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Part III

Statement of Program Service Accomplishments

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

1

Briefly describe the organization's mission

WE EXTEND THE HEALING MINISTRY OF CHRIST BY CARING FOR THOSE WHO ARE ILL AND BY NURTURING THE HEALTH OF THE PEOPLE IN OUR COMMUNITIES

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

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?

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 \$ 1,308,815,081 including grants of \$ 4,082,932) (Revenue \$ 1,634,525,960)

SEE SCHEDULE H

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 1,308,815,081

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 | |
| 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 Yes | |
| e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X  | 11e Yes | |
| f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X  | 11f Yes | |
| 12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII | 12a | No |
| b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional  | 12b Yes | |
| 13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E | 13 | No |
| 14a Did the organization maintain an office, employees, or agents outside of the United States? | 14a | No |
| b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV | 14b | No |
| 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? <i>If "Yes," complete Schedule I, Parts I and II</i> | 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? <i>If "Yes," complete Schedule I, Parts I and III</i> | 22 | | No |
| 23 | Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> | 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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> | 24a | | No |
| b | Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? | 24b | | |
| c | Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? | 24c | | |
| d | Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? | 24d | | |
| 25a | Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part I</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? <i>If so, complete Schedule L, Part II</i> | 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? <i>If "Yes," complete Schedule L, Part III</i> | 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? <i>If "Yes," complete Schedule L, Part IV</i> | 28a | | No |
| b | A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> | 28b | | No |
| c | An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> | 28c | | No |
| 29 | Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . | 29 | | No |
| 30 | Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> | 30 | | No |
| 31 | Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> | 31 | | No |
| 32 | Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> | 32 | | 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? <i>If "Yes," complete Schedule R, Part I</i> | 33 | | No |
| 34 | Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> | 34 | 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)? <i>If "Yes," complete Schedule R, Part V, line 2</i> | 35b | Yes | |
| 36 | Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> | 36 | | No |
| 37 | Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> | 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 | 0 |
| 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 | |
| 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 | 10,741 |
| 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 | 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 | | | |
| 1b | Enter the number of voting members included in line 1a, above, who are independent | 0 | |
| 2 | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? | 2 | No |
| 3 | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? | 3 | No |
| 4 | Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? | 4 | No |
| 5 | Did the organization become aware during the year of a significant diversion of the organization's assets? | 5 | No |
| 6 | Did the organization have members or stockholders? | 6 | Yes |
| 7a | Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? | 7a | Yes |
| 7b | 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 | | |
| 8a | a The governing body? | 8a | Yes |
| 8b | b Each committee with authority to act on behalf of the governing body? | 8b | Yes |
| 9 | Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O | 9 | No |

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

| | | | |
|--|--|-----|-----|
| | | Yes | No |
| 10a | Did the organization have local chapters, branches, or affiliates? | 10a | No |
| 10b | b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? | 10b | |
| 11a | Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? | 11a | Yes |
| 11b | 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 |
| 12b | b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? | 12b | Yes |
| 12c | 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? | | |
| 15a | a The organization's CEO, Executive Director, or top management official | 15a | No |
| 15b | 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 |
| 16b | b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? | 16b | No |

Section C. Disclosure

| | |
|----|--|
| 17 | List the States with which a copy of this Form 990 is required to be filed▶ |
| 18 | Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> 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 ▶CAROL TRAVIS 188 INVERNESS DRIVE WEST SUITE 500 ENGLEWOOD, CO 80112 (303) 804-8108 |

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) DEAN SWINDLE CPA BOARD MEMBER/EVP CHI CFO | 1 00 59 00 | X | | | | | | 0 | 2,203,801 | 222,299 |
| (2) JOHN DICOLA BOARD MEMBER/SVP CHI | 1 00 59 00 | X | | | | | | 0 | 1,598,991 | 55,520 |
| (3) MICHAEL ROWAN FACHE BOARD MEMBER/EVP CHI COO | 1 00 59 00 | X | | | | | | 0 | 2,769,716 | 258,055 |
| (4) DAN ENDERSON Treasurer/SVP Chief Finance Officer | 1 00 0 00 | | | X | | | | 0 | 0 | 0 |
| (5) GARY CAMPBELL CEO/PRESIDENT | 1 00 0 00 | | | X | | | | 0 | 0 | 0 |
| (6) KRIS ORDELHEIDE SECRETARY/SVP LEGAL SVCS | 1 00 0 00 | | | X | | | | 0 | 0 | 0 |
| (7) DANIEL REEVES CFO - PENROSE ST FRANCIS | 40 00 0 00 | | | | X | | | 321,099 | 0 | 41,341 |
| (8) DAVID THOMPSON CFO - ST ANTHONY CENTRAL | 40 00 1 00 | | | | X | | | 372,536 | 0 | 44,778 |
| (9) JEFFREY BRICKMAN Group Chief Executive Officer | 40 00 0 00 | | | | X | | | 899,337 | 0 | 196,045 |
| (10) MARGARET SABIN CEO - PENROSE ST FRANCIS | 40 00 0 00 | | | | X | | | 876,136 | 0 | 219,702 |
| (11) A STEWART LEVY PHYSICIAN | 40 00 0 | | | | | X | | 810,037 | 0 | 51,201 |
| (12) ALEXANDER FRALEY Physician | 40 00 0 | | | | | X | | 683,223 | 0 | 43,701 |
| (13) CAMILLE AZAR Physician | 40 00 0 | | | | | X | | 764,932 | 0 | 44,646 |
| (14) JOHN MEHALL PHYSICIAN | 40 00 0 | | | | | X | | 1,006,777 | 0 | 37,982 |
| (15) MICHAEL DREWEK Physician | 40 00 0 | | | | | X | | 745,536 | 0 | 46,659 |
| | | | | | | | | | | |
| | | | | | | | | | | |

Part VII

| | | | | |
|-----------|--|-----------|-----------|-----------|
| 1b | Sub-Total | | | |
| c | Total from continuation sheets to Part VII, Section A | | | |
| d | Total (add lines 1b and 1c) | 6,479,613 | 6,572,508 | 1,261,929 |

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 ▶ 522

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

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 |
|--|--------------------------------|---------------------|
| COLORADO SPRINGS CARDIOLOGISTS 2222 N NEVADA AVE SUITE 4000 COLORADO SPRINGS CO 80907 | MEDICAL SERVICES | 7,320,948 |
| ACADEMY WOMENS HEALTHCARE 6071 E WOODMEN ROAD SUITE 405 COLORADO SPRINGS CO 80923 | MEDICAL SERVICES | 2,470,974 |
| COLORADO SPRINGS HEALTH PARTNERS PC 1633 MEDICAL CENTER POINTE COLORADO SPRINGS CO 80907 | MEDICAL SERVICES | 1,596,774 |
| PANORAMA ORTHOPEDICS PC 660 GOLDEN RIDGE RD GOLDEN CO 804019522 | MEDICAL SERVICES | 1,498,500 |
| VAIL VALLEY EMERGENCY PHYSICIANS 27 MAIN STREET C-301 EDWARDS CO 81632 | MEDICAL SERVICES | 1,436,035 |

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 ►131

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 | 13,735,427 | | | |
| | e | Government grants (contributions) 1e | 592,995 | | | |
| | f | All other contributions, gifts, grants, and similar amounts not included above 1f | 1,200,249 | | | |
| | g | Noncash contributions included in lines 1a-1f \$ | | | | |
| | h | Total. Add lines 1a-1f | 15,528,671 | | | |
| Program Service Revenue | 2a | PATIENT SERVICES | Business Code | | | |
| | | | 900099 | 1,609,888,950 | 1,609,543,146 | 345,804 |
| | b | EQUITY CHANGES OF UNCONSOLIDATED ORGS | 900099 | 19,084,154 | 19,084,154 | |
| | c | RENTAL INCOME | 900099 | 5,455,757 | 5,455,757 | |
| | d | EDUCATION | 611710 | 442,211 | 442,211 | |
| | e | | | 0 | | |
| | f | All other program service revenue | | 692 | 692 | 0 |
| | g | Total. Add lines 2a-2f | 1,634,871,764 | | | |
| Other Revenue | 3 | Investment income (including dividends, interest, and other similar amounts) | 12,135,163 | | -18,984 | 12,154,147 |
| | 4 | Income from investment of tax-exempt bond proceeds | 0 | | | |
| | 5 | Royalties | 0 | | | |
| | 6a | Gross rents | (i) Real | | | |
| | | | 299,972 | | | |
| | | b Less rental expenses | 27,287 | | | |
| | | c Rental income or (loss) | 272,685 | 0 | | |
| | d | Net rental income or (loss) | 272,685 | | | 272,685 |
| | 7a | Gross amount from sales of assets other than inventory | (i) Securities | | | |
| | | | 9,558,342 | 528,896 | | |
| | | b Less cost or other basis and sales expenses | | | | |
| | | c Gain or (loss) | 9,558,342 | 528,896 | | |
| | d | Net gain or (loss) | 10,087,238 | | | 10,087,238 |
| | 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 | | | |
| | | | 1,237,424 | | | |
| | b | Less cost of goods sold b | 676,664 | | | |
| | c | Net income or (loss) from sales of inventory | | 560,760 | | 560,760 |
| | Miscellaneous Revenue | | Business Code | | | |
| | 11a | CAFETERIA | 722100 | 5,639,716 | | 5,639,716 |
| | b | PHARMACY SERVICES | 446110 | 5,374,045 | 3,275,436 | 2,098,609 |
| | c | SERVICES SOLD | 900099 | 182,590 | 2,295 | 180,295 |
| | d | All other revenue | | 4,767,646 | 0 | 564,857 |
| | e | Total. Add lines 11a-11d | | 15,963,997 | | |
| | 12 | Total revenue. See Instructions | | 1,689,420,278 | 1,634,525,960 | 4,169,408 |
| | | | | | | 35,196,239 |

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. | 4,082,932 | 4,082,932 | | |
| 2 | Grants and other assistance to individuals in the United States. See Part IV, line 22. | 0 | | | |
| 3 | Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16. | 0 | | | |
| 4 | Benefits paid to or for members. | 0 | | | |
| 5 | Compensation of current officers, directors, trustees, and key employees. | 0 | | | |
| 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. | 487,258,682 | 389,806,946 | 97,451,736 | |
| 8 | Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions). | 26,349,450 | 21,079,560 | 5,269,890 | |
| 9 | Other employee benefits. | 53,195,948 | 42,556,758 | 10,639,190 | |
| 10 | Payroll taxes. | 34,136,257 | 27,309,006 | 6,827,251 | |
| 11 | Fees for services (non-employees): | | | | |
| a | Management. | 0 | | | |
| b | Legal. | 143,756 | | 143,756 | |
| c | Accounting. | 28,710 | | 28,710 | |
| d | Lobbying. | 0 | | | |
| e | Professional fundraising services. See Part IV, line 17. | 0 | | | |
| f | Investment management fees. | 0 | | | |
| g | Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O). | 367,402,589 | 293,916,613 | 73,485,976 | 0 |
| 12 | Advertising and promotion. | 5,239,286 | 4,191,429 | 1,047,857 | |
| 13 | Office expenses. | 265,290,293 | 212,232,234 | 53,058,059 | |
| 14 | Information technology. | 0 | | | |
| 15 | Royalties. | 0 | | | |
| 16 | Occupancy. | 36,604,444 | 29,283,555 | 7,320,889 | |
| 17 | Travel. | 2,434,989 | 1,947,991 | 486,998 | |
| 18 | Payments of travel or entertainment expenses for any federal, state, or local public officials. | 0 | | | |
| 19 | Conferences, conventions, and meetings. | 1,308,816 | 1,047,053 | 261,763 | |
| 20 | Interest. | 13,947,348 | 13,947,348 | | |
| 21 | Payments to affiliates. | 0 | | | |
| 22 | Depreciation, depletion, and amortization. | 100,071,523 | 80,057,218 | 20,014,305 | |
| 23 | Insurance. | 10,497,800 | 8,398,240 | 2,099,560 | |
| 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 | STATE PROVIDER TAX | 79,396,997 | 79,396,997 | | |
| b | BAD DEBTS | 76,849,665 | 76,849,665 | | |
| c | REPAIRS & MAINTENANCE | 26,008,630 | 20,806,904 | 5,201,726 | |
| d | DUES & SUBSCRIPTIONS | 2,380,788 | 1,904,632 | 476,156 | |
| e | All other expenses | 0 | 0 | 0 | 0 |
| 25 | Total functional expenses. Add lines 1 through 24e. | 1,592,628,903 | 1,308,815,081 | 283,813,822 | 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 <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). | 0 | | | |

Part X

Balance Sheet

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

| | | | | (A) | | (B) |
|-----------------------------|---|--|------------------|-------------------|-----|---------------|
| | | | | Beginning of year | | End of year |
| Assets | 1 | Cash—non-interest-bearing | | 40,511,908 | 1 | 48,783,379 |
| | 2 | Savings and temporary cash investments | | 55,668 | 2 | 51,549 |
| | 3 | Pledges and grants receivable, net | | | 3 | |
| | 4 | Accounts receivable, net | | 215,334,961 | 4 | 243,233,475 |
| | 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 | | 4,123,662 | 7 | 4,106,948 |
| | 8 | Inventories for sale or use | | 31,488,600 | 8 | 32,420,945 |
| | 9 | Prepaid expenses and deferred charges | | 4,472,590 | 9 | 5,903,750 |
| | 10a | Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D. | 10a1,803,122,380 | | | |
| | b | Less: accumulated depreciation | 10b692,275,638 | 1,008,571,663 | 10c | 1,110,846,742 |
| | 11 | Investments—publicly traded securities | | | 11 | |
| | 12 | Investments—other securities. See Part IV, line 11. | | 185,608,255 | 12 | 163,216,309 |
| | 13 | Investments—program-related. See Part IV, line 11. | | 25,755,522 | 13 | 0 |
| | 14 | Intangible assets | | 10,638,321 | 14 | 4,405,144 |
| | 15 | Other assets. See Part IV, line 11. | | 156,317,294 | 15 | 176,671,518 |
| | 16 | Total assets. Add lines 1 through 15 (must equal line 34). | | 1,682,878,444 | 16 | 1,789,639,759 |
| Liabilities | 17 | Accounts payable and accrued expenses | | 173,549,101 | 17 | 210,880,329 |
| | 18 | Grants payable | | | 18 | |
| | 19 | Deferred revenue | | 19,147,570 | 19 | 17,837,861 |
| | 20 | Tax-exempt bond liabilities | | | 20 | |
| | 21 | Escrow or custodial account liability. Complete Part IV of Schedule D. | | | 21 | |
| | 22 | Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L. | | 0 | 22 | 0 |
| | 23 | Secured mortgages and notes payable to unrelated third parties | | | 23 | |
| | 24 | Unsecured notes and loans payable to unrelated third parties | | | 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. | | 246,517,532 | 25 | 227,816,575 |
| | 26 | Total liabilities. Add lines 17 through 25. | | 439,214,203 | 26 | 456,534,765 |
| Net Assets or Fund Balances | Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. | | | | | |
| | 27 | Unrestricted net assets | | 1,243,644,020 | 27 | 1,333,084,773 |
| | 28 | Temporarily restricted net assets | | 10,221 | 28 | 10,221 |
| | 29 | Permanently restricted net assets | | 10,000 | 29 | 10,000 |
| | Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34. | | | | | |
| | 30 | Capital stock or trust principal, or current funds | | | 30 | |
| | 31 | Paid-in or capital surplus, or land, building or equipment fund | | | 31 | |
| | 32 | Retained earnings, endowment, accumulated income, or other funds | | | 32 | |
| | 33 | Total net assets or fund balances | | 1,243,664,241 | 33 | 1,333,104,994 |
| | 34 | Total liabilities and net assets/fund balances | | 1,682,878,444 | 34 | 1,789,639,759 |

Part XI Reconciliation 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 | 1,689,420,278 |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 1,592,628,903 |
| 3 | Revenue less expenses Subtract line 2 from line 1 | 3 | 96,791,375 |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) | 4 | 1,243,664,241 |
| 5 | Net unrealized gains (losses) on investments | 5 | 13,220,407 |
| 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 | -20,571,029 |
| 10 | Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B)) | 10 | 1,333,104,994 |

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 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O | | |
| 2a | Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | | No |
| 2b | Were the organization's financial statements audited by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | Yes | |
| 2c | If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O | Yes | |
| 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? | Yes | |
| 3b | If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits | Yes | |

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*.**

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2013

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Inspection

| | |
|---|---|
| Name of the organization CATHOLIC HEALTH INITIATIVES COLORADO | Employer identification number 84-0405257 |
|---|---|

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 | <input type="checkbox"/> | A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i). |
| 2 | <input type="checkbox"/> | A school described in section 170(b)(1)(A)(ii). (Attach Schedule E) |
| 3 | <input checked="" type="checkbox"/> | A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii). |
| 4 | <input type="checkbox"/> | 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 | <input type="checkbox"/> | 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 | <input type="checkbox"/> | A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v). |
| 7 | <input type="checkbox"/> | 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 | <input type="checkbox"/> | A community trust described in section 170(b)(1)(A)(vi) (Complete Part II) |
| 9 | <input type="checkbox"/> | 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 | <input type="checkbox"/> | An organization organized and operated exclusively to test for public safety See section 509(a)(4). |
| 11 | <input type="checkbox"/> | 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 <input type="checkbox"/> Type I b <input type="checkbox"/> Type II c <input type="checkbox"/> Type III - Functionally integrated d <input type="checkbox"/> Type III - Non-functionally integrated |
| e | <input type="checkbox"/> | 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 | <input type="checkbox"/> | 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 | <input type="checkbox"/> | Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons? (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? (ii) A family member of a person described in (i) above? (iii) A 35% controlled entity of a person described in (i) or (ii) above? |
| h | <input type="checkbox"/> | Provide the following information about the supported organization(s) |

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

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

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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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 CATHOLIC HEALTH INITIATIVES COLORADO | Employer identification number 84-0405257 |
|--|--|

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? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4a | Was a correction made? | <input type="checkbox"/> Yes <input type="checkbox"/> 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? | <input type="checkbox"/> Yes <input type="checkbox"/> 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 | | | | | | | | | | | | | | | |
| <table><tr><td>If the amount on line 1e, column (a) or (b) is:</td><td>The lobbying nontaxable amount is:</td></tr><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></table> | | If the amount on line 1e, column (a) or (b) is: | The lobbying nontaxable amount is: | Not over \$500,000 | 20% of the amount on line 1e | Over \$500,000 but not over \$1,000,000 | \$100,000 plus 15% of the excess over \$500,000 | Over \$1,000,000 but not over \$1,500,000 | \$175,000 plus 10% of the excess over \$1,000,000 | Over \$1,500,000 but not over \$17,000,000 | \$225,000 plus 5% of the excess over \$1,500,000 | Over \$17,000,000 | \$1,000,000 | | |
| If the amount on line 1e, column (a) or (b) is: | The lobbying nontaxable amount is: | | | | | | | | | | | | | | |
| Not over \$500,000 | 20% of the amount on line 1e | | | | | | | | | | | | | | |
| Over \$500,000 but not over \$1,000,000 | \$100,000 plus 15% of the excess over \$500,000 | | | | | | | | | | | | | | |
| Over \$1,000,000 but not over \$1,500,000 | \$175,000 plus 10% of the excess over \$1,000,000 | | | | | | | | | | | | | | |
| Over \$1,500,000 but not over \$17,000,000 | \$225,000 plus 5% of the excess over \$1,500,000 | | | | | | | | | | | | | | |
| Over \$17,000,000 | \$1,000,000 | | | | | | | | | | | | | | |
| g Grassroots nontaxable amount (enter 25% of line 1f) | | | | | | | | | | | | | | | |
| h Subtract line 1g from line 1a If zero or less, enter -0- | | | | | | | | | | | | | | | |
| i Subtract line 1f from line 1c If zero or less, enter -0- | | | | | | | | | | | | | | | |
| j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? | | <input type="checkbox"/> Yes <input type="checkbox"/> No | | | | | | | | | | | | | |

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

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

Part II-B

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

| For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity. | | (a) | | (b) |
|---|--|-----|----|--------|
| | | Yes | No | Amount |
| 1 | During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of | | | |
| a | Volunteers? | | 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? | Yes | | 58,819 |
| g | Direct contact with legislators, their staffs, government officials, or a legislative body? | | No | |
| h | Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? | | No | |
| i | Other activities? | | No | |
| j | Total. Add lines 1c through 1i. | | | 58,819 |
| 2a | Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? | | No | |
| b | If "Yes," enter the amount of any tax incurred under section 4912 | | | |
| c | If "Yes," enter the amount of any tax incurred by organization managers under section 4912 | | | |
| d | If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year? | | | |

Part III-A

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

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

Part III-B

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

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

Part IV

Supplemental Information

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

| Return Reference | Explanation |
|--|--|
| Schedule C, Part II-B, Line 1, Description of the activities reported on Lines 1a through 1i | THE ENTITY'S CONTROLLING ORGANIZATION, CATHOLIC HEALTH INITIATIVES, PAYS ANNUAL DUES TO THE AMERICAN HOSPITAL ASSOCIATION AND CATHOLIC HOSPITAL ASSOCIATION, A PORTION OF WHICH IS ALLOCATED TO LOBBYING. THE AMOUNT SHOWN IN LINE 1F REPRESENTS THIS ENTITY'S SHARE OF THE ALLOCATED LOBBYING EXPENSES. AMERICAN HOSPITAL ASSOCIATION \$13,097. CATHOLIC HEALTH ASSOCIATION \$4,525. ADDITIONALLY, CENTURA PAID ANNUAL DUES TO COLORADO HEALTH ASSOCIATION, A PORTION OF WHICH IS ALLOCATED TO LOBBYING. THE AMOUNT THAT REPRESENTS THIS ENTITY'S SHARE OF THE ALLOCATED LOBBYING EXPENSES IS AS FOLLOWS: COLORADO HEALTH ASSOCIATION \$41,197. |
| | |
| | |
| | |
| | |
| | |
| | |

Part IV

Explanation

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 CATHOLIC HEALTH INITIATIVES COLORADO | Employer identification number 84-0405257 |
|---|---|

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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div> | |
| 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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div> | |

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

3

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

4

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

5

Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6

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

7

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

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9

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

Part III

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

1a

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

b

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

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

▶ \$ _____

(ii) Assets included in Form 990, Part X

▶ \$ _____

2

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

a

Revenues included in Form 990, Part VIII, line 1

▶ \$ _____

b

Assets included in Form 990, Part X

▶ \$ _____

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

Cat No 52283D

Schedule D (Form 990) 2013

Part III

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

- 3

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

a

☐ Public exhibition

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
- 1b

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

| | |
|----|--------|
| | Amount |
| 1c | |
| 1d | |
| 1e | |
| 1f | |
- 2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No
- 2b

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 | | | | | |
| 1b Contributions | | | | | |
| 1c Net investment earnings, gains, and losses | | | | | |
| 1d Grants or scholarships | | | | | |
| 1e Other expenditures for facilities and programs | | | | | |
| 1f Administrative expenses | | | | | |
| 1g 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

(i) unrelated organizations

3a(i)

Yes

No

(ii) related organizations

3a(ii)

Yes

No

b

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

3b

Yes

No

4

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

Land, Buildings, and Equipment. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.
- | Description of property | (a) Cost or other basis (investment) | (b)Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|--|--------------------------------------|--------------------------------|------------------------------|----------------|
| 1a Land | | 70,809,263 | | 70,809,263 |
| 1b Buildings | 8,686,856 | 1,032,746,325 | 323,631,036 | 717,802,145 |
| 1c Leasehold improvements | | | | 0 |
| 1d Equipment | 149,426 | 489,174,588 | 355,331,684 | 133,992,330 |
| 1e Other | | 201,555,922 | 13,312,918 | 188,243,004 |
| Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).) | | | | 1,110,846,742 |
- Schedule D (Form 990) 2013

Part VIIInvestments—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 | 0 | |
| (2) Closely-held equity interests | 0 | |
| (3) Other | | |
| (A) CHI OIP - FIXED INCOME | 78,272,940 | |
| (B) CHI OIP - EQUITY SECURITIES | 83,203,213 | |
| (C) SAN ESCROW-CITY OF WESTMINSTER | 651,073 | |
| (D) MONEY MARKET ACCOUNT | 1,089,083 | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| Total. (Column (b) must equal Form 990, Part X, col (B) line 12) | 163,216,309 | |

Part VIIIInvestments—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 IXOther Assets.

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

| (a) Description | (b) Book value |
|---|----------------|
| (1) INVESTMENT IN UNCONSOLIDATED ORGS | 116,476,912 |
| (2) OCH CAPITAL LEASE | 49,310,329 |
| (3) PARKING GARAGE EASEMENT | 5,635,000 |
| (4) WORKERS COMPENSATION | 5,273 |
| (5) SCHCS COMMON STOCK | 5,244,004 |
| | |
| | |
| | |
| | |
| Total. (Column (b) must equal Form 990, Part X, col.(B) line 15.) | 176,671,518 |

Part XOther 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 |
| ENVIRONMENTAL REMEDIATION | 3,062,369 |
| LIFECARE CONTRACT TERMINATIONS | 668,305 |
| INTERCOMPANY DEBT | 223,256,976 |
| INTERCOMPANY PAYABLES | 821,725 |
| DEFERRED RENT | 7,200 |
| | |
| | |
| | |
| | |
| Total. (Column (b) must equal Form 990, Part X, col (B) line 25) | 227,816,575 |

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 |
|---|---|
| Schedule D, Part X, Line 2, FIN 48 (ASC 740) footnote | CATHOLIC HEALTH INITIATIVES-COLORADO'S (CHIC) FINANCIAL INFORMATION IS INCLUDED IN THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS OF CATHOLIC HEALTH INITIATIVES (CHI), A RELATED ORGANIZATION. CHI'S FIN 48 (ASC 740) FOOTNOTE FOR THE YEAR ENDED JUNE 30, 2014, READS AS FOLLOWS: "CHI IS A TAX-EXEMPT COLORADO CORPORATION AND HAS BEEN GRANTED AN EXEMPTION FROM FEDERAL INCOME TAX UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. CHI OWNS CERTAIN TAXABLE SUBSIDIARIES AND ENGAGES IN CERTAIN ACTIVITIES THAT ARE UNRELATED TO ITS EXEMPT PURPOSE AND THEREFORE SUBJECT TO INCOME TAX. MANAGEMENT REVIEWS ITS TAX POSITIONS ANNUALLY AND HAS DETERMINED THAT THERE ARE NO MATERIAL UNCERTAIN TAX POSITIONS THAT REQUIRE RECOGNITION IN THE ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS." |
| | |
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[illegible]

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
CATHOLIC HEALTH INITIATIVES COLORADO

Employer identification number
84-0405257

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 <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities | | |
| 3 | Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for <i>free</i> care <input checked="" type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____ % | 3a Yes | |
| b | Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input checked="" type="checkbox"/> 400% <input type="checkbox"/> Other _____ % | 3b Yes | |
| c | If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care | | |
| 4 | Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"? | 4 Yes | |
| 5a | Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year? | 5a Yes | |
| b | If "Yes," did the organization's financial assistance expenses exceed the budgeted amount? | 5b Yes | |
| c | If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible 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) | | | 48,242,578 | | 48,242,578 | 3 180 % |
| b Medicaid (from Worksheet 3, column a) | | | 88,941,082 | | 88,941,082 | 5 870 % |
| c Costs of other means-tested government programs (from Worksheet 3, column b) | | | 9,113,496 | | 9,113,496 | 0 600 % |
| d Total Financial Assistance and Means-Tested Government Programs | 0 | 0 | 146,297,156 | 0 | 146,297,156 | 9 650 % |
| Other Benefits | | | | | | |
| e Community health improvement services and community benefit operations (from Worksheet 4) | | | 7,212,987 | | 7,212,987 | 0 480 % |
| f Health professions education (from Worksheet 5) | | | 4,088,360 | | 4,088,360 | 0 270 % |
| g Subsidized health services (from Worksheet 6) | | | 2,246,983 | | 2,246,983 | 0 150 % |
| h Research (from Worksheet 7) | | | 4,553 | | 4,553 | 0 % |
| i Cash and in-kind contributions for community benefit (from Worksheet 8) | | | 825,296 | | 825,296 | 0 050 % |
| j Total Other Benefits | 0 | 0 | 14,378,179 | 0 | 14,378,179 | 0 950 % |
| k Total. Add lines 7d and 7j | 0 | 0 | 160,675,335 | 0 | 160,675,335 | 10 600 % |

Part IICommunity Building Activities

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

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

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

1Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No. 15?

1

Yes

2Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount.

2

76,849,665

3Enter 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

0

4Provide 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

5Enter total revenue received from Medicare (including DSH and IME).

5

412,729,698

6Enter Medicare allowable costs of care relating to payments on line 5.

6

508,722,811

7Subtract line 6 from line 5. This is the surplus (or shortfall).

7

-95,993,113

8Describe 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

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

9a

Yes

bIf "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 IVManagement 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 ORTHOCOLORADO LLC | HOSPITAL | 60 % | 0 % | 40 % |
| 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?
9

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)
ST ANTHONY HOSPITAL

Name of hospital facility or facility reporting group

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 If "Yes," indicate what the CHNA report describes (check all that apply) | 1 Yes | |
| a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility | | |
| b <input checked="" type="checkbox"/> Demographics of the community | | |
| c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community | | |
| d <input checked="" type="checkbox"/> How data was obtained | | |
| e <input checked="" type="checkbox"/> The health needs of the community | | |
| f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups | | |
| g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs | | |
| h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests | | |
| i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs | | |
| j <input type="checkbox"/> Other (describe in Part VI) | | |
| 2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>12</u> | | |
| 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? If "Yes," indicate how the CHNA report was made widely available (check all that apply) | 5 Yes | |
| a <input checked="" type="checkbox"/> Hospital facility's website (list url) <u>www.stanthonyhosp.org</u> | | |
| b <input type="checkbox"/> Other website (list url) _____ | | |
| c <input checked="" type="checkbox"/> Available upon request from the hospital facility | | |
| d <input type="checkbox"/> 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 <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA | | |
| b <input checked="" type="checkbox"/> Execution of the implementation strategy | | |
| c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan | | |
| d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan | | |
| e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans | | |
| f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA | | |
| g <input checked="" type="checkbox"/> Prioritization of health needs in its community | | |
| h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community | | |
| i <input type="checkbox"/> Other (describe in Part VI) | | |
| 7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs | 7 | No |
| 8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? | 8a | No |
| b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax? | 8b | |
| c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____ | | |

Part V

Facility Information (continued)

| Financial Assistance Policy | | Yes | No |
|-----------------------------|---|-----|-----|
| 9 | Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care? | 9 | Yes |
| 10 | Used federal poverty guidelines (FPG) to determine eligibility for providing free care? If "Yes," indicate the FPG family income limit for eligibility for free care 100% If "No," explain in Part VI the criteria the hospital facility used | 10 | Yes |
| 11 | Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care 400% If "No," explain in Part VI the criteria the hospital facility used | 11 | Yes |
| 12 | Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply) | 12 | Yes |
| a | <input checked="" type="checkbox"/> Income level | | |
| b | <input checked="" type="checkbox"/> Asset level | | |
| c | <input checked="" type="checkbox"/> Medical indigency | | |
| d | <input checked="" type="checkbox"/> Insurance status | | |
| e | <input checked="" type="checkbox"/> Uninsured discount | | |
| f | <input checked="" type="checkbox"/> Medicaid/Medicare | | |
| g | <input checked="" type="checkbox"/> State regulation | | |
| h | <input type="checkbox"/> Residency | | |
| i | <input type="checkbox"/> 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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) | 14 | Yes |
| a | <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website | | |
| b | <input type="checkbox"/> The policy was attached to billing invoices | | |
| c | <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms | | |
| d | <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices | | |
| e | <input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility | | |
| f | <input checked="" type="checkbox"/> The policy was available upon request | | |
| g | <input type="checkbox"/> 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 | <input type="checkbox"/> Reporting to credit agency | | |
| b | <input type="checkbox"/> Lawsuits | | |
| c | <input type="checkbox"/> Liens on residences | | |
| d | <input type="checkbox"/> Body attachments | | |
| e | <input type="checkbox"/> Other similar actions (describe in Section C) | | |
| 17 | Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged | 17 | No |
| a | <input type="checkbox"/> Reporting to credit agency | | |
| b | <input type="checkbox"/> Lawsuits | | |
| c | <input type="checkbox"/> Liens on residences | | |
| d | <input type="checkbox"/> Body attachments | | |
| e | <input type="checkbox"/> Other similar actions (describe in Section C) | | |

Part V

Facility Information (continued)

- 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? If "No," indicate why | 19 Yes | |
| a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions | | |
| b <input type="checkbox"/> The hospital facility's policy was not in writing | | |
| c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI) | | |
| d <input type="checkbox"/> 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 <input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged | | |
| b <input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged | | |
| c <input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged | | |
| d <input checked="" type="checkbox"/> 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? If "Yes," explain in Part VI | 21 | No |
| 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? If "Yes," explain in Part VI | 22 | No |

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)

PENROSE HOSPITAL

Name of hospital facility or facility reporting group

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

2

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

Part V

Facility Information (continued)

| Financial Assistance Policy | | Yes | No | | |
|---|--|-----|-----|----|-----|
| 9 | Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care? | 9 | Yes | | |
| 10 | Used federal poverty guidelines (FPG) to determine eligibility for providing free care? If "Yes," indicate the FPG family income limit for eligibility for free care 100% If "No," explain in Part VI the criteria the hospital facility used | 10 | Yes | | |
| 11 | Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care 400% If "No," explain in Part VI the criteria the hospital facility used | 11 | Yes | | |
| 12 | Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply) | 12 | Yes | | |
| a <input checked="" type="checkbox"/> Income level | | | | | |
| b <input checked="" type="checkbox"/> Asset level | | | | | |
| c <input checked="" type="checkbox"/> Medical indigency | | | | | |
| d <input checked="" type="checkbox"/> Insurance status | | | | | |
| e <input checked="" type="checkbox"/> Uninsured discount | | | | | |
| f <input checked="" type="checkbox"/> Medicaid/Medicare | | | | | |
| g <input type="checkbox"/> State regulation | | | | | |
| h <input type="checkbox"/> Residency | | | | | |
| i <input type="checkbox"/> 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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) | | | 14 | Yes |
| a <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website | | | | | |
| b <input type="checkbox"/> The policy was attached to billing invoices | | | | | |
| c <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms | | | | | |
| d <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices | | | | | |
| e <input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility | | | | | |
| f <input checked="" type="checkbox"/> The policy was available upon request | | | | | |
| g <input type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency | | | | | |
| b <input type="checkbox"/> Lawsuits | | | | | |
| c <input type="checkbox"/> Liens on residences | | | | | |
| d <input type="checkbox"/> Body attachments | | | | | |
| e <input type="checkbox"/> Other similar actions (describe in Section C) | | | | | |
| 17 | Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged | | | 17 | No |
| a <input type="checkbox"/> Reporting to credit agency | | | | | |
| b <input type="checkbox"/> Lawsuits | | | | | |
| c <input type="checkbox"/> Liens on residences | | | | | |
| d <input type="checkbox"/> Body attachments | | | | | |
| e <input type="checkbox"/> Other similar actions (describe in Section C) | | | | | |

Part V

Facility Information (continued)

- 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 <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions | | |
| b <input type="checkbox"/> The hospital facility's policy was not in writing | | |
| c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI) | | |
| d <input type="checkbox"/> 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 <input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged | | |
| b <input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged | | |
| c <input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged | | |
| d <input checked="" type="checkbox"/> Other (describe in Part VI) | | |
| 21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? | 21 | No |
| If "Yes," explain in Part VI | | |
| 22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? | 22 | No |
| If "Yes," explain in Part VI | | |

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

ST MARY-CORWIN MEDICAL CENTER

Name of hospital facility or facility reporting group

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

3

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

Part V

Facility Information (continued)

| Financial Assistance Policy | | Yes | No |
|-----------------------------|--|-----|-----|
| 9 | Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care? | 9 | Yes |
| 10 | Used federal poverty guidelines (FPG) to determine eligibility for providing free care? If "Yes," indicate the FPG family income limit for eligibility for free care 100% If "No," explain in Part VI the criteria the hospital facility used | 10 | Yes |
| 11 | Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care 400% If "No," explain in Part VI the criteria the hospital facility used | 11 | Yes |
| 12 | Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply) | 12 | Yes |
| a | <input checked="" type="checkbox"/> Income level | | |
| b | <input checked="" type="checkbox"/> Asset level | | |
| c | <input checked="" type="checkbox"/> Medical indigency | | |
| d | <input checked="" type="checkbox"/> Insurance status | | |
| e | <input checked="" type="checkbox"/> Uninsured discount | | |
| f | <input checked="" type="checkbox"/> Medicaid/Medicare | | |
| g | <input type="checkbox"/> State regulation | | |
| h | <input type="checkbox"/> Residency | | |
| i | <input type="checkbox"/> 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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) | 14 | Yes |
| a | <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website | | |
| b | <input type="checkbox"/> The policy was attached to billing invoices | | |
| c | <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms | | |
| d | <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices | | |
| e | <input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility | | |
| f | <input checked="" type="checkbox"/> The policy was available upon request | | |
| g | <input type="checkbox"/> 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 | <input type="checkbox"/> Reporting to credit agency | | |
| b | <input type="checkbox"/> Lawsuits | | |
| c | <input type="checkbox"/> Liens on residences | | |
| d | <input type="checkbox"/> Body attachments | | |
| e | <input type="checkbox"/> Other similar actions (describe in Section C) | | |
| 17 | Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged | 17 | No |
| a | <input type="checkbox"/> Reporting to credit agency | | |
| b | <input type="checkbox"/> Lawsuits | | |
| c | <input type="checkbox"/> Liens on residences | | |
| d | <input type="checkbox"/> Body attachments | | |
| e | <input type="checkbox"/> Other similar actions (describe in Section C) | | |

Part V

Facility Information *(continued)*

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

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 | | |
| <div>a <input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged</div> <div>b <input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged</div> <div>c <input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged</div> <div>d <input checked="" type="checkbox"/> Other (describe in Part VI)</div> | | |
| 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? If "Yes," explain in Part VI | | No |
| 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? If "Yes," explain in Part VI | | No |

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)
MERCY REGIONAL MEDICAL CENTER

Name of hospital facility or facility reporting group

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

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

Part V

Facility Information *(continued)*

| Financial Assistance Policy | | Yes | No |
|-----------------------------|---|---------------|----|
| 9 | Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care? | 9 Yes | |
| 10 | Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>100</u> % If "No," explain in Part VI the criteria the hospital facility used | 10 Yes | |
| 11 | Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>400</u> % If "No," explain in Part VI the criteria the hospital facility used | 11 Yes | |
| 12 | Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply) | 12 Yes | |
| a | <input checked="" type="checkbox"/> Income level | | |
| b | <input checked="" type="checkbox"/> Asset level | | |
| c | <input checked="" type="checkbox"/> Medical indigency | | |
| d | <input checked="" type="checkbox"/> Insurance status | | |
| e | <input checked="" type="checkbox"/> Uninsured discount | | |
| f | <input checked="" type="checkbox"/> Medicaid/Medicare | | |
| g | <input type="checkbox"/> State regulation | | |
| h | <input type="checkbox"/> Residency | | |
| i | <input type="checkbox"/> 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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) | 14 Yes | |
| a | <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website | | |
| b | <input type="checkbox"/> The policy was attached to billing invoices | | |
| c | <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms | | |
| d | <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices | | |
| e | <input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility | | |
| f | <input checked="" type="checkbox"/> The policy was available upon request | | |
| g | <input type="checkbox"/> 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 | <input type="checkbox"/> Reporting to credit agency | | |
| b | <input type="checkbox"/> Lawsuits | | |
| c | <input type="checkbox"/> Liens on residences | | |
| d | <input type="checkbox"/> Body attachments | | |
| e | <input type="checkbox"/> Other similar actions (describe in Section C) | | |
| 17 | Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged | 17 | No |
| a | <input type="checkbox"/> Reporting to credit agency | | |
| b | <input type="checkbox"/> Lawsuits | | |
| c | <input type="checkbox"/> Liens on residences | | |
| d | <input type="checkbox"/> Body attachments | | |
| e | <input type="checkbox"/> Other similar actions (describe in Section C) | | |

Part V

Facility Information (continued)

- 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? | Yes | |
| If "No," indicate why | | |
| a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions | | |
| b <input type="checkbox"/> The hospital facility's policy was not in writing | | |
| c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI) | | |
| d <input type="checkbox"/> 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 <input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged | | |
| b <input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged | | |
| c <input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged | | |
| d <input checked="" type="checkbox"/> Other (describe in Part VI) | | |
| 21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? | 21 | No |
| If "Yes," explain in Part VI | | |
| 22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? | 22 | No |
| If "Yes," explain in Part VI | | |

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

ST FRANCIS MEDICAL CENTER

Name of hospital facility or facility reporting group

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

5

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

Part V

Facility Information *(continued)*

| Financial Assistance Policy | | Yes | No |
|-----------------------------|---|---------------|----|
| 9 | Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care? | 9 Yes | |
| 10 | Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>100</u> % If "No," explain in Part VI the criteria the hospital facility used | 10 Yes | |
| 11 | Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>400</u> % If "No," explain in Part VI the criteria the hospital facility used | 11 Yes | |
| 12 | Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply) | 12 Yes | |
| a | <input checked="" type="checkbox"/> Income level | | |
| b | <input checked="" type="checkbox"/> Asset level | | |
| c | <input checked="" type="checkbox"/> Medical indigency | | |
| d | <input checked="" type="checkbox"/> Insurance status | | |
| e | <input checked="" type="checkbox"/> Uninsured discount | | |
| f | <input checked="" type="checkbox"/> Medicaid/Medicare | | |
| g | <input type="checkbox"/> State regulation | | |
| h | <input type="checkbox"/> Residency | | |
| i | <input type="checkbox"/> 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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) | 14 Yes | |
| a | <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website | | |
| b | <input type="checkbox"/> The policy was attached to billing invoices | | |
| c | <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms | | |
| d | <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices | | |
| e | <input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility | | |
| f | <input checked="" type="checkbox"/> The policy was available upon request | | |
| g | <input type="checkbox"/> 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 | <input type="checkbox"/> Reporting to credit agency | | |
| b | <input type="checkbox"/> Lawsuits | | |
| c | <input type="checkbox"/> Liens on residences | | |
| d | <input type="checkbox"/> Body attachments | | |
| e | <input type="checkbox"/> Other similar actions (describe in Section C) | | |
| 17 | Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged | 17 | No |
| a | <input type="checkbox"/> Reporting to credit agency | | |
| b | <input type="checkbox"/> Lawsuits | | |
| c | <input type="checkbox"/> Liens on residences | | |
| d | <input type="checkbox"/> Body attachments | | |
| e | <input type="checkbox"/> Other similar actions (describe in Section C) | | |

Part V

Facility Information (continued)

- 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? | Yes | |
| If "No," indicate why | | |
| a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions | | |
| b <input type="checkbox"/> The hospital facility's policy was not in writing | | |
| c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI) | | |
| d <input type="checkbox"/> 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 <input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged | | |
| b <input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged | | |
| c <input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged | | |
| d <input checked="" type="checkbox"/> Other (describe in Part VI) | | |
| 21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? | 21 | No |
| If "Yes," explain in Part VI | | |
| 22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? | 22 | No |
| If "Yes," explain in Part VI | | |

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

ST ANTHONY NORTH HOSPITAL

Name of hospital facility or facility reporting group

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)

6

| | 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 If "Yes," indicate what the CHNA report describes (check all that apply) | 1 Yes | |
| a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility | | |
| b <input checked="" type="checkbox"/> Demographics of the community | | |
| c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community | | |
| d <input checked="" type="checkbox"/> How data was obtained | | |
| e <input checked="" type="checkbox"/> The health needs of the community | | |
| f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups | | |
| g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs | | |
| h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests | | |
| i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs | | |
| j <input type="checkbox"/> Other (describe in Part VI) | | |
| 2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>12</u> | | |
| 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 | No |
| 5 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply) | 5 Yes | |
| a <input checked="" type="checkbox"/> Hospital facility's website (list url) <u>www.stanthonynorth.org</u> | | |
| b <input type="checkbox"/> Other website (list url) | | |
| c <input checked="" type="checkbox"/> Available upon request from the hospital facility | | |
| d <input type="checkbox"/> 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 <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA | | |
| b <input checked="" type="checkbox"/> Execution of the implementation strategy | | |
| c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan | | |
| d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan | | |
| e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans | | |
| f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA | | |
| g <input checked="" type="checkbox"/> Prioritization of health needs in its community | | |
| h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community | | |
| i <input type="checkbox"/> Other (describe in Part VI) | | |
| 7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs | 7 | No |
| 8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? | 8a | No |
| b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax? | 8b | |
| c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ | | |

Part V

Facility Information (continued)

| Financial Assistance Policy | | Yes | No |
|-----------------------------|--|-----|-----|
| 9 | Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care? | 9 | Yes |
| 10 | Used federal poverty guidelines (FPG) to determine eligibility for providing free care? If "Yes," indicate the FPG family income limit for eligibility for free care 100% If "No," explain in Part VI the criteria the hospital facility used | 10 | Yes |
| 11 | Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care 400% If "No," explain in Part VI the criteria the hospital facility used | 11 | Yes |
| 12 | Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply) | 12 | Yes |
| a | <input checked="" type="checkbox"/> Income level | | |
| b | <input checked="" type="checkbox"/> Asset level | | |
| c | <input checked="" type="checkbox"/> Medical indigency | | |
| d | <input checked="" type="checkbox"/> Insurance status | | |
| e | <input checked="" type="checkbox"/> Uninsured discount | | |
| f | <input checked="" type="checkbox"/> Medicaid/Medicare | | |
| g | <input type="checkbox"/> State regulation | | |
| h | <input type="checkbox"/> Residency | | |
| i | <input type="checkbox"/> 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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) | 14 | Yes |
| a | <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website | | |
| b | <input type="checkbox"/> The policy was attached to billing invoices | | |
| c | <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms | | |
| d | <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices | | |
| e | <input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility | | |
| f | <input checked="" type="checkbox"/> The policy was available upon request | | |
| g | <input type="checkbox"/> 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 | <input type="checkbox"/> Reporting to credit agency | | |
| b | <input type="checkbox"/> Lawsuits | | |
| c | <input type="checkbox"/> Liens on residences | | |
| d | <input type="checkbox"/> Body attachments | | |
| e | <input type="checkbox"/> Other similar actions (describe in Section C) | | |
| 17 | Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged | 17 | No |
| a | <input type="checkbox"/> Reporting to credit agency | | |
| b | <input type="checkbox"/> Lawsuits | | |
| c | <input type="checkbox"/> Liens on residences | | |
| d | <input type="checkbox"/> Body attachments | | |
| e | <input type="checkbox"/> Other similar actions (describe in Section C) | | |

Part V

Facility Information (continued)

- 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 <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions | | |
| b <input type="checkbox"/> The hospital facility's policy was not in writing | | |
| c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI) | | |
| d <input type="checkbox"/> 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 <input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged | | |
| b <input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged | | |
| c <input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged | | |
| d <input checked="" type="checkbox"/> Other (describe in Part VI) | | |
| 21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? | 21 | No |
| If "Yes," explain in Part VI | | |
| 22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? | 22 | No |
| If "Yes," explain in Part VI | | |

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

ST ANTHONY SUMMIT MEDICAL CENTER

Name of hospital facility or facility reporting group

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)

7

| | 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 If "Yes," indicate what the CHNA report describes (check all that apply) | 1 Yes | |
| a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility | | |
| b <input checked="" type="checkbox"/> Demographics of the community | | |
| c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community | | |
| d <input checked="" type="checkbox"/> How data was obtained | | |
| e <input checked="" type="checkbox"/> The health needs of the community | | |
| f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups | | |
| g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs | | |
| h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests | | |
| i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs | | |
| j <input type="checkbox"/> Other (describe in Part VI) | | |
| 2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>12</u> | | |
| 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 | No |
| 5 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply) | 5 Yes | |
| a <input checked="" type="checkbox"/> Hospital facility's website (list url) <u>www.summitmedicalcenter.org</u> | | |
| b <input type="checkbox"/> Other website (list url) | | |
| c <input checked="" type="checkbox"/> Available upon request from the hospital facility | | |
| d <input type="checkbox"/> 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 <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA | | |
| b <input checked="" type="checkbox"/> Execution of the implementation strategy | | |
| c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan | | |
| d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan | | |
| e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans | | |
| f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA | | |
| g <input checked="" type="checkbox"/> Prioritization of health needs in its community | | |
| h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community | | |
| i <input type="checkbox"/> Other (describe in Part VI) | | |
| 7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs | 7 | No |
| 8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? | 8a | No |
| b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax? | 8b | |
| c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ | | |

Part V

Facility Information *(continued)*

| Financial Assistance Policy | | Yes | No |
|--------------------------------|---|---------------|----|
| 9 | Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care? | 9 Yes | |
| 10 | Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>100</u> % If "No," explain in Part VI the criteria the hospital facility used | 10 Yes | |
| 11 | Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>400</u> % If "No," explain in Part VI the criteria the hospital facility used | 11 Yes | |
| 12 | Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply) | 12 Yes | |
| a | <input checked="" type="checkbox"/> Income level | | |
| b | <input checked="" type="checkbox"/> Asset level | | |
| c | <input checked="" type="checkbox"/> Medical indigency | | |
| d | <input checked="" type="checkbox"/> Insurance status | | |
| e | <input checked="" type="checkbox"/> Uninsured discount | | |
| f | <input checked="" type="checkbox"/> Medicaid/Medicare | | |
| g | <input type="checkbox"/> State regulation | | |
| h | <input type="checkbox"/> Residency | | |
| i | <input type="checkbox"/> 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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) | 14 Yes | |
| a | <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website | | |
| b | <input type="checkbox"/> The policy was attached to billing invoices | | |
| c | <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms | | |
| d | <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices | | |
| e | <input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility | | |
| f | <input checked="" type="checkbox"/> The policy was available upon request | | |
| g | <input type="checkbox"/> 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 | <input type="checkbox"/> Reporting to credit agency | | |
| b | <input type="checkbox"/> Lawsuits | | |
| c | <input type="checkbox"/> Liens on residences | | |
| d | <input type="checkbox"/> Body attachments | | |
| e | <input type="checkbox"/> Other similar actions (describe in Section C) | | |
| 17 | Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged | 17 | No |
| a | <input type="checkbox"/> Reporting to credit agency | | |
| b | <input type="checkbox"/> Lawsuits | | |
| c | <input type="checkbox"/> Liens on residences | | |
| d | <input type="checkbox"/> Body attachments | | |
| e | <input type="checkbox"/> Other similar actions (describe in Section C) | | |

Part V

Facility Information (continued)

- 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? | Yes | |
| If "No," indicate why | | |
| a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions | | |
| b <input type="checkbox"/> The hospital facility's policy was not in writing | | |
| c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI) | | |
| d <input type="checkbox"/> 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 <input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged | | |
| b <input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged | | |
| c <input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged | | |
| d <input checked="" type="checkbox"/> Other (describe in Part VI) | | |
| 21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? | 21 | No |
| If "Yes," explain in Part VI | | |
| 22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? | 22 | No |
| If "Yes," explain in Part VI | | |

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group

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)8

| | 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 If "Yes," indicate what the CHNA report describes (check all that apply) | 1 Yes | |
| a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility | | |
| b <input checked="" type="checkbox"/> Demographics of the community | | |
| c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community | | |
| d <input checked="" type="checkbox"/> How data was obtained | | |
| e <input checked="" type="checkbox"/> The health needs of the community | | |
| f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups | | |
| g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs | | |
| h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests | | |
| i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs | | |
| j <input type="checkbox"/> Other (describe in Part VI) | | |
| 2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>12</u> | | |
| 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? If "Yes," indicate how the CHNA report was made widely available (check all that apply) | 5 Yes | |
| a <input checked="" type="checkbox"/> Hospital facility's website (list url) <u>www.orthocolorado.org</u> | | |
| b <input type="checkbox"/> Other website (list url) _____ | | |
| c <input checked="" type="checkbox"/> Available upon request from the hospital facility | | |
| d <input type="checkbox"/> 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 <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA | | |
| b <input checked="" type="checkbox"/> Execution of the implementation strategy | | |
| c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan | | |
| d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan | | |
| e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans | | |
| f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA | | |
| g <input checked="" type="checkbox"/> Prioritization of health needs in its community | | |
| h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community | | |
| i <input type="checkbox"/> Other (describe in Part VI) | | |
| 7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs | 7 | No |
| 8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? | 8a | No |
| b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax? | 8b | |
| c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____ | | |

Part V

Facility Information (continued)

| Financial Assistance Policy | | Yes | No | | |
|---|---|-----|-----|----|----|
| 9 | Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care? | 9 | Yes | | |
| 10 | Used federal poverty guidelines (FPG) to determine eligibility for providing free care? If "Yes," indicate the FPG family income limit for eligibility for free care 100% If "No," explain in Part VI the criteria the hospital facility used | 10 | Yes | | |
| 11 | Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care 400% If "No," explain in Part VI the criteria the hospital facility used | 11 | Yes | | |
| 12 | Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply) | 12 | Yes | | |
| a <input checked="" type="checkbox"/> Income level | | | | | |
| b <input checked="" type="checkbox"/> Asset level | | | | | |
| c <input checked="" type="checkbox"/> Medical indigency | | | | | |
| d <input checked="" type="checkbox"/> Insurance status | | | | | |
| e <input checked="" type="checkbox"/> Uninsured discount | | | | | |
| f <input checked="" type="checkbox"/> Medicaid/Medicare | | | | | |
| g <input type="checkbox"/> State regulation | | | | | |
| h <input type="checkbox"/> Residency | | | | | |
| i <input type="checkbox"/> 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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) | 14 | Yes | | |
| a <input type="checkbox"/> The policy was posted on the hospital facility's website | | | | | |
| b <input type="checkbox"/> The policy was attached to billing invoices | | | | | |
| c <input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms | | | | | |
| d <input type="checkbox"/> The policy was posted in the hospital facility's admissions offices | | | | | |
| e <input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility | | | | | |
| f <input checked="" type="checkbox"/> The policy was available upon request | | | | | |
| g <input type="checkbox"/> 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 <input type="checkbox"/> Reporting to credit agency | | | | | |
| b <input type="checkbox"/> Lawsuits | | | | | |
| c <input type="checkbox"/> Liens on residences | | | | | |
| d <input type="checkbox"/> Body attachments | | | | | |
| e <input type="checkbox"/> Other similar actions (describe in Section C) | | | | | |
| 17 | Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? | | | 17 | No |
| If "Yes," check all actions in which the hospital facility or a third party engaged | | | | | |
| a <input type="checkbox"/> Reporting to credit agency | | | | | |
| b <input type="checkbox"/> Lawsuits | | | | | |
| c <input type="checkbox"/> Liens on residences | | | | | |
| d <input type="checkbox"/> Body attachments | | | | | |
| e <input type="checkbox"/> Other similar actions (describe in Section C) | | | | | |

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? | Yes | |
| If "No," indicate why | | | |
| a <input type="checkbox"/> | The hospital facility did not provide care for any emergency medical conditions | | |
| b <input type="checkbox"/> | The hospital facility's policy was not in writing | | |
| c <input type="checkbox"/> | The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI) | | |
| d <input type="checkbox"/> | 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 <input type="checkbox"/> | The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged | | |
| b <input type="checkbox"/> | The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged | | |
| c <input type="checkbox"/> | The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged | | |
| d <input checked="" type="checkbox"/> | 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? | | 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? | | No |
| If "Yes," explain in Part VI | | | |

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

ST THOMAS MORE HOSPITAL

Name of hospital facility or facility reporting group

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)

9

| | 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 If "Yes," indicate what the CHNA report describes (check all that apply) | 1 Yes | |
| a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility | | |
| b <input checked="" type="checkbox"/> Demographics of the community | | |
| c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community | | |
| d <input checked="" type="checkbox"/> How data was obtained | | |
| e <input checked="" type="checkbox"/> The health needs of the community | | |
| f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups | | |
| g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs | | |
| h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests | | |
| i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs | | |
| j <input type="checkbox"/> Other (describe in Part VI) | | |
| 2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>12</u> | | |
| 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 | No |
| 5 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply) | 5 Yes | |
| a <input checked="" type="checkbox"/> Hospital facility's website (list url) <u>www.stmhospital.org</u> | | |
| b <input type="checkbox"/> Other website (list url) _____ | | |
| c <input checked="" type="checkbox"/> Available upon request from the hospital facility | | |
| d <input type="checkbox"/> 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 <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA | | |
| b <input checked="" type="checkbox"/> Execution of the implementation strategy | | |
| c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan | | |
| d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan | | |
| e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans | | |
| f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA | | |
| g <input checked="" type="checkbox"/> Prioritization of health needs in its community | | |
| h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community | | |
| i <input type="checkbox"/> Other (describe in Part VI) | | |
| 7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs | 7 | No |
| 8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? | 8a | No |
| b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax? | 8b | |
| c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____ | | |

Part V

Facility Information (continued)

| Financial Assistance Policy | | Yes | No |
|-----------------------------|---|-----|-----|
| 9 | Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care? | 9 | Yes |
| 10 | Used federal poverty guidelines (FPG) to determine eligibility for providing free care? If "Yes," indicate the FPG family income limit for eligibility for free care 100% If "No," explain in Part VI the criteria the hospital facility used | 10 | Yes |
| 11 | Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care 400% If "No," explain in Part VI the criteria the hospital facility used | 11 | Yes |
| 12 | Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply) | 12 | Yes |
| a | <input checked="" type="checkbox"/> Income level | | |
| b | <input checked="" type="checkbox"/> Asset level | | |
| c | <input checked="" type="checkbox"/> Medical indigency | | |
| d | <input checked="" type="checkbox"/> Insurance status | | |
| e | <input checked="" type="checkbox"/> Uninsured discount | | |
| f | <input checked="" type="checkbox"/> Medicaid/Medicare | | |
| g | <input type="checkbox"/> State regulation | | |
| h | <input type="checkbox"/> Residency | | |
| i | <input type="checkbox"/> 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? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) | 14 | Yes |
| a | <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website | | |
| b | <input type="checkbox"/> The policy was attached to billing invoices | | |
| c | <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms | | |
| d | <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices | | |
| e | <input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility | | |
| f | <input checked="" type="checkbox"/> The policy was available upon request | | |
| g | <input type="checkbox"/> 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 | <input type="checkbox"/> Reporting to credit agency | | |
| b | <input type="checkbox"/> Lawsuits | | |
| c | <input type="checkbox"/> Liens on residences | | |
| d | <input type="checkbox"/> Body attachments | | |
| e | <input type="checkbox"/> Other similar actions (describe in Section C) | | |
| 17 | Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged | 17 | No |
| a | <input type="checkbox"/> Reporting to credit agency | | |
| b | <input type="checkbox"/> Lawsuits | | |
| c | <input type="checkbox"/> Liens on residences | | |
| d | <input type="checkbox"/> Body attachments | | |
| e | <input type="checkbox"/> Other similar actions (describe in Section C) | | |

Part V

Facility Information (continued)

- 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? | Yes | |
| If "No," indicate why | | |
| a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions | | |
| b <input type="checkbox"/> The hospital facility's policy was not in writing | | |
| c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI) | | |
| d <input type="checkbox"/> 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 <input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged | | |
| b <input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged | | |
| c <input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged | | |
| d <input checked="" type="checkbox"/> 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.

[illegible]

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? **68**

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

Part VI

Supplemental Information

Provide the following information

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

| Form and Line Reference | Explanation |
|---|---|
| SCHEDULE H, PART I, LINE 3C, ELIGIBILITY CRITERIA | CHI COLORADO HAS AN ESTABLISHED CHARITY CARE POLICY BASED ON THE FEDERAL POVERTY LEVEL CHARITY IS PROVIDED TO PATIENTS BASED ON A SLIDING SCALE THAT CONSIDERS THE PATIENT'S FAMILY SIZE AND INCOME LEVEL THE CHARITY PROVIDED RANGES FROM 100% OF THE PATIENT'S BILL FOR INDIVIDUALS WHOSE HOUSEHOLD INCOME IS AT 100% OR LESS OF THE FEDERAL POVERTY LEVEL, TO A 60% DEDUCTION FOR INDIVIDUALS WHOSE INCOME IS AT 400% OF THE FEDERAL POVERTY LEVEL CHI COLORADO TAKES INTO ACCOUNT SPECIFIC FACTS AND CIRCUMSTANCES IN GRANTING CHARITY IN SITUATIONS SUCH AS A CATASTROPHIC ILLNESS WHERE THE PATIENT DOES NOT HAVE LIQUID ASSETS |

| Form and Line Reference | Explanation |
|--|--|
| SCHEDULE H, PART I, LINE 6A, COMMUNITY BENEFIT REPORT | CATHOLIC HEALTH INITIATIVES COLORADO (CHIC) IS OPERATED BY CENTURA HEALTH CORPORATION (CHC) CHC PREPARES ITS OWN WRITTEN COMMUNITY BENEFIT REPORT WHICH INCLUDES THE ACTIVITIES OF CHIC AND OTHER ENTITIES MANAGED BY CHC THE ANNUAL REPORT IS PUBLISHED ON CENTURA'S WEBSITE AND AVAILABLE TO ANYONE INTERESTED |

| Form and Line Reference | Explanation |
|--|--|
| Schedule H, Part I, Line 7, Costing Methodology used to calculate financial assistance | CATHOLIC HEALTH INITIATIVES COLORADO DOES NOT USE A COST ACCOUNTING SYSTEM TO DETERMINE THE COST OF CHARITY CARE PROVIDED THE ESTIMATED COST OF CARE IS CALCULATED BY APPLYING THE RATIO OF EACH FACILITY'S TOTAL EXPENSES TO TOTAL GROSS REVENUE WORKSHEET 2 WAS NOT USED TO DEVELOP THE COST TO CHARGE RATIO |

| Form and Line Reference | Explanation |
|---|-------------|
| Schedule H, Part I, Line 7, col(f), Bad Debt Expense excluded from financial assistance calculation | 76,849,665 |

| Form and Line Reference | Explanation |
|--|---|
| Schedule H, Part I, Line 7g, Subsidized Health Services | THERE ARE NO PHYSICIAN CLINICS INCLUDED IN SUBSIDIZED HEALTH SERVICES |

| Form and Line Reference | Explanation |
|--|---|
| Schedule H, Part III, Line 2, Bad debt expense - methodology used to estimate amount | CATHOLIC HEALTH INITIATIVES COLORADO USES THE OVERALL COST TO GROSS CHARGE RATIO APPLICABLE TO EACH FACILITY TO DETERMINE THE COSTS IN PART III, LINES 2 AND 3 CATHOLIC HEALTH INITIATIVES COLORADO AUTOMATICALLY DISCOUNTS ALL SELF-PAY PATIENT ACCOUNTS BY 30% AND ALSO OFFERS A PROMPT PAY DISCOUNT THIS ALLOWANCE IS NOT INCLUDED IN THE CALCULATION OF THE COST OF BAD DEBTS IN INSTANCES WHERE A PATIENT DOES NOT PAY HIS OR HER BILL |

| Form and Line Reference | Explanation |
|--|--|
| Schedule H, Part III, Line 3, Bad Debt Expense Methodology | CATHOLIC HEALTH INITIATIVES COLORADO DOES NOT INCLUDE ANY PORTION OF BAD DEBT AS COMMUNITY BENEFIT |

| Form and Line Reference | Explanation |
|---|--|
| Schedule H, Part III, Line 4, Bad debt expense - financial statement footnote | CATHOLIC HEALTH INITIATIVES COLORADO (CHIC) DOES NOT ISSUE SEPARATE COMPANY AUDITED FINANCIAL STATEMENTS. HOWEVER, THE ORGANIZATION IS INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS OF CATHOLIC HEALTH INITIATIVES (CHI). THE CONSOLIDATED FOOTNOTE READS AS FOLLOWS: "THE PROVISION FOR BAD DEBTS IS BASED UPON MANAGEMENT'S ASSESSMENT OF HISTORICAL AND EXPECTED NET COLLECTIONS, TAKING INTO CONSIDERATION HISTORICAL BUSINESS AND ECONOMIC CONDITIONS, TRENDS IN HEALTH CARE COVERAGE, AND OTHER COLLECTION INDICATORS. MANAGEMENT ROUTINELY ASSESSES THE ADEQUACY OF THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS BASED UPON HISTORICAL WRITE-OFF EXPERIENCE BY PAYOR CATEGORY. THE RESULTS OF THESE REVIEWS ARE USED TO MODIFY, AS NECESSARY, THE PROVISION FOR BAD DEBTS AND TO ESTABLISH APPROPRIATE ALLOWANCES FOR UNCOLLECTIBLE NET PATIENT ACCOUNTS RECEIVABLE. AFTER SATISFACTION OF AMOUNTS DUE FROM INSURANCE, CHI FOLLOWS ESTABLISHED GUIDELINES FOR PLACING CERTAIN BALANCES WITH COLLECTION AGENCIES, SUBJECT TO THE TERMS OF CERTAIN RESTRICTIONS ON COLLECTION EFFORTS AS DETERMINED BY EACH FACILITY. THE PROVISION FOR BAD DEBTS IS PRESENTED ON THE CONSOLIDATED STATEMENTS OF OPERATIONS AS A DEDUCTION FROM PATIENT SERVICES REVENUES (NET OF CONTRACTUAL ALLOWANCES AND DISCOUNTS) SINCE CHI ACCEPTS AND TREATS SUBSTANTIALLY ALL PATIENTS WITHOUT REGARD TO THE ABILITY TO PAY." |

| Form and Line Reference | Explanation |
|--|---|
| Schedule H, Part III, Line 8, Community benefit & methodology for determining medicare costs | COST FOR EACH HOSPITAL'S COST REPORT IS PULLED FROM YEAR END TRIAL BALANCES THE COST IS THEN EVALUATED AND ALL NON-ALLOWABLE COST IS REMOVED VIA ADJUSTMENTS THE REMAINING ALLOWABLE COST IS THEN ALLOCATED TO APPROPRIATE PATIENT CARE AND NON-PATIENT CARE COST CENTERS BASED ON MEDICARE ALLOCATION PRINCIPLES CATHOLIC HEALTH INITIATIVES COLORADO (CHIC) DOES NOT TREAT MEDICARE SHORTFALLS AS COMMUNITY BENEFIT CHIC'S POSITION IS CONSISTENT WITH THAT OF CATHOLIC HEALTH INITIATIVES (CHI), ITS SPONSOR MEDICARE IS NOT A DIFFERENTIATING FEATURE OF TAX-EXEMPT HEALTH CARE ORGANIZATIONS, FOR-PROFIT HOSPITALS TREAT AND ATTEMPT TO ATTRACT MEDICARE BENEFICIARIES |

| Form and Line Reference | Explanation |
|--|--|
| Schedule H, Part III, Line 9b, Collection practices for patients eligible for financial assistance | CATHOLIC HEALTH INITIATIVES COLORADO'S DEBT COLLECTION POLICY PROVIDES FOR THE PERFORMANCE OF A REASONABLE REVIEW OF EACH PATIENT'S ACCOUNT PRIOR TO TURNING AN ACCOUNT OVER TO A THIRD-PARTY COLLECTION AGENT AND PRIOR TO INSTITUTING ANY LEGAL ACTION FOR NON-PAYMENT THE REVIEW OF PATIENT ACCOUNTS IS DONE TO ASSURE THAT THE PATIENT OR THEIR GUARANTOR IS NOT ELIGIBLE FOR ASSISTANCE THROUGH CATHOLIC HEALTH INITIATIVES COLORADO'S CHARITY CARE POLICY, UNINSURED DISCOUNT POLICY, OR ANOTHER FINANCIAL ASSISTANCE PROGRAM (I E MEDICAID) CATHOLIC HEALTH INITIATIVES COLORADO REQUIRES THE FOLLOWING OF ITS THIRD-PARTY COLLECTION AGENCIES * NEITHER CATHOLIC HEALTH INITIATIVES COLORADO HOSPITALS OR THEIR COLLECTION AGENCIES WILL REQUEST BENCH OR ARREST WARRANTS AS A RESULT OF NON-PAYMENT, * NEITHER CATHOLIC HEALTH INITIATIVES COLORADO HOSPITALS OR THEIR COLLECTION AGENCIES WILL SEEK LIENS THAT WOULD REQUIRE THE SALE OR FORECLOSURE OF A PRIMARY RESIDENCE, AND * NO CATHOLIC HEALTH INITIATIVES COLORADO COLLECTION AGENCY MAY SEEK COURT ACTION WITHOUT HOSPITAL APPROVAL |

| Form and Line Reference | Explanation |
|--|---|
| SCHEDULE H, PART VI, LINES 2, 4, & 5 COMMUNITY NEEDS, INFORMATION, AND BENEFIT | <p>COMMUNITY NEEDS, INFORMATION, AND PROMOTION OF COMMUNITY HEALTH ACROSS COLORADO, ALMOST 9,000 ASSOCIATES OF CATHOLIC HEALTH INITIATIVES-COLORADO (CHIC) ARE CHANGING LIVES IN THE HOSPITALS, SENIOR LIVING COMMUNITIES, CLINICS, AND HOMES IN WHICH THEY WORK THROUGH THE MANY COMMUNITY PROGRAMS AND THE CHARITY CARE THEY PROVIDE FOR PEOPLE THROUGHOUT COLORADO, CHIC ASSOCIATES RECEIVE GREAT SATISFACTION FROM FULFILLING A MISSION OF EXTENDING THE HEALING MINISTRY OF CHRIST THE COMMUNITY BENEFIT REPORT IS A COLLECTIVE LIST OF VARIOUS ACTIVITIES THROUGH WHICH CHIC SUPPORTS ITS NEIGHBORS THROUGHOUT THE STATE COMMUNITY BENEFITS ARE OFFERED IN THE FORM OF OUTREACH, EDUCATION, SUPPORT GROUPS, ACTIVITIES, AND CLINICS, AS WELL AS CHARITY CARE AS A NONPROFIT, FAITH-BASED ORGANIZATION, CHIC IS COMMITTED TO PROVIDING SUPPORT AND PROGRAMS FOR THOSE LESS FORTUNATE IN OUR COMMUNITIES IN HARD TIMES THOSE NUMBERS GROW, WHILE RESOURCES SHRINK IN RESPONSE TO THIS, WE SEEK HOW TO MAKE THE MOST IMPACT IN EVERY COMMUNITY WE TOUCH IN THE MOST RECENT FISCAL YEAR CHIC INVESTED THE FOLLOWING IN ITS COMMUNITIES COMMUNITY BENEFIT ANNUAL REPORT FY 2014 SUMMARY INTRODUCTION CATHOLIC HEALTH INITIATIVES COLORADO, A FAITH-BASED, NONPROFIT HEALTH CARE ENTITY, SINCE THEIR EARLIEST DAYS, HAS PLACED AN EMPHASIS ON WHOLE PERSON CARE AND ON ILLNESS PREVENTION AND HAS PRESERVED AN UNWAVERING COMMITMENT TO THEIR VALUES AND AN UNDERSTANDING OF THE VITAL ROLE THAT MINISTERING TO SPIRITUAL NEEDS CAN PLAY IN HEALTH CARE COMMITTED TO THE MISSION OF CONTINUING THE HEALING MINISTRY OF CHRIST, CHIC BUILDS UPON ITS UNIQUE HISTORY, HERITAGE, AND TRADITIONS TO CREATE A FAITH-BASED ENTITY DESIGNED TO ADVANCE THE MISSION OF THEIR INDIVIDUAL ORGANIZATIONS TODAY, CHIC OPERATES 9 HOSPITAL CAMPUSES ST ANTHONY HOSPITAL, ST ANTHONY NORTH HOSPITAL, ST ANTHONY SUMMIT MEDICAL CENTER, PENROSE HOSPITAL, ST FRANCIS MEDICAL CENTER, MERCY REGIONAL MEDICAL CENTER, ST MARY CORWIN MEDICAL CENTER, ST THOMAS MORE HOSPITAL, AND ORTHOCOLORADO HOSPITAL IN KEEPING WITH OUR MISSION, CHIC PROVIDES CARE FOR ALL REGARDLESS OF ABILITY TO PAY IN FISCAL YEAR 2014, CHIC PROVIDED OVER \$160.6 MILLION TO UNDERPRIVILEGED INDIVIDUALS AND THE BROADER COMMUNITY IN CHARITY CARE, COMMUNITY EDUCATION AND OUTREACH, AND UNPAID COSTS OF MEDICAID QUALITY HEALTH CARE IS DELIVERED IN THE SERVICE AREAS OF METRO DENVER, COLORADO SPRINGS, PUEBLO, CANON CITY, FRISCO, BRECKENRIDGE, DURANGO, AND THEIR SURROUNDING COMMUNITIES WITHIN THE STATE OF COLORADO UNCOMPENSATED CARE CATHOLIC HEALTH INITIATIVES COLORADO PROVIDES A SIGNIFICANT AMOUNT OF UNCOMPENSATED CARE EACH YEAR THE FINANCIAL ASSISTANCE AND COMMUNITY BENEFIT TABLE INDICATES THAT IN FISCAL YEAR 2014, THE COST OF TRADITIONAL CHARITY CARE PROVIDED WAS \$48.2 MILLION CHIC ALSO INCURRED \$88.9 MILLION IN UNREIMBURSED COSTS FOR SERVICES PROVIDED TO MEDICAID PATIENTS FREQUENTLY, THE COSTS OF PROVIDING SERVICES TO PARTICIPANTS OF MEDICAID ARE GREATER THAN THE PAYMENTS RECEIVED FROM THE PROGRAM THE SAME IS TRUE FOR MEDICARE CHIC INCURRED \$95.9 MILLION IN UNREIMBURSED COSTS FOR MEDICARE</p> |

| Form and Line Reference | Explanation |
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| SCHEDULE H, PART VI, LINES 2, 4, & 5 COMMUNITY NEEDS, INFORMATION, AND BENEFIT | COMMUNITY NEEDS, INFORMATION, AND PROMOTION OF COMMUNITY HEALTH (CONTINUED) COMMUNITY OUTREACH PROVIDED TO THE LOW INCOME POPULATION MEDICAID PROGRAM ENROLLMENT SCREENING UNINSURED PATIENTS TO DETERMINE ELIGIBILITY AND FACILITATES ENROLLMENT IN MEDICAID, MEDICARE, OR CHARITY PROGRAMS NURSEFAMILY PARTNERSHIP PROGRAM HOME VISITS TO PREGNANT AND PARENTING PATIENTS TO ENSURE A GOOD PREGNANCY AND APPROPRIATE EARLY CHILDHOOD DEVELOPMENT THROUGH BABY'S THIRD YEAR PASTORAL NURSE PROGRAM HEALTH EDUCATION AND PREVENTIVE CARE TO LOW-INCOME, UNINSURED, AND UNDERSERVED POPULATIONS RX ASSIST - BEN CHECKUP - PRESCRIPTION AND BENEFITS ASSISTANCE PHARMACEUTICAL DISCOUNT COUNSELING FOR SENIORS SCHOOL BASED HEALTH CENTER CLINIC WITHIN DENVER PUBLIC SCHOOLS, PROVIDING PHYSICAL AND MENTAL HEALTH CARE TO THE STUDENTS OF LAKE MIDDLE SCHOOL AND FIVE FEEDER ELEMENTARY SCHOOLS MISSION OUTREACH COMMITTEE PROJECTS VARIOUS CASH AND IN KIND DONATION PROJECTS CONDUCTED TO ASSIST COMMUNITY MEMBERS PHARMACEUTICAL SUPPLIES DONATION DONATIONS OF PHARMACEUTICAL AND MEDICAL SUPPLIES FOR THE UNDERPRIVILEGED PHARMACY DISCOUNTED PRESCRIPTION PROGRAM DISCOUNT PRICING FOR UNINSURED/UNDERINSURED COMMUNITY MEMBERS COMPENSATED ROOMS FOR BOARDER MOTHERS OF NEWBORNS OVERNIGHT STAYS, WITHOUT CHARGE, FOR MOTHERS WHO NEED TO BE NEAR HOSPITALIZED INFANTS DIABETES EDUCATION PROVIDE DIABETES EDUCATION TO PATIENTS OF THE FAMILY MEDICINE RESIDENCY PROGRAM DOULA PROGRAM PROVIDES BIRTH COACHES FOR SPANISH SPEAKING WOMEN TO FACILITATE THE BIRTH PROCESS IN A CULTURALLY AND LINGUISTICALLY APPROPRIATE MANNER, MINIMIZING COMPLICATIONS COMMUNITY OUTREACH FOR THE BROADER COMMUNITY ASK-A NURSE CALLS FREE HEALTH INFORMATION AND PHYSICIAN REFERRAL SERVICE FOR OUR COMMUNITY, NURSES ALSO ASSESS HEALTH CONDITIONS FROM NECK PAIN TO A FEVER, AND GIVE FREE PROFESSIONAL ADVICE ON WHAT ACTION TO TAKE NEXT, THIS PROGRAM PROVIDES INFORMATION AND REGISTRATION FOR HOSPITAL CLASSES AND EVENTS CANCER CENTER COMMUNITY BENEFIT PROVIDE PATIENTS/SIGNIFICANT OTHERS AND POTENTIAL PATIENTS WITH INFORMATION ON CANCER, CANCER TREATMENT AND COPING SKILLS, PROVIDE EDUCATION FOR PHYSICIANS, NURSES, TECHNICIANS AND STUDENTS ON CANCER-RELATED TOPICS, ANNUAL FREE CANCER SCREENINGS (BREAST, PROSTATE, AND SKIN), SUPPORT GROUPS FOR PATIENTS, FAMILY MEMBERS, AND SIGNIFICANT OTHERS SINCE 1976, CANCER CENTER'S TUMOR REGISTRY HAS COLLECTED CANCER DATA WHICH ENABLES PHYSICIANS TO EVALUATE PATIENT TREATMENT PROGRESS AND PROVIDES INFORMATION TO STATE OF COLORADO FOR TREND ANALYSES OF CANCER INCIDENCE AND DISTRIBUTION CAR SEAT FIT STATIONS INSPECT CAR SEAT INSTALLATIONS AND EDUCATE PARENTS REGARDING COLORADO CAR SEAT LAWS, CAR SEATS ARE PROVIDED FOR A MINIMUM DONATION CAREER EXPOS INTRODUCE STUDENTS TO THE OPPORTUNITIES IN HEALTH CARE AND EXPLAIN REQUIREMENTS FOR THOSE POSITIONS CPR EDUCATION PROGRAM PREPARE STUDENTS FOR POTENTIAL LIFE THREATENING SITUATIONS IN PUBLIC, HOME, OR BABY-SITTING SITUATIONS EDUCATION - WOMEN'S SERVICES CLASSES RELATED TO CHILDBIRTH PREPARATION AND CARING FOR A NEW BABY FLIGHT FOR LIFE AIR AMBULANCE COMMUNITY EDUCATION AND TRAINING HEALTH FAIRS FOR THE COMMUNITY HOSPITAL STAFF PROVIDE SCREENINGS AND OTHER HEALTH EDUCATIONAL OPPORTUNITIES HEALTH PASSPORT PROVIDES HEALTH AND WELLNESS INFORMATION TO THE COMMUNITY TO IMPROVE THE HEALTH AND WELL-BEING OF COMMUNITY MEMBERS PROJECT CURE COLLECTION OF MEDICAL SUPPLIES AND EQUIPMENT IS PALLETIZED AND SHRINK WRAPPED FOR DONATION SANE PROGRAM CLINICAL EXAMINATIONS AND FORENSIC EVIDENCE COLLECTION FOR VICTIMS OF SEXUAL ASSAULT BLOOD DRIVES HOSPITAL EMPLOYEES DONATE THEIR BLOOD TO THE BONFILS BLOOD CENTER ADVANCE MEDICAL DIRECTIVE EDUCATION PROVIDE LITERATURE AND FORMS TO EDUCATE THE PUBLIC REGARDING THEIR OPTIONS FOR END OF LIFE MEDICAL CARE PASTORAL/SPIRITUAL CARE SERVICES PROVIDE SPIRITUAL SUPPORT FOR PATIENTS AND THEIR FAMILIES STUDENT PRECEPTING PROVIDE A CLINICAL SETTING AND SUPERVISION BY LICENSED STAFF FOR STUDENTS OF VARIOUS HEALTH CARE POSITIONS (I E NURSING, EMT, THERAPISTS) TO COMPLETE THEIR REQUIRED CLINICAL EXPERIENCE FIRST AID SERVICES AT COMMUNITY EVENTS PROVIDE FIRST AID SERVICES THROUGHOUT THE COMMUNITY TRANSPORTATION SERVICES PROVIDE TRANSPORTATION TO PATIENTS AND PATIENT FAMILIES YAFFEE HOUSE/JOHN ZAY HOUSE PROVIDE LODGING, AT NO COST, FOR OUT OF AREA PATIENTS RECEIVING OUT-PATIENT CARE AND FOR FAMILY MEMBERS OF HOSPITALIZED PATIENTS VARIOUS HEALTH SCREENING, COUNSELING, AND EDUCATION ACTIVITIES CHIC HOSPITALS CONDUCT NUMEROUS EVENTS AND HEALTH SCREENINGS THROUGHOUT THE COMMUNITIES THEY SERVE TO PROMOTE HEALTH AWARENESS AND ENCOURAGE INDIVIDUALS TO ASSUME A PARTNERSHIP ROLE IN RESPONSIBILITY FOR MAINTAINING HEALTH THESE EVENTS INCLUDE SPORTS PHYSICALS, BEHAVIORAL HEALTH EDUCATION, FLU SHOT CLINICS, CANCER RISK ASSESSMENTS, NUTRITION SERVICES, BLOOD PRESSURE CHECKS, CHILD SAFETY, MANAGING DIABETES, AND DISCOUNTED MAMMOGRAPHY SCREENINGS |

| Form and Line Reference | Explanation |
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| SCHEDULE H, PART VI, LINES 2, 4, & 5 COMMUNITY NEEDS, INFORMATION, AND BENEFIT | COMMUNITY NEEDS, INFORMATION, AND PROMOTION OF COMMUNITY HEALTH (CONTINUED) DEMOGRAPHIC DATA ST ANTHONY HOSPITAL AND ORTHOCOLORADO HOSPITAL BOTH ST ANTHONY AND ORTHOCOLORADO HAVE A PRIMARY SERVICE AREA THAT INCLUDES JEFFERSON COUNTY, DENVER COUNTY, AND CLEAR CREEK COUNTY AS OF 2010 JEFFERSON COUNTY'S POPULATION WAS 534,543, DENVER COUNTY'S WAS 600,158, AND CLEAR CREEK COUNTY'S WAS 9,088 THE POPULATION IN JEFFERSON, DENVER, AND CLEAR CREEK COUNTIES IS PREDOMINANTLY WHITE JEFFERSON AND CLEAR CREEK COUNTIES HAVE RELATIVELY SMALL PERCENTAGES OF OTHER RACES (6.4% AND 2.3%) WHILE DENVER COUNTY'S PERCENTAGE OF OTHER RACES IS MUCH HIGHER AT 17.7% HOSPITAL EXPERIENCE SUGGESTS THAT THE TWO ZIP CODES OF DENVER COUNTY WHICH HAS POPULATIONS MOST SERVED BY ST ANTHONY HOSPITAL HAVE A HIGH PERCENTAGE OF HISPANICS/LATINOS WITH REGARD TO MEDIAN HOUSEHOLD INCOMES, JEFFERSON AND CLEAR CREEK COUNTIES EXCEED THE STATE AVERAGE OF APPROXIMATELY \$55,000 (\$66,059 AND \$64,241 RESPECTIVELY) WHILE DENVER COUNTY FALLS BELOW THE STATE AVERAGE AT \$46,693 WITH REGARD TO PERSONS LIVING BELOW POVERTY LEVEL, DENVER COUNTY EXCEEDS THE STATE AVERAGE OF APPROXIMATELY 12% BY MEASURING AT 18.8% BOTH JEFFERSON AND CLEAR CREEK COUNTIES HAVE PERCENTAGES THAT ARE WELL BELOW THE STATE AVERAGE (8.1% FOR BOTH JEFFERSON AND CLEAR CREEK COUNTIES) THE UNEMPLOYMENT RATES FOR EACH COUNTY ARE AS FOLLOWS DENVER - 9.7%, JEFFERSON - 8.6%, AND CLEAR CREEK - 8.5% ST FRANCIS MEDICAL CENTER AND PENROSE HOSPITAL BOTH ST FRANCIS MEDICAL CENTER AND PENROSE HOSPITAL ARE LOCATED IN EL PASO COUNTY THE PRIMARY SERVICE AREA INCLUDES ALL THE ZIP CODES WITHIN EL PASO COUNTY AS A FEEDER HOSPITAL FOR OTHER FACILITIES, ST FRANCIS AND PENROSE REGULARLY SERVE TRANSFERS FROM PUEBLO, TELLER, AND FREMONT COUNTIES AS WELL AS OF JULY 2010, THE COUNTY HAD AN ESTIMATED 627,096 RESIDENTS AND THE POPULATION IS PROJECTED TO REACH NEARLY 1 MILLION OVER THE NEXT THREE DECADES EL PASO COUNTY IS A MIX OF URBAN, SUBURBAN, AND RURAL COMMUNITIES WITH ABOUT TWO-THIRDS (419,353) OF THE POPULATION RESIDING WITHIN THE CITY OF COLORADO SPRINGS EL PASO COUNTY'S POPULATION IS 73.9% WHITE, NON-HISPANIC, 15% HISPANIC, AND OTHER NON-HISPANIC RACES COMPRISE 6.3% AND 4.8% OF THE TOTAL PERCENT OF THE TOTAL POPULATION, RESPECTIVELY THE MEDIAN HOUSEHOLD INCOME WAS \$51,548 COMPARED WITH THE STATE'S MEDIAN INCOME OF \$56,456 IN ADDITION, 10.4% OF FAMILIES IN EL PASO COUNTY LIVE BELOW THE POVERTY LEVEL AND THE UNEMPLOYMENT RATE IS 9.5% MERCY REGIONAL MEDICAL CENTER THE PRIMARY SERVICE AREA FOR MERCY IS LA PLATA AND ARCHULETA COUNTIES THESE TWO COUNTIES ACCOUNT FOR 76% OF INPATIENT DISCHARGES FROM MERCY AND COINCIDE WITH THE SERVICE AREA OF THE SAN JUAN BASIN HEALTH DEPARTMENT - FACILITATING COLLABORATION BETWEEN MERCY REGIONAL MEDICAL CENTER, PAGOSA SPRINGS MEDICAL CENTER, AND SAN JUAN BASIN HEALTH DEPARTMENT ACCORDING TO THE 2010 U.S. CENSUS BUREAU, THE TOTAL POPULATIONS FOR LA PLATA AND ARCHULETA COUNTIES WERE 51,334 AND 12,084 RESPECTIVELY LA PLATA COUNTY'S POPULATION IS 80.3% WHITE, NON-HISPANIC AND 11.8% HISPANIC/LATINO THE MEDIAN HOUSEHOLD INCOME WAS \$56,422 COMPARED WITH THE STATE'S MEDIAN INCOME OF \$56,456 IN ADDITION, 10.2% OF FAMILIES IN LA PLATA COUNTY LIVE BELOW THE POVERTY LEVEL AND THE UNEMPLOYMENT RATE IS 5.3% ARCHULETA COUNTY'S POPULATION IS 78.2% WHITE, NON-HISPANIC AND 17.8% HISPANIC/LATINO THE MEDIAN HOUSEHOLD INCOME WAS \$56,068 COMPARED WITH THE STATE'S MEDIAN INCOME OF \$56,456 IN ADDITION, 8.5% OF FAMILIES IN LA PLATA COUNTY LIVE BELOW THE POVERTY LEVEL AND THE UNEMPLOYMENT RATE IS 11.1% ST ANTHONY NORTH HOSPITAL THE PRIMARY SERVICE AREA FOR ST ANTHONY NORTH HOSPITAL INCLUDES ADAMS COUNTY AND PARTS OF BROOMFIELD COUNTY, INCLUDING THE CITIES OF WESTMINSTER, FEDERAL HEIGHTS, THORNTON, NORTHGLENN, COMMERCE CITY, AND PORTIONS OF ARVADA, BROOMFIELD, AND UNINCORPORATED ADAMS COUNTY THE TOTAL POPULATION OF ADAMS COUNTY ACCORDING TO THE 2010 U.S. CENSUS BUREAU WAS 441,603 RESIDENTS WITH ANOTHER 55,889 RESIDENTS IN BROOMFIELD COUNTY ADAMS AND BROOMFIELD COUNTIES ARE PREDOMINATELY OF WHITE RACE, WHICH INCLUDES HISPANICS ADAMS COUNTY PERSONS OF HISPANIC OR LATINO ORIGIN IS 38% BROOMFIELD AND ADAMS COUNTIES BOTH HAVE ASIAN POPULATIONS GREATER THAN THE STATE AVERAGE ADAMS COUNTY HAS A MEDIAN HOUSEHOLD INCOME OF \$53,779, WHILE BROOMFIELD COUNTY MEDIAN INCOME IS \$77,606 ADAMS COUNTY HAS ONE OF THE HIGHEST POVERTY RATES IN THE STATE AT 13.3% AND BROOMFIELD IS ONE OF THE LOWEST LEVELS IN THE STATE AT 4.9% THE UNEMPLOYMENT RATE IN ADAMS COUNTY IS 10.2%, WHICH IS HIGHER THAN THE STATE AVERAGE OF 8.9% BROOMFIELD IS 7.9%, LOWER THAN THE STATE AVERAGE ST ANTHONY SUMMIT MEDICAL CENTER SUMMIT COUNTY IS LOCATED 75 MILES WEST OF THE DENVER METRO AREA AND COVERS APPROXIMATELY 600 SQUARE MILES SUMMIT COUNTY INCLUDES THE CITIES OF BRECKENRIDGE, BLUE RIVER, DILLON, FRISCO, MONTEZUMA, SILVERTHORNE, AND THE UNINCORPORATED AREAS OF LOWER BLUE BASIN, SNAKE RIVER BASIN, TEN MILE B |

| Form and Line Reference | Explanation |
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| SCHEDULE H, PART VI, LINES 2, 4, & 5 COMMUNITY NEEDS, INFORMATION, AND BENEFIT | <p>ASIN, AND UPPER BLUE BASIN THE PERMANENT POPULATION OF SUMMIT COUNTY IS APPROXIMATELY 30,000 PEOPLE DURING PEAK HOLIDAY SEASONS, DESTINATION VISITORS NUMBERS CAN REACH 131,000, BRINGING THE COUNTY'S SHORT TERM POPULATION TO 160,000 PEOPLE IN GENERAL, THE POPULATION IN SUMMIT COUNTY IS PREDOMINANTLY OF WHITE RACE WHICH INCLUDES HISPANICS SELF-IDENTIFYING W HITE RACE ON THE 2010 CENSUS THE HISPANIC POPULATION HOVERS AT ABOUT 14% OF THE TOTAL POP ULATION OVER 2,435 SUMMIT COUNTY RESIDENTS LIVE BELOW FEDERAL POVERTY LEVELS ST THOMAS MORE HOSPITAL ST THOMAS MORE SERVICE AREA IS DEFINED AS FREMONT COUNTY FREMONT COUNTY I NCLUDES THE CITIES OF CANON CITY AND FLORENCE, THE TOWNS OF BROOKSIDE, COAL CREEK, ROCKVAL E, AND WILLIAMSBURG, AND THE UNINCORPORATED COMMUNITIES OF COTOPAXI AND PENROSE THE DEMOG RAPHIC DATA IN FREMONT COUNTY IS SKEWED DUE IN PART TO A LARGE PRISON POPULATION IN 2009, FREMONT COUNTY HAD A POVERTY RATE OF 18 1%, WHICH EXCEEDED THE STATE RATE ST MARY-CORWI N MEDICAL CENTER ST MARY-CORWIN MEDICAL CENTER IS LOCATED IN PUEBLO, COLORADO, AND ITS S ERVICE AREA REACHES INTO SOUTHEASTERN COLORADO TO THE KANSAS AND NEW MEXICO BORDERS PUEBL O SERVES AS AN ECONOMIC AND HEALTH CARE HUB FOR OTHER COUNTIES LOCATED IN SOUTHEAST COLORA DO ONCE THE BORDER BETWEEN MEXICO AND THE UNITED STATES, PUEBLO IS NOW HOME TO 159,063 RE SIDENTS, AND THE COUNTY HAS A RICH HERITAGE OF EASTERN EUROPEAN, HISPANIC, AND ITALIAN ROO TS PUEBLO ALSO HAS ONE OF THE HIGHEST CONCENTRATIONS OF MIGRANT WORKERS IN THE STATE WIT H 35% OF HOUSEHOLDS EARNING \$25,000 OR LESS ANNUALLY, THE WORKING POOR ARE HEAVILY REPRESE NTED IN THE WORKFORCE THE MEDIAN HOUSEHOLD INCOME IS \$40,699 COMPARED TO THE STATE MEDIAN INCOME OF \$56,456</p> |

| Form and Line Reference | Explanation |
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| Schedule H, Part VI, Line 3, Patient education of eligibility for assistance | CATHOLIC HEALTH INITIATIVES COLORADO (CHIC) IS OPERATED AS PART OF CENTURA HEALTH CORPORATION (CENTURA) INFORMATION CONCERNING FINANCIAL ASSISTANCE IS INCLUDED ON CENTURA'S WEBSITE THE WEBSITE NOT ONLY LISTS PHONE NUMBERS FOR PATIENTS TO CALL TO DISCUSS FINANCIAL ASSISTANCE, BUT ALSO INCLUDES CENTURA'S POLICY FOR CHARITY CARE AND ITS POLICIES RELATED TO UNINSURED PATIENTS IN ADDITION, AT THE TIME OF REGISTRATION, UNINSURED PATIENTS ARE SCREENED TO DETERMINE IF THE PATIENTS QUALIFY FOR ANY FEDERAL, STATE OR COUNTY PROGRAMS UNINSURED PATIENTS ARE ALSO SENT A LETTER REQUESTING THAT THE PATIENT CALL TO DETERMINE ELIGIBILITY FOR VARIOUS ASSISTANCE PROGRAMS, INCLUDING CHARITY |

| Form and Line Reference | Explanation |
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| Schedule H, Part VI, Line 6, Affiliated health care system | CATHOLIC HEALTH INITIATIVES COLORADO (CHIC) IS OPERATED AS PART OF CENTURA HEALTH CORPORATION (CENTURA) CENTURA AND ITS AFFILIATED ORGANIZATIONS ARE DEDICATED TO EXTENDING THE HEALING MINISTRY OF CHRIST BY CARING FOR THOSE WHO ARE ILL AND BY NURTURING THE HEALTH OF THE PEOPLE IN OUR COMMUNITIES SPECIFICALLY, CENTURA HAS LAUNCHED A SYSTEM-WIDE STRATEGIC PLAN TO IMPROVE THE QUALITY, CONSISTENCY, AVAILABILITY, AND AFFORDABILITY OF HEALTHCARE TO COMMUNITIES THROUGHOUT COLORADO THE THREE MAIN COMPONENTS OF THIS STRATEGY ARE (1) TO CONTINUE INVESTING IN TECHNOLOGY ADVANCEMENTS THAT IMPROVE THE QUALITY, COSTS, AND COORDINATION OF CARE INCLUDING THE ESTABLISHMENT OF ELECTRONIC HEALTH RECORDS LINKING OUR PHYSICIANS, CLINICS, HOSPITALS, LONG-TERM FACILITIES AND HOME CARE SERVICES, (2) PROVIDING WELLNESS CARE, THEREBY POTENTIALLY REDUCING HEALTH CARE COSTS BY HELPING PATIENTS TO MAINTAIN GOOD HEALTH, GROWING THE LEVEL OF SUPPORT AND OUTREACH PROVIDED TO RURAL COMMUNITIES, AND INCREASING ACCESS, AFFORDABILITY AND QUALITY OF HEALTH CARE, AND (3) COORDINATE AND DEVELOP SYSTEMS OF CARE, LOOKING TO EACH FACILITY AND ENTITY IN CENTURA TO SHARE BEST PRACTICES AND IMPROVE OVERALL EFFICIENCY AND COMMUNICATION SYSTEM-WIDE FROM BIRTH TO HOME CARE |

| Form and Line Reference | Explanation |
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| Schedule H, Part VI, Line 7, State filing of community benefit report | CO |

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 |
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| Schedule H, Part V Sec B, Line 3, Community Served by Needs Assessment | (1) - ST ANTHONY HOSPITAL COMMUNITY MEMBERS WERE INTERVIEWED FