding three months and up to one year

Inventories

Inventories, consisting primarily of medical supplies and pharmaceuticals, are stated at the lower of cost or market value using first-in, first-out (FIFO) or a methodology that closely approximates FIFO

Long-Term Investments and Investment Return

Investments, excluding investments in unconsolidated entities, are measured at fair value, are classified as trading securities, and include pooled short-term investment funds, U S government, state, municipal and agency obligations, corporate and foreign fixed income securities, asset-backed securities, and equity securities Investments also include alternative investments and other investments which are valued based on the net asset value of the investments, as further discussed in the Fair Value Measurements note Investments also include derivatives held by the Alpha Fund, also measured at fair value, as discussed in the Pooled Investment Fund note

Long-term investments include assets limited as to use of approximately $1,431,000 and $1,311,000, at June 30, 2014 and 2013, respectively, comprised primarily of investments placed in trust and held by captive insurance companies for the payment of self-insured claims and investments which are limited as to use, as designated by donors

Purchases and sales of investments are accounted for on a trade-date basis Investment returns consist of dividends, interest, and gains and losses The cost of substantially all securities sold is based on the average cost method Investment returns on investments, excluding returns of self-insurance trust funds, are reported as nonoperating gains (losses) in the Consolidated Statements of Operations and Changes in Net Assets, unless the return is restricted by donor or law Investment returns of self-insurance trust funds are reported as a separate component of income from operations in the Consolidated Statements of Operations and Changes in Net Assets

(Dollars in Thousands)

2. Significant Accounting Policies (continued)

Property and Equipment

Property and equipment are stated at cost or, if donated, at fair market value at the date of the gift A summary of property and equipment at June 30, 2014 and 2013, is as follows

	June 30, 2014	2013
Land and improvements	**$ 880,352**	$ 822,885
Buildings and equipment	**14,933,470**	14,427,322
	15,813,822	15,250,207
Less accumulated depreciation	**7,987,988**	7,436,307
	7,825,834	7,813,900
Construction in progress	**584,795**	460,954
Total property and equipment, net	**$ 8,410,629**	$ 8,274,854

Depreciation is determined on a straight-line basis over the estimated useful lives of the related assets Depreciation expense in 2014 and 2013 was $739,853 and $620,177, respectively

Several capital projects have remaining construction and related equipment purchase commitments of approximately $301,000

(Dollars in Thousands)

2. Significant Accounting Policies (continued)

Intangible Assets

Intangible assets primarily consist of goodwill and capitalized computer software costs, including internally developed software Costs incurred in the development and installation of internal use software are expensed or capitalized depending on whether they are incurred in the preliminary project stage, application development stage, or post-implementation stage

Intangible assets are included in the Consolidated Balance Sheets as presented in the table that follows Capitalized software costs in the table below include software in progress of $125,451 and $99,048 at June 30, 2014 and 2013, respectively

	June 30, 2014	2013
Capitalized software costs	**$ 1,557,302**	$ 1,388,880
Less accumulated amortization	**778,597**	670,758
Capitalized software costs, net	**778,705**	718,122
Goodwill	**181,490**	130,306
Other, net	**62,573**	71,440
Intangible assets included in other long-term assets	**244,063**	201,746
Total intangible assets, net	**$ 1,022,768**	$ 919,868

Intangible assets whose lives are indefinite, primarily goodwill, are not amortized and are evaluated for impairment at least annually, while intangible assets with definite lives, primarily capitalized computer software costs, are amortized over their expected useful lives Amortization expense for these intangible assets in 2014 and 2013 was $157,150 and $108,633, respectively

2. Significant Accounting Policies (continued)

The System is in the midst of a significant multi-year, System-wide enterprise resource planning project, including information technology and process standardization (Symphony), which is expected to continue through fiscal year 2016 The project is anticipated to result in a transition to a common software product for various finance, information technology, procurement, and human resources management processes, including standardization of those processes throughout the System Capitalized costs of Symphony were approximately $320,000 and $301,000 at June 30, 2014 and 2013, respectively, and are included in capitalized software costs in the preceding table Certain costs of this project were also expensed Beginning September 1, 2012, the software associated with Symphony was considered substantially complete and ready for its intended use and is amortized on a straight-line basis over its expected useful life Accumulated amortization of Symphony was approximately $55,000 and $25,000 at June 30, 2014 and 2013, respectively See the Impairment, Restructuring, and Nonrecurring Gains (Losses) discussion below for additional information about costs associated with Symphony

Noncontrolling Interests

The consolidated financial statements include all assets, liabilities, revenues, and expenses of entities that are controlled by the System and therefore consolidated Noncontrolling interests in the Consolidated Balance Sheets represent the portion of net assets owned by entities outside the System, for those entities in which the System's ownership interest is less than 100%

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those assets whose use by the System has been limited by donors to a specific time period or purpose Permanently restricted net assets consist of gifts with corpus values that have been restricted by donors to be maintained in perpetuity, which include endowment funds Temporarily restricted net assets and earnings on permanently restricted net assets, including earnings on endowment funds, are used in accordance with the donors' wishes, primarily to purchase equipment and to provide charity care and other health and educational services Contributions with donor-imposed restrictions that are met in the same reporting period are reported as unrestricted

Temporarily and permanently restricted net assets consist solely of controlling interests of the System

2. Significant Accounting Policies (continued)

Performance Indicator

The performance indicator is the excess of revenues and gains over expenses and losses Changes in unrestricted net assets that are excluded from the performance indicator primarily include pension and other postretirement liability adjustments, transfers to or from sponsors and other affiliates, net assets released from restrictions for property acquisitions, change in unconsolidated entities' net assets, discontinued operations, and contributions received of property and equipment

Operating and Nonoperating Activities

The System's primary mission is to meet the healthcare needs in its market areas through a broad range of general and specialized healthcare services, including inpatient acute care, outpatient services, long-term care, and other healthcare services Activities directly associated with the furtherance of this purpose are considered to be operating activities Other activities that result in gains or losses peripheral to the System's primary mission are considered to be nonoperating Additionally, contributions recognized in conjunction with business combination transactions are also classified as nonoperating

Net Patient Service Revenue, Accounts Receivable, and Allowance for Doubtful Accounts

Net patient service revenue is reported at the estimated realizable amounts from patients, third-party payors, and others for services provided and includes estimated retroactive adjustments under reimbursement agreements with third-party payors The System recognizes patient service revenue at the time services are rendered, even though the patient's ability to pay may not be completely assessed at that time Revenue under certain third-party payor agreements is subject to audit, retroactive adjustments, and significant regulatory actions Provisions for third-party payor settlements and adjustments are estimated in the period the related services are provided and adjusted in future periods as additional information becomes available and as final settlements are determined

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation As a result, there is at least a possibility that recorded estimates will change by a material amount in the near term Adjustments to revenue related to prior periods increased net patient service revenue by $95,591 and $55,340 for the years ended June 30, 2014 and 2013, respectively

(Dollars in Thousands)

2. Significant Accounting Policies (continued)

The percentage of net patient service revenue, less provision for doubtful accounts earned by payor for the years ended June 30, 2014 and 2013, is as follows

	June 30, 2014	June 30, 2013
Medicare – traditional and managed	**36 %**	36 %
Medicaid – traditional and managed	**11**	11
Commercial and other managed care	**45**	45
Self-Pay and other	**8**	8
	100 %	100 %

The System grants credit without collateral to its patients, who are primarily local residents and are insured under third-party payor arrangements Significant concentrations of accounts receivable, less allowance for doubtful accounts, at June 30, 2014 and 2013, are as follows

	June 30, 2014	June 30, 2013
Medicare – traditional and managed	**22 %**	22 %
Medicaid – traditional and managed	**9**	8
Commercial and other managed care	**45**	43
Self-Pay and other	**24**	27
	100 %	100 %

2. Significant Accounting Policies (continued)

The provision for doubtful accounts is based upon management's assessment of expected net collections considering economic conditions, historical experience, trends in healthcare coverage, and other collection indicators Periodically throughout the year, management assesses the adequacy of the allowance for doubtful accounts based upon historical write-off experience by payor category, including those amounts not covered by insurance The results of this review are then used to make any modifications to the provision for doubtful accounts to establish an appropriate allowance for doubtful accounts After satisfaction of amounts due from insurance and reasonable efforts to collect from the patient have been exhausted, the System follows established guidelines for placing certain past-due patient balances with collection agencies, subject to the terms of certain restrictions on collection efforts as determined by the System Accounts receivable are written off after collection efforts have been followed in accordance with the System's policies

The methodology for determining the allowance for doubtful accounts and related write-offs on uninsured patient accounts has remained consistent with the prior year The System has not experienced material changes in write-off trends and has not materially changed its charity care policy in the current fiscal year

Impairment, Restructuring, and Nonrecurring Gains (Losses)

Long-lived assets are reviewed for impairment whenever events or business conditions indicate the carrying amount of such assets may not be fully recoverable Initial assessments of recoverability are based on estimates of undiscounted future net cash flows associated with an asset or group of assets Where impairment is indicated, the carrying amount of these long-lived assets is reduced to fair value based on future discounted net cash flows or other estimates of fair value

Nonrecurring expenses associated with Symphony include project management and process re-engineering costs, amortization expense for those Health Ministries not yet on Symphony, as well as costs to establish a shared service center and develop a business intelligence data warehouse Costs associated with product deployment are recorded as nonrecurring gains (losses), and costs associated with product support are recorded as recurring operating expenses

2. Significant Accounting Policies (continued)

During the year ended June 30, 2014, the System recorded total impairment, restructuring, and nonrecurring losses, net of $223,834 This amount was comprised primarily of $163,293 of nonrecurring expenses associated with Symphony, one-time termination benefits and other restructuring expenses of $26,012, impairment expenses of $23,120, and other nonrecurring expenses of $11,409

During the year ended June 30, 2013, the System recorded total impairment, restructuring, and nonrecurring losses, net of $103,344 This amount was comprised primarily of $113,193 of nonrecurring expenses associated with Symphony, one-time termination benefits and other restructuring expenses of $57,470, and impairment and other nonrecurring expenses of $4,998, partially offset by pension curtailment gains of $72,317, as discussed in the Retirement Plans note

Amortization

Bond issuance costs, discounts, and premiums are amortized over the term of the bonds using a method approximating the effective interest method

Capitalized software, including internally developed software, is amortized on a straight-line basis over the expected useful life of the software

Income Taxes

The member healthcare entities of the System are primarily tax-exempt organizations under Internal Revenue Code Section 501(c)(3) or Section 501(c)(2), and their related income is exempt from federal income tax under Section 501(a) The System accounts for uncertainty in income tax positions by applying a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return The System has determined that no material unrecognized tax benefits or liabilities exist as of June 30, 2014

At June 30, 2014, the System has deferred tax assets of approximately $326,000 for federal and state income tax purposes primarily related to net operating loss carryforwards A valuation allowance of approximately $322,000 was recorded due to the uncertainty regarding use of the deferred tax assets

2. Significant Accounting Policies (continued)

Regulatory Compliance

Various federal and state agencies have initiated investigations regarding reimbursement claimed by certain members of the System The investigations are in various stages of discovery, and the ultimate resolution of these matters, including the liabilities, if any, cannot be readily determined, however, in the opinion of management, the results of the investigations will not have a material adverse impact on the consolidated financial statements of the System

Reclassifications

Certain reclassifications were made to the 2013 accompanying consolidated financial statements to conform to the 2014 presentation

Adoption of New Accounting Standards

In December 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No 2011-11, *Disclosures about Offsetting Assets and Liabilities,* an amendment to the accounting guidance for disclosures about offsetting assets and liabilities In January 2013, the FASB issued ASU No 2013-01, *Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities.* These ASUs expand the disclosure requirements in that entities will be required to disclose both gross and net information about instruments and transactions eligible for offset in the balance sheet Ascension adopted this collective guidance on July 1, 2013, which did not have a material impact on Ascension's consolidated financial statements for the year ended June 30, 2014 See the Derivative Instruments note for disclosures about offsetting assets and liabilities for the year ended June 30, 2014

Subsequent Events

The System evaluates the impact of subsequent events, which are events that occur after the Consolidated Balance Sheet date but before the consolidated financial statements are issued, for potential recognition in the consolidated financial statements as of the Consolidated Balance Sheet date For the year ended June 30, 2014, the System evaluated subsequent events through September 11, 2014, representing the date on which the accompanying audited consolidated financial statements were issued

2. Significant Accounting Policies (continued)

In July 2014, the System signed two separate non-binding letters of intent to sell primarily all assets and liabilities and related operations of Ascension's operations in Kansas City, Missouri and Tucson, Arizona, as discussed in the Organizational Changes note

In August 2014, Ascension Health signed an affiliation agreement to sell primarily all of the assets, liabilities and operations associated with Ascension's operations in Niagara Falls, New York to Catholic Health System, Inc This transaction is intended to close during calendar year 2015, after obtaining all necessary approvals

3. Organizational Changes

Business Combinations

Marian Health System

Effective April 1, 2013, Ascension Health, a subsidiary of the System, became the sole corporate member, through a non-cash business combination transaction, of three regional health systems that formerly comprised Marian Health System, Inc (Marian Health System) Via Christi Health, Inc (Via Christi Health), based in Wichita, Kansas, Ministry Health Care, Inc (Ministry Health Care), based in Milwaukee, Wisconsin, and St John Health System, Inc (St John Health), based in Tulsa, Oklahoma (collectively, the Marian Systems) Prior to this transaction, Marian Health System was the sole corporate member of Ministry Health Care and St John Health, while Ascension Health and Marian Health System were the two corporate members of Via Christi Health

Prior to April 1, 2013, the System accounted for its 50% interest in Via Christi Health under the equity method of accounting The System's investment in Via Christi Health at March 31, 2013, was $545,018, which was reported in the Consolidated Balance Sheet at that date in investment in unconsolidated entities For the year ended June 30, 2013, the System's excess of revenues and gains over expenses and losses included $34,141, representing the System's share of Via Christi Health's excess of revenues over expenses prior to the business combination transaction on April 1, 2013 The System's investment in Via Christi Health of $545,018 at March 31, 2013, was derecognized on April 1, 2013, in conjunction with the accounting for the business combination transaction

(Dollars in Thousands)

3. Organizational Changes (continued)

The fair values of the Marian Systems' net assets, by major type, that were recognized in the System's Consolidated Balance Sheet on April 1, 2013, were as follows The valuation of these net assets was finalized during the year ended June 30, 2014, resulting in no material adjustments

