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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
Saint Francis Hospital Inc

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
6600 S Yale Ave
Suite 400

City or town, state or province, country, and ZIP or foreign postal code
TULSA, OK 741363319

D Employer identification number
73-0700090

E Telephone number
(918) 502-8126

G Gross receipts $ 3,580,001,059

F Name and address of principal officer
Eric Schick
6600 S Yale Ave Suite 400
Tulsa, OK 741363319

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: ▶ HTTP //WWW SAINTFRANCIS COM

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

L Year of formation 1960

M State of legal domicile OK

Part I Summary

1 Briefly describe the organization's mission or most significant activities
TO EXTEND THE PRESENCE AND HEALING MINISTRY OF CHRIST IN ALL WE DO

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	3
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	1
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	6,545
6	Total number of volunteers (estimate if necessary)	**6**	788
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	371,588
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	-812,708

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	595,120	398,005
9	Program service revenue (Part VIII, line 2g)	854,598,822	892,044,340
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	24,299,017	24,500,525
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	30,590,691	25,910,861
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	910,083,650	942,853,731
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	9,839,336	3,383,935
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)	314,723,782	339,357,986
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	394,843,802	434,852,450
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	719,406,920	777,594,371
19	Revenue less expenses Subtract line 18 from line 12	190,676,730	165,259,360

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	1,824,900,210	2,007,706,955
21	Total liabilities (Part X, line 26)	341,511,980	364,871,670
22	Net assets or fund balances Subtract line 21 from line 20	1,483,388,230	1,642,835,285

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: 2015-05-14

Eric Schick Treasurer
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Kathleen Moseley				P00116760

Firm's name ▶ ERNST & YOUNG US LLP — Firm's EIN ▶

Firm's address ▶ 425 HOUSTON STREET SUITE 600
FORT WORTH, TX 76102 — Phone no

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

Part III **Statement of Program Service Accomplishments**

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

1 Briefly describe the organization's mission

TO EXTEND THE PRESENCE AND HEALING MINISTRY OF CHRIST IN ALL WE DO

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 $ 587,914,285 including grants of $ 3,383,935) (Revenue $ 897,623,909)

SAINT FRANCIS HOSPITAL HAS BEEN A MAJOR TERTIARY CARE CENTER FOR OKLAHOMA, SOUTHERN KANSAS, SOUTHWESTERN MISSOURI, AND WESTERN ARKANSAS FOR SEVERAL DECADES SAINT FRANCIS HOSPITAL IS LICENSED FOR 962 ADULT AND PEDIATRIC BEDS AND 40 BASSINETS IN FISCAL YEAR 2014, SAINT FRANCIS HOSPITAL RECEIVED APPROXIMATELY $239 MILLION IN REIMBURSEMENT EQUALING 28 PERCENT OF SAINT FRANCIS HOSPITAL'S NET PATIENT REVENUE FOR SERVICES PROVIDED TO MEDICARE AND MEDICAID PROGRAM BENEFICIARIES SAINT FRANCIS HOSPITAL IS A DIVISION OF SAINT FRANCIS HEALTH SYSTEM, INC THE HEALTH SYSTEM PRODUCES AN ANNUAL COMMUNITY BENEFIT REPORT VALUING THE COST OF CHARITY SERVICES IN FISCAL YEAR 2014, SAINT FRANCIS HOSPITAL PROVIDED SUPPORT TOTALING $74,445,000 TO VARIOUS PROGRAMS AND AGENCIES WHOSE MISSION AND VALUES ARE SIMILAR TO THOSE ESPOUSED BY SAINT FRANCIS HEALTH SYSTEM IN THE FALL OF 2004, SAINT FRANCIS HOSPITAL SET INTO PLACE PROVISIONS THAT WOULD INCREASE THE HOSPITAL'S ABILITY TO OFFER CHARITY CARE TO THOSE LESS FORTUNATE AND PROVIDE THOSE LACKING HEALTHCARE COVERAGE WITH FREE CARE TO LESSEN THE BURDEN AND ANXIETY OFTEN CAUSED BY HEALTHCARE EXPENSES UNDER THE REVISED CHARITY CARE POLICY, INDIVIDUALS WHOSE GROSS ANNUAL INCOME IS EQUAL TO OR LESS THAN 225 PERCENT OF THE FEDERAL POVERTY LEVEL QUALIFY FOR FULL CHARITY CARE ASSISTANCE ALL PATIENTS LACKING HEALTHCARE INSURANCE, REGARDLESS OF THEIR PERSONAL INCOME LEVEL RECEIVE A 20 PERCENT DISCOUNT FROM BILLED CHARGES PATIENTS WHO QUALIFY UNDER THE CHARITY CARE POLICY RECEIVE A FULL WRITE-OFF OF ALL CHARGES BOTH INITIATIVES EXEMPLIFY THE HOSPITAL'S MISSION TO EXTEND THE PRESENCE AND HEALING MINISTRY OF CHRIST, WITH A PARTICULAR EMPHASIS ON THOSE MOST NEEDY OF HEALTH SERVICES IN NORTHEASTERN OKLAHOMA, AND IT'S DESIRE TO WORK WITH THE COMMUNITY IN A SPIRIT OF COMPASSION AND HONESTY SAINT FRANCIS HOSPITAL IS A COMPREHENSIVE COMMUNITY RESOURCE FOR HEALTH CARE AND A CENTER OF EXCELLENCE FOR TREATING CANCER, HEART DISEASE, AND COMPLEX MEDICAL, SURGICAL, MATERNAL, AND PEDIATRIC PROBLEMS SINCE IT'S INCEPTION THE HOSPITAL HAS STRIVED TO PROVIDE THE HIGHEST QUALITY OF CARE TO ALL FOR THE SEVENTEENTH CONSECUTIVE YEAR, IT WAS RECOGNIZED BY THE NATIONAL RESEARCH CORPORATION AS TULSA'S MOST PREFERRED HOSPITAL FOR OVERALL QUALITY AND IMAGE IN AN EFFORT TO MONITOR AND CONTINUALLY IMPROVE THE QUALITY OF CARE GIVEN TO PATIENTS, SAINT FRANCIS HAS ELECTED TO PARTICIPATE IN A VARIETY OF NATIONAL AND STATE QUALITY INITIATIVES INCLUDING PARTICIPATION IN THE CENTERS FOR MEDICARE AND MEDICAID NATIONAL QUALITY INITIATIVES THESE EFFORTS FOCUS ON IMPROVING BOTH OUTCOMES (I E , MORTALITY AND COMPLICATIONS) AND CLINICAL PROCESSES (I E , MEDICATION ADMINISTRATION AND DISCHARGE INSTRUCTIONS) CARE FOR THE COMMUNITY IS PROVIDED THROUGH EDUCATION, INPATIENT AND OUTPATIENT SERVICES, AND THE USE OF AFFORDABLE HOME HEALTH AND HOSPICE SERVICES FOR PATIENTS RETURNING HOME ALL SERVICES ARE PROVIDED ON THE BASIS OF NEED WITHOUT CONSIDERATION FOR A PATIENT'S ABILITY TO PAY SAINT FRANCIS HOSPITAL EARNED ONE OF HEALTHCARE'S TOP HONORS IN 2013 FOR THE THIRD YEAR IN A ROW, HEALTHGRADES, THE LEADING INDEPENDENT HEALTHCARE RATING ORGANIZATION, RANKED SAINT FRANCIS HOSPITAL AS BEING IN THE TOP 5% OF HOSPITALS IN THE NATION FOR CLINICAL EXCELLENCE SAINT FRANCIS WAS ALSO AWARDED A PRESTIGIOUS FIVE STAR RATING IN NINE SPECIFIC AREAS THIS RATING IS GIVEN TO HEALTHCARE PROVIDERS WHO ARE RANKED IN THE TOP 10% NATIONWIDE IN SPECIFIC AREAS OF EXPERTISE SAINT FRANCIS HOSPITAL HAS ALWAYS KEPT IN ITS SIGHT ITS RESPONSIBILITY AS A PROVIDER OF CARING AND PERSONALIZED BENEFITS TO THE COMMUNITY EXTENSIVE RESOURCES ARE DEVOTED EACH YEAR TO ORGANIZING AND DELIVERING FREE AND SUBSIDIZED BENEFITS TO COMMUNITY RESIDENTS THESE INCLUDE HEALTH SERVICES, INFORMATION AND REFERRAL SERVICES, EDUCATIONAL SERVICES, SUPPORT SERVICES, AND SPONSORSHIP OF COMMUNITY EVENTS, WHICH ARE DETAILED BELOW HEALTH SERVICES TRAUMA EMERGENCY SERVICES THE TRAUMA EMERGENCY CENTER PROVIDED CARE TO OVER 98,000 PATIENTS DURING THE PAST FISCAL YEAR MANY OF THESE PATIENTS RECEIVED NEEDED EMERGENCY AND IN-PATIENT SERVICES DESPITE AN INABILITY TO PAY PHYSICIANS, THE TRAUMA EMERGENCY CENTER STAFF, AND THE INPATIENT STAFF PROVIDE THE HIGHEST QUALITY OF TRAUMA CARE FOR INJURED CHILDREN AND ADULTS FROM OKLAHOMA AND SURROUNDING STATES PHYSICIAN SPECIALISTS PROVIDE IMMEDIATE CONSULTATION OR CARE TO PATIENTS THE ANNUAL TRAUMA SYMPOSIUM PROVIDES AN OPPORTUNITY FOR AREA PHYSICIANS, NURSES, AND EMERGENCY MEDICAL TECHNICIANS TO INTERACT WITH AND LEARN FROM NATIONALLY AND INTERNATIONALLY RECOGNIZED EXPERTS IN TRAUMA CARE INSTRUCTIONAL TOPICS PRESENTED BY TRAUMA EMERGENCY SERVICES STAFF MEMBERS, AND PHYSICIANS INCLUDE THE CARE OF ADULT AND PEDIATRIC TRAUMA VICTIMS, CARE OF CHILDREN IN EMERGENCY DEPARTMENTS, PRE-HOSPITAL TRIAGE AND SCENE SAFETY, AND TRAUMA PREVENTION TOPICS DURING 2013 SAINT FRANCIS HOSPITAL WAS DESIGNATED BY THE OKLAHOMA STATE DEPARTMENT OF HEALTH AS A PRIMARY STROKE CENTER THE HOSPITAL ALSO STAFFS A PHYSICIAN IN TRIAGE, A UNIQUE MODEL THAT PUTS PATIENTS IN CONTACT WITH PROVIDERS QUICKLY HENRY ZARROW NEONATAL INTENSIVE CARE UNIT SAINT FRANCIS HOSPITAL ESTABLISHED THE FIRST INTENSIVE CARE NURSERY FOR NEONATAL PATIENTS IN OKLAHOMA IN FISCAL YEAR 2014 THERE WERE OVER 670 ADMISSIONS TO THIS UNIT THE CENTER IS A PROGRESSIVE REGIONAL NEWBORN INTENSIVE CARE UNIT WITH SERVICES SPECIFICALLY DESIGNED FOR BABIES BORN PREMATURELY OR WITH SERIOUS MEDICAL PROBLEMS THE CENTER IS A 58-BED UNIT WITH IN-HOUSE NEONATOLOGISTS AVAILABLE 24 HOURS A DAY, 7 DAYS A WEEK DUE TO THE LARGE NUMBER OF MEDICAID AND UNINSURED PATIENTS, REIMBURSEMENT FOR SERVICES IN THE NICU IS LOW, HOWEVER, THE HOSPITAL CHOSE TO SPECIALIZE IN THE CARE OF HIGH-RISK INFANTS BECAUSE IT WAS AN UNMET NEED IN THE COMMUNITY AND ACCEPTED THE COST BURDEN SUCH TECHNOLOGY USUALLY BRINGS IN 2012 OPTUMHEALTH DESIGNATED THE HENRY ZARROW NEONATAL INTENSIVE CARE UNIT A CENTER OF EXCELLENCE FOR NEONATAL CARE, ONE OF ONLY TWO DESIGNATED NEONATAL CENTERS OF EXCELLENCE IN THE STATE OF OKALAHOMA THE CHILDREN'S HOSPITAL AT SAINT FRANCIS SAINT FRANCIS HOSPITAL ESTABLISHED THE CHILDREN'S HOSPITAL AT SAINT FRANCIS IN 1995 IN RESPONSE TO PHYSICIANS' REQUESTS TO CENTRALIZE PEDIATRIC SPECIALTY SERVICES AND FACILITIES FOR CHILDREN IN ONE HOSPITAL BY CREATING A "HOSPITAL WITHIN A HOSPITAL " A NEW, STATE-OF-THE-ART 104-BED FACILITY OPENED IN FEBRUARY 2008 IT WAS CREATED WITH YOUNGER PATIENTS IN MIND, PROVIDING A LARGER AND MORE "KID FRIENDLY" ATMOSPHERE FOR CHILDREN AND THEIR FAMILIES AS WELL AS IMPROVING ACCESS AND EFFICIENCY SINCE SAINT FRANCIS HAS THE MOST COMPREHENSIVE PEDIATRIC INTENSIVISTS PROGRAM IN EASTERN OKLAHOMA, THE PICU RECEIVES MOST OF THE ABUSED CHILDREN OR YOUNG TRAUMA VICTIMS IN THIS AREA THE CHILDREN'S ONCOLOGY CLINIC, THE ONLY SUCH FACILITY IN THE EASTERN HALF OF THE STATE, SEES MORE THAN 5,900 PATIENT VISITS A YEAR DIAGNOSING AN AVERAGE OF 65 NEW CASES OF PEDIATRIC CANCER EACH YEAR THE CHILDRENS HOSPITAL AS A WHOLE ADMITTED APPROXIMATELY 7,800 CHILDREN ANNUALLY ALL PATIENTS ARE TREATED WITHOUT REGARD FOR A FAMILY'S ABILITY TO PAY APPROXIMATELY 63 0% OF THE CHILDREN CURRENTLY TREATED AT THE CHILDREN'S HOSPITAL AT SAINT FRANCIS ARE RELIANT UPON MEDICAID, EVIDENCE AND TESTAMENT TO SAINT FRANCIS' PLEDGE TO THE COMMUNITY AND TO THOSE MOST VULNERABLE IN SOCIETY, CHILDREN THE CHILDREN'S HOSPITAL AT SAINT FRANCIS IS PART OF THE CHILDREN'S MIRACLE NETWORK, A NONPROFIT ORGANIZATION THAT RAISES FUNDS FOR 170 CHILDREN'S HOSPITALS AND RESEARCH INSTITUTES ACROSS NORTH AMERICA THAT MONEY HELPS SAINT FRANCIS IMPROVE ITS SERVICES AND CONTINUE TO TAKE CARE OF UNINSURED CHILDREN, INCREASING THE MISSION OF HANDLING ALL CHILDREN THAT ARE IN NEED IN NORTHEAST OKLAHOMA SAINT FRANCIS IMAGING CENTER SAINT FRANCIS IMAGING CENTER IS AN ALL-DIGITAL FACILITY OFFERING RADIOLOGY, NUCLEAR MEDICINE, MRI, CT SCAN, AND ULTRASOUND WITH STATE-OF-THE-ART EQUIPMENT, SHORTER EXAM TIMES, FEWER CALLBACKS, AND FASTER RESULTS IN ADDITION TO THE OUTSTANDING TECHNICAL CAPABILITIES OF THE CENTER, PATIENTS AND THEIR FAMILIES ARE TREATED TO A VARIETY OF AMENITIES TO HELP MAKE THEIR EXPERIENCE MORE RELAXING THIS INCLUDES A CONCIERGE DESK WHERE THEY ARE GIVEN A PAGER TO NOTIFY THEM WHEN THEIR ROOM IS AVAILABLE, A STAFF HOST TO ASSIST THEM TO THEIR ROOM AND THROUGH THE ENTIRE PROCESS, AND SLIPPERS AND ROBES INSTEAD OF HOSPITAL GOWNS PATIENTS AND FAMILY MEMBERS HAVE ACCESS TO AN INTERNET STATION, CHILDREN'S PLAY AREA, PLASMA TELEVISIONS, COFFEE BAR, AND MUCH MORE AS THEY WAIT IN THE COMFORTABLE RECEPTION AREA NATALIE AMBULATORY SURGERY CENTER THE NATALIE AMBULATORY SURGERY CENTER OFFERS EIGHT OPERATING ROOMS, EACH HANDLING 1,000 TO 1,500 PROCEDURES A YEAR AT ITS PEAK, 12,000 PATIENTS WILL HAVE SURGERIES THERE ANNUALLY DURING 2014 THE SURGERY CENTER SAW OVER 7,800 CASES SAINT FRANCIS BREAST CENTER THE SAINT FRANCIS BREAST CENTER OFFERS THE LATEST IN SCREENING, DIAGNOSTIC

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

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

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

4e **Total program service expenses** ▶ 587,914,285

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	Yes	
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b	Yes	
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		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**	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If so, complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**	Yes	
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	**34**	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**	Yes	
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**	Yes	
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	477		
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	6,545		
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**	3		
	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**	1		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?			**2** Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .			**3** Yes	
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**	No
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*			**9**	No

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

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

Section C. Disclosure

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

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

▶ ERIC E SCHICK 6161 S YALE AVE
TULSA, OK 741363319 (918) 494-8430

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) JAKE HENRY JR PRESIDENT/CEO/DIRECTOR	1 0 39 0	X		X				0	1,667,985	5,115
(2) BARRY L STEICHEN EVP/COO/director	1 0 39 0	X		X				0	740,536	111,963
(3) William R Lissau Director	1 0 39 0	X						0	0	0
(4) BISHOP EDWARD J SLATTERY TRUSTEE	1 0 39 0	X						0	0	0
(5) JUDY KISHNER TRUSTEE	1 0 39 0	X						0	0	0
(6) WILLIAM K WARREN JR TRUSTEE	1 0 39 0	X						0	0	0
(7) Henry Zarrow deceased 114 Trustee	1 0 39 0	X						0	0	0
(8) ERIC SCHICK TREASURE/CFO	1 0 39 0			X				293,410	0	53,560
(9) JEFFREY C SACRA SECRETARY	1 0 39 0			X				255,267	0	41,193
(10) RENEE BEVINS ASST SECRETARY (as of 1/1/14)	1 0 39 0			X				0	79,968	6,840
(11) ROBERT ELI SMITH ASST SECR (through 12/31/13)	1 0 39 0			X				0	228,130	38,989
(12) LYNN SUND ADMINISTRATOR	1 0 39 0				X			519,082	0	70,419
(13) DAVID WAGNER SENIOR VP	1 0 39 0				X			304,623	0	40,130
(14) TOM NEFF SENIOR VP	1 0 39 0				X			403,608	0	65,808
(15) RYAN GURSKY PHYSICIAN	5 0 35 0					X		42,000	1,200,395	49,126
(16) PRESTON PHILLIPS PHYSICIAN	5 0 35 0					X		38,250	959,224	32,175
(17) BRUCE MARKMAN PHYSICIAN	5 0 35 0					X		37,500	808,276	52,484

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) CHRISTIAN LUESSENHOP	5 0					X		45,000	685,325	49,126
PHYSICIAN	35 0									
(19) KENNETH CHEKOFSKY	5 0					X		124,000	646,990	45,337
PHYSICIAN	35 0									
(20) WILLIAM SCHLOSS	0 0						X	0	488,761	68,324
FORMER SENIOR VP	0 0									
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								2,062,740	7,505,590	730,589

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 ▶ 172

			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
MANHATTAN CONSTRUCTION CO INC, 5601 S 122ND E AVE TULSA OK 74146	CONSTRUCTION SVCS	74,866,077
OKLAHOMA BLOOD INSTITUTE, DEPT 96-0115 OKLAHOMA CITY OK 731960115	BLOOD SERVICES	6,050,588
ASSOCIATED ANESTHESIOLOGISTS, 6839 S Canton TULSA OK 741013428	ANESTHESIOLOGY SVCS	3,627,824
G G ORGANIZATION LTD, 2600 NORTH LOOP WEST STE 150 HOUSTON TX 77063	COLLECTIONS SERVICES	2,205,560
ACROBATANT LLC, PO BOX 1390 TULSA OK 741011390	MARKETING SERVICES	1,995,779

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 ▶ 67

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	144,658			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	253,347			
	g	Noncash contributions included in lines 1a-1f $		161,422			
	h	**Total.** Add lines 1a-1f . . . . . ▶		398,005			
Program Service Revenue			Business Code				
	2a	PATIENT CARE REV	621990	635,200,428	635,200,428		
	b	P'SHIP INCOME RELATED TO PROGRAM SERVICES	541900	1,688,995	1,714,880	-25,885	
	c	OUTREACH LAB	621500	15,453,118	15,453,118		
	d	OFFICE SPACE REIMBURSEMENT	531120	757,927	757,927		
	e	MEDICARE/MEDICAID PAYMENTS	621990	238,943,872	238,943,872		
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f . . . . . ▶		892,044,340			
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		26,189,579			26,189,579
	4	Income from investment of tax-exempt bond proceeds . . ▶		0			
	5	Royalties . . . . . ▶		0			
			(i) Real / (ii) Personal				
	6a	Gross rents	25,320 / 0				
	b	Less rental expenses	11,135 / 0				
	c	Rental income or (loss)	14,185 / 0				
	d	Net rental income or (loss) . . . . . ▶		14,185		14,185	
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	2,635,293,434 / 153,705				
	b	Less cost or other basis and sales expenses	2,635,283,224 / 1,852,969				
	c	Gain or (loss)	10,210 / -1,699,264				
	d	Net gain or (loss) . . . . . ▶		-1,689,054			-1,689,054
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 . . ▶		0			
	9a	Gross income from gaming activities See Part IV, line 19 . . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from gaming activities . . ▶		0			
	10a	Gross sales of inventory, less returns and allowances . a					
	b	Less cost of goods sold . . b					
	c	Net income or (loss) from sales of inventory . . ▶		0			
	Miscellaneous Revenue		Business Code				
	11a	FOOD SERVICES	900004	5,340,846			5,340,846
	b	AFFIL TELECOM & COMPUTER SUPP REV	624410	3,212,088			3,211,343
	c	EMPLOYEE DAYCARE	621500	1,195,905			1,195,905
	d	All other revenue		16,147,837	5,553,684	383,288	10,210,865
	e	**Total.** Add lines 11a–11d . . . . . ▶		25,896,676			
	12	**Total revenue.** See Instructions . . . . . ▶		942,853,731	897,623,909	371,588	44,459,484

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	3,035,241	3,035,241		
2 Grants and other assistance to individuals in the United States See Part IV, line 22	348,694	348,694		
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	3,005,394		3,005,394	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	269,027,595	231,794,772	37,232,823	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	18,249,712	15,032,170	3,217,542	
9 Other employee benefits	30,083,222	19,505,840	10,577,382	
10 Payroll taxes	18,992,063	14,464,907	4,527,156	
11 Fees for services (non-employees)				
a Management	34,360,790	12,706,619	21,654,171	
b Legal	1,311,387	19,453	1,291,934	
c Accounting	581,717	43,563	538,154	
d Lobbying	326,615		326,615	
e Professional fundraising services See Part IV, line 17	0			
f Investment management fees	1,651,462		1,651,462	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	15,785,470	15,687,930	97,541	
12 Advertising and promotion	4,337,629	113,352	4,224,277	
13 Office expenses	47,974,940	32,946,125	15,028,815	
14 Information technology	1,929,188	1,009,662	919,526	
15 Royalties . .	0			
16 Occupancy	14,494,258	3,716,678	10,777,580	
17 Travel	409,565	158,729	250,836	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	0			
20 Interest	7,429,226	-1	7,429,227	
21 Payments to affiliates	-6,277,362	-6,277,362		
22 Depreciation, depletion, and amortization	39,359,368	880,652	38,478,716	
23 Insurance	9,897,365	595,176	9,302,189	
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 BAD DEBT EXPENSE	72,446,290	72,446,290		
b DUE AND LICENSES	235,316	196,437	38,879	
c ADMINISTRATIVE EXPENSES	19,174,267	55,351	19,118,916	
d MEDICAL SUPPLIES	169,424,959	169,434,007	-9,048	
e All other expenses				
25 **Total functional expenses.** Add lines 1 through 24e	777,594,371	587,914,285	189,680,087	0
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		339,870	1	375,683
	2	Savings and temporary cash investments		326,416,525	2	204,495,758
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		75,966,653	4	83,859,456
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		0	6	0
	7	Notes and loans receivable, net		0	7	0
	8	Inventories for sale or use		20,842,655	8	20,712,145
	9	Prepaid expenses and deferred charges		9,814,888	9	6,697,462
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 882,567,449			
	b	Less accumulated depreciation	10b 361,219,841	425,363,547	10c	521,347,608
	11	Investments—publicly traded securities		530,405,827	11	767,529,154
	12	Investments—other securities See Part IV, line 11		401,072,650	12	371,456,842
	13	Investments—program-related See Part IV, line 11		0	13	0
	14	Intangible assets		0	14	0
	15	Other assets See Part IV, line 11		34,677,595	15	31,232,847
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		1,824,900,210	16	2,007,706,955
Liabilities	17	Accounts payable and accrued expenses		69,518,106	17	87,625,480
	18	Grants payable		0	18	0
	19	Deferred revenue		0	19	0
	20	Tax-exempt bond liabilities		218,042,338	20	212,348,004
	21	Escrow or custodial account liability Complete Part IV of Schedule D		0	21	0
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		0	23	0
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	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		53,951,536	25	64,898,186
	26	**Total liabilities.** Add lines 17 through 25		341,511,980	26	364,871,670
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		1,483,388,230	27	1,642,835,285
	28	Temporarily restricted net assets		0	28	0
	29	Permanently restricted net assets		0	29	0
		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		1,483,388,230	33	1,642,835,285
	34	Total liabilities and net assets/fund balances		1,824,900,210	34	2,007,706,955

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	942,853,731
2	Total expenses (must equal Part IX, column (A), line 25)	2	777,594,371
3	Revenue less expenses Subtract line 2 from line 1	3	165,259,360
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	1,483,388,230
5	Net unrealized gains (losses) on investments	5	38,792,652
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	-44,604,957
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	1,642,835,285

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
Saint Francis Hospital Inc

Employer identification number
73-0700090

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*.**

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2013

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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**
Saint Francis Hospital Inc	73-0700090

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?	Yes		326,615
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?		No	
j	Total Add lines 1c through 1i			326,615
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Return Reference	Explanation
SCHEDULE C, PART II-B, LINE 1G	SAINT FRANCIS HOSPITAL, INC THROUGH ITS MEMBERSHIP DUES TO THE AMERICAN HOSPITAL ASSOCIATION (AHA) AND CATHOLIC HEALTH ASSOCIATION, PARTICIPATES IN LOBBYING AND GRASS ROOTS POLITICAL ACTIVITY IT IS LESS THAN A SUBSTANTIAL PART OF THE TOTAL EXPENDITURES IN A TAXABLE YEAR THE LOBBYING AND GRASS ROOTS POLITICAL ACTIVITY IS RELATED TO LEGISLATION AFFECTING THE SYSTEM AND OPERATION OF THE SYSTEM FOR ITS CHARITABLE PURPOSES, IN PARTICULAR THE PROMOTION OF HEALTH "GRASS ROOTS POLITICAL ACTIVITY" MEANS ANY ATTEMPT BY THE AHA TO INFLUENCE ANY LEGISLATION THROUGH AN ATTEMPT TO AFFECT THE OPINIONS OF THE GENERAL PUBLIC OR ANY SEGMENT THEREOF "LOBBYING" MEANS ANY ATTEMPT BY THE AHA TO INFLUENCE ANY LEGISLATION THROUGH AN ATTEMPT TO AFFECT TO INFLUENCE LEGISLATION THROUGH COMMUNICATIONS WITH ANY MEMBER OR EMPLOYEE OF A LEGISLATIVE BODY WHO MAY PARTICIPATE IN THE FORMULATION OF LEGISLATION

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
Saint Francis Hospital Inc

Employer identification number
73-0700090

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

		(a)Current year	(b)Prior year	b (c)Two years back	(d)Three years back	(e)Four years back
1a	Beginning of year balance					
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	275,001	8,843,972		9,118,973
b Buildings	0	295,793,158	121,005,694	174,787,464
c Leasehold improvements	0	16,112,513	13,687,863	2,424,650
d Equipment	0	306,830,439	226,526,284	80,304,155
e Other	0	254,712,366	0	254,712,366
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				521,347,608

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	89,998,477	F
(3) Other		
(A) PRIVATE INVESTMENTS-MARKETABLE	201,166,373	F
(B) PRIVATE INVESTM -NONMARKETABLE	80,291,992	F
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶	371,456,842	

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

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

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

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

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

1 (a) Description of liability	(b) Book value
Federal income taxes	0
PROFESSIONAL LIABILITY	26,808,496
MEDICARE COST REPORT	21,152,884
POSTRETIREMENT BFT EXP F/K/A FAS106	1,696,134
ACCRUED INTEREST	424,314
FIN 45 INCOME GUARANTEES	1,912,566
OPERATING LEASE LIABILITY	360,061
ARO LIABILITY	1,734,242
OTHER LONG TERM LIABILITIES	10,809,489
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	64,898,186

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	ASC 740 PROVIDES GUIDANCE REGARDING RECOGNITION, DE-RECOGNITION, MEASUREMENT, AND DISCLOSURE OF ALL TAX POSITIONS IN ACCORDANCE WITH THE REQUIREMENTS OF ASC 740, SAINT FRANCIS HOSPITAL IDENTIFIES AND DOCUMENTS UNCERTAIN TAX POSITIONS FOR ALL OPEN TAX YEARS IF UNCERTAIN TAX POSITIONS ARE IDENTIFIED, THEY ARE ANALYZED TO DETERMINE THE PROPER UNIT OF ACCOUNT NEXT THEY ARE TESTED TO DETERMINE WHETHER A TAX ASSET OR A TAX LIABILITY SHOULD BE RECOGNIZED SAINT FRANCIS HOSPITAL HAS DETERMINED THAT THE POSITION ON UNCERTAIN TAX POSITIONS IS MORE LIKELY THAN NOT TO BE FULLY SUSTAINED UPON EXAMINATION THEREFORE, NO LIABILITY OR ASSET FOR UNCERTAIN TAX POSITIONS NEEDS TO BE RECORDED

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 73-0700090
Name: Saint Francis Hospital Inc

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

1 (a) Description of Liability	(b) Book Value
PROFESSIONAL LIABILITY	26,808,496
MEDICARE COST REPORT	21,152,884
POSTRETIREMENT BFT EXP F/K/A FAS106	1,696,134
ACCRUED INTEREST	424,314
FIN 45 INCOME GUARANTEES	1,912,566
OPERATING LEASE LIABILITY	360,061
ARO LIABILITY	1,734,242
OTHER LONG TERM LIABILITIES	10,809,489

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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
Saint Francis Hospital Inc

Employer identification number
73-0700090

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

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

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

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

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) Central America and the Caribbean			Investments		8,034,000
(2) East Asia and the Pacific			Investments		13,000
(3)					
(4)					
(5)					
3a Sub-total					8,047,000
b Total from continuation sheets to Part I					
c **Totals** (add lines 3a and 3b)					8,047,000

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

Part V Supplemental Information

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

990 Schedule F, Supplemental Information

Return Reference	Explanation
SUPPLEMENTAL INFORMATION	SCHEDULE F, PART I THE ACTIVITY LISTED IN PART I RELATES TO FOREIGN INVESTMENTS THE INVESTMENTS DO NOT GENERATE UNRELATED BUSINESS INCOME

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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
Saint Francis Hospital Inc

Employer identification number
73-0700090

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 225 %			
b	Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care	3b		No
	☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☐ Other ____ %			
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			23,723,762	0	23,723,762	3 360 %
b Medicaid (from Worksheet 3, column a)			112,589,796	116,087,268	-3,497,472	0 %
c Costs of other means-tested government programs (from Worksheet 3, column b)			0	0	0	0 %
d **Total** Financial Assistance and Means-Tested Government Programs			136,313,558	116,087,268	20,226,290	3 360 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			1,182,095	0	1,182,095	0 170 %
f Health professions education (from Worksheet 5)			1,777,090	0	1,777,090	0 250 %
g Subsidized health services (from Worksheet 6)			166,097,915	129,652,326	36,445,589	5 170 %
h Research (from Worksheet 7)			0	0	0	0 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			0	0	0	0 %
j **Total.** Other Benefits			169,057,100	129,652,326	39,404,774	5 590 %
k **Total.** Add lines 7d and 7j			305,370,658	245,739,594	59,631,064	8 450 %

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

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing			553,682		553,682	0 080 %
2	Economic development						
3	Community support			1,761,037		1,761,037	0 250 %
4	Environmental improvements						
5	Leadership development and training for community members						
6	Coalition building						
7	Community health improvement advocacy			2,481,403		2,481,403	0 350 %
8	Workforce development						
9	Other						
10	**Total**			4,796,122		4,796,122	0 680 %

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	72,446,290		
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	18,575,881		
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	183,480,653
6	Enter Medicare allowable costs of care relating to payments on line 5	6	169,271,279
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	14,209,374
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

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

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

Part V Facility Information

Section A. Hospital Facilities

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

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

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group SAINT FRANCIS HOSPITAL

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

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years 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) WWW SAINTFRANCIS COM			
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**	Yes	
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 225 % If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**		No
If "Yes," indicate the FPG family income limit for eligibility for discounted care __% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	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? _____

	Name and address	Type of Facility (describe)
1		
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

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART I, LINE 3C	

Additional Data

Software ID:
Software Version:
EIN: 73-0700090
Name: Saint Francis Hospital 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	

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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
Saint Francis Hospital Inc

Employer identification number
73-0700090

Part I General Information on Grants and Assistance

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

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

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

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

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

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . ▶ 26

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

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
(1) scholarships	170	348,694		FMV	

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
SUPPLEMENTAL INFORMATION	SCHEDULE I, PART I, QUESTION 2 SAINT FRANCIS HEALTH SYSTEM OFFERS SCHOLARSHIP OPPORTUNITIES TO INDIVIDUALS IN THE NURSING AND ALLIED HEALTH ARENA THE APPLICATION PROCESS, APPROVAL PROCESS, MONITORING, AND IN THE EVENT OF DEFAULT, COLLECTION PROCESS TAKE PLACE IN THE HUMAN RESOURCE DEPARTMENT OF SAINT FRANCIS TO QUALIFY FOR A SCHOLARSHIP, EMPLOYEES SUBMIT APPLICATIONS WHICH ARE ACCUMULATED AND RANKED BASED ON APPROPRIATE CRITERIA DEPENDENT ON THE AVAILABILITY OF FUNDS, APPLICANTS ARE SELECTED TO RECEIVE SCHOLARSHIPS CHOSEN APPLICANTS MUST SIGN A WORK AGREEMENT FOR SIX MONTHS FOR EACH SEMESTER THEY RECEIVE FUNDING OFFICIAL TRANSCRIPTS MUST BE SUBMITTED TO DOCUMENT SUCCESSFUL COMPLETION FOR EACH SEMESTER IN THE EVENT AN APPLICANT DOES NOT FULFILL THEIR SCHOLARSHIP AGREEMENT THEY ARE CONTACTED VIA CERTIFIED MAIL THAT ALL FUNDS AWARDED ARE DUE WITHIN 30 DAYS IF THE BALANCE IS NOT PAID IN FULL WITHIN 30 DAYS, COLLECTION EFFORTS ENSUE WITH A THIRD PARTY COLLECTION AGENCY

Additional Data

Software ID:
Software Version:
EIN: 73-0700090
Name: Saint Francis Hospital 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
ALZHEIMER'S ASSociation OK Chapter 2448 E 81ST ST STE 3000 Tulsa,OK 74137	73-1183372	501(c)3	6,000				MEMORY GALA

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
AMERICAN HEART ASSOCIATION PO BOX 4002903 DES MOINES,IA 50314	13-5613797	501(c)3	75,000				PROGRAM 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
AMERICAN KIDNEY FUND 11921 ROCKVILLE PIKE STE 300 ROCKVILLE,MD 20852	23-7124261	501(c)3	53,887				PROGRAM 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
BISHOP KELLEY HIGH SCHOOL 3905 S HUDSON TULSA,OK 74135	73-0706623	501(C)(3)	20,000				PROGRAM 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
CATHOLIC CHARITIES PO BOX 690240 TULSA,OK 74169	73-0942657	501(C)(3)	7,153				PROGRAM SUPPORT 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
CHILDREN'S FOUNDATION 6161 S YALE AVE TULSA,OK 74136	20-2843418	501(C)(3)	262,000				PROGRAM SUPPORT 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
CITIZENS FOR TULSA COUNTY 1 WEST 3RD ST STE 1300 TULSA,OK 74103	73-1503283	501(C)(3)	50,000				PROGRAM SUPPORT 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
COALITION TO PROTECT AMERICAS Health Care PO BOX 30211 BETHESDA,MD 20824	52-2253225	501(C)(3)	55,000				PROGRAM SUPPORT 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
FAMILY AND CHILDREN SERVICES 650 S PEORIA TULSA,OK 74120	73-0580270	501(C)(3)	605,000				PROGRAM SUPPORT 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
JUNIOR ASSOCIATION OF THE TULSA Boys' Home PO BOX 1101 TULSA,OK 74101	73-0788063	501(C)(3)	10,000				PROGRAM SUPPORT 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
LAUREATE ASSOCIATION FOR BRAIN RESEARCH 6655 S YALE AVE TULSA,OK 74136	73-1328881	501(C)(3)	1,000,000				PROGRAM SUPPORT 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
MENTAL HEALTH ASSOCATION 1870 S BOULDER TULSA,OK 74119	73-0657931	501(C)(3)	32,500				PROGRAM SUPPORT 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
OKLAHOMA HERITAGE ASSOCIATION 1400 CLASSEN DR OKLAHOMA CITY,OK 73106	73-0784696	501(C)(3)	15,000				PROGRAM SUPPORT 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
OSTEOPATHIC FOUNDERS 8801 S YALE AVE STE 400 TULSA,OK 74137	73-0583936	501(C)(3)	10,000				WINTERFEST 2014

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
PHILBROOK MUSEUM 2727 S ROCKFORD RD TULSA,OK 74114	73-0579279	501(C)(3)	25,000				PROGRAM SUPPORT 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
ROMAN CATHOLIC DIOCESE OF TULSA PO BOX 690240 TULSA,OK 74169	73-0942657	501(C)(3)	50,000				PROGRAM SUPPORT 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 GREGORY'S UNIVERSITY 1900 W MCARTHUR ST SHAWNEE,OK 74804	73-0685198	501(C)(3)	50,000				PROGRAM SUPPORT 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 PHILIP NERI NEWMAN CENTER 440 S FLORENCE AVE TULSA,OK 74104	73-0942657	501(C)(3)	8,000				PROGRAM SUPPORT 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
TULSA AREA UNITED WAY PO BOX 1859 TULSA,OK 74101	73-0580283	501(C)(3)	62,000				PROGRAM SUPPORT 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
TULSA CHAMBER OF COMMERCE 1 W 3RD ST STE 100 TULSA,OK 74103	73-0488250	501(C)(3)	428,882				PROGRAM SUPPORT 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
TULSA COMMUNITY FOUNDATION INC 7030 S YALE AVE STE 600 TULSA,OK 74136	73-1554474	501(C)(3)	50,000				EE EMERGENCY FUND

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
TULSA FUTURE CAMPAIGN 2 WEST 2ND ST STE 150 TULSA,OK 74103	23-7033283	501(C)(3)	65,000				PROGRAM SUPPORT 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
TULSA MEDICAL EDUCATION 4502 E 41ST ST STE 2820 TULSA,OK 74135	73-0802486	501(C)(3)	10,000				PROGRAM SUPPORT 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
TULSA SCHOOL OF COMMUNITY MEDICINE 4502 E 41ST ST TULSA,OK 74135	73-6017987	501(C)(3)	71,676				PROGRAM SUPPORT 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
UNIVERSITY OF TULSA 800 S TUCKER DR TULSA,OK 74104	73-0579298	501(C)(3)	50,000				PROGRAM SUPPORT 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
YMCA OF TULSA 1503 S DENVER AVE TULSA,OK 74119	73-0579296	501(C)(3)	7,500				PROGRAM SUPPORT 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
Saint Francis Hospital Inc

Employer identification number
73-0700090

Part I Questions Regarding Compensation

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

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
Supplemental Nonqualified retirement plan	Schedule J, Part I, Line 1 CERTAIN INDIVIDUALS INCLUDED IN SCHEDULE J, PART II PARTICIPATED IN KEY BUSINESS ACTIVITIES ACCOMPANIED BY THEIR SPOUSE ADDITIONALLY THESE SAME INDIVIDUALS MAY HAVE INCURRED PERSONAL EXPENSE RELATED TO THESE KEY BUSINESS ACTIVITIES WITH PROPER DOCUMENTATION AND APPROVAL, SAINT FRANCIS HEALTH SYSTEM INCLUDES THESE REIMBURSEMENTS AS W-2 WAGES FOR THE EMPLOYEE THESE WAGES ARE GROSSED UP TO PROVIDE TAX INDEMNIFICATION TO THE EMPLOYEE SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN SCHEDULE J, PART I, LINE 4B A SELECT GROUP OF HIGHLY COMPENSATED EMPLOYEES OF SAINT FRANCIS HEALTH SYSTEM, INC , AND ITS RELATED ENTITIES SAINT FRANCIS HOSPITAL, INC , LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL, INC , WARREN CLINIC, INC , PATIENT CARE SERVICES OF SAINT FRANCIS, INC , AND SAINT FRANCIS HOSPITAL SOUTH, LLC, ARE ELIGIBLE TO PARTICIPATE IN A NONQUALIFIED DEFERRED COMPENSATION PLAN UNDER SECTION 457(B) AND 457(F) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED UNDER THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001 NONE OF THE INDIVIDUALS LISTED ON SCHEDULE J ARE COMPENSATED AS BOARD MEMBERS OF THE REPORTING ENTITY THE REPORTED COMPENSATION IS FOR SERVICES AS EMPLOYEES OF THE REPORTING ENTITY OR THE RELATED ORGANIZATION

Additional Data

Software ID:
Software Version:
EIN: 73-0700090
Name: Saint Francis Hospital 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				
JAKE HENRY JR PRESIDENT/CEO/DIRECTOR	(I) (II)	0 917,962	0 635,473	0 114,550	0 -5,673	0 10,788	0 1,673,100	0 0
BARRY L STEICHEN EVP/COO/director	(I) (II)	0 524,575	0 166,667	0 49,294	0 98,612	0 13,351	0 852,499	0 0
ERIC SCHICK TREASURE/CFO	(I) (II)	220,729 0	61,779 0	10,902 0	40,957 0	12,603 0	346,970 0	0 0
JEFFREY C SACRA SECRETARY	(I) (II)	202,442 0	48,754 0	4,071 0	34,791 0	6,402 0	296,460 0	0 0
LYNN SUND ADMINISTRATOR	(I) (II)	361,787 0	116,508 0	40,787 0	57,269 0	13,150 0	589,501 0	0 0
DAVID WAGNER SENIOR VP	(I) (II)	229,615 0	33,000 0	42,008 0	27,178 0	12,952 0	344,753 0	0 0
TOM NEFF SENIOR VP	(I) (II)	291,302 0	98,146 0	14,160 0	52,686 0	13,122 0	469,416 0	0 0
ROBERT ELI SMITH ASST SECR (through 12/31/13)	(I) (II)	0 161,743	0 51,016	0 15,371	0 38,095	0 894	0 267,119	0 0
RYAN GURSKY PHYSICIAN	(I) (II)	42,000 1,198,169	0 2,226	0 0	0 32,104	0 17,022	42,000 1,249,521	0 0
PRESTON PHILLIPS PHYSICIAN	(I) (II)	38,250 939,498	0 2,226	0 17,500	0 32,104	0 71	38,250 991,399	0 0
BRUCE MARKMAN PHYSICIAN	(I) (II)	37,500 806,050	0 2,226	0 0	0 32,104	0 20,380	37,500 860,760	0 0
CHRISTIAN LUESSENHOP PHYSICIAN	(I) (II)	45,000 665,599	0 2,226	0 17,500	0 32,104	0 17,022	45,000 734,451	0 0
KENNETH CHEKOFSKY PHYSICIAN	(I) (II)	124,000 627,264	0 2,226	0 17,500	0 32,104	0 13,233	124,000 692,327	0 0
WILLIAM SCHLOSS FORMER SENIOR VP	(I) (II)	0 326,439	0 155,563	0 6,759	0 55,175	0 13,149	0 557,085	0 0

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
Saint Francis Hospital Inc

Employer identification number
73-0700090

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	Tulsa County Industrial Authority	52-1526494	899520AZ3	11-14-2006	229,140,663	SEE PART VI		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	0			
2	Amount of bonds legally defeased	0			
3	Total proceeds of issue	229,140,663			
4	Gross proceeds in reserve funds	0			
5	Capitalized interest from proceeds	0			
6	Proceeds in refunding escrows	25,310,000			
7	Issuance costs from proceeds	1,590,323			
8	Credit enhancement from proceeds	0			
9	Working capital expenditures from proceeds	0			
10	Capital expenditures from proceeds	202,240,340			
11	Other spent proceeds	0			
12	Other unspent proceeds	0			
13	Year of substantial completion	2009			

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

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

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T?		X						
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?		X						
b	Exception to rebate?		X						
c	No rebate due?		X						
	If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?		X						
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X						
b	Name of provider	0							
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was the hedge terminated?								

Part IV Arbitrage *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
5a	Were gross proceeds invested in a guaranteed investment contract (GIC)?		X						
b	Name of provider	0							
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6	Were any gross proceeds invested beyond an available temporary period?		X						
7	Has the organization established written procedures to monitor the requirements of section 148?	X							

Part V Procedures To Undertake Corrective Action

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

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

Return Reference	Explanation
SUPPLEMENTAL INFORMATION	SCHEDULE K, PART I, LINE A, COLUMN (F) THE SERIES 2006 BONDS WERE ISSUED BY THE ISSUER'S FOR THE PURPOSE OF LOANING THE PROCEEDS THEREOF TO SAINT FRANCIS HEALTH SYSTEM FOR ACQUIRING, FURNISHING, IMPROVING AND EQUIPPING CERTAIN ADDITIONS, EXTENSIONS, AND IMPROVEMENTS TO SAINT FRANCIS HOSPITAL INCLUDING BUT NOT LIMITED TO (I) FURNISHING, IMPROVING, CONSTRUCTING AND EQUIPPING CERTAIN ADDITIONS, EXTENSIONS, AND IMPROVEMENTS TO THE TULSA HEART HOSPITAL OF SAINT FRANCIS, SUPPORT FACILITIES THERETO, (II) ACQUIRING, FURNISHING, IMPROVING, AND EQUIPPING CERTAIN ADDITIONS, EXTENSIONS, AND IMPROVEMENTS TO SAINT FRANCIS HOSPITAL WITHOUT LIMITATION, THE CONSTRUCTION OF A NEW CHILDREN'S HOSPITAL AND PARKING GARAGE, AN EMPLOYEE PARKING GARAGE AND A NEW CARDIOLOGY DEPARTMENT, (III) Refunding and REFINANCING THE ISSUER'S OUTSTANDING HEALTH CARE REVENUE BONDS, REFUNDING SERIES 2003 (SAINT FRANCIS HEALTH SYSTEM, INC) INITIALLY ISSUED TO REFUND OF THE AUTHORITY USED TO ACQUIRE, FURNISH, IMPROVE AND EQUIP CERTAIN ADDITIONS EXTENSIONS AND IMPROVEMENTS TO THE SAINT FRANCIS HEALTH SYSTEM "PROJECT"), AND (IV) PAYING THE COST OF ISSUANCE OF THE SERIES 2006 BONDS Part III Line 3C A BOND COUNSEL DOES EXIST, BUT FOR THE CURRENT FISCAL YEAR, THERE WAS NOTHING TO REVIEW Part III Line 4/5 THERE IS NO PRIVATE BUSINESS USE

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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.

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2013

Open to Public Inspection

Name of the organization
Saint Francis Hospital Inc

Employer identification number
73-0700090

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) Acrobatant LLC	See part V	1,995,779	independent contractor		No

Part V Supplemental Information

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

Return Reference	Explanation
SCHEDULE L, PART IV, COLUMN B	W R LISSAU'S DAUGHTER HAS A 17% OWNERSHIP IN ACROBATANT, LLC ACROBATANT LLC PROVIDED PROFESSIONAL SERVICES TO SAINT FRANCIS HOSPITAL, INC W R LISSAU IS LISTED ON FORM 990 PART VII AS A DIRECTOR FOR SAINT FRANCIS HOSPITAL, INC

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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
Saint Francis Hospital Inc

Employer identification number
73-0700090

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	X	1	24,464	fair market value
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (IN-KIND)	X	1	154,090	fair market value
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 |

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

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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
Saint Francis Hospital Inc

Employer identification number
73-0700090

990 Schedule O, Supplemental Information

Return Reference	Explanation
Supplemental Information	

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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
Saint Francis Hospital Inc

Employer identification number
73-0700090

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) SAINT FRANCIS OUTREACH SERVICES LLC 6600 S YALE AVE STE 400 Tulsa, OK 74136 14-1841340	Health SVCS	OK	18,065,610	2,259,153	SFH
(2) CARE COMMUNICATIONS LLC 6600 S YALE AVE STE 400 Tulsa, OK 74136 26-0015989	Comm SVCS	OK	3,264,278	4,509,134	SFH

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) No
(1) SAINT FRANCIS HEALTH SYSTEM INC 6600 S YALE AVE STE 400 Tulsa, OK 741363319 73-1501972	health svcs	OK	501(C)(3)	11b TYPE II	NA		No
(2) SAINT FRANCIS HOSPITAL SOUTH LLC 6600 S YALE AVE STE 400 tulsa, OK 741363319 01-0603214	health svcs	OK	501(C)(3)	3	SFHS	Yes	
(3) LAUREATE PSYCHIATRIC CLINIC & HOSPITAL 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-1308273	health svcs	OK	501(C)(3)	3	SFHS	Yes	
(4) WARREN CLINIC INC 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-1310891	health svcs	OK	501(C)(3)	3	SFHS	Yes	
(5) SAINT FRANCIS HOME HEALTH INC 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-1234331	health svcs	OK	501(C)(3)	11a TYPE I	SFH	Yes	
(6) WARREN CANCER RESEARCH FOUNDATION 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-1426265	medical rsrch	OK	501(C)(3)	4	SFH	Yes	
(7) THE CHILDREN'S HOSPITAL FD at st fr 6600 S YALE AVE STE 400 tulsa, OK 741363319 20-2843418	health svcs	OK	501(C)(3)	11a TYPE I	SFHS	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate 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

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) SPRINGER CLINIC INC 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-1414359	health svcs	OK	na	s corp	-126,104	10,201,068	100 000 %		No
(2) RELATED HEALTH SERVICES INC 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-1288715	health svcs	OK	na	s corp	3,168,683	74,214,703	100 000 %		No
(3) XAVIER INSURANCE COMPANY INC 76 ST PAUL ST STE 500 burlington, VT 054014477 03-0333599	captive insur	VT	na	c corp	0	0			No
(4) SAINT FRANCIS PAYROLL SERVICES LLC 6600 S YALE AVE STE 400 Tulsa, OK 741363319 45-0470422	common pay ag	OK	na	c corp	0	0			No
(5) ARROWHEAD RIDGE OWNERS ASSOCIATION INC 6600 S YALE AVE STE 400 tulsa, OK 741363319 52-2418279	holding compa	OK	SFH South	C corp	0	0			No
(6) CommunityCare Managed Healthcare 218 w 6th street Tulsa, OK 74119	insurance	OK	Related Health	c corp	0	0			No
(7) SAINT FRANCIS HEALTH SYSTEM GENERAL PO BOX 3038 MILWAUKEE, WI 532013038	Self Insurance	WI	SFHS	TRUST	0	0			No

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

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

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
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: 73-0700090
Name: Saint Francis Hospital 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) SAINT FRANCIS HEALTH SYSTEM INC 6600 S YALE AVE STE 400 Tulsa, OK 741363319 73-1501972	health svcs	OK	501(C)(3)	11b TYPE II	NA		No
(1) SAINT FRANCIS HOSPITAL SOUTH LLC 6600 S YALE AVE STE 400 tulsa, OK 741363319 01-0603214	health svcs	OK	501(C)(3)	3	SFHS	Yes	
(2) LAUREATE PSYCHIATRIC CLINIC & HOSPITAL 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-1308273	health svcs	OK	501(C)(3)	3	SFHS	Yes	
(3) WARREN CLINIC INC 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-1310891	health svcs	OK	501(C)(3)	3	SFHS	Yes	
(4) SAINT FRANCIS HOME HEALTH INC 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-1234331	health svcs	OK	501(C)(3)	11a TYPE I	SFH	Yes	
(5) WARREN CANCER RESEARCH FOUNDATION 6600 S YALE AVE STE 400 tulsa, OK 741363319 73-1426265	medical rsrch	OK	501(C)(3)	4	SFH	Yes	
(6) THE CHILDREN'S HOSPITAL FD at st fr 6600 S YALE AVE STE 400 tulsa, OK 741363319 20-2843418	health svcs	OK	501(C)(3)	11a TYPE I	SFHS	Yes	

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

(a) Name of other organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
SAINT FRANCIS HEALTH SYSTEM INC	b	10,451,561	TRAN REVIEW
SAINT FRANCIS HEALTH SYSTEM INC	c	33,797,279	TRAN REVIEW
SAINT FRANCIS HEALTH SYSTEM INC	l	56,616	TRAN REVIEW
SAINT FRANCIS HEALTH SYSTEM INC	m	652,914	TRAN REVIEW
SAINT FRANCIS HEALTH SYSTEM INC	p	8,632,825	TRAN REVIEW
SAINT FRANCIS HEALTH SYSTEM INC	q	6,197,096	TRAN REVIEW
SAINT FRANCIS HEALTH SYSTEM INC	s	30,390,331	TRAN REVIEW
LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL INC	l	1,097,673	TRAN REVIEW
LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL INC	m	71,814	TRAN REVIEW
LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL INC	p	12,918,054	TRAN REVIEW
LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL INC	q	45,485,504	TRAN REVIEW
LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL INC	r	5,393,501	TRAN REVIEW
LAUREATE PSYCHIATRIC CLINIC AND HOSPITAL INC	s	23,449,107	TRAN REVIEW
RELATED HEALTH SERVICES INC	b	1,218,751	TRAN REVIEW
RELATED HEALTH SERVICES INC	l	338,211	TRAN REVIEW
RELATED HEALTH SERVICES INC	p	382,442	TRAN REVIEW
RELATED HEALTH SERVICES INC	q	4,038,583	TRAN REVIEW
SAINT FRANCIS HOSPITAL SOUTH LLC	l	238,187	TRAN REVIEW
SAINT FRANCIS HOSPITAL SOUTH LLC	k	393,582	TRAN REVIEW
SAINT FRANCIS HOSPITAL SOUTH LLC	l	2,877,976	TRAN REVIEW
SAINT FRANCIS HOSPITAL SOUTH LLC	p	73,671,411	TRAN REVIEW
SAINT FRANCIS HOSPITAL SOUTH LLC	q	80,394,287	TRAN REVIEW
SAINT FRANCIS HOSPITAL SOUTH LLC	r	14,647,555	TRAN REVIEW
SAINT FRANCIS HOSPITAL SOUTH LLC	s	21,425,090	TRAN REVIEW
SAINT FRANCIS HOME HEALTH INC	c	1,497,872	TRAN REVIEW

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

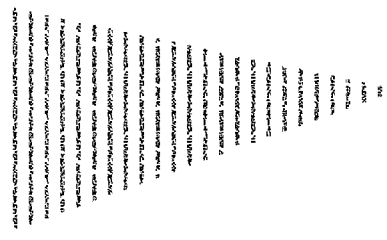
(a) Name of other organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
SAINT FRANCIS HOME HEALTH INC	l	767,228	TRAN REVIEW
SAINT FRANCIS HOME HEALTH INC	p	64,746	TRAN REVIEW
SAINT FRANCIS HOME HEALTH INC	q	12,289,753	TRAN REVIEW
SAINT FRANCIS HOME HEALTH INC	r	4,145,888	TRAN REVIEW
SAINT FRANCIS HOME HEALTH INC	s	10,517,304	TRAN REVIEW
WARREN CANCER RESEARCH FOUNDATION	l	92,034	TRAN REVIEW
WARREN CANCER RESEARCH FOUNDATION	p	123,003	TRAN REVIEW
WARREN CANCER RESEARCH FOUNDATION	q	868,721	TRAN REVIEW
CHILDREN'S HOSPITAL FOUNDATION	c	6,251,485	TRAN REVIEW
CHILDREN'S HOSPITAL FOUNDATION	q	1,053,839	TRAN REVIEW
SPRINGER CLINIC INC	b	147,159	TRAN REVIEW
SPRINGER CLINIC INC	k	224,884	TRAN REVIEW
SPRINGER CLINIC INC	q	603,835	TRAN REVIEW
COMMUNITY CARE MANAGED HEALTHCARE PLANS OF OK	p	88,100,354	TRAN REVIEW
SFSJ VENTURES LLC	f	187,500	TRAN REVIEW
ALL SAINTS HOME MEDICAL LLC	c	535,064	TRAN REVIEW
ALL SAINTS HOME MEDICAL LLC	l	469,070	TRAN REVIEW
ALL SAINTS HOME MEDICAL LLC	m	127,860	TRAN REVIEW
ALL SAINTS HOME MEDICAL LLC	p	1,839,998	TRAN REVIEW
ALL SAINTS HOME MEDICAL LLC	q	18,816,235	TRAN REVIEW
ALL SAINTS HOME MEDICAL LLC	s	193,807	TRAN REVIEW
WARREN CLINIC INC	j	115,504	TRAN REVIEW
WARREN CLINIC INC	k	129,560	TRAN REVIEW
WARREN CLINIC INC	l	5,517,487	TRAN REVIEW
WARREN CLINIC INC	m	10,643,439	TRAN REVIEW

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
WARREN CLINIC INC	p	59,835,140	TRAN REVIEW
WARREN CLINIC INC	q	227,504,686	TRAN REVIEW
WARREN CLINIC INC	r	2,800,429	TRAN REVIEW
WARREN CLINIC INC	s	129,435,084	TRAN REVIEW

Consolidated Financial Statements and Supplemental Information

Saint Francis Hospital, Inc.
Years Ended June 30, 2014 and 2013
With Report of Independent Auditors



Building a better working world

Saint Francis Hospital, Inc.

Consolidated Financial Statements
and Supplemental Information

Years Ended June 30, 2014 and 2013

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Report of Independent Auditors

The Board of Directors
Saint Francis Hospital, Inc.

We have audited the accompanying consolidated financial statements of Saint Francis Hospital, Inc. (the Hospital), which comprise the consolidated statements of financial position 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Saint Francis Hospital, Inc. at June 30, 2014 and 2013, and the consolidated results of its operations and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Ernst & Young LLP

October 28, 2014

Saint Francis Hospital, Inc.

Consolidated Statements of Financial Position

	June 30	
	2014	**2013**
Assets		
Current assets		
Cash and cash equivalents	**$ 193,348,197**	$ 315,924,223
Short-term investments	**424,710,295**	226,117,041
Patient accounts receivable, net of allowances for uncollectible receivables of $50,764,823 and $53,830,669 in 2014 and 2013, respectively	**68,606,498**	75,180,823
Inventories	**20,720,742**	22,735,545
Prepaid expenses and other receivables	**29,005,393**	25,696,735
Total current assets	**736,391,125**	665,654,367
Investments	**608,162,984**	549,200,452
Assets whose use is limited		
Board-designated funds, held by trustee		
Professional liability self-insurance reserve	**25,108,261**	15,075,863
Other restricted assets	**3,448,931**	3,562,914
	28,557,192	18,638,777
Property and equipment		
Land and improvements	**27,184,003**	30,149,373
Buildings	**310,582,749**	376,424,813
Equipment	**309,778,367**	343,452,816
Construction in progress	**254,993,504**	142,156,682
	902,538,623	892,183,684
Less accumulated depreciation	**367,372,996**	390,663,715
	535,165,627	501,519,969
Other assets		
Investments in unconsolidated affiliates	**74,939,451**	71,060,780
Beneficial interest in The Children's Hospital Foundation at Saint Francis	**3,918,511**	7,813,912
Other	**21,321,535**	22,829,556
	100,179,497	101,704,248
Total assets	**$ 2,008,456,425**	$ 1,836,717,813
Liabilities and net assets		
Current liabilities		
Accounts payable and accrued expenses	**$ 49,290,419**	$ 41,813,982
Employee compensation and related liabilities	**40,496,588**	37,690,198
Estimated third-party settlements	**21,987,530**	15,187,299
Current maturities of long-term debt	**5,515,000**	5,260,000
Total current liabilities	**117,289,537**	99,951,479
Long-term debt, less current maturities	**206,443,005**	212,365,465
Other long-term liabilities	**43,696,998**	42,821,038
Total liabilities	**367,429,540**	355,137,982
Net assets	**1,641,026,885**	1,481,579,831
Total liabilities and net assets	**$ 2,008,456,425**	$ 1,836,717,813

See accompanying notes

Saint Francis Hospital, Inc.

Consolidated Statements of Operations and Changes in Net Assets

	Year Ended June 30	
	2014	**2013**
Revenues		
Net patient service revenue	**$ 901,905,907**	$ 949,989,830
Provisions for bad debts	**(72,517,403)**	(73,010,639)
Net patient service revenue, less provisions for bad debt	**829,388,504**	876,979,191
Other operating revenue	**27,139,179**	20,934,641
Total unrestricted revenues	**856,527,683**	897,913,832
Expenses		
Employee compensation	**354,794,860**	360,369,808
Occupancy	**42,289,231**	40,865,036
Drugs and patient care supplies	**181,601,399**	182,426,804
Administrative	**90,507,368**	86,387,637
Office	**6,618,413**	6,546,029
Interest	**7,429,226**	10,200,143
Depreciation and amortization	**40,499,607**	46,655,634
Total expenses	**723,740,104**	733,451,091
Income from operations	**132,787,579**	164,462,741
Other income (expense)		
Investment income (loss), net	**37,342,136**	20,417,002
Change in fair value of interest rate swaps	**–**	304,221
Equity in earnings of private investments	**26,025,545**	26,248,641
Donations	**337,051**	660,662
Equity in earnings of unconsolidated affiliates	**5,790,714**	5,713,144
Other, net	**4,075,742**	1,969,902
	73,571,188	55,313,572
Excess of revenues over expenses	**206,358,767**	219,776,313
Transfers from (to) affiliates, net	**19,754,979**	(22,080,900)
Change in beneficial interest in The Children's Hospital Foundation at Saint Francis	**(3,895,401)**	(1,527,962)
Distribution of interest in Saint Francis Hospital South to Saint Francis Health System	**(62,559,612)**	–
Change in postretirement medical benefit liability	**(211,679)**	97,198
Increase in net assets	**159,447,054**	196,264,649
Net assets, beginning of year	**1,481,579,831**	1,285,315,182
Net assets, end of year	**$ 1,641,026,885**	$ 1,481,579,831

See accompanying notes

Saint Francis Hospital, Inc.

Consolidated Statements of Cash Flows

	Year Ended June 30	
	2014	**2013**
Operating activities and other income		
Increase in net assets	**$ 159,447,054**	$ 196,264,649
Adjustments to reconcile increase in net assets to net cash provided by operating activities and other income		
Depreciation and amortization	**40,499,607**	46,655,634
Change in beneficial interest in The Children's Hospital Foundation at Saint Francis	**3,895,401**	1,527,962
Transfers (from) to affiliates, net	**(19,754,979)**	22,080,900
Change in postretirement medical benefit liability	**211,679**	(97,198)
Change in fair value of interest rate swaps	**–**	(304,221)
Distribution of interest in Saint Francis South to the System	**62,559,612**	–
Provision for bad debts	**72,517,403**	73,010,639
Loss on sale of assets	**1,728,445**	2,296,810
Equity in earnings of unconsolidated affiliates	**(5,790,714)**	(5,713,144)
Amortization of bond issuance cost	**(369,827)**	(379,265)
Equity in earnings of private investments	**(26,025,545)**	(26,248,641)
Changes in operating assets and liabilities, net		
Patient accounts receivable	**(73,225,630)**	(81,191,246)
Inventories, prepaid expenses, and other receivables	**(3,925,514)**	(11,165,540)
Unrestricted investments	**(231,530,241)**	32,436,980
Other assets	**225,681**	(3,557,697)
Estimated third-party settlements	**7,260,580**	(2,383,855)
Accounts payable, accrued expenses, employee compensation and related liabilities, and other long-term liabilities	**13,391,789**	9,210,882
Net cash provided by operating activities and other income	**1,114,801**	252,443,649
Investing activities		
Purchases of property and equipment	**(126,974,120)**	114,356,373
Proceeds from sales of property and equipment	**159,975**	802,095
Cash paid for acquisitions	**(3,042,302)**	–
Net (increase) decrease in assets whose use is limited	**(10,126,311)**	2,663,084
Capital distributions from affiliates and equity investees	**1,912,043**	2,160,442
Net cash used in investing activities	**(138,070,715)**	108,730,752
Financing activities		
Payments on long-term debt	**(5,260,000)**	(2,540,000)
Distribution of cash held by Saint Francis South to the System	**(115,091)**	–
Transfers to (from) affiliates, net	**19,754,979**	(22,080,900)
Net cash used in financing activities	**14,379,888**	(24,620,900)
Net increase in cash and cash equivalents	**(122,576,026)**	119,091,997
Cash and cash equivalents at beginning of year	**315,924,223**	196,832,226
Cash and cash equivalents at end of year	**$ 193,348,197**	$ 315,924,223
Accrued investment in capital projects excluded from purchases of property and equipment	$ **23,859,726**	$ 15,845,451

See accompanying notes

1. Organization and Accounting Policies

Organization

Saint Francis Hospital, Inc. (the Hospital), located in Tulsa, Oklahoma, is organized as a nonprofit corporation under the laws of the state of Oklahoma.

The Hospital provides inpatient, outpatient, home health, hospice, and emergency care services to residents of Oklahoma, primarily in Tulsa and the surrounding areas.

Saint Francis Health System, Inc. (the System) appoints the trustees of the Hospital and provides management and administrative services. In 2014 and 2013, the Hospital had net asset transfers to (from) the System totaling approximately $(19,755,000) and $22,081,000, respectively.

Consolidation

The Hospital consolidates its investments in wholly owned or controlled affiliates. Significant intercompany transactions have been eliminated. In 2014 the Hospital's consolidated affiliates include Related Health Services, Inc. (RHS); Saint Francis Home Health, Inc.; Care Communications, LLC; Warren Cancer Research Foundation; Saint Francis Outreach Services, LLC; Springer Clinic, Inc. In 2013 the Hospital's consolidated affiliates include Related Health Services, Inc. (RHS); Saint Francis Home Health, Inc.; Care Communications, LLC; Warren Cancer Research Foundation; Saint Francis Outreach Services, LLC; Springer Clinic, Inc.; and Saint Francis Hospital South, LLC.

On July 1, 2013, in a reorganization of commonly controlled entities, the Hospital distributed its interest in Saint Francis Hospital South, LLC to the System. Amounts distributed were as follows:

	July 1, 2013
Current assets	$ 10,029,302
Property and equipment, net of accumulated depreciation	61,888,059
Other assets	1,529,603
Total assets	$ 73,446,964
Current liabilities	$ 4,272,051
Other long-term liabilities	6,615,301
Net unrestricted assets	62,559,612
Total liabilities and net unrestricted assets	$ 73,446,964

1. Organization and Accounting Policies (continued)

Use of Estimates

In preparing the consolidated financial statements in conformity with accounting principles generally accepted in the United States, management is required to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

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

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

The Hospital's net patient service revenues in the years ended June 30 were from the following payor sources:

	2014	2013
Medicare	**24%**	25%
Medicaid	**16**	14
Commercial insurance and managed care	**41**	44
Capitated revenue	**10**	10
Private pay and other	**9**	7

The components of net receivables due from patients and third-party payors were as follows:

	June 30	
	2014	2013
Medicare	**24%**	22%
Medicaid	**7**	7
Commercial insurance and managed care	**40**	42
Private pay and other	**29**	29

1. Organization and Accounting Policies (continued)

The Hospital grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. A significant portion (31% in 2014 and 29% in 2013), of its net patient receivables is due from the Medicare and Medicaid programs. The Hospital must comply with various reporting and operating regulations mandated by each of the federal and state programs. Failure to comply with these regulations could result in the Hospital losing its eligibility to receive these funds. Management is not aware of any operations or activities that would jeopardize the Hospital's eligibility under these programs.

To provide for accounts receivable that could become uncollectible in the future, the Hospital establishes an allowance for doubtful accounts to reduce the carrying value of such receivables to their estimated net realizable value. The primary uncertainty lies with uninsured patient receivables and deductibles, co-payments, or other amounts due from individual patients.

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

Statements of Operations

For financial reporting purposes, transactions considered by management to be ongoing, major, or central to the provision of health care services are reported as revenues and expenses. Peripheral or incidental transactions are reported as other income (expense).

Cash and Cash Equivalents

The Hospital considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Inventories

Inventories (principally pharmaceuticals, medical supplies, and surgical supplies) are stated at the lower of cost (weighted-average method) or market.

1. Organization and Accounting Policies (continued)

Property and Equipment

Property and equipment acquisitions are recorded at cost. Donated property and equipment are recorded at fair value on the date of donation. Costs of construction in progress are not depreciated until placed in service. Depreciation is calculated and recorded over the estimated useful life of each class of depreciable assets using the straight-line method. The American Hospital Association's *Estimated Useful Lives of Depreciable Hospital Assets* is used as a general guide in establishing depreciable lives.

At June 30, 2014 and 2013, the Hospital had remaining commitments for construction of a new trauma emergency tower of approximately $32,767,000 and $87,010,000 respectively.

Of the amounts recorded in Construction in Progress, approximately $54,100,000 and $13,032,000 relates to unamortized software costs for June 30, 2014 and 2013, respectively.

Asset Impairment

The Hospital periodically evaluates the carrying amount of its long-lived assets for impairment when indicators of impairment are identified. These evaluations are primarily based on the estimated recoverability of the assets' carrying value. The Hospital did not record any impairment charges for either June 30, 2014 or 2013. Any impairment charges would be included in depreciation and amortization expense in the accompanying consolidated statements of operations and changes in net assets.

Investments

The Hospital's investment portfolio is classified as trading, with unrealized gains and losses included in other income (expense). Investments with readily determinable fair values are reported at fair value. Investments in limited liability partnerships and corporations (private investments) do not have readily determinable fair values and are recorded based on the Hospital's share of the underlying value of portfolio securities held by these funds, as reported to the Hospital. Positions in private investments are recorded at amounts as reported by the related investment managers. Private investments are accounted for under the equity method of accounting. Under this method, the equity in earnings includes changes in reported values in the underlying investments. In some cases, the underlying investments are not readily marketable and the alternative investments may not be redeemable except in certain circumstances and there can be no assurance that such reported amounts will be ultimately realized.

1. Organization and Accounting Policies (continued)

Assets Whose Use is Limited

Assets whose use is limited represent assets held by trustees under self-insurance trust arrangements for professional liability as well as deferred compensation investments associated with the Hospital's deferred compensation benefit plans.

Donations

Donations are recognized as income in the period received or unconditionally pledged to the Hospital. The Hospital does not have a policy of applying time restrictions on long-lived donated assets and considers such assets unrestricted at the date placed in service. Expirations of donor-imposed restrictions are reported as reclassifications between temporarily restricted and unrestricted net assets.

As of June 30, 2014 and 2013, net assets that are restricted by donors, which relates primarily to the Hospital's beneficial interest in a related organization, totaled approximately $4,059,000 and $7,814,000, respectively. These amounts are not material to the financial position of the Hospital and, therefore, are not presented separately as temporarily restricted net assets in the accompanying consolidated financial statements.

Beneficial Interest

The Hospital has recorded a beneficial interest in The Children's Hospital Foundation at Saint Francis (the Foundation) of approximately $3,919,000 and $7,814,000 as of June 30, 2014 and 2013, respectively, which is included in other assets in the accompanying consolidated statements of financial position. The Hospital is the beneficiary of the Foundation's campaign to raise funds for the construction and operation of The Children's Hospital at Saint Francis.

There was cash transferred from the Foundation to the Hospital to be used in the operation of The Children's Hospital in the amount of $5,873,000 and $4,736,000 as of June 30, 2014 and 2013, respectively. These amounts are included in transfers to / (from) affiliates, net in the accompanying consolidated statements of operations and changes in net assets.

1. Organization and Accounting Policies (continued)

Other Assets

Other assets of approximately $21,322,000 and $22,830,000 at June 30, 2014 and 2013, respectively, include goodwill of $10,962,000 and other intangible assets. The Hospital records goodwill arising from a business combination as the excess of purchase price over the fair value of identifiable tangible and intangible assets acquired and liabilities assumed. Goodwill is tested at least annually for impairment at the reporting unit level. Impairment is the condition that exists when the carrying value of goodwill exceeds its implied fair value. During 2014 and 2013, management has estimated the implied fair value of the related reporting unit using the present value of future operating cash flows and determined that the fair value exceeds the carrying value of the reporting unit including goodwill. Thus, no further analysis is required and no impairment loss is required to be recognized.

Professional and General Liability Insurance

The Hospital is self-insured with respect to claims relating to professional and general liability under the Saint Francis Health System General/Professional Liability Trust Fund, a revocable trust arrangement. The System has obtained excess professional and general liability insurance coverage from the reinsurance market in excess of the funds set aside in the trust. The System funds an amount, as determined by an independent actuary, in a revocable trust with a local trustee for the self-insured portion of its estimated professional liability exposure. The Hospital establishes a reserve for probable exposure on professional and general liability claims based on the recommendations of an independent actuary and includes the Hospital's best estimate of potential losses for reasonably estimable claims. At June 30, 2014 and 2013, the Hospital had recorded a reserve for its professional and general liabilities of approximately $26,808,000 and $29,932,000, respectively. These reserves are included in other long-term liabilities in the accompanying consolidated statements of financial position

Under the provisions of Accounting Standards Update (ASU) 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries,* the Hospital recorded increases under the captions "Other assets" and "Other long-term liabilities" in the accompanying consolidated balance sheet by $8,198,000 and $7,767,000 as of June 30, 2014 and 2013, respectively. The increases represent the Hospital's estimate of recoveries for certain claims in excess of its self-insured retention levels for workers' compensation claims and professional and general liability claims.

1. Organization and Accounting Policies (continued)

Income Taxes

The Hospital has been granted tax-exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code (the Code) and is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Once qualified as a tax-exempt entity, the Hospital is required to operate in conformity with the Code and its tax-exempt purpose to maintain its qualification.

ASC 740 provides guidance regarding recognition, de-recognition, measurement, and disclosure of all tax positions. In accordance with the requirements of ASC 740, the Hospital identifies and documents uncertain tax positions for all open tax years. If uncertain tax positions are identified, they are analyzed to determine the proper unit of account. Next they are tested to determine whether a tax asset or a tax liability should be recognized.

The Hospital has determined that the position on uncertain tax positions is more likely than not to be fully sustained upon examination. Therefore, no liability or asset for uncertain tax positions needs to be recorded.

At June 30, 2014 and 2013, the Hospital has operating loss carryforwards due to losses incurred on unrelated business income, which result in deferred tax assets. The Hospital has provided a valuation allowance for the entire balance of deferred tax assets as it is more likely than not that the deferred tax asset will not be realized.

Charity Care

The Hospital accepts patients regardless of their ability to pay. A patient is classified as a traditional charity patient by reference to certain established policies of the Hospital. Essentially, these policies define charity services as those services for which no payment is anticipated. In assessing a patient's inability to pay, the Hospital utilizes Medicaid eligibility criteria, but also includes certain cases where incurred charges are significant when compared to the patient's income. The amount of traditional charity care provided, determined on the basis of cost, was approximately $30,143,000 and $29,730,000 for the years ended June 30, 2014 and 2013, respectively. The Hospital estimated the cost of charity care based on a ratio of total operating expenses to gross charges.

1. Organization and Accounting Policies (continued)

Additionally, the Hospital has a 20% private pay discount and considers the private pay discount and all Medicaid contractual adjustments to be a component of total charity care. Total charity care provided in 2014 and 2013, measured at gross charges, approximated $320,242,000 (including $30,470,000 of private pay discount and $203,371,000 of Medicaid contractual adjustments) and $335,341,000 (including $28,981,000 of private pay discount and $220,530,000 of Medicaid contractual adjustments), respectively.

Investments in Unconsolidated Affiliates

The Hospital accounts for its investments in its affiliates that are not wholly owned or controlled using the equity method of accounting. The Hospital's equity method affiliates include a 50% interest in SFSJ Ventures, LLC and a 49% interest in All Saints Home Medical, LLC. Also, the Hospital, through RHS, owns a 50% interest in Community Care Managed HealthCare Plans of Oklahoma, Inc.

Investments in net assets of affiliated companies accounted for under the equity method amounted to approximately $74,939,000 and $71,061,000 at June 30, 2014 and 2013, respectively. Equity in earnings of the unconsolidated affiliates approximated $5,791,000 and $5,713,000 in 2014 and 2013, respectively, and is reported in the accompanying consolidated financial statements. Combined assets, liabilities, and operating results of the unconsolidated affiliates are insignificant to the Hospital.

Pending Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board and the International Accounting Standards Board issued a final, converged, principles-based standard on revenue recognition. Companies across all industries will use a new five-step model to recognize revenue from customer contracts. The new standard, which replaces nearly all existing United States Generally Accepted Accounting Principles (US GAAP) and International Financial Reporting Standards revenue recognition guidance, will require significant management judgment in addition to changing the way many companies recognize revenue in their financial statements. The standard is effective for nonpublic entities for annual and interim periods beginning after December 15, 2017. Early adoption is not permitted under US GAAP. The Hospital is evaluating the effects the adoption of this standard will have on our financial statements and financial disclosures.

2. Net Patient Service Revenue

The Hospital recognizes a significant amount of patient service revenue at the time services are rendered, even though the patient's ability to pay is not initially assessed. The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows.

Medicare and Medicaid

The Hospital is reimbursed for cost-reimbursable items at tentative interim rates, with final settlement determined after submission of annual cost reports by the Hospital and audit thereof by the Medicare Administrative Contractor. These retroactive settlements are estimated and recorded in the financial statements in the year in which they occur. The estimated settlements recorded at June 30, 2014, could differ from actual settlements based on the results of cost report audits. The Hospital's Medicare cost reports have been primarily settled by the Medicare Administrative Contractor through June 30, 2009. Management believes it has made adequate provision for adjustments, if any, that may result from the contractor's audits of the cost reports for fiscal years subsequent to 2009.

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates may change by a material amount in the near term. Net patient service revenue decreased approximately $2,848,000 and increased $3,500,000 in 2014 and 2013, respectively, due to adjustments of allowances previously estimated as a result of final settlements, appeals, and changes to initial estimates.

Inpatient acute and outpatient care services rendered to Medicare program beneficiaries are paid at predetermined rates. Changes in the Medicare program, and any reduction of funding, could have an adverse impact on the Hospital's reimbursement in future years.

Substantially all services rendered to Medicaid program beneficiaries are reimbursed at predetermined rates. The rates are not subject to retroactive adjustment. Changes in the Medicaid program and the reduction of future funding could have an adverse impact on the Hospital.

2. Net Patient Service Revenue (continued)

Additionally, the federal Medicaid rules allow for hospitals to be reimbursed for some of the uncompensated cost of treating Medicaid and uninsured patients up to an Upper Payment Limit (UPL). The Oklahoma Medicaid program has chosen a state-wide UPL strategy to draw available federal Medicaid dollars into the state. Under this program, non-exempt hospitals pay an assessment fee that is distributed to participating hospitals, along with the supplemental federal matching funds. During the years ended June 30, 2014 and 2013, the Hospital paid assessments of approximately $19,592,000 and $17,538,000 and received funding of approximately $53,773,000 and $46,885,000, respectively, under this program. These amounts are reflected as administrative expenses and net patient service revenue, respectively, in the accompanying financial statements.

Capitated Arrangements

The System has entered into capitated arrangements with CommunityCare Managed HealthCare Plans of Oklahoma, Inc., 50% of which is owned by RHS, a wholly owned subsidiary of the Hospital, whereby the System accepts the risk for the provision of comprehensive health care services to health plan members. Under these agreements, the System receives monthly capitation payments based upon the number of participants, regardless of services actually performed. The capitation revenue is allocated among the members of the System, including the Hospital, based upon historical cost information for providing services to this population. The Hospital's allocation of capitation payments received is recorded as a component of net patient service revenue in the accompanying consolidated statements of operations and changes in net assets. The Hospital recognized capitated revenue of $90,607,000 and $92,156,000 as of June 30, 2014 and 2013, respectively.

Other

The Hospital also has entered into contractual payment arrangements with commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The payments for services rendered to beneficiaries under these contractual arrangements include predetermined rates per discharge, per diem rates, discounts from established charges, and capitated payments.

2. Net Patient Service Revenue (continued)

Electronic Health Record Revenue

The American Recovery and Reinvestment Act of 2009 (ARRA) included provisions for implementing health information technology under the Health Information Technology for Economic and Clinical Health Act (HITECH). The provisions were designed to increase the use of electronic health record (EHR) technology and establish the requirements for a Medicare and Medicaid incentive payment program beginning in 2011 for eligible providers that adopt and demonstrate meaningful use of certified EHR technology. Eligibility for annual Medicare incentive payments is dependent on providers demonstrating meaningful use of EHR technology. Eligibility for annual Medicare incentive payments is dependent on providers demonstrating meaningful use of EHR technology in each period over a four-year period. Initial Medicaid incentive payments are available to providers that adopt, implement, or upgrade certified EHR technology. Providers must demonstrate meaningful use of such technology in subsequent years to qualify for additional Medicaid incentive payments.

The Hospital accounts for HITECH payments using the gain contingency method. Upon demonstration of compliance with the meaningful use criteria, the System recorded incentive revenues, included in other revenue in the accompanying statements of operations and changes in net assets, from Medicare of $2,879,178, and from Medicaid of $1,672,178 for the year ended June 30, 2014. A portion of the income from Medicare incentive payments is subject to retrospective adjustment as the incentive payments are calculated using Medicare cost report data that is subject to audit. Additionally, the Hospital's compliance with meaningful use criteria is subject to audit by the federal government, which could result in changes to amounts previously recorded.

3. Investments

At June 30, investments consisted of the following:

	2014	2013
Investments:		
U.S. government obligations	**$ 108,138,751**	$ 102,426,147
U.S. government agencies	**103,048,946**	62,845,491
Corporate bonds	**374,334,439**	261,247,351
Private investments – marketable	**201,166,373**	186,076,317
Private investments – nonmarketable	**80,291,992**	65,219,222
Equities	**156,350,605**	88,810,975
Certificates of deposit	**10,331,243**	10,382,858
	1,033,662,349	777,008,361
Professional liability trust:		
U.S. government agencies	**2,548,554**	–
Corporate bonds	**14,823,650**	12,550,027
Equities	**2,081,418**	2,525,836
Cash equivalents	**5,654,639**	–
	25,108,261	15,075,863
Total investments	**$ 1,058,770,610**	$ 792,084,224

The Hospital's cash that is not needed for operations are invested in the above broad asset classes with external investment managers. These investment managers invest the assets in numerous investment strategies, and these strategies are subject to various types of risks, as explained below.

Fixed income – This investment class includes investments in various fixed-income instruments, including investment-grade and high-yield domestic and international bonds, mortgage pools, and bonds issued by U.S. government agencies. The fixed-income investments are exposed to various kinds and levels of risk, including interest rate risk, credit risk, and liquidity risk.

Equities – This investment class consists primarily of common equity securities of domestic companies. These securities trade through the major public domestic exchanges. The equity securities investments are exposed to various risks, including market risk; individual security risk; and, for common equity of companies with a small market capitalization, liquidity risk.

3. Investments (continued)

Private investments – marketable – These funds are invested with external investment managers who invest primarily in equity and fixed-income securities of both domestic and international issuers. These investment managers invest in both long and short securities and may utilize leverage in their portfolios. The risks associated with these investments are numerous and include investment manager risk, market risk, event risk, and liquidity risk, as well as the risk of utilizing leverage in the portfolios.

Private investments – nonmarketable – These funds are invested with external investment managers who invest primarily in private equity securities, as well as in private real estate holdings. These investments are primarily domestic in nature, are illiquid, and may not be realized for a period of several years after the investments are made. The risks associated with these investments are numerous and include liquidity risk, market risk, event risk, interest rate risk, and investment manager risk. The Hospital has committed approximately $50,391,000 of future funding to various nonmarketable private investment funds as of June 30, 2014.

Private investments include investments in hedge funds and private equity funds. These funds are subject to risks that could result in the loss of invested capital. The risks include the following:

Nonregulation risk – Certain funds are not required to register with the Securities and Exchange Commission and are not subject to regulatory controls.

Managerial risk – Fund managers may fail to produce the intended returns and are not subject to oversight.

Minimal liquidity – Many funds impose lockup periods that prevent investors from redeeming their shares or impose penalties to redeem.

Limited transparency – As unregistered investment vehicles, funds are not required to disclose the holdings in their portfolios to investors.

Investment strategy risk – The funds often employ sophisticated, risky investment strategies; are speculative; and may use leverage, which could result in volatile returns.

Due to the inherent volatility in the investment markets, there is at least a reasonable possibility that recorded investment values may change by a material amount in the near term.

3. Investments (continued)

Investment income (loss), net includes interest, dividends, amortization of premiums and discounts, and realized and unrealized gains on investments, net of investment fees, and such amounts are reported as other income in the accompanying consolidated statements of operations and changes in net assets. Investment income (loss) for the years ended June 30 included the following:

	2014	2013
Interest and dividends	**$ 30,295,903**	$ 25,440,837
Investment fees	**(1,651,462)**	(1,446,331)
Realized gains (losses) on investments	**10,210**	3,634,826
Unrealized gains (losses) on investments	**8,687,485**	(7,212,330)
Total investment income, net	**$ 37,342,136**	$ 20,417,002

Equity in earnings of private investments totaled approximately $26,026,000 and $26,249,000 in 2014 and 2013, respectively.

4. Fair Value Measurements

ASC No. 820, *Fair Value Measurements and Disclosures*, provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the System has the ability to access.

Level 2: Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3: Inputs to the valuation methodology are generally unobservable, significant to the fair value measurement, and typically reflect the entity's estimate of assumptions that market participants would use in pricing the asset or liability.

4. Fair Value Measurements (continued)

A financial instrument's categorization within the valuation hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2014 or 2013.

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

The following tables set forth, by level within the fair value hierarchy, the Hospital's financial instruments at fair value as of June 30, 2014 and 2013:

	Financial Instruments at Fair Value as of June 30, 2014			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Investments:				
U.S. government obligations	**$ –**	**$ 108,138,751**	**$ –**	**$ 108,138,751**
U.S. government agencies	**–**	**105,597,500**	**–**	**105,597,500**
Corporate bonds	**–**	**389,158,089**	**–**	**389,158,089**
Equities	**156,432,023**	**2,000,000**	**–**	**158,432,023**
Total assets at fair value	**$ 156,432,023**	**$ 604,894,340**	**$ –**	**$ 761,326,363**

	Financial Instruments at Fair Value as of June 30, 2013			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Investments:				
U.S. government obligations	$ –	$ 102,426,147	$ –	$ 102,426,147
U.S. government agencies	–	62,845,491	–	62,845,491
Corporate bonds	–	273,797,377	–	273,797,377
Equities	88,810,975	–	–	88,810,975
Total assets at fair value	$ 88,810,975	$ 439,069,015	$ –	$ 527,879,990

The tables above exclude private investments, certificates of deposit, and cash equivalents of $297,444,000 and $264,204,000 at June 30, 2014 and 2013, respectively, which are not subject to ASC 820.

4. Fair Value Measurements (continued)

The fair values of the securities included in Level 1 were determined through quoted market prices and include money market funds, mutual funds, and marketable equity securities. The fair values of Level 2 securities were determined through evaluated bid prices based on recent trading activity and other relevant information including market interest rate curves and referenced credit spreads, and estimated prepayment rates, where applicable, are used for valuation purposes and are provided by third-party services where quoted market values are not available. The fair values of Level 3 securities are determined primarily through information obtained from the relevant counterparties for such investments. Information on which these securities' fair values are based is generally not readily available in the market. The Hospital had no Level 3 securities at June 30, 2014 or 2013.

At June 30, 2014 and 2013, the Hospital's financial instruments included cash and cash equivalents, certificates of deposit, accounts receivable, assets limited as to use, accounts payable and accrued expenses, estimated third-party payor settlements, and long-term debt. The carrying amounts reported in the consolidated statements of financial position for these financial instruments, except for long-term debt, approximate their fair market values. The fair value of the Hospital's health care revenue bonds, as determined by evaluated bid prices provided by third-party pricing services, was approximately $215,241,000 and $221,542,000 at June 30, 2014 and 2013, respectively. The Hospital's health care revenue bonds are a Level 2 classification.

5. Long-Term Debt

Long-term debt consists of the following:

	June 30	
	2014	**2013**
First Lien Health Care Revenue Bonds (Series 2006) of the Tulsa County Industrial Authority at various coupon rates from 4% to 5%; issued November 14, 2006, and maturing on various dates through December 15, 2036	**$ 206,045,000**	$ 211,305,000
	206,045,000	211,305,000
Less current maturities	**(5,515,000)**	(5,260,000)
Unamortized bond premium	**5,913,000**	6,320,000
	$ 206,443,000	$ 212,365,000

5. Long-Term Debt (continued)

In November 2006, the Hospital issued $219,390,000 of First Lien Health Care Revenue Bonds (Series 2006) of the Tulsa County Industrial Authority. The proceeds from the Series 2006 Bonds were used for purposes of acquiring, furnishing, improving, constructing, and equipping certain health care facilities of the Hospital; refunding the Series 2003 bonds with an aggregate principal amount of $25,310,000; and paying the costs of issuance of the Series 2006 Bonds. The principal amount of the issuance was $219,390,000 with a premium issuance of $9,147,000, for total proceeds of $228,537,000.

The indenture agreements related to the Series 2006 Bonds provide for the payment of principal and interest from the gross revenues derived from the ownership, existence, and/or operations of the Hospital and the System, and the unrestricted assets of the Hospital and the System. Among other requirements, the Hospital and the System must maintain rates and fees sufficient to cover the debt service coverage ratio, as defined in the master trust indenture. Certain other general covenants are also required to be met in these bond indentures. Management believes it is in compliance with all requirements in the indentures.

Principal repayments for the next five years ending June 30 are as follows:

2015	$ 5,515,000
2016	6,540,000
2017	6,835,000
2018	7,205,000
2019	7,565,000
Thereafter	172,385,000

Interest paid totaled approximately $7,429,000 and $10,200,000 for the years ended June 30, 2014 and 2013, respectively.

6. Leases

The Hospital leases equipment under various lease agreements, which, after their initial terms, may be extended on a month-to-month basis. The Hospital had no significant commitments under noncancelable operating leases with terms in excess of one year at June 30, 2014. Rental expense for all operating leases was approximately $5,709,000 and $5,174,000 for the years ended June 30, 2014 and 2013, respectively.

7. Benefit Plans

The System has a 401(k) and 403(b) plan, which are both defined contribution plans, for eligible employees. The System also has a 457(b) plan, which is a nonqualified defined contribution plan, for eligible employees. The Hospital's contributions to all three of these plans totaled approximately $19,165,000 and $19,396,000 in 2014 and 2013, respectively, and are included in employee compensation expense.

8. Related-Party Transactions

At June 30, 2014 and 2013, the Hospital had net amounts receivable from affiliates or the System of approximately $465,000 and $688,000, respectively. These amounts are included in other receivables in the accompanying consolidated statements of financial position. The Hospital pays all capital acquisition and operating expenses for other entities that are part of the System, including employee wages and benefits. In 2014 and 2013, the Hospital had net asset transfers to (from) the System totaling approximately $(19,755,000) and $22,081,000, respectively. The Hospital is consolidated as part of the System's financial reporting process.

9. Commitments and Contingencies

The Hospital is a party to a number of lawsuits and claims alleging medical malpractice. Management has accrued for its best estimate of its self-insured loss exposure. Management of the Hospital, after consulting with legal counsel, believes that the ultimate resolution of these lawsuits will not have a material effect on the financial condition of the Hospital.

10. Subsequent Events

The Hospital evaluated events and transactions occurring subsequent to June 30, 2014 through October 28, 2014, the date of issuance of the consolidated financial statements.

Supplemental Information

1406-1275845

Report of Independent Auditors on Supplemental Information

The Board of Directors
Saint Francis Hospital, Inc.

We have audited the consolidated financial statements of Saint Francis Hospital, Inc. as of and for the year ended June 30, 2014, and have issued our report thereon dated October 21, 2014, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. Is the consolidating details appearing in conjunction with the consolidated financial statements are presented for the 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 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Ernst & Young LLP

October 28, 2014

Saint Francis Hospital, Inc.

Consolidating Statement of Financial Position

June 30, 2014

	Consolidated	Eliminations	Saint Francis Hospital, Inc.	Related Health Services, Inc.	Saint Francis Outreach Services, LLC
Assets					
Current assets:					
Cash and cash equivalents	$ 193,348,197	$ –	$ 193,012,336	$ 101,902	$ –
Short-term investments	424,710,295	–	424,015,132	–	–
Patient accounts receivable, net of allowances	68,606,498	–	65,998,849	–	1,428,996
Inventories	20,720,742	–	20,712,145	8,597	–
Prepaid expenses and other receivables	29,005,393	–	28,227,943	272,934	372,433
Total current assets	736,391,125	–	731,966,405	383,433	1,801,429
Investments	608,162,984	–	608,162,984	–	–
Assets whose use is limited	28,557,192	–	28,557,192	–	–
Property and equipment, net	535,165,627	(1,808,399)	516,623,566	5,373,109	457,724
Other assets:					
Investments in unconsolidated affiliates	74,939,451	(90,012,139)	96,493,429	68,458,161	–
Beneficial interest in The Children's Hospital Foundation at Saint Francis	3,918,512	–	3,918,512	–	–
Other	21,321,534	–	21,321,534	–	–
Total assets	$ 2,008,456,425	$ (91,820,538)	$ 2,007,043,622	$ 74,214,703	$ 2,259,153

Saint Francis Hospital, Inc.

Consolidating Statement of Financial Position (continued)

June 30, 2014

	Care Communications, LLC	Saint Francis Home Health, Inc.	Warren Cancer Research Foundation	Saint Francis Hospital South, LLC	Springer Clinic, Inc.
Assets					
Current assets:					
Cash and cash equivalents	$ 210	$ 207,591	$ 26,158	$ –	$ –
Short-term investments	–	695,163	–	–	–
Patient accounts receivable, net of allowances	–	1,178,653	–	–	–
Inventories	–	–	–	–	–
Prepaid expenses and other receivables	242,604	(112,072)	1,551	–	–
Total current assets	242,814	1,969,335	27,709	–	–
Investments	–	–	–	–	–
Assets whose use is limited	–	–	–	–	–
Property and equipment, net	4,266,319	52,240	–	–	10,201,068
Other assets:					
Investments in unconsolidated affiliates	–	–	–	–	–
Beneficial interest in The Children's Hospital Foundation at Saint Francis	–	–	–	–	–
Other	–	–	–	–	–
Total assets	$ 4,509,133	$ 2,021,575	$ 27,709	$ –	$ 10,201,068

Saint Francis Hospital, Inc.

Consolidating Statement of Financial Position (continued)

June 30, 2014

	Consolidated	Eliminations	Saint Francis Hospital, Inc.	Related Health Services, Inc.	Saint Francis Outreach Services, LLC
Liabilities and net assets					
Current liabilities:					
Accounts payable and accrued expenses	$ 49,290,419	$ –	$ 48,162,792	$ 462,881	$ 69,254
Employee compensation and related liabilities	40,496,588	–	39,291,269	67,037	157,939
Estimated third-party settlements	21,987,530	–	21,152,884	–	–
Current maturities of long-term debt	5,515,000	–	5,515,000	–	–
Total current liabilities	117,289,537	–	114,121,945	529,918	227,193
Long-term debt, less current maturities	206,443,005	–	206,443,005	–	–
Other long-term liabilities	43,696,998	–	43,643,387	–	25,934
Total liabilities	367,429,540	-	364,208,337	529,918	253,127
Net assets (deficit)	1,641,026,885	(91,820,538)	1,642,835,285	73,684,785	2,006,026
Total liabilities and net assets	$ 2,008,456,425	$ (91,820,538)	$ 2,007,043,622	$ 74,214,703	$ 2,259,153

Saint Francis Hospital, Inc.

Consolidating Statement of Financial Position (continued)

June 30, 2014

	Care Communications, LLC	Saint Francis Home Health, Inc.	Warren Cancer Research Foundation	Saint Francis Hospital South, LLC	Springer Clinic, Inc.
Liabilities and net assets					
Current liabilities:					
Accounts payable and accrued expenses	$ 20,208	$ 413,656	$ 35,622	$ –	$ 126,006
Employee compensation and related liabilities	–	982,642	36,638	–	(38,937)
Estimated third-party settlements	–	834,646	–	–	–
Current maturities of long-term debt	–	–	–	–	–
Total current liabilities	20,208	2,230,944	72,260	–	87,069
Long-term debt, less current maturities	–	–	–	–	–
Other long-term liabilities	–	17,812	9,865	–	–
Total liabilities	20,208	2,248,756	82,125	-	87,069
Net assets (deficit)	4,488,925	(227,181)	(54,416)	–	10,113,999
Total liabilities and net assets	$ 4,509,133	$ 2,021,575	$ 27,709	$ –	$ 10,201,068

Saint Francis Hospital, Inc.

Consolidating Statement of Operations and Changes in Net Assets (Deficit)

Year Ended June 30, 2014

	Consolidated	Eliminations	Saint Francis Hospital, Inc.	Related Health Services, Inc.	Saint Francis Outreach Services, LLC
Revenues					
Net patient service revenue	$ 901,905,907	$ –	$ 867,068,309	$ –	$ 20,339,139
Provision for doubtful accounts	(72,517,403)	–	(71,648,048)	(5,155)	(794,459)
Other operating revenue	27,139,179	(5,667,438)	26,097,803	2,602,584	(1,479,070)
Total unrestricted revenues	856,527,683	(5,667,438)	821,518,064	2,597,429	18,065,610
Expenses					
Employee compensation	354,794,860	–	335,419,057	1,727,208	5,346,193
Occupancy	42,289,231	(1,969,509)	40,900,690	1,264,714	497,997
Drugs and patient care supplies	181,601,399	(408,855)	175,003,403	82,124	5,912,306
Administrative	90,507,368	(1,318,328)	88,562,096	738,748	991,106
Office	6,618,413	(1,970,746)	7,750,892	51,646	52,416
Interest	7,429,226	–	7,429,226	–	–
Depreciation and amortization	40,499,607	–	38,478,716	529,369	116,612
Total expenses	723,740,104	(5,667,438)	693,544,080	4,393,809	12,916,630
Income (deficit) from operations	132,787,579	–	127,973,984	(1,796,380)	5,148,980

Saint Francis Hospital, Inc.

Consolidating Statement of Operations and Changes in Net Assets (Deficit) (continued)

Year Ended June 30, 2014

	Care Communications, LLC	Saint Francis Home, Health, Inc.	Warren Cancer Research Foundation	Saint Francis Hospital South, LLC	Springer Clinic, Inc.
Revenues					
Net patient service revenue	$ –	$ 14,498,459	$ –	$ –	$ –
Provision for doubtful accounts	(2,723)	(67,018)	–	–	–
Other operating revenue	3,267,001	1,921	713,912	–	1,602,466
Total unrestricted revenues	3,264,278	14,433,362	713,912	–	1,602,466
Expenses					
Employee compensation	646,186	10,706,229	656,112	–	293,875
Occupancy	659,491	289,151	74,402	–	572,295
Drugs and patient care supplies	206	973,784	14,669	–	23,762
Administrative	705,925	588,093	48,754	–	190,974
Office	305,973	338,939	26,938	–	62,355
Interest	–	–	–	–	–
Depreciation and amortization	764,040	25,561	–	–	585,309
Total expenses	3,081,821	12,921,757	820,875	–	1,728,570
Income (deficit) from operations	182,457	1,511,605	(106,963)	–	(126,104)

Saint Francis Hospital, Inc.

Consolidating Statement of Operations and Changes in Net Assets (Deficit) (continued)

Year Ended June 30, 2014

	Consolidated	Eliminations	Saint Francis Hospital, Inc.	Related Health Services, Inc.	Saint Francis Outreach Services, LLC
Other income (expense)					
Net investment income, change in fair value of swaps and private investments	$ 63,367,681	$ –	$ 63,347,023	$ 124	$ 719
Donations	337,051	–	318,796	–	–
Equity in earnings of unconsolidated affiliates	5,790,714	(9,132,632)	9,874,069	5,049,277	–
Other, net	4,075,742	–	4,844,896	(84,338)	(249,024)
Total other income (expense)	73,571,188	(9,132,632)	78,384,784	4,965,063	(248,305)
Excess (deficit) of revenues over expenses	206,358,767	(9,132,632)	206,358,768	3,168,683	4,900,675
Transfers from affiliates, net	19,754,979	–	19,754,979	–	–
Change in beneficial interest in The Children's Hospital Foundation at Saint Francis	(3,895,401)	–	(3,895,401)	–	–
Postretirement medical benefit change	(211,679)	–	(211,679)	–	–
Paid-in capital	–	(1,365,909)	–	1,218,750	–
Dividends paid	(62,559,612)	6,960,597	(62,559,610)	–	(4,683,793)
Increase (decrease) in net assets (deficit)	159,447,054	(3,537,944)	159,447,057	4,387,433	216,882
Net assets (deficit), beginning of year	1,481,579,831	(88,282,594)	1,483,388,228	69,297,352	1,789,144
Net assets (deficit), end of year	$ 1,641,026,885	$ (91,820,538)	$ 1,642,835,285	$ 73,684,785	$ 2,006,026

Saint Francis Hospital, Inc.

Consolidating Statement of Operations and Changes in Net Assets (Deficit) (continued)

Year Ended June 30, 2014

	Care Communications, LLC	Saint Francis Home, Health, Inc.	Warren Cancer Research Foundation	Saint Francis Hospital South, LLC	Springer Clinic, Inc.
Other income (expense)					
Net investment income, change in fair value of swaps and private investments	$ –	$ 19,815	$ –	$ –	$ –
Donations	–	18,020	235	–	–
Equity in earnings of unconsolidated affiliates	–	–	–	–	–
Other, net	(34,046)	(376,289)	(25,457)	–	–
Total other income (expense)	(34,046)	(338,454)	(25,222)	-	-
Excess (deficit) of revenues over expenses	148,411	1,173,151	(132,185)	–	(126,104)
Transfers from affiliates, net	–	–	–	–	–
Change in beneficial interest in The Children's Hospital Foundation at Saint Francis	–	–	–	–	–
Postretirement medical benefit change	–	–	–	–	–
Paid-in capital	–	–	–	–	147,159
Dividends paid	(778,934)	(1,497,872)	–	–	–
Increase (decrease) in net assets (deficit)	(630,523)	(324,721)	(132,185)	–	21,055
Net assets (deficit), beginning of year	5,119,448	97,540	77,769	–	10,092,944
Net assets (deficit), end of year	$ 4,488,925	$ (227,181)	$ (54,416)	$ –	$ 10,113,999

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