Net working capital	$ 557,274
Intangible assets, including capitalized software	135,819
Property and equipment	1,950,739
Assets limited as to use	1,126,259
Investments and other long-term assets	1,125,652
Noncurrent liabilities assumed	(2,144,948)
Subtotal	2,750,795
Less March 31, 2013 Investment in Via Christi Health	(545,018)
Fair value of net assets	$ 2,205,777

The fair value of net assets of $2,205,777 in the preceding table was recognized in the Consolidated Statement of Operations and Changes in Net Assets for the year ended June 30, 2013, as a nonoperating contribution from business combinations of $2,028,992, contributions of temporarily and permanently restricted net assets of $44,201 and $67,846, respectively, and contributions of noncontrolling interests of $64,738

For the three months ended June 30, 2013, the System recognized revenues of the Marian Systems of $1,049,259, and an excess of revenues and gains over expenses and losses of the Marian Systems of $56,670, of which $55,542 was attributable to controlling interest, with the remaining attributable to noncontrolling interests Additionally, for the three months ended June 30, 2013, the System recognized an increase in unrestricted net assets – controlling interests, excluding the excess of revenues and gains over expenses and losses of $56,670 above, of $53,801, an increase in unrestricted net assets – noncontrolling interests of $823, an increase in temporarily restricted net assets of $915, and a decrease in permanently restricted net assets of $56

(Dollars in Thousands)

3. Organizational Changes (continued)

The following unaudited pro forma financial information presents the combined results of operations of the System and the Marian Systems for the year ended June 30, 2013, as though the April 1, 2013 business combination transaction had occurred on July 1, 2011 This pro forma financial information is not necessarily indicative of the results of operations that would have occurred had the System and the Marian Systems constituted a single entity during this period, nor is it necessarily indicative of future operating results

	Year Ended June 30, 2013
Total operating revenue	$ 20,005,943
Excess of revenues and gains over expenses and losses	1,230,777
Increase in unrestricted net assets – controlling interest	1,307,542
Increase in unrestricted net assets – noncontrolling interests	879,585
Increase in temporarily restricted net assets	7,497
Increase in permanently restricted net assets	7,945

The excess of revenues and gains over expenses and losses and the increase in unrestricted net assets – controlling interest in the table above exclude the nonoperating contribution from the Marian Health System business combination of $2,028,992 included in the Consolidated Statement of Operations and Changes in Net Assets for the year ended June 30, 2013 The pro forma excess of revenues and gains over expenses and losses above includes certain adjustments attributable to the April 1, 2013, business combination transaction

In addition, the increases in unrestricted net assets – controlling interest, temporarily restricted net assets, and permanently restricted net assets in the table above exclude the contributions from business combinations reflected in the contributions of noncontrolling interests, and temporarily and permanently restricted net assets of $64,738, $44,201, and $67,846, respectively

3. Organizational Changes (continued)

Mercy Regional Health Center, Inc.

On February 27, 2014 (transaction date), Via Christi Health, a subsidiary of Ascension Health, became the sole corporate member of Mercy Regional Health Center, Inc (MRHC) through a membership transfer agreement with Memorial Hospital Association (MHA) Prior to the transaction date, Via Christi Health held a 50% controlling interest in MRHC, which it consolidated, with a noncontrolling interest recognized for the portion of MRHC held by MHA On the transaction date, Via Christi Health paid cash of approximately $7,300 to MHA in exchange for MHA's 50% interest valued at approximately $52,530, along with contingent consideration, paid in the event of a sale or future change in control of either MRHC or Via Christi Health, or the dissolution of MRHC As such, this contingent liability had a value of zero at June 30, 2014 and through September 11, 2014, the date of issuance of Ascension's consolidated financial statements This transaction was accounted for as a $45,255 increase in controlling interest and a corresponding $52,530 decrease in noncontrolling interest in Ascension's Consolidated Statement of Operations and Changes in Net Assets for the year ended June 30, 2014

Divestitures and Discontinued Operations

As of June 30, 2014, and through September 11, 2014, the date of issuance of Ascension's consolidated financial statements, the System is in discussions, and has signed related non-binding letters of intent, with certain third parties for the sale of primarily all assets, liabilities and operations, excluding certain non-acute care entities, associated with Ascension's operations in Kansas City, Missouri, Tucson, Arizona, and Niagara Falls, New York (entities held for sale) A noncontrolling interest in the operations in Tucson, Arizona, subsequent to the sale is expected to be retained Completion of these proposed transactions is subject to due diligence and execution of final definitive agreements, including obtaining all necessary approvals

3. Organizational Changes (continued)

Assets and liabilities intended to be sold are designated as assets and liabilities held for sale, and included within other assets and other liabilities, respectively, in the System's Consolidated Balance Sheets Assets held for sale were $431,404 and $571,350 at June 30, 2014 and 2013, respectively, while liabilities held for sale were $130,722 and $142,707 at June 30, 2014 and 2013, respectively Revenues of the entities held for sale were $870,862 and $862,838 for the years ended June 30, 2014 and 2013, respectively Losses of the entities held for sale included in the Loss from discontinued operations in the Consolidated Statement of Operations and Changes in Net Assets were $31,579 and $74,892 for the years ended June 30, 2014 and 2013, respectively Primarily all of the remaining loss from discontinued operations for the year ended June 30, 2014, was comprised of the write-down of assets in Tucson, Arizona, and Niagara Falls, New York, in conjunction with being classified as held for sale

Other

In June 2014, Alexian Brothers Health System, a subsidiary of Ascension Health, signed a non-binding letter of intent to form a joint operating company with Adventist Midwest Health Completion of this proposed transaction is subject to due diligence and execution of final definitive agreements, including obtaining all necessary approvals

4. Pooled Investment Fund

At June 30, 2014 and 2013, a significant portion of the System's investments consists of the System's interest in the Alpha Fund, a limited liability company organized in the state of Delaware Certain System assets continue to be held through the Ascension Legacy Portfolio, and subsequent to April 2012, the Ascension Legacy Portfolio no longer holds assets for unrelated entities Additional System investments include those held and managed by the Health Ministries' and their consolidated foundations

The Alpha Fund includes the investment interests of the System and other Alpha Fund members AIM, a wholly owned subsidiary of the System, manages and serves as the manager and primary investment advisor of the Alpha Fund, overseeing the investment strategies offered to the Alpha Fund's members AIM provides expertise in the areas of asset allocation, selection and monitoring of outside investment managers, and risk management The Alpha Fund is consolidated in the System's financial statements

4. Pooled Investment Fund (continued)

The portion of the Alpha Fund's net assets representing interests held by entities other than the System are reflected in noncontrolling interests in the Consolidated Balance Sheets, which amount to $1,490,082 and $1,450,580 at June 30, 2014 and 2013, respectively

The Alpha Fund invests in a diversified portfolio of investments including alternative investments, such as real asset funds, hedge funds, private equity funds, commodity funds, and private credit funds Collectively, these funds have liquidity terms ranging from daily to annual with notice periods ranging from 1 to 180 days Due to redemption restrictions, investments in certain of these funds, whose fair value was $1,312,677 at June 30, 2014, cannot currently be redeemed However, the potential for the Alpha Fund to sell its interest in these funds in a secondary market prior to the end of the fund term does exist

The Alpha Fund's investments in certain alternative investment funds also include contractual commitments to provide capital contributions during the investment period, which is typically five years and can extend to the end of the fund term During these contractual periods, investment managers may require the Alpha Fund to invest in accordance with the terms of the agreement Commitments not funded during the investment period will expire and remain unfunded As of June 30, 2014, contractual agreements of the Alpha Fund expire between July 2014 and December 2019 The remaining unfunded capital commitments of the Alpha Fund total approximately $1,459,000 for 95 individual funds as of June 30, 2014 Due to the uncertainty surrounding whether the contractual commitments will require funding during the contractual period, future minimum payments to meet these commitments cannot be reasonably estimated These committed amounts are expected to be primarily satisfied by the liquidation of existing investments in the Alpha Fund

In the normal course of operations and within established Alpha Fund guidelines, the Alpha Fund may enter into various exchange-traded and over-the-counter derivative contracts for trading purposes, including futures, option, and forward contracts as well as warrants and swaps These instruments are used primarily to adjust the portfolio duration, restructure term structure exposure, change sector exposure, and arbitrage market inefficiencies See the Fair Value Measurements note for a discussion of how fair value for the Alpha Fund's derivatives is determined

4. Pooled Investment Fund (continued)

At June 30, 2014 and 2013, the notional value of Alpha Fund derivatives outstanding was approximately $2,377,000 and $2,126,000, respectively The fair value of Alpha Fund derivatives in an asset position was $61,234 and $35,404 at June 30, 2014 and 2013, respectively, while the fair value of Alpha Fund derivatives in a liability position was $3,478 and $84,249 at June 30, 2014 and 2013, respectively These derivatives are included in long-term investments in the Consolidated Balance Sheets at June 30, 2014 and 2013

The Alpha Fund also participates in a securities lending program, whereby a portion of the Alpha Fund's investments are loaned to selected established brokerage firms in return for cash and securities from the brokers as collateral for the investments loaned, usually on a short-term basis The fair value of collateral held by the Alpha Fund associated with such lending agreements amounts to approximately $3,000 and $394,000 at June 30, 2014 and 2013, respectively, and is included in other current assets in the Consolidated Balance Sheets, while the liability associated with the obligation to repay such collateral is also approximately $3,000 and $394,000 at June 30, 2014 and 2013, respectively, and is included in other current liabilities in the Consolidated Balance Sheets In addition, the Alpha Fund has liabilities for investments sold, not yet purchased, representing obligations of the Alpha Fund to purchase investments in the market at prevailing prices The fair value of this Alpha Fund liability is approximately $179,000 and $7,000 at June 30, 2014 and 2013, respectively, and is included in other noncurrent liabilities in the Consolidated Balance Sheets

Due from brokers and due to brokers on the Consolidated Balance Sheets at June 30, 2014 and 2013, represent the Alpha Fund's positions and amounts due from or to various brokers, primarily amounts for security transactions not yet settled, and cash held by brokers for securities sold, not yet purchased

(Dollars in Thousands)

5. Cash and Investments

The System's cash and investments are reported in the Consolidated Balance Sheets as presented in the table that follows Total cash and investments, net, includes both the System's membership interest in the Alpha Fund and the noncontrolling interests held by other Alpha Fund members System unrestricted cash and investments, net, represent the System's cash and investments excluding the noncontrolling interests held by other Alpha Fund members and assets limited as to use

	June 30, 2014	2013
Cash and cash equivalents	**$ 618,418**	$ 753,555
Short-term investments	**109,081**	113,825
Long-term investments	**15,327,255**	14,156,447
Subtotal	**16,054,754**	15,023,827
Other Alpha Fund assets and liabilities		
In other current assets	**30,671**	459,050
In other long-term assets	**2,641**	2,785
In accounts payable and other accrued liabilities	**(7,013)**	(5,680)
In other current liabilities	**(3,341)**	(394,763)
In other noncurrent liabilities	**(178,732)**	(6,622)
Due to brokers, net	**11,588**	(315,040)
Total cash and investments, net	**15,910,568**	14,763,557
Less noncontrolling interests of Alpha Fund	**1,490,082**	1,450,580
System cash and investments, including assets limited as to use	**14,420,486**	13,312,977
Less assets limited as to use		
Under bond indenture agreement	**43,869**	33,955
Self-insurance trust funds	**759,388**	728,621
Temporarily or permanently restricted	**652,244**	561,802
Total assets limited as to use	**1,455,501**	1,324,378
System unrestricted cash and investments, net	**$ 12,964,985**	$ 11,988,599

(Dollars in Thousands)

5. Cash and Investments (continued)

At June 30, 2014 and 2013, the composition of cash and cash equivalents, short-term investments and long-term investments, which include certain assets limited as to use, is summarized as follows

	June 30, 2014	2013
Cash and cash equivalents and short-term investments	**$ 828,020**	$ 1,113,823
Pooled short-term investment funds	**302,436**	311,027
U S government, state, municipal and agency obligations	**3,301,360**	3,447,500
Corporate and foreign fixed income securities	**1,660,267**	1,664,001
Asset-backed securities	**978,429**	1,196,168
Equity securities	**3,318,063**	2,695,483
Alternative investments and other investments		
Private equity and real estate funds	**1,039,704**	809,341
Hedge funds	**3,303,800**	2,860,776
Commodities funds and other investments	**1,322,675**	925,708
Total alternative investments and other investments	**5,666,179**	4,595,825
Total cash and cash equivalents, short-term investments, and long-term investments	**$ 16,054,754**	$ 15,023,827

As of June 30, 2014 and 2013, the System's membership interest in the Alpha Fund totaled $12,500,448 and $11,251,590, respectively As of June 30, 2014 and 2013, the noncontrolling interest (see Note 2) in the Alpha Fund, representing interests held by entities other than the System, totaled $1,490,082 and $1,450,580, respectively

Investment return recognized by the System for the years ended June 30, 2014 and 2013, is summarized in the following table Total investment return includes the System's return in the Ascension Legacy Portfolio and the investment return of the Alpha Fund System investment return represents the System's total investment return, net of the investment return earned by the noncontrolling interests of other Alpha Fund members

(Dollars in Thousands)

5. Cash and Investments (continued)

	Year Ended June 30, 2014	2013
Interest and dividends	**$ 203,975**	$ 169,797
Net gains on investments reported at fair value	**1,378,018**	601,488
Restricted investment return and unrealized gains, net	**39,234**	18,830
Total investment return	**1,621,227**	790,115
Less return earned by noncontrolling interests of Alpha Fund	**193,400**	106,039
System investment return	**$ 1,427,827**	$ 684,076

6. Fair Value Measurements

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

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

6. Fair Value Measurements (continued)

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

Level 1 – Quoted prices (unadjusted) that are readily available in active markets or exchanges for identical assets or liabilities on the reporting date

Level 2 – Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly or indirectly Level 2 pricing inputs include prices quoted for similar assets and liabilities in active markets or exchanges or prices quoted for identical or similar assets and liabilities in markets that are not active If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability

Level 3 – Significant pricing inputs that are unobservable for the asset or liability, including assets or liabilities for which there is little, if any, market activity for such asset or liability Inputs to the determination of fair value for Level 3 assets and liabilities require management judgment and estimation

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

As of June 30, 2014 and 2013, the assets and liabilities listed in the fair value hierarchy tables below use the following valuation techniques and inputs

Cash and Cash Equivalents and Short-Term Investments

Cash and cash equivalents and certain short-term investments include certificates of deposit, whose fair value is based on cost plus accrued interest Significant observable inputs include security cost, maturity, and relevant short-term interest rates Other short-term investments designated as Level 2 investments primarily consist of commercial paper, whose fair value is based on the income approach Significant observable inputs include security cost, maturity, credit rating, interest rate, and par value

6. Fair Value Measurements (continued)

Pooled Short-term Investment Fund

The pooled short-term investment fund is a short term exchange traded money market fund primarily invested in treasury securities

U S. Government, State, Municipal, and Agency Obligations

The fair value of investments in U S government, state, municipal, and agency obligations is primarily determined using techniques consistent with the income approach Significant observable inputs to the income approach include data points for benchmark constant maturity curves and spreads

Corporate and Foreign Fixed Income Securities

The fair value of investments in U S and international corporate bonds, including commingled funds that invest primarily in such bonds, and foreign government bonds is primarily determined using techniques that are consistent with the market approach Significant observable inputs include benchmark yields, reported trades, observable broker-dealer quotes, issuer spreads, and security specific characteristics, such as early redemption options

Asset-backed Securities

The fair value of U S agency and corporate asset-backed securities is primarily determined using techniques consistent with the income approach Significant observable inputs include prepayment speeds and spreads, benchmark yield curves, volatility measures, and quotes

Equity Securities

The fair value of investments in U S and international equity securities is primarily determined using techniques consistent with the market and income approaches The values for underlying investments are fair value estimates determined by external fund managers based on quoted market prices, operating results, balance sheet stability, growth, dividend, dividend yield, and other business and market sector fundamentals

6. Fair Value Measurements (continued)

Alternative Investments and Other Investments

Alternative investments consist of private equity, hedge funds, private equity funds, commodity funds, and real estate partnerships The fair value of private equity is primarily determined using techniques consistent with both the market and income approaches, based on the System's estimates and assumptions in the absence of observable market data The market approach considers comparable company, comparable transaction, and company-specific information, including but not limited to restrictions on disposition, subsequent purchases of the same or similar securities by other investors, pending mergers or acquisitions, and current financial position and operating results The income approach considers the projected operating performance of the portfolio company

The fair value of hedge funds, private equity funds, commodity funds, and real estate partnerships is primarily determined using net asset values, which approximate fair value, as determined by an external fund manager based on quoted market prices, operating results, balance sheet stability, growth, and other business and market sector fundamentals

Other investments include derivative assets and derivative liabilities of the Alpha Fund, whose fair value is primarily determined using techniques consistent with the market approach Significant observable inputs to valuation models include interest rates, Treasury yields, volatilities, credit spreads, maturity, and recovery rates

Securities Lending Collateral

The fair value of collateral received under the Alpha Fund's securities lending program is valued using the calculated net asset value for the commingled fund in which the collateral is invested The underlying investments in the commingled fund are valued using techniques consistent with the market approach, which uses significant observable market inputs such as available trade, quotes, benchmark curves, sector groupings, and matrix pricing

6. Fair Value Measurements (continued)

Benefit Plan Assets

The fair value of benefit plan assets is based on original investment into a guaranteed pooled fund, plus guaranteed, annuity contract-based interest rates Significant unobservable inputs to the guaranteed rate include the fair value and average duration of the portfolio of investments underlying annuity contract, the contract value, and the annualized weighted-average yield to maturity of the underlying investment portfolio

Interest Rate Swap Assets and Liabilities

The fair value of interest rate swaps is primarily determined using techniques consistent with the market approach Significant observable inputs to valuation models include interest rates, Treasury yields, volatilities, credit spreads, maturity, and recovery rates

Investments Sold, Not Yet Purchased

The fair value of investments sold, not yet purchased is primarily determined using techniques consistent with the income approach Significant observable inputs to the income approach include data points for benchmark, constant maturity curves, and spreads

(Dollars in Thousands)

6. Fair Value Measurements (continued)

The following table summarizes fair value measurements, by level, at June 30, 2014, for all financial assets and liabilities measured at fair value on a recurring basis in the System's consolidated financial statements

	Level 1	Level 2	Level 3	Total
June 30, 2014				
Cash and cash equivalents	$ 351,934	$ 3,398	$ –	$ 355,332
Short-term investments	44,193	23,804	293	68,290
Pooled short-term investment funds	302,436	–	–	302,436
U S government, state, municipal and agency obligations	–	3,301,360	–	3,301,360
Corporate and foreign fixed income securities	–	1,429,694	230,573	1,660,267
Asset-backed securities	–	878,508	99,921	978,429
Equity securities	3,079,815	186,670	51,578	3,318,063
Alternative investments and other investments				
Private equity and real estate funds	388	5,901	1,030,536	1,036,825
Hedge funds	–	–	3,303,800	3,303,800
Commodities funds and other investments	134	1,352	1,212,420	1,213,906
Assets not at fair value				516,046
Cash and investments				$ 16,054,754
Securities lending collateral, in other current assets	$ –	$ 3,341	$ –	$ 3,341
Benefit plan assets, in other noncurrent assets	235,991	–	40,749	276,740
Interest rate swaps, in other noncurrent assets	–	69,883	–	69,883
Investments sold, not yet purchased, in other noncurrent liabilities	–	178,732	–	178,732
Interest rate swaps, included in other noncurrent liabilities	–	189,659	–	189,659

(Dollars in Thousands)

6. Fair Value Measurements (continued)

For the year ended June 30, 2014, the changes in the fair value of the assets and liabilities measured using significant unobservable inputs (Level 3) consisted of the following

	Short-term investments	U S Government, State, Municipal and Agency Obligations	Corporate and Foreign Fixed Income Securities	Asset-Backed Securities	Equity Securities	Private Equity and Real Estate Funds	Hedge Funds	Commodities Funds and Other Investments	Benefit Plan Assets
Year Ended June 30, 2014									
Beginning balance	**$ 238**	**$ 5,829**	**$ 391,287**	**$117,033**	**$ 2,163**	**$ 799,414**	**$2,857,114**	**$ 831,182**	**$ 35,662**
Total realized and unrealized gains (losses)									
Included in income from operations	**–**	**3**	**178**	**1**	**8,287**	**–**	**(11)**	**8**	**–**
Included in nonoperating gains (losses)	**55**	**(27)**	**19,138**	**35**	**(97)**	**103,975**	**267,740**	**413,774**	**–**
Included in changes in net assets	**–**	**–**	**–**	**–**	**–**	**44**	**577**	**17**	**–**
Purchases	**–**	**–**	**104,381**	**94,926**	**52,839**	**337,742**	**543,162**	**267,890**	**202,600**
Settlements	**–**	**–**	**–**	**–**	**–**	**(391)**	**–**	**–**	**–**
Sales	**–**	**(5,805)**	**(273,882)**	**(2,227)**	**(10,899)**	**(210,248)**	**(376,420)**	**(299,570)**	**(216,349)**
Transfers into Level 3	**–**	**–**	**–**	**–**	**–**	**–**	**11,640**	**–**	**77,763**
Transfers out of Level 3	**–**	**–**	**(10,529)**	**(109,847)**	**(715)**	**–**	**(2)**	**(881)**	**(58,927)**
Ending balance	**$ 293**	**$ –**	**$ 230,573**	**$ 99,921**	**$ 51,578**	**$1,030,536**	**$3,303,800**	**$ 1,212,420**	**$ 40,749**
The amount of total gains or losses for the period included in nonoperating gains (losses) attributable to the changes in unrealized gains or losses relating to assets still held at June 30, 2014	**$ 56**	**$ –**	**$ 7,605**	**$ (239)**	**$ 7,394**	**$ 70,701**	**$ 241,386**	**$ 128,351**	**$ –**

The basis for recognizing and valuing transfers into or out of Level 3, in the Level 3 rollforward, is as of the beginning of the period in which the transfers occur

(Dollars in Thousands)

6. Fair Value Measurements (continued)

The following table summarizes fair value measurements, by level, at June 30, 2013, for all financial assets and liabilities measured at fair value on a recurring basis in the System's consolidated financial statements

	Level 1	Level 2	Level 3	Total
June 30, 2013				
Cash and cash equivalents	$ 618,129	$ 14,277	$ –	$ 632,406
Short-term investments	21,821	45,258	238	67,317
Pooled short-term investment funds	311,027	–	–	311,027
U S government, state, municipal and agency obligations	–	3,441,671	5,829	3,447,500
Corporate and foreign fixed income securities	–	1,272,714	391,287	1,664,001
Asset-backed securities	–	1,079,135	117,033	1,196,168
Equity securities	2,656,950	36,370	2,163	2,695,483
Alternative investments and other investments				
Private equity and real estate funds	529	3,752	799,414	803,695
Hedge funds	–	–	2,857,114	2,857,114
Commodities funds and other investments	5,762	(6,061)	831,182	830,883
Assets not at fair value				518,233
Cash and investments				$ 15,023,827
Securities lending collateral, in other current assets	$ –	$ 394,310	$ –	$ 394,310
Benefit plan assets, in other noncurrent assets	210,767	–	35,662	246,429
Interest rate swaps, in other noncurrent assets	–	76,650	–	76,650
Investments sold, not yet purchased, in other noncurrent liabilities	–	6,622	–	6,622
Interest rate swaps, included in other noncurrent liabilities	–	194,546	–	194,546

(Dollars in Thousands)

6. Fair Value Measurements (continued)

For the year ended June 30, 2013, the changes in the fair value of the assets and liabilities measured using significant unobservable inputs (Level 3) consisted of the following Level 3 investments of the Alpha Fund are included in transfers in the table below

	Short-term investments	U S Government, State, Municipal and Agency Obligations	Corporate and Foreign Fixed Income Securities	Asset-Backed Securities	Equity Securities	Private Equity and Real Estate Funds	Hedge Funds	Commodities Funds and Other Investments	Benefit Plan Assets
Year Ended June 30, 2013									
Beginning balance	$ –	$ 7,437	$ 120,418	$ 15,297	$ 13,118	$ 593,753	$1,887,407	$ 615,813	$ 35,373
Total realized and unrealized gains (losses)									
Included in income from operations	–	16	242	10	1,489	–	123	(45)	–
Included in nonoperating gains (losses)	3	445	1,059	(227)	170	83,975	220,887	80,222	–
Included in changes in net assets	–	–	–	–	–	–	293	27	–
Purchases	–	169	328,980	122,703	718	188,085	981,414	401,957	44,150
Settlements	–	–	–	–	–	(25)	–	–	(279)
Sales	–	(2,238)	(58,928)	(17,883)	(13,372)	(66,836)	(232,198)	(266,889)	(41,668)
Transfers into Level 3	235	–	2,962	–	40	927	3,271	139	12,485
Transfers out of Level 3	–	–	(3,446)	(2,867)	–	(465)	(4,083)	(42)	(14,399)
Ending balance	$ 238	$ 5,829	$ 391,287	$117,033	$ 2,163	$ 799,414	$2,857,114	$ 831,182	$ 35,662
The amount of total gains or losses for the period included in nonoperating gains (losses) attributable to the changes in unrealized gains or losses relating to assets still held at June 30, 2013	$ 46	$ 342	$ (1,682)	$ (751)	$ 149	$ 39,300	$ 234,426	$ (28,407)	$ –

The basis for recognizing and valuing transfers into or out of Level 3, in the Level 3 rollforward, is as of the beginning of the period in which the transfers occur

(Dollars in Thousands)

7. Long-Term Debt

Long-term debt at June 30, 2014 and 2013, is comprised of the following and is presented in accordance with the specific master trust indenture to which the debt relates As further discussed below, certain portions of long-term debt are secured under the Alexian Brothers Health System Master Trust Indenture, the Mercy Regional Health Center, Inc Master Trust Indenture, The Howard Young Medical Center, Inc Master Trust Indenture, the St John Health System Master Trust Indenture, and the Ministry Health Care Master Trust Indenture

	June 30, 2014	2013
Tax-exempt hospital revenue bonds – secured under Ascension Health Alliance Senior Credit Group Master Trust Indenture		
Variable rate demand bonds, subject to a put provision that provides for a cumulative 7-month notice and remarketing period, payable through November 2047, interest (0 12% at June 30, 2014) tied to a market index plus a spread	$ **393,425**	$ 408,605
Variable rate demand bonds, subject to a 7-day put provision, payable through November 2039, interest (0 06% June 30, 2014) set at prevailing market rates	**224,225**	225,665
Variable rate demand bonds, subject to a 7-day put provision, payable through November 2033, interest (0 06% at June 30, 2014) set at prevailing market rates, swapped to fixed rates of 5 454% and 5 544%, respectively, through maturity	**307,300**	307,300
Indexed put bonds subject to weekly rate resets based on a taxable index, payable through November 2046, interest (2 036% at June 30, 2014) swapped to a variable rate tied to a tax-exempt market index plus a spread through November 2016	**153,800**	153,800
Fixed rate put bonds (converted from an indexed put bond mode based on a taxable index in May 2009) payable through November 2046, interest (4 10% at June 30, 2014) swapped to a variable rate tied to a market index plus a spread through November 2016	**153,690**	153,690
Fixed rate serial and term bonds payable in installments through November 2051, interest at 3 00% to 5 25%	**1,154,320**	1,207,490
Fixed rate serial and term bonds payable in installments through November 2039, interest at 5 00% swapped to variable rates over the life of the bonds	**585,290**	587,360
Fixed rate serial mode bonds payable through 2047 with purchase dates ranging from August 2014 through June 2021, interest at 0 90% to 5 00% through the purchase dates	**1,221,920**	1,224,750

(Dollars in Thousands)

7. Long-Term Debt (continued)

	June 30, 2014	2013
Tax-exempt hospital revenue bonds – unsecured under Ascension Health Alliance Subordinate Master Trust Indenture		
Variable rate demand bonds, subject to a 7-day put provision, payable through November 2027, interest (0 06% at June 30, 2014) set at prevailing market rates	$ **55,100**	$ 56,060
Fixed rate serial mode bonds payable through 2027 with purchase dates through November 2019, interest at 0 32% to 5 00%	**445,435**	446,515
Taxable bonds – secured under Ascension Health Alliance Senior Credit Group Master Trust Indenture		
Taxable fixed rate term bonds payable in installments through November 2053, interest at 4 847%	**425,000**	425,000
Total hospital revenue bonds under Senior Master Trust Indenture and Subordinate Master Trust Indenture	**5,119,505**	5,196,235
Tax-exempt hospital revenue bonds – secured under Alexian Brothers Health System Master Trust Indenture		
Fixed rate serial and term bonds payable in installments through February 2038, interest at 3 50% to 5 50%	**153,710**	157,000
Total hospital revenue bonds under the Alexian Brothers Health System Master Trust Indenture	**153,710**	157,000
Tax-exempt hospital revenue bonds – secured under Mercy Regional Health Center, Inc Master Trust Indenture		
Fixed rate serial and term bonds payable in installments through November 2029, interest at 3 00% to 5 00%	**24,040**	25,060
Total hospital revenue bonds under the Mercy Regional Health Center, Inc Master Trust Indenture	**24,040**	25,060
Tax-exempt hospital revenue bonds – secured under The Howard Young Medical Center, Inc Master Trust Indenture		
Fixed rate serial and term bonds payable in installments through August 2030, interest at 3 00% to 5 00%	**19,185**	20,040
Total hospital revenue bonds under The Howard Young Medical Center, Inc Master Trust Indenture	**19,185**	20,040

(Dollars in Thousands)

7. Long-Term Debt (continued)

	June 30, 2014	2013
Tax-exempt hospital revenue bonds – secured under St John Health System Master Trust Indenture		
Fixed rate serial and term bonds payable in installments through February 2042, interest at 4.00% to 5.00%	$ **407,550**	$ 414,500
Total hospital revenue bonds under the St John Health System Master Trust Indenture	**407,550**	414,500
Tax-exempt hospital revenue bonds – secured under Ministry Health Care Master Trust Indenture		
Fixed rate serial and term bonds payable in installments through August 2035, interest at 3.00% to 5.50%	**358,415**	368,260
Total hospital revenue bonds under the Ministry Health Care Master Trust Indenture	**358,415**	368,260
Total hospital revenue bonds under the Ascension Health Alliance Senior Master Trust Indenture, Ascension Health Alliance Subordinate Master Trust Indenture, the Alexian Brothers Health System Master Trust Indenture, the Mercy Regional Health Center, Inc Master Trust Indenture, The Howard Young Medical Center, Inc Master Trust Indenture, St John Health System Master Trust Indenture, and Ministry Health Care Master Trust Indenture	**6,082,405**	6,181,095
Other debt		
Obligations under capital leases	**30,623**	41,957
Other	**123,368**	113,710
	6,236,396	6,336,762
Unamortized premium, net	**195,579**	218,536
Less current portion	**(91,532)**	(89,869)
Less long-term debt subject to short-term remarketing arrangements	**(1,345,530)**	(1,187,125)
Long-term debt, less current portion and long-term debt subject to short-term remarketing arrangements	$ **4,994,913**	$ 5,278,304

(Dollars in Thousands)

7. Long-Term Debt (continued)

	June 30, 2014	2013
Ascension Health Alliance Senior Master Trust Indenture long-term debt obligations, including unamortized premium, net	$ **3,329,323**	$ 3,579,334
Ascension Health Alliance Subordinate Master Trust Indenture long-term debt obligations, including unamortized premium, net	**505,843**	511,009
Alexian Brothers Health System Master Trust Indenture long-term debt obligations, including unamortized premium, net	**160,965**	162,594
Mercy Regional Health Center, Inc Master Trust Indenture long-term debt obligations, including unamortized premium, net	**25,498**	27,258
The Howard Young Medical Center, Inc Master Trust Indenture long-term debt obligations, including unamortized premium, net	**19,942**	20,933
St John Health System Master Trust Indenture long-term debt obligations, including unamortized premium, net	**429,154**	437,503
Ministry Health Care Master Trust Indenture long-term debt obligations, including unamortized premium, net	**381,144**	394,781
Other	**143,044**	144,892
Long-term debt, less current portion, and long-term debt subject to short-term remarketing arrangements	$ **4,994,913**	$ 5,278,304

Scheduled principal repayments of long-term debt, considering obligations subject to short-term remarketing as due according to their long-term amortization schedule, as of June 30, 2014, are as follows

	Ascension Health Alliance MTIs	Alexian Brothers Health System MTI	Mercy Regional Health Center, Inc. MTI	The Howard Young Medical Center, Inc. MTI	St. John Health System MTI	Ministry Health Care MTI	Other Debt	Total
Year ending June 30								
2015	$ 59,835	$ 340	$ 1,045	$ 875	$ 7,305	$ 11,185	$ 10,947	$ 91,532
2016	50,130	7,485	1,080	910	7,680	11,665	22,513	101,463
2017	65,945	13,130	1,125	945	8,070	12,185	9,200	110,600
2018	69,045	15,655	1,175	975	6,890	12,890	35,710	142,340
2019	85,230	5,735	1,230	1,000	7,230	12,265	8,908	121,598
Thereafter	4,789,320	111,365	18,385	14,480	370,375	298,225	66,713	5,668,863
Total	$ 5,119,505	$ 153,710	$ 24,040	$ 19,185	$ 407,550	$ 358,415	$ 153,991	$ 6,236,396

7. Long-Term Debt (continued)

The carrying amounts of variable rate bonds and other notes payable approximate fair value The fair values of the unsecured fixed rate serial and term bonds are obtained from independent public valuation services The fair value of fixed rate serial and term bonds, including the component of variable rate demand bonds subject to long-term fixed interest rates, approximates carrying value at June 30, 2014 and 2013 During the years ended June 30, 2014 and 2013, interest paid was approximately $223,000 and $170,000, respectively Capitalized interest was approximately $5,500 and $5,400 for the years ended June 30, 2014 and 2013, respectively

Certain members of the System formed the Ascension Health Alliance Credit Group (Senior Credit Group) Each Senior Credit Group member is identified as either a senior obligated group member, a senior designated affiliate, or a senior limited designated affiliate Senior obligated group members are jointly and severally liable under a Senior Master Trust Indenture (Senior MTI) to make all payments required with respect to obligations under the Senior MTI and may be entities not controlled directly or indirectly by the System Senior designated affiliates and senior limited designated affiliates are not obligated to make debt service payments on the obligations under the Senior MTI The System may cause each senior designated affiliate to transfer such amounts as are necessary to enable the obligated group to comply with the terms of the Senior MTI, including payment of the outstanding obligations Additionally, each senior limited designated affiliate has an independent limited designated affiliate agreement and promissory note with the System with stipulated repayment terms and conditions, each subject to the governing law of the senior limited designated affiliate's state of incorporation

Pursuant to a Supplemental Master Indenture dated February 1, 2005, senior obligated group members, which are operating entities, have pledged and assigned to the Master Trustee a security interest in all of their rights, title, and interest in their pledged revenues and proceeds thereof

A Subordinate Credit Group, which is comprised of subordinate obligated group members, subordinate designated affiliates, and subordinate limited designated affiliates, was created under the Subordinate Master Trust Indenture (Subordinate MTI) The subordinate obligated group members are jointly and severally liable under the Subordinate MTI to make all payments required with respect to obligations under the Subordinate MTI and may be entities not controlled directly or indirectly by the System Subordinate designated affiliates and subordinate limited designated affiliates are not obligated to make debt service payments on the obligations under the Subordinate MTI The System may cause each subordinate designated affiliate to

7. Long-Term Debt (continued)

transfer such amounts as are necessary to enable the obligated group members to comply with the terms of the Subordinate MTI, including payment of the outstanding obligations Additionally, each subordinate limited designated affiliate has an independent subordinate limited designated affiliate agreement and promissory note with the System, with stipulated repayment terms and conditions, each subject to the governing law of the subordinate limited designated affiliate's state of incorporation

The unsecured variable rate demand bonds of both the Senior and Subordinate Credit Groups, while subject to long-term amortization periods, may be put to the System at the option of the bondholders in connection with certain remarketing dates To the extent that bondholders may, under the terms of the debt, put their bonds within 12 months after June 30, 2014, the principal amount of such bonds has been classified as a current liability in the accompanying Consolidated Balance Sheets Management believes the likelihood of a material amount of bonds being put to the System to be remote However, to address this possibility, management has taken steps to provide various sources of liquidity in the event any bonds would be put, including the line of credit, commercial paper program, and maintaining unrestricted assets as a source of self-liquidity

On January 1, 2012, Alexian Brothers became part of the System Subsequently, the System redeemed or refinanced a portion of Alexian Brothers' debt, however, a portion of the bonds previously issued for the benefit of Alexian Brothers remains outstanding (the Alexian Brothers' Bonds) The Alexian Brothers' Bonds continue to be secured by the Alexian Brothers Health System Master Trust Indenture (As Amended and Restated), dated October 1, 1992, between the Members of the Alexian Brothers Health System Obligated Group established under this document and the Alexian Brothers Health System Master Trustee

On April 1, 2013, Marian Health System joined Ascension Health Subsequently, the System redeemed or refinanced a portion of the debt of the Marian Systems, however, a portion of the bonds previously issued for the benefit of the Marian Systems remains outstanding These bonds continue to be secured by the respective Master Trust Indentures, including the Amended and Restated Master Trust Indenture dated October 1, 1999, by and between St John Health System and the St John Health Master Trustee, the Master Trust Indenture dated October 1, 1984, by and between Ministry Health Care and the Ministry Health Care Master Trustee, the Master Trust Indenture dated August 15, 1993, between The Howard Young Medical Center, Inc , a subsidiary of Ministry Health Care, and The Howard Young Medical Center, Inc Master

7. Long-Term Debt (continued)

Trustee, and the Master Trust Indenture dated January 15, 2013, between Mercy Regional Health Center, Inc (a subsidiary of Via Christi Health) and the Mercy Regional Health Center, Inc Master Trustee

In June 2013, the System issued a total of $521,865 of tax-exempt bonds, Series 2013A and 2013B, through the Wisconsin issuing authority In June 2013, the System also issued a total of $425,000 of taxable bonds, Series 2013A The proceeds of the bonds, including original issue premium, were used to refinance debt and general corporate purposes

Due to aggregate financing activity during the fiscal years ended June 30, 2014 and 2013, losses on extinguishment of debt of $1,605 and $4,079, respectively, were recorded, which are included in nonoperating gains (losses) in the accompanying Consolidated Statements of Operations and Changes in Net Assets

The System is a party to multiple interest rate swap agreements that convert the variable or fixed rates of certain debt issues to fixed or variable rates, respectively See the Derivative Instruments note for a discussion of these derivatives

As of June 30, 2014, the Senior Credit Group has a line of credit of $1,000,000 which may be used as a source of funding for unremarketed variable debt (including commercial paper) or for general corporate purposes, towards which bank commitments totaling $1,000,000 extend to November 9, 2014 As of June 30, 2014 and 2013, there were no borrowings under the line of credit

As of June 30, 2014, the Senior Credit Group has a $75,000 revolving line of credit related to its letters of credit program toward which a bank commitment of $75,000 extends to November 26, 2014 The revolving line of credit may be accessed solely in the form of Letters of Credit issued by the bank for the benefit of the members of the Credit Groups Of this $75,000 revolving line of credit, letters of credit totaling $57,455 have been issued as of June 30, 2014 No borrowings were outstanding under the letters of credit as of June 30, 2014 and 2013

(Dollars in Thousands)

8. Derivative Instruments

The System uses interest rate swap agreements to manage interest rate risk associated with its outstanding debt Interest rate swaps with varying characteristics are outstanding under the Master Trust Indentures of the System, Alexian Brothers, Ministry Health Care, and St John Health These swaps have historically been used to effectively convert interest rates on variable rate bonds to fixed rates and rates on fixed rate bonds to variable rates At June 30, 2014 and 2013, the notional values of outstanding interest rate swaps were as follows

	June 30, 2014	2013
Ascension Health Alliance MTI	**$ 2,128,757**	$ 2,128,757
Alexian Brothers Health System MTI	**39,220**	47,220
Ministry Health Care MTI	**192,950**	270,880
St John Health System MTI	**100,000**	125,000
Total	**$ 2,460,927**	$ 2,571,857

The System recognizes the fair value of its interest rate swaps in the Consolidated Balance Sheets as assets, recorded in other noncurrent assets, or liabilities, recorded in other noncurrent liabilities, as appropriate The respective fair values of interest rate swaps in an asset and liability position for the System, Alexian Brothers, Ministry Health Care and St John Health were as follows

	June 30, 2014		June 30, 2013	
	Asset	Liability	Asset	Liability
Ascension Health Alliance MTI	**$ 66,981**	**$ 169,031**	$ 73,846	$ 174,413
Alexian Brothers Health System MTI	**–**	**1,934**	–	2,685
Ministry Health Care MTI	**2,902**	**17,938**	2,804	16,492
St John Health System MTI	**–**	**756**	–	956
Total	**$ 69,883**	**$ 189,659**	$ 76,650	$ 194,546

(Dollars in Thousands)

8. Derivative Instruments (continued)

The System's interest rate swap agreements include collateral requirements for each counterparty under such agreements, based upon specific contractual criteria, subject to master netting arrangements Collateral requirements are separately calculated for the System, Alexian Brothers, Ministry Health Care, and St John Health based on the credit ratings of each In the case of the System, the applicable credit rating is the Senior Credit Group long-term debt credit ratings (Senior Debt Credit Ratings), as obtained from each of two major credit rating agencies Credit rating and the net liability position of total interest rate swap agreements outstanding with each counterparty determine the amount of collateral to be posted Collateral and net fair value of interest rate swap agreements with credit-risk-related contingent features at June 30, 2014 and 2013, based upon the respective net liability positions and applicable credit ratings were as follows

	June 30, 2014		June 30, 2013	
	Net Fair Value	Collateral Posted	Net Fair Value	Collateral Posted
Ascension Health Alliance MTI	**$ (102,050)**	**$ –**	$ (100,567)	$ –
Alexian Brothers Health System MTI	**(1,934)**	**–**	(2,685)	–
Ministry Health Care MTI	**(15,036)**	**16,218**	(13,688)	23,024
St John Health System MTI	**(756)**	**–**	(956)	–
Total	**$ (119,776)**	**$ 16,218**	$ (117,896)	$ 23,024

Prior to July 1, 2006, the System designated certain of its interest rate swaps as cash flow hedges, for accounting purposes, and accordingly deferred gains or losses associated with those swaps in net assets As of June 30, 2014, the deferred net gain associated with these interest rate swaps was $4,054 The portion of this gain that will be reclassified into nonoperating gains (losses) over the next 12 months is immaterial

Beginning July 1, 2006, the System's previously designated cash flow hedging relationships were de-designated for accounting purposes Accordingly, all changes in the fair value of interest rate swaps have been recognized in nonoperating gains (losses) in the accompanying Consolidated Statements of Operations and Changes in Net Assets A net nonoperating gain of $1,752 was recognized for the year ended June 30, 2014, while a net nonoperating loss of $61,651 was recognized for the year ended June 30, 2013

9. Retirement Plans

Defined-Benefit Plans

Certain System entities participate in defined-benefit pension plans (the System Plans), which are noncontributory, defined-benefit pension plans covering substantially all eligible employees of certain System entities Benefits are based on each participant's years of service and compensation All of the System Plans' assets are invested in Trusts, which include the Master Pension Trust (the Trust) and other trusts (the Other Trusts) The System Plans' assets primarily consist of cash and cash equivalents, equity, fixed income funds, and alternative investments, consisting of various hedge funds, real estate funds, private equity funds, commodity funds, private credit funds, and certain other private funds Contributions to the System Plans are based on actuarially determined amounts sufficient to meet the benefits to be paid to participants

During previous fiscal years, the System approved and communicated to employees a redesign of associate retirement benefits, which affects certain System Plans, as well as provides an enhanced comprehensive defined contribution plan This redesign resulted in the recognition of a curtailment gain of $73,198, for the year ended June 30, 2013, which was recognized in total impairment, restructuring, and nonrecurring losses, net for the year ended June 30, 2013 This redesign resulted in a decrease to the projected benefit obligation and is included in pension and other postretirement liabilities in the Consolidated Balance Sheets

The assets of the System Plans are available to pay the benefits of eligible employees and retirees of all participating entities In the event entities participating in the System Plans are unable to fulfill their financial obligations under the System Plans, the other participating entities are obligated to do so

(Dollars in Thousands)

9. Retirement Plans (continued)

The following table sets forth the combined benefit obligations and assets of the System Plans at June 30, 2014 and 2013, components of net periodic benefit costs for the years then ended, and a reconciliation of the amounts recognized in the accompanying consolidated financial statements

	Year Ended June 30,	
	2014	**2013**
Change in projected benefit obligation		
Projected benefit obligation at beginning of year	**$ 7,201,780**	$ 6,437,246
Service Cost	**51,176**	119,018
Interest Cost	**343,781**	289,634
Amendments	**290**	(12,792)
Assumption change	**408,908**	(363,778)
Actuarial (gain) loss	**55,623**	(28,641)
Business combinations	**–**	1,137,270
Curtailment	**(4,193)**	(74,962)
Benefits paid	**(365,406)**	(301,215)
Projected benefit obligation at end of year	**7,691,959**	7,201,780
Accumulated benefit obligation at end of year	**7,649,965**	7,155,166
Change in plan assets		
Fair value of plan assets at beginning of year	**6,742,384**	5,992,677
Actual return on plan assets	**1,046,540**	121,715
Employer contributions	**41,597**	54,541
Business combinations	**–**	874,666
Benefits paid	**(365,406)**	(301,215)
Fair value of plan assets at end of year	**7,465,115**	6,742,384
Net amount recognized at end of year and funded status	**$ (226,844)**	$ (459,396)

The System Plans' funded status as a percentage of the projected benefit obligation at June 30, 2014 and 2013, was 97 1% and 93 6%, respectively The System Plans' funded status as a percentage of the accumulated benefit obligation at June 30, 2014 and 2013, was 97 6% and 94 2%, respectively

(Dollars in Thousands)

9. Retirement Plans (continued)

Included in unrestricted net assets at June 30, 2014 and 2013, are the following amounts that have not yet been recognized in net periodic pension cost for the System Plans

	Year Ended June 30, 2014	2013
Unrecognized prior service credit	**$ (17,348)**	$ (23,080)
Unrecognized actuarial loss	**330,938**	364,739
	$ 313,590	$ 341,659

Changes in plan assets and benefit obligations recognized in unrestricted net assets for System Plans during 2014 and 2013 include

	Year Ended June 30, 2014	2013
Current year actuarial gain	**$ (27,867)**	$ (87,934)
Amortization of actuarial (gain) loss	**(5,934)**	19,725
Current year prior service cost (credit)	**290**	(12,792)
Amortization of prior service credit	**5,442**	5,944
	$ (28,069)	$ (75,057)

	Year Ended June 30, 2014	2013
Components of net periodic benefit cost		
Service cost	**$ 51,176**	$ 119,018
Interest cost	**343,781**	289,634
Expected return on plan assets	**(558,335)**	(500,497)
Amortization of prior service credit	**(4,017)**	(6,242)
Amortization of actuarial loss	**7,709**	53,783
Curtailment gain	**(1,426)**	(73,198)
Settlement gain	**(1,774)**	(12)
Net periodic benefit cost	**$ (162,886)**	$ (117,514)

(Dollars in Thousands)

9. Retirement Plans (continued)

The prior service credit and actuarial gain included in unrestricted net assets and expected to be recognized in net periodic pension cost during the year ending June 30, 2015, are $4,000 and $24,955, respectively

The assumptions used to determine the benefit obligation and net periodic benefit cost for the System Plans are set forth below

	June 30,	
	2014	**2013**
Weighted-average discount rate	**4.35%**	4.88%
Weighted-average rate of compensation increase	**3.81%**	3.81%
Weighted-average expected long-term rate of return on plan assets	**8.30%**	8.30%

The System Plans' assets invested in the Trust are invested in a portfolio designed to protect principal and obtain competitive investment returns and long-term investment growth, consistent with actuarial assumptions, with a reasonable and prudent level of risk Diversification is achieved by allocating to funds and managers that correlate to one of three economic strategies growth, deflation, and inflation Growth strategies include U S equity, emerging market equity, global equity, international equity, directional hedge funds, private equity, high yield, and private credit Deflation strategies include core fixed income, absolute return hedge funds, and cash Inflation strategies include inflation-linked bonds, commodity-related investments, and real assets The System Plans use multiple investment managers with complementary styles, philosophies, and approaches In accordance with the System Plans' objectives, derivatives may also be used to gain market exposure in an efficient and timely manner

(Dollars in Thousands)

9. Retirement Plans (continued)

In accordance with the System Plans' asset diversification targets, as presented in the table that follows, the Trust holds certain alternative investments, consisting of various hedge funds, real asset funds, private equity funds, commodity funds, private credit funds, and certain other private funds These investments do not have observable market values As such, each of these investments is valued at net asset value as determined by each fund's investment manager, which approximates fair value The fair value of the System Plans' alternative investments in the Trust as of June 30, 2014, is reported in the fair value measurement table that follows Collectively, these funds have liquidity terms ranging from daily to annual with notice periods ranging from 1 to 180 days Due to redemption restrictions, investments of certain private funds, whose fair value was approximately $1,313,000 at June 30, 2014, cannot be redeemed However, the potential for the System Plans to sell their interest in real asset funds and private equity funds in a secondary market prior to the end of the fund term does exist

The investments in these alternative investment funds may also include contractual commitments to provide capital contributions during the investment period, which is typically five years, and may extend to the end of the fund term During these contractual periods, investment managers may require the System Plans to invest in accordance with the terms of the agreement Commitments not funded during the investment period will expire and remain unfunded As of June 30, 2014, investment periods expire between July 2014 and March 2018 The remaining unfunded capital commitments of the Trust total approximately $416,000 for 62 individual contracts as of June 30, 2014

The weighted-average asset allocation for the System Plans in the Trust at the end of fiscal 2014 and 2013 and the target allocation for fiscal 2015, by asset category, are as follows

	Target Allocation	Percentage of Plan Assets At Year-End	
Asset Category	**2015**	**2014**	**2013**
Growth	50%	**53%**	52%
Deflation	30	**29**	29
Inflation	20	**18**	19
Total	100%	**100%**	100%

(Dollars in Thousands)

9. Retirement Plans (continued)

The System Plans' assets in the Other Trusts are invested in portfolios designed to best serve the participants of the System Plans' through a long-term investment strategy designed to ensure that funds are available to pay benefits as they become due and to maximize the total return at a prudent level of investment risk The System Plans' assets invested in the Other Trusts are diversified among various assets classes based upon established investment guidelines

Asset Category	Target Allocation 2015	Percentage of Plan Assets At Year-End 2014	2013
Cash	1%	**1%**	6%
Growth	62	**67**	61
Income	32	**28**	25
Other	5	**4**	8
Total	100%	**100%**	100%

(Dollars in Thousands)

9. Retirement Plans (continued)

The following tables summarize fair value measurements at June 30, 2014 and 2013, by asset class and by level, for the System Plans' assets and liabilities As also discussed in the Fair Value Measurements note, the System follows the three-level fair value hierarchy to categorize plan assets and liabilities recognized at fair value, which prioritizes the inputs used to measure such fair values The inputs and valuation techniques discussed in the Fair Value Measurements note also apply to the System Plans' assets and liabilities as presented in the following tables

	Level 1	Level 2	Level 3	Total
June 30, 2014				
Short-term investments	$ 191,495	$ 399	$ –	$ 191,894
Derivatives receivable	7	15,245	19,404	34,656
U S government, state, municipal and agency obligations	–	1,704,131	–	1,704,131
Corporate and foreign fixed income securities	–	673,696	47,850	721,546
Asset-backed securities	–	232,484	24,080	256,564
Equity securities	1,649,136	395,372	3,045	2,047,553
Alternative investments and other investments				
Private equity and real estate funds	–	–	909,980	909,980
Hedge funds	–	–	1,448,274	1,448,274
Commodities funds and other investments	–	–	295,563	295,563
Assets not at fair value				154,023
Total				7,764,184
Derivatives payable	26	160,907	2,980	163,913
Investments sold, not yet purchased	1,555	–	–	1,555
Liabilities not at fair value				133,601
Total				299,069
Fair value of plan assets				$ 7,465,115

(Dollars in Thousands)

9. Retirement Plans (continued)

	Level 1	Level 2	Level 3	Total
June 30, 2013				
Short-term investments	$ 324,803	$ 20,331	$ –	$ 345,134
Derivatives receivable	1,078	337	21,059	22,474
U.S. government, state, municipal and agency obligations	–	1,671,493	1,266	1,672,759
Corporate and foreign fixed income securities	25,843	566,812	53,729	646,384
Asset-backed securities	–	226,920	22,838	249,758
Equity securities	1,317,933	18,741	2,936	1,339,610
Alternative investments and other investments				
Private equity and real estate funds	–	–	747,864	747,864
Hedge funds	34,708	–	1,452,190	1,486,898
Commodities funds and other investments	–	316,971	271,282	588,253
Assets not at fair value				334,875
Total				7,434,009
Derivatives payable	68	300	248,988	249,356
Investments sold, not yet purchased	3,794	(71)	–	3,723
Liabilities not at fair value				438,546
Total				691,625
Fair value of plan assets				$ 6,742,384

(Dollars in Thousands)

9. Retirement Plans (continued)

For the years ended June 30, 2014 and 2013, the changes in the fair value of the System Plans' assets measured using significant unobservable inputs (Level 3) consisted of the following

	Net Derivatives	U.S. Government, State, Municipal and Agency Obligations	Corporate and Foreign Fixed Income Securities	Asset-Backed Securities	Equity Securities	Private Equity and Real Estate Funds	Hedge Funds	Commodities Funds and Other Investments
June 30, 2014								
Beginning balance	**$ (227,929)**	**$ 1,266**	**$ 53,729**	**$ 22,838**	**$ 2,936**	**$ 747,864**	**$1,452,190**	**$ 271,282**
Total actual return on assets	**123,117**	**23**	**5,784**	**1,182**	**353**	**70,779**	**105,507**	**21,672**
Purchases, issuances, and settlements	**(108,811)**	**(1,289)**	**(9,038)**	**16,599**	**(351)**	**91,337**	**(109,423)**	**2,609**
Transfers into (out of) Level 3	**230,047**	**–**	**(2,625)**	**(16,539)**	**107**	**–**	**–**	**–**
Ending balance	**$ 16,424**	**$ –**	**$ 47,850**	**$ 24,080**	**$ 3,045**	**$ 909,980**	**$1,448,274**	**$ 295,563**
Actual return on plan assets relating to plan assets still held at June 30, 2014	**$ 16,515**	**$ –**	**$ 2,823**	**$ 869**	**$ 555**	**$ 56,528**	**$ 146,882**	**$ (20,343)**

	Net Derivatives	U.S. Government, State, Municipal and Agency Obligations	Corporate and Foreign Fixed Income Securities	Asset-Backed Securities	Equity Securities	Private Equity and Real Estate Funds	Hedge Funds	Commodities Funds and Other Investments
June 30, 2013								
Beginning balance	$ 8,174	$ 1,903	$ 28,308	$ 14,243	$ 1,514	$ 546,165	$1,187,124	$ 282,320
Acquisitions	–	–	–	–	–	37,048	–	9,994
Total actual return on assets	(154,133)	130	(171)	(89)	5	54,153	147,977	(21,032)
Purchases, issuances, and settlements	(122,486)	(767)	31,994	20,384	1,417	98,174	156,513	–
Transfers into (out of) Level 3	40,516	–	(6,402)	(11,700)	–	12,324	(39,424)	–
Ending balance	$ (227,929)	$ 1,266	$ 53,729	$ 22,838	$ 2,936	$ 747,864	$1,452,190	$ 271,282
Actual return on plan assets relating to plan assets still held at June 30, 2013	$ (280,606)	$ 59	$ (2,202)	$ (115)	$ 227	$ 54,968	$ 147,248	$ (21,024)

(Dollars in Thousands)

9. Retirement Plans (continued)

The Trust has entered into a series of interest rate swap agreements with a net notional amount of $2,958,450 The combined targeted duration of these swaps and the Trust's fixed income investments approximates the duration of the liabilities of the Trust Currently, 75% of the dollar duration of the liability is subject to this economic hedge The purpose of this strategy is to economically hedge the change in the net funded status for a significant portion of the liability that can occur due to changes in interest rates

The expected long-term rate of return on the System Plans' assets is based on historical and projected rates of return for current and planned asset categories in the investment portfolio Assumed projected rates of return for each asset category were selected after analyzing historical experience and future expectations of the returns and volatility for assets of that category using benchmark rates Based on the target asset allocation among the asset categories, the overall expected rate of return for the portfolio was developed and adjusted for historical and expected experience of active portfolio management results compared to benchmark returns and for the effect of expenses paid from plan assets

Information about the expected cash flows for the System Plans follows

Expected employer contributions 2015	$ 41,714
Expected benefit payments	
2015	502,046
2016	478,701
2017	494,566
2018	502,342
2019	506,546
2020-2024	2,499,041

The contribution amount above includes amounts paid to Trusts The benefit payment amounts above reflect the total benefits expected to be paid from Trusts

9. Retirement Plans (continued)

Other Postretirement Benefit Plans

In addition to the retirement plan described above, certain Health Ministries sponsor postretirement benefit plans that provide healthcare benefits to qualified retirees who meet certain eligibility requirements The total benefit obligation of these plans at June 30, 2014 and 2013, is $44,473 and $45,308, respectively The net asset included in pension and other postretirement liabilities in the accompanying Consolidated Balance Sheets at June 30, 2014, is $756, while the net obligation included in pension and other postretirement liabilities in the accompanying Consolidated Balance Sheets at June 30, 2013, is $6,624 The change in the plans' assets and benefit obligations recognized in unrestricted net assets during the year ended June 30, 2014, was a decrease of $1,471

Defined-Contribution Plans

System entities participate in contributory and noncontributory defined-contribution plans covering all eligible associates There are three primary types of contributions to these plans employer automatic contributions, employee contributions, and employer matching contributions Benefits for employer automatic contributions are determined as a percentage of a participant's salary and, for certain entities, increases over specified periods of employee service These benefits are funded annually, and participants become fully vested over a period of time Benefits for employer matching contributions are determined as a percentage of an eligible participant's contributions each payroll period These benefits are funded each payroll period, and participants become fully vested in these employer contributions immediately Expenses for the defined-contribution plans were $280,223 and $193,856 during 2014 and 2013, respectively

10. Self-Insurance Programs

Certain System hospitals and other entities participate in pooled risk programs to insure professional and general liability risks and workers' compensation risks to the extent of certain self-insured limits In addition, various umbrella insurance policies have been purchased to provide coverage in excess of the self-insured limits The System provides its self-insurance through various trust funds and captive insurance companies Actuarially determined amounts, discounted at 6% for the System, are contributed to the trust funds and the captive insurance companies to provide for the estimated cost of claims The loss reserves recorded for estimated self-insured professional, general liability, and workers' compensation claims include estimates of the ultimate costs for both reported claims and claims incurred but not reported, which are discounted at 6% in 2014 and 2013 for the System Those entities not participating in the self-insured programs are insured under separate policies

Professional and General Liability Programs

Professional and general liability coverage is provided on a claims-made or occurrence basis through a wholly owned onshore trust and through AHIL

The wholly owned onshore trust has a self-insured retention of $10,000 per occurrence with no aggregate Excess coverage is provided through AHIL with limits up to $205,000 AHIL retains $5,000 per occurrence and $5,000 annual aggregate for professional liability AHIL also retains a 20% quota share of the first $25,000 of umbrella excess The remaining excess coverage is reinsured by commercial carriers

Sunflower Assurance, Inc (Sunflower) was acquired when Marian Health System joined the System Sunflower provided excess coverage with limits up to $75,000 above the primary coverage for Via Christi Health and retained 10% of the first reinsurance layer of $10,000 on a quota share basis The remaining excess coverage was reinsured by commercial carriers As of October 1, 2013, Via Christi's primary and excess medical professional and general liability and employed physician programs were integrated into the System trust and AHIL After January 1, 2014, the employer stop loss and employee life insurance coverage provided by Sunflower to Via Christi were not renewed and are in run off

10. Self-Insurance Programs (continued)

Self-insured entities in the states of Indiana, Kansas, Pennsylvania, and Wisconsin are provided professional liability coverage with limits in compliance with participation in the Patient Compensation Funds The Patient Compensation Funds apply to claims in excess of the primary self-insured limit, except the Fund in Kansas, which only covers claims up to the first $1,000 and then the trust and AHIL cover amounts above $1,000

Included in operating expenses in the accompanying Consolidated Statements of Operations and Changes in Net Assets is professional and general liability expense of $99,568 and $68,437 for the years ended June 30, 2014 and 2013, respectively Included in current and long-term self-insurance liabilities on the accompanying Consolidated Balance Sheets are professional and general liability loss reserves of $604,846 and $614,913 at June 30, 2014 and 2013, respectively

AHIL also offers physician professional liability coverage through insurance or reinsurance arrangements to nonemployed physicians practicing at the System's various facilities, primarily in Michigan, Indiana, Texas, Florida and Illinois Coverage is offered to physicians with limits ranging from $100 per claim to $1,000 per claim with various aggregate limits Beginning October 1, 2013, AHIL offered similar coverage to employed physicians from Marian Health System in Kansas and Wisconsin

Edessa Insurance Company Ltd (Edessa) was acquired as part of the Alexian Brothers business combination effective January 1, 2012 Effective July 1, 2012, the self-insurance programs of Edessa were consolidated into AHIL, and Edessa ceased operations

10. Self-Insurance Programs (continued)

Workers' Compensation

Workers' compensation coverage is provided on an occurrence basis through a grantor trust The self-insured trust provides coverage up to $1,500 per occurrence with no aggregate The trust provides a mechanism for funding the workers' compensation obligations of its members Prior to October 1, 2013, workers' compensation coverage for Marian Health System was self-insured or commercially insured up to various limits and excess insurance against catastrophic loss was obtained through commercial insurers As of October 1, 2013, the Marian Systems are provided coverage under the self-insured trust Premium payments made to the trust are expensed and represent claims reported and claims incurred but not reported

Included in operating expenses in the accompanying Consolidated Statements of Operations and Changes in Net Assets is workers' compensation expense of $42,052 and $41,699 for the years ended June 30, 2014 and 2013, respectively Included in current and long-term self-insurance liabilities on the accompanying Consolidated Balance Sheets are workers' compensation loss reserves of $114,237 and $137,825 at June 30, 2014 and 2013, respectively

(Dollars in Thousands)

11. Lease Commitments

Future minimum payments under noncancelable operating leases with terms of one year or more are as follows

Year ending June 30	
2015	$ 188,138
2016	172,635
2017	138,931
2018	104,991
2019	75,410
Thereafter	209,295
Total	$ 889,400

Certain System entities are lessees under operating lease agreements for the use of space in buildings owned by third parties, including medical office buildings (MOBs) and medical and information technology equipment In addition, certain System entities have subleased space within buildings where the entity has a current operating lease commitment Certain System entities are also lessors under operating lease agreements, primarily ground leases related to third-party-owned MOBs on land owned by the System entity

(Dollars in Thousands)

11. Lease Commitments (continued)

The System's future minimum noncancelable payments associated with operating leases where a System entity is the lessee, as well as future minimum noncancelable receipts associated with operating leases where a System entity is the sublessor or lessor, are presented in the table that follows Future minimum payments and receipts relate to noncancelable leases with terms of one year or more

	Future Payments Where the System is Lessee	Future Receipts Where the System is Sublessor/ Lessor	Net Future Payments (Receipts)
Year ending June 30			
2015	$ 188,138	$ 50,118	$ 138,020
2016	172,635	41,175	131,460
2017	138,931	32,104	106,827
2018	104,991	26,333	78,658
2019	75,410	20,626	54,784
Thereafter	209,295	300,833	(91,538)
Total	$ 889,400	$ 471,189	$ 418,211

Rental expense under operating leases amounted to $391,928 and $347,087 in 2014 and 2013, respectively

12. Contingencies and Commitments

The System is involved in litigation and regulatory investigations arising in the ordinary course of business Regulatory investigations also occur from time to time In the opinion of management, after consultation with legal counsel, these matters are expected to be resolved without material adverse effect on the System's Consolidated Balance Sheet

In March 2013, the System and some of its subsidiaries were named as defendants to litigation surrounding the Church Plan status of its System Plans On May 9, 2014, the United States District Court, Eastern District of Michigan, Southern Division, issued its Decision and Order Granting Defendants' Motion to Dismiss, which effectively dismissed the case against the System On June 11, 2014, the plaintiff in the case filed a Notice of Appeal, and the appeal is pending Regardless of the outcome of such appeal, the System does not believe that this matter will have a material adverse effect on the System's financial position or results of operations

(Dollars in Thousands)

12. Contingencies and Commitments (continued)

In September 2010, Ascension Health received a letter from the U S Department of Justice (the DOJ) in connection with its nationwide review to determine whether, in certain cases, implantable cardioverter defibrillators (ICD) were provided to certain Medicare beneficiaries in accordance with national coverage criteria In connection with this nationwide review, identified System hospitals are reviewing applicable medical records and responding to the DOJ The DOJ's investigation spans a time frame beginning in 2003 and extending through the present time To date, four System hospitals have entered into settlements with the DOJ and the System is having settlement discussions with the DOJ regarding two other System hospitals subject to the ICD investigation

The System enters into agreements with non-employed physicians that include minimum revenue guarantees The terms of the guarantees vary The carrying amounts of the liability for the System's obligation under these guarantees were $37,623 and $44,553 at June 30, 2014 and 2013, respectively, and are included in other current and noncurrent liabilities in the accompanying Consolidated Balance Sheets The maximum amount of future payments that the System could be required to make under these guarantees is approximately $95,700

The System entered into agreements with sponsors for support through January 2017 The System's obligation under these agreements totals $31,000 at June 30, 2014, and is included in other current and noncurrent liabilities in the accompanying Consolidated Balance Sheet

The System entered into Master Service Agreements for information technology services provided by third parties The maximum amount of future payments that the System could be required to make under these agreements is approximately $190,700

Guarantees and other commitments represent contingent commitments issued by Ascension Health Alliance Senior and Subordinate Credit Groups, generally to guarantee the performance of an affiliate to a third party in borrowing arrangements such as commercial paper issuances, bond financing, and other transactions The terms of guarantees are equal to the terms of the related debt, which can be as long as 26 years The following represents the remaining guarantees and other commitments of the Senior and Subordinate Credit Groups at June 30, 2014

Hospital de la Concepción 2000 Series A debt guarantee	**$**	**29,240**
St Vincent de Paul Series 2000A debt guarantee		**28,300**
Other guarantees and commitments		**36,200**

Supplementary Information

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Report of Independent Auditors on Supplementary Information

The Board of Directors
Ascension Health Alliance d/b/a Ascension

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole The accompanying Schedule of Net Cost of Providing Care of Persons Living in Poverty and Community Benefit Programs, the Details of Consolidated Balance Sheet – St Vincent Health, Inc , and the Details of Consolidated Statement of Operations and Changes in Net Assets – St Vincent Health Inc are presented for purposes of additional analysis and is not a required part of the 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 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole

Ernst + Young LLP

September 11, 2014

Ascension

Schedule of Net Cost of Providing Care of Persons Living in Poverty and Other Community Benefit Programs

(Dollars in Thousands)

Years Ended June 30, 2014 and 2013

The net cost of providing care to persons living in poverty and other community benefit programs is as follows

	Year Ended June 30, 2014	2013
Traditional charity care provided	**$ 580,606**	$ 524,605
Unpaid cost of public programs for persons living in poverty	**641,981**	488,959
Other programs for persons living in poverty and other vulnerable persons	**117,990**	89,923
Community benefit programs	**480,866**	383,583
Care of persons living in poverty and other community benefit programs	**$ 1,821,443**	$ 1,487,070

Ascension

Details of Consolidated Balance Sheet – St. Vincent Health, Inc.
(Dollars in Thousands)

June 30, 2014

	Consolidated Ascension	Consolidated Ascension less Health Ministries Presented	Reclassification
Assets			
Current assets			
Cash and cash equivalents	$ 618,418	$ 540,430	$ –
Short-term investments	109,081	84,993	–
Interest in investments held by Ascension	–	–	–
Accounts receivable, less allowances for uncollectible accounts	2,419,616	2,048,270	–
Inventories	332,739	286,021	–
Due from brokers	343,757	343,757	–
Estimated third-party payor settlements	236,559	218,126	–
Other	562,367	497,462	–
Total current assets	4,622,537	4,019,059	–
Long-term investments	15,327,255	12,480,132	2,743,942
Interest in investments held by Ascension	–	–	(2,743,942)
Property and equipment, net	8,410,629	7,781,689	–
Other assets			
Investment in unconsolidated entities	649,888	567,659	–
Capitalized software costs, net	778,705	706,168	–
Other	1,509,849	1,267,949	–
Total other assets	2,938,442	2,541,776	–
Total assets	$ 31,298,863	$ 26,822,656	$ –

St. Vincent Health, Inc. Consolidated	Consolidated St. Vincent Health, Inc. less Other Entities Presented	St. Joseph Hospital and Health Center, Inc.	St. Vincent Heart Center of Indiana, LLC	St. Vincent Anderson Regional Hospital, Inc.
$ 77,988	$ 53,190	$ 1,576	$ 23,145	$ 77
24,088	3,510	6,463	14,115	–
–	–	–	–	–
371,346	314,278	20,206	13,860	23,002
46,718	38,728	2,337	2,139	3,514
–	–	–	–	–
18,433	15,997	1,026	178	1,232
64,905	38,857	6,407	12,784	6,857
603,478	464,560	38,015	66,221	34,682
103,181	96,749	1,254	25	5,153
2,743,942	2,536,533	150,443	–	56,966
628,940	532,048	29,202	22,255	45,435
82,229	82,229	–	–	–
72,537	72,306	90	140	1
241,900	241,080	356	68	396
396,666	395,615	446	208	397
$ 4,476,207	$ 4,025,505	$ 219,360	$ 88,709	$ 142,633

Ascension

Details of Consolidated Balance Sheet – St. Vincent Health, Inc. (continued)
(Dollars in Thousands)

June 30, 2014

	Consolidated Ascension	Consolidated Ascension less Health Ministries Presented
Liabilities and net assets		
Current liabilities		
Current portion of long-term debt	$ 91,532	$ 84,877
Long-term debt subject to short-term remarketing arrangements	1,345,530	1,345,530
Accounts payable and accrued liabilities	2,293,663	2,094,288
Estimated third-party payor settlements	450,054	378,323
Due to brokers	332,169	332,169
Current portion of self-insurance liabilities	226,856	217,963
Other	274,645	210,298
Total current liabilities	5,014,449	4,663,448
Noncurrent liabilities		
Long-term debt (senior and subordinated)	4,994,913	4,536,411
Self-insurance liabilities	541,859	541,859
Pension and other postretirement liabilities	428,679	346,973
Other	1,343,826	1,263,923
Total noncurrent liabilities	7,309,277	6,689,166
Total liabilities	12,323,726	11,352,614
Net assets		
Unrestricted		
Controlling interest	16,736,190	13,355,265
Noncontrolling interests	1,656,106	1,608,390
Unrestricted net assets	18,392,296	14,963,655
Temporarily restricted	391,226	333,811
Permanently restricted	191,615	172,576
Total net assets	18,975,137	15,470,042
Total liabilities and net assets	$ 31,298,863	$ 26,822,656

St. Vincent Health, Inc. Consolidated	Consolidated St. Vincent Health, Inc. less Other Entities Presented	St. Joseph Hospital and Health Center, Inc.	St. Vincent Heart Center of Indiana, LLC	St. Vincent Anderson Regional Hospital, Inc.
$ 6,655	$ 2,636	$ 237	$ 3,561	$ 221
–	–	–	–	–
199,375	173,203	7,445	7,411	11,316
71,731	59,616	4,982	4,453	2,680
–	–	–	–	–
8,893	8,561	79	127	126
64,347	31,832	6,708	18,746	7,061
351,001	275,848	19,451	34,298	21,404
458,502	398,474	16,327	28,489	15,212
–	–	–	–	–
81,706	81,706	–	–	–
79,903	77,264	2,018	–	621
620,111	557,444	18,345	28,489	15,833
971,112	833,292	37,796	62,787	37,237
3,380,925	3,082,690	180,288	18,048	99,899
47,716	39,867	–	7,849	–
3,428,641	3,122,557	180,288	25,897	99,899
57,415	51,530	876	25	4,984
19,039	18,126	400	–	513
3,505,095	3,192,213	181,564	25,922	105,396
$ 4,476,207	$ 4,025,505	$ 219,360	$ 88,709	$ 142,633

Ascension

Details of Consolidated Statement of Operations and Changes in Net Assets – St. Vincent Health, Inc.
(Dollars in Thousands)

Year Ended June 30, 2014

	Consolidated Ascension	Consolidated Ascension less Health Ministries Presented
Operating revenue		
Net patient service revenue	$ 19,193,307	$ 16,404,174
Less provision for doubtful accounts	1,273,354	1,137,989
Net patient service revenue, less provision for doubtful accounts	17,919,953	15,266,185
Other revenue	2,229,767	2,095,714
Total operating revenue	20,149,720	17,361,899
Operating expenses		
Salaries and wages	8,202,294	7,196,707
Employee benefits	1,747,739	1,509,490
Purchased services	1,210,276	910,644
Professional fees	1,279,459	1,141,653
Supplies	2,822,102	2,464,116
Insurance	128,535	116,682
Interest	194,616	180,007
Depreciation and amortization	899,389	795,592
Other	2,901,859	2,570,778
Total operating expenses before impairment, restructuring, and nonrecurring gains (losses), net	19,386,269	16,885,669
Income (loss) from operations before self-insurance trust fund investment, investment return and impairment restructuring and non recurring gains (losses), net	763,451	476,230
Self-insurance trust fund investment return	66,174	66,174
Impairment, restructuring, and nonrecurring expenses	(223,834)	(208,091)
Income (loss) from operations	605,791	334,313
Nonoperating gains (losses)		
Investment return	1,515,819	1,214,029
Loss on extinguishment of debt	(1,605)	(1,657)
Gain (loss) on interest rate swaps	(6,020)	(6,001)
Income from unconsolidated entities	5,539	4,951
Contributions from business combinations	–	–
Other	(63,119)	(71,013)
Total nonoperating gains, net	1,450,614	1,140,309
Excess (deficit) of revenues and gains over expenses and losses	2,056,405	1,474,622
Less noncontrolling interests	245,893	222,054
Excess of revenues and gains over expenses and losses attributable to controlling interest	1,810,512	1,252,568

St. Vincent Health, Inc. Consolidated	Consolidated St. Vincent Health, Inc. less Other Entities Presented	St. Joseph Hospital and Health Center, Inc.	St. Vincent Heart Center of Indiana, LLC	St. Vincent Anderson Regional Hospital, Inc.
$ 2,789,133	$ 2,318,903	$ 140,650	$ 131,225	$ 198,355
135,365	107,722	11,025	2,945	13,673
2,653,768	2,211,181	129,625	128,280	184,682
134,053	118,308	2,932	547	12,266
2,787,821	2,329,489	132,557	128,827	196,948
1,005,587	873,596	41,090	28,292	62,609
238,249	201,864	10,793	8,304	17,288
299,632	265,939	12,557	5,801	15,335
137,806	110,093	9,647	6,885	11,181
357,986	282,199	14,171	30,068	31,548
11,853	11,124	233	141	355
14,609	11,980	533	1,794	302
103,797	90,967	4,964	3,658	4,208
331,081	254,234	21,293	18,540	37,014
2,500,600	2,101,996	115,281	103,483	179,840
287,221	227,493	17,276	25,344	17,108
–	–	–	–	–
(15,743)	(15,696)	160	35	(242)
271,478	211,797	17,436	25,379	16,866
301,790	275,170	17,467	936	8,217
52	36	–	–	16
(19)	(17)	(1)	–	(1)
588	617	(29)	–	–
–	–	–	–	–
7,894	8,163	(51)	–	(218)
310,305	283,969	17,386	936	8,014
581,783	495,766	34,822	26,315	24,880
23,839	17,018	–	6,821	–
557,944	478,748	34,822	19,494	24,880

Ascension

Details of Consolidated Statement of Operations and Changes in Net Assets – St. Vincent Health, Inc. (continued)

(Dollars in Thousands)

Year Ended June 30, 2014

	Consolidated Ascension	Consolidated Ascension less Health Ministries Presented
Unrestricted net assets, controlling interest		
Excess (deficit) of revenues and gains over expenses and losses	$ 1,810,512	$ 1,252,568
Transfer (to) from sponsors and other affiliates, net	(6,566)	127,513
Contributed net assets	(1,534)	(1,534)
Membership interest changes, net	45,255	45,255
Net assets released from restrictions for property acquisitions	62,537	57,290
Pension and other postretirement liability adjustments	23,990	26,752
Change in unconsolidated entities' net assets	4,571	4,571
Other	(24,514)	(24,287)
Increase in unrestricted net assets, controlling interest, before (loss) gain from discontinued operations and cumulative effect of change in accounting principle	1,914,251	1,488,128
(Loss) gain from discontinued operations	(164,363)	(164,363)
Increase (decrease) in unrestricted net assets, controlling interest	1,749,888	1,323,765
Unrestricted net assets, noncontrolling interest		
Excess of revenues and gains over expenses and losses	245,893	222,054
Distributions of capital	(531,159)	(513,789)
Contributions of capital	401,546	376,065
Membership interest changes, net	(52,530)	(52,530)
Increase (decrease) in unrestricted net assets, noncontrolling interest	63,750	31,800
Temporarily restricted net assets, controlling interest		
Contributions and grants	99,885	90,056
Investment return	31,292	27,147
Net assets released from restrictions	(115,353)	(106,864)
Other	348	775
Increase (decrease) in temporarily restricted net assets, controlling interest	16,172	11,114
Permanently restricted net assets, controlling interest		
Contributions	10,405	8,726
Investment return	7,942	7,513
Other	(1,647)	(1,389)
Increase in permanently restricted net assets, controlling interest	16,700	14,850
Increase in net assets	1,846,510	1,381,529
Net assets, beginning of period	17,128,627	14,088,513
Net assets, end of period	$ 18,975,137	$ 15,470,042

St. Vincent Health, Inc. Consolidated	Consolidated St. Vincent Health, Inc. less Other Entities Presented	St. Joseph Hospital and Health Center, Inc.	St. Vincent Heart Center of Indiana, LLC	St. Vincent Anderson Regional Hospital, Inc.
$ 557,944	$ 478,748	$ 34,822	$ 19,494	$ 24,880
(134,079)	(52,347)	(24,052)	(25,170)	(32,510)
–	–	–	–	–
–	–	–		
5,247	4,618	368	7	254
(2,762)	(2,762)	–	–	–
–	–	–	–	–
(227)	29,264	(2)	(29,548)	59
426,123	457,521	11,136	(35,217)	(7,317)
–	–	–	–	–
426,123	457,521	11,136	(35,217)	(7,317)
23,839	17,018	–	6,821	–
(17,370)	(8,557)	–	(8,813)	–
25,481	(4,052)	–	29,533	–
–	–	–	–	–
31,950	4,409	–	27,541	–
9,829	9,004	370	20	435
4,145	3,611	60	–	474
(8,489)	(7,474)	(442)	(26)	(547)
(427)	(361)	(22)	15	(59)
5,058	4,780	(34)	9	303
1,679	1,676	3	–	–
429	427	–	–	2
(258)	(258)	–	–	–
1,850	1,845	3	–	2
464,981	468,555	11,105	(7,667)	(7,012)
3,040,114	2,723,658	170,459	33,589	112,408
$ 3,505,095	$ 3,192,213	$ 181,564	$ 25,922	$ 105,396

IMPLEMENTATION STRATEGY

IMPLEMENTATION STRATEGY SUMMARY

The Community Health Needs Assessment was a systematic, data-driven approach to determining the health status, behaviors and needs of local residents. Subsequently, this information will be used to inform decisions and guide efforts to improve community health and wellness. This assessment is supported by quantitative data and the qualitative data, which included primary research gathered through a series of meetings with Strategy Session Participants and Focus Group Participants. Each of these groups had special knowledge in areas in the root causes, subject matter expertise, area leaders or representatives of the community.

The root cause analysis through data and prioritization defined the need through four root causes:

1. **Tobacco Use**
2. **Obesity**
3. **Substance Abuse**
4. **Mental Health**

These four areas received a more in-depth assessment, resulting in the development of an implementation strategy. Between August, 2012 and December, 2012, the five assessment sponsors gathered appropriate agencies, providers, and community leaders together to review each root cause assessment and discuss possible implementation strategies having **highest impact potential. Due to the lower priorities and other access points and agencies in the community better equipped to address the other root causes,** the collaborative did not focus on Access to Care, Oral Health or Education Training.

A cross-walk of root causes to clinical issues (shown in the table below) indicates that all of the clinical issues that have emerged as priority needs would benefit from strategies focused on four root causes.

	Mental Health	Access to Care	Obesity	Substance Abuse	Oral Health	Education Training	Tobacco Use
Cancer			X		X		X
Kidney				X			X
Dementia				X			
Teen Births		X		X			X
Stroke			X	X			X
Injury	X			X		X	
Suicide	X			X			
Nutrition	X		X	X		X	
Respiratory			X	X			X
Drugs	X			X			X

COMMUNITY NEEDS IMPLEMENTATION STRATEGY (FY2013)

COLLABORATIVE PLAN

STRATEGY	TACTIC(S)	SPONSORS	ST MARY'S POINT PERSON(S)	COMPLETION DATE	SUCCESS MEASURES/COMMENTS
CATEGORY TOBACCO USE **Indiana Quit Line Promote/market the Quit Line to patients and clientele**	**Utilize existing marketing materials/resources to support current smokers in their efforts to quit**	**St Mary's Med Ctr St Mary's Warrick Deaconess United Way 211 Line ECHO CHC**	**John Greaney (Marketing/HR), Brian Kessler (Pt Materials), Amy Susott (Physician Offices), Carol Godsey (Warrick)**	**06/30/14**	**CATEGORY TOBACCO USE** **COMMUNITY MEASURE Increase number of local residents/physicians utilizing the Indiana Quit Line by 3%, compared to historic baseline from Smokefree Communities Decrease the percentage of smokers by 0 5 percentage points by FY2016** **ST MARY'S (EVANSVILLE AND WARRICK) MEASURE Attract 100 clicks on www quitnowindiana com originating from St Mary's website (www stmarys org) in Year #1**
	Work with Smokefree Communities to maximize use of materials	St Mary's Med Ctr St Mary's Warrick Deaconess United Way 211 Line ECHO CHC	Carol Godsey	06/30/14	
	Market via websites, internal/external publications, Parish Nurses, direct mail to smokers, contacts with Asthma parents and WIC parents, 211 Line	St Mary's Med Ctr St Mary's Warrick Deaconess United Way 211 Line ECHO CHC	Carol Godsey, John Greaney	01/01/14	NOTE All appropriate patient education materials will include the Indiana Quit Line materials (IN GOV/Quitline 1-800-Quit-Now)
	Engage primary care physicians and other clinicians to promote the use of the Quit Line	St Mary's Med Ctr St Mary's Warrick Deaconess ECHO CHC	Amy Susott, Carol Godsey	06/30/14	
Pursue a Smokefree Communities TPC grant (Tobacco Prevention and Cessation) specifically for Warrick County	Engage grant writer(s) at University of Evansville and utilize Smokefree Communities to administer the grant, if awarded	St Mary's Warrick Deaconess Gateway	Carol Godsey, Holly Smith	01/01/14	NOTE If potential warrants, grant would be submitted in Year #1, and Smokefree Communities program would be implemented in Warrick County Year #2
Implement tobacco component of Community Transformation Grant (CTG) for obesity	Work with Smokefree Communities to implement tactics in Warrick County	Welborn Baptist Fdn St Mary's Warrick	Liz Tharp Carol Godsey	06/30/14	NOTE If grant is awarded, SMW will be a member of the coalition Additional sponsors may also participate in the Smokefree Communities coalition

COMMUNITY NEEDS IMPLEMENTATION STRATEGY (FY2013)

COLLABORATIVE PLAN

STRATEGY	TACTIC(S)	SPONSORS	ST MARY'S POINT PERSON(S)	COMPLETION DATE	SUCCESS MEASURES/COMMENTS
CATEGORY OBESITY					**CATEGORY OBESITY**
Improve food/nutrition choices available on-campus	Re-introduce the Upgrade program on the SMMC campus in 2013	St Mary's Med Ctr Welborn Baptist Fdn Deaconess Hospital ECHO CHC	Mike Whitmore	06/30/14	**COMMUNITY MEASURE: Decrease by one percentage point the percentage of adults who are obese by FY2016 Decrease by one percentage point the percentage of households with an overweight or obese child (by FY2016) Set baseline measures in FY2014** **ST MARY'S EVANSVILLE MEASURE: Increase the number of healthy choice sales by 15%, compared to baseline sales Reduce the morbidly obese incidence among St Mary's associate population by 5%**
	Work with local vendors to recommend additional vending changes to be introduced in 2014	St Mary's Med Ctr Deaconess Hospital	John Greaney, Tom Lilly, Mike Whitmore	06/30/15	
	Replicate the SMMC Upgrade program on the SMW campus Distribute existing CTG/WBF materials	St Mary's Warrick Welborn Baptist Fdn	Mike Whitmore, Carol Godsey	06/30/15	**COMMUNITY MEASURE: Decrease by one percentage point the percentage of adults who are obese by FY2016 Decrease by one percentage point the percentage of households with an overweight or obese child (by FY2016) Set baseline measures in FY2014** **ST MARY'S WARRICK MEASURE: Number of healthy choice sales (first year will establish baseline sales)**
Support obese and morbidly obese employees by making appropriate incentives and interventions available to the workforce	Certified Health Coaches are available to assist obese and morbidly obese associates with a game plan for safely lowering their BMI Potential for premium discounts if the associate effectively lowers their risk factors	St Mary's Med Ctr St Mary's Warrick	John Greaney, Carol Godsey	06/30/14	
Expand HEROES coordinated school health Initiatives in Vanderburgh County Work to gain entry into the Warrick School System	Meet with key persons in Warrick/Vanderburgh School Systems to solicit participation in CTG initiatives	Welborn Baptist Fdn St Mary's Warrick	Carol Godsey, Eric Girten, Rhonda Meade	6-30-14 6-30-15	**COMMUNITY MEASURE: # schools participating in CTG activities will increase compared to FY2013**
Work with child care centers to improve physical activity and nutrition	Educate, provide resources to centers to meet healthy/active living guidelines	Welborn Baptist Fdn United Way ECDC St Mary's Med Ctr	Andrea Hays move ment/WBF, Rhonda Meade, HEROES/WBF, John Greaney	06/30/14	**COMMUNITY MEASURE: # child care centers implementing improved nutrition and physical activity aligned with best practice guidelines will increase compared to FY2013** **ST MARY'S MEASURE: Become certified as a baby friendly hospital**

COMMUNITY NEEDS IMPLEMENTATION STRATEGY (FY2013)
COLLABORATIVE PLAN

STRATEGY	TACTIC(S)	SPONSORS	ST MARY'S POINT PERSON(S)	COMPLETION DATE	SUCCESS MEASURES/COMMENTS
CATEGORY OBESITY (CONT)					
Work with businesses, health care centers and corporations to implement healthy, active living environments	Baby-friendly breastfeeding sites, worksite wellness programs, healthy vending, healthy menu options, etc	Welborn Baptist Fdn St Mary's Med Ctr	Andrea Hays, move ment/WBF Kirsten Emmons	06/30/14	**COMMUNITY MEASURE # worksites participating in WBF healthy initiative programs will increase compared to FY2013**
					CATEGORY OBESITY (CONT)
Address food access issues by creating new and unique opportunities for residents to obtain nutritionally balanced food options	Initiate/sustain Farmers' Markets during the summer months to promote healthy choices and affordable fruits and vegetables	St Mary's Warrick St Mary's Medical Center	Carol Godsey Vickie Detroy	06/30/14	ST MARY'S MEASURE 3 Markets will be held on the Warrick campus Weekly Markets will be held on the Evansville campus during the warmer months
Healthcare organizations and providers promote healthy eating and active living in their in their clinical practices	**Engage primary care providers and other physicians in the development and utilization of social marketing campaign materials**	**St Mary's Warrick St Mary's Med Ctr**	**Carol Godsey Suzette Hershman**	**06/30/14**	**ST MARY'S BASE MEASURE Physician recommendations are submitted to Welborn Foundation In turn, social media recommendations/practices are shared with physicians**
CATEGORY SUBSTANCE ABUSE					CATEGORY SUBSTANCE ABUSE
Explore the opportunity to collaborate on the issue of prescription drugs	Work with the Evansville Drug Task Force to minimize the abuse of prescription drugs	St Mary's Med Ctr St Mary's Warrick ECHO CHC	CrossPointe Lead/Nancy McCleary	06/30/14	INTENT Tighten procedures that reduce pain medications prescribed through the emergency room, physician offices MEASUREMENT Develop a plan for Year #2 implementation
	With Dentists from the Mobile Dental Clinic, educate local dentists regarding the over prescribing medications as an issue and the effects of this problem with a goal of decreasing overprescribing of pain medications from dentists	**St Mary's Med Ctr ECHO CHC (if dental programming begins at ECHO)**	**Eric Girten**	**06/30/15**	**COMMUNITY MEASURE Decrease by one tenth (0 1) the number of controlled substance prescriptions filled and entered into INSPECT (by FY2016)**
Promote/market the www DrugFree org website to patients and clientele	Utilize existing marketing materials/resources to support current users in their efforts to quit	St Mary's Med Ctr St Mary's Warrick Deaconess United Way ECHO CHC	John Greaney (Marketing) Robin Richards Carol Godsey	01/01/14	**COMMUNITY MEASURE Set a baseline measure through NRC to track the percentage of residents who have used an illegal drug in the past 30 days** **ST MARY'S (EVANSVILLE AND WARRICK) In Year #1, attract 100 clicks on www drugfree org originating from St Mary's website (www stmarys org)**

COMMUNITY NEEDS IMPLEMENTATION STRATEGY (FY2013)
COLLABORATIVE PLAN

STRATEGY	TACTIC(S)	SPONSORS	ST MARY'S POINT PERSON(S)	COMPLETION DATE	SUCCESS MEASURES/COMMENTS
CATEGORY SUBSTANCE ABUSE(CONT)					**CATEGORY SUBSTANCE ABUSE(CONT)**
	Suppport parents in efforts to provide Drug Free environoments for minors and offer resources to them and their families	St Mary's Med Ctr St Mary's Warrick Deaconess United Way ECHO CHC	John Greaney (Marketing) Robin Richards Carol Godsey	01/01/14	
CATEGORY MENTAL HEALTH (Note These tactics also impact the Substance Abuse category)					**CATEGORY MENTAL HEALTH (Note These tactics also impact the Substance Abuse category)**
Nurse-Family Partnership (NFP) Partner high-risk, first-time mothers with a registered nurse	Research the feasibility to implement the NFP program, as modeled by Indianapolis and New York City	St Mary's Med Ctr Deaconess Women's Hospital	Janet Raisor	06/30/14	NOTE Bring NFP program members to Evansville to speak to community coalition of possible application/use in our community
Child Abuse Task Force Expand the Trauma-related task force to include a prevention component	**Invite Lampion to the Child Abuse Task Force as an additional prevention tool in the area of Child Abuse**	**St Mary's Med Ctr Deaconess Hospital ECHO CHC**	**Janet Raisor**	09/30/13	**COMMUNITY MEASURE Reduce by one percentage point the number of substantiated cases of child abuse by FY2016**
System of Care Coalition Assist local agencies in creating a full continuum for the treatment of pediatric mental health	**Become an active member of the System of Care Coalition for the purpose of coordinating service across the community Potentially build a community level care conferencing model**	**St Mary's Med Ctr Deaconess Hospital Welborn Foundation ECHO CHC**	**Eric Girten**	**09/01/13**	**COMMUNITY MEASURE By FY2016, reduce by two tenths of a day (0 2) the number of poor mental health days experienced in the previous 30 days NOTE The System of Care is developing a wrap-around network of services that will keep kids from falling through the cracks Over time, services need to be expanded into Warrick and Gibson Counties Define each sponsor's role on the Coalition**
Explore ways to discharge patients who have nowhere to go	Research the Christ Hospital (Cincinnati) Center for Respite Care as one model to consider	St Mary's Med Ctr Deaconess Hospital ECHO CHC	John Greaney, Jared Florence	03/30/14	NOTE Year #1 -- determine if there is a model that is applicable to the local market Subsequent Years -- improved post-discharge outcomes by extending recovery time plus a decline in readmissions among this population
CATEGORY ACCESS TO CARE	Lower priority in the prioritization by the stakeholders and collaborative Will not be addressed in the FY2013 Plan				
CATEGORY ORAL HEALTH	Lower priority in the prioritization by the stakeholders and collaborative Will not be addressed in the FY2013 Plan				
CATEGORY EDUCATIONAL TRAINING	Lower priority in the prioritization by the stakeholders and collaborative Will not be addressed in the FY2013 Plan				

ST. MARY'S MEDICAL CENTER IMPLEMENTATION STRATEGY (FY2013)
VANDERBURGH COUNTY

CATEGORY	TACTIC(S)	ST. MARY'S POINT PERSON(S)	COMPLETION DATE	SUCCESS MEASURES/COMMENTS
TOBACCO USE				
	Asthma Camp Annual camp for children with asthma to help understand triggers	Eric Girten	April 1 of each year	Pre-Post Test
	Asthma Care Transition Team	Eric Girten	Ongoing	Decrease in Innappropriate ED/Hospital usage through prevention from baseline
	Tobacco Awareness (children and adults)	Eric Girten	Ongoing	RRT (Rapid Response Team) and RD (Registered Dietician) teach tobacco awareness through respiratory and dietary/exercise perspective, sit on committees, etc
	Representation on Indiana Joint Asthma Coalition (Staff chair for Children and Youth Workgroups)	Eric Girten	Ongoing	RRT staff continue to sit on this coalition to represent Southern Indiana and St Mary's community
	Regional presentation to school nurses regarding asthma care and awareness	Eric Girten	30-Jun-13	RRT engaged in statewide efforts
	EVSC Asthma and Allergy Team Part of the School Community Council	Eric Girten	Ongoing	Staff are a part of this community health team Continued collaboration over time is a success measure
OBESITY				
	Diabetes Camp	Eric Girten	Annual Ongoing	RD participates with this camp
	Education resource for Parochial School staff	Eric Girten	Ongoing	RD provides education
	INITIAL EVALUATIONS/ASSESSMENTS Each patient is seen individually at the first appointment After an assessment of the patient's needs in conjunction with the patient's preference, the patient may continue with individual appointments or enter group classes STEPS TO SUCCESS (for diagnosed diabetics) A comprehensive curriculum totaling 4 group classes instructing the patient on diabetes self-management techniques Step 1 Blood glucose monitoring techniques (AC & PC goals), Hemoglobin A1c, macronutrients effects on glucose level, and a review of basic meal planning	Becky Carter	Ongoing	Diabetes education, support and management that allows the patient to become involved with their treatment and disease control Success factors are patient control and involvement with their diabetes as noted in patient data
OBESITY (CONT.)	Step 2 Review of medications (oral and insulin), hypoglycemia, sick day management, exercise, sweeteners, alcohol, dining out, and label reading			

ST. MARY'S MEDICAL CENTER IMPLEMENTATION STRATEGY (FY2013)
VANDERBURGH COUNTY

CATEGORY	TACTIC(S)	ST. MARY'S POINT PERSON(S)	COMPLETION DATE	SUCCESS MEASURES/COMMENTS
	Step 3 Review long term complications, prevention of complications, lab review, and heart health diet 3-Month Follow-up After completion of comprehensive program, the patient returns for problem solving, clarification of any questions, foot exam, and to establish new goals for self-management Annual Update This session is scheduled after completion of a comprehensive course The meal plan is reviewed, patient's questions are answered, and the patient is informed of any changes in current guidelines Insulin Administration Instruction This is for a patient new to insulin or for someone who is having difficulty with insulin adminstration The patient is instructed on insulin action, administration, precautions, and side effects (hypoglycemia) Is Pumping For You? This is an introductory course to insulin pump theraphy A pre-pump assessment is conducted All brands of insulin pumps are shown to the patient and they are given additional information to determine which pump is right for them			
	Participation with Welborn Foundation on HEROES initiatives	Eric Girten	Ongoing	Staff participate with other community partners Welborn keeps success metrics regarding these initiatives
	Farmer's Market	Vickie Detroy	Annual	Continuation of this program with continued participation from community
	Carol White Physical Education Grant (8 schools 6 elementary and 2 middle schools)	Eric Girten	30-Jun-13	Success factors as specified in grant guidelines
	Nutrition education in the classroom (public/parochial)	Eric Girten	Ongoing	Outreach RD Pre-Post test
	Organ Wise Guys	Eric Girten	Ongoing	Outreach RD Curriculum guidelines
	YOGA and physical activities for in-school/after-school children and adults	Eric Girten	Ongoing	Outreach RD Curriculum guidelines
OBESITY (CONT.)				
	Collaboration with ECHO FQHC 2x per month for individual medical nutrition therapy	Eric Girten	Ongoing	Outreach RD Curriculum guidelines

ST. MARY'S MEDICAL CENTER IMPLEMENTATION STRATEGY (FY2013)
VANDERBURGH COUNTY

CATEGORY	TACTIC(S)	ST. MARY'S POINT PERSON(S)	COMPLETION DATE	SUCCESS MEASURES/COMMENTS
	Bariatrics and HMR	Stephany Stanton	Ongoing	Proper weight control and well being of the whole person through these programs
	Representation on SWIDA Staff President for Southwest Indiana Dietetic Association	Eric Girten	2013	RD staff rotation
	Continued UPGRADE Program	Mike Whitmore	Ongoing	Continuation of project Healthy options for meals at a reduced cost to the consumer
	EVSC Nutrition and Physical Activity Team DHS-Health Finder services for DHS and community referrals	Eric Girten	Ongoing	RD
SUBSTANCE ABUSE	Continue to work with the Emergency Department to reduce drug seeking individuals by tracking them in INSPECT and then referring them to the St Mary's pain clinic to manage their use of perscrption drugs	Nancy McCleary	Ongoing	Decrease the number of controlled substance prescriptions filled and entered into INSPECT
	Collaborate with Deaconess Health System for access to care for substance abuse patients	Eric Girten	Ongoing	Provide access to care and transports when necessary
MENTAL HEALTH				
These tactics also impact the Substance Abuse category	Bi-Polar Support Group with Mental Health America (MHA)	Brooke Wagner/Robin Richards	Ongoing	Connection of persons involved with Bi-Polar to give support and education
	Staff sit on MHA board (Robin Richards and Brooke Wagner)	Robin Richards	Ongoing	Increased resources/medication, education for patients for mental health issues and community collaboration
	Annual MHA ride, annual Conference for Clinicians (supported by Community Education Funds)	Robin Richards	Ongoing	Awareness and resources for clinicians
	Representation on Community Suicide Coalition	Robin Richards	Ongoing	Collaboration and coordination/sharing of resources to avoid duplication and waste as well as create unified effort around this area
	Meets and coordinates processes with Southwestern Indiana Behavioral Health and collaborates with Deaconess Behavioral Health as well	Robin Richards	Ongoing	Coordination of services

ST. MARY'S MEDICAL CENTER IMPLEMENTATION STRATEGY (FY2013)
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CATEGORY	TACTIC(S)	ST. MARY'S POINT PERSON(S)	COMPLETION DATE	SUCCESS MEASURES/COMMENTS
	Contract with SWIBH to be alternate inpatient provider for pateients	Robin Richards	Ongoing	Increase services to the patients
MENTAL HEALTH	St Mary's Community Education Funds used to support the Medication Assistance Program for MHA, which assists patients needing short term support obtaining mental health medications	Robin Richards	Ongoing	
	Suicide Risk Screening Committee	Nancy Mcleary	Ongoing	
	St Mary's has sent and will be sending more staff (Pastoral Caare, HR, and Adult Mental Health) to the CISM (Criticdal Incident Stress Management) training and in process of coordinating with the District (4 day training for CISM with St Vincent staff)	Robin Richards	1-Mar	Program Evaluation forms filled out by participants
	Mental Health Response Team and formalizing process for St Mary's Disaster team -- training for internal and external disasters	Robin Richards	Ongoing	Increased services to patients in high stress/high danger situations such as natural disasters
	St Mary's supports the community Crisis Intervention Team (CIT) a team of officers trained to respond to situations involving individuals with mental health risk issues -- the AMH Director serves on the task force, and Community Education Funds provide monies for the annual oficer training	Robin Richards	Ongoing	Support services/education for staff, providing resources for staff which flow to better services of patients served
	Discharge planning and connection with appropriate community referral sources for dementias, including Alzheimers	Sherry Aliotta	Ongoing	
	Senior Services	Sherry Aliotta	Ongoing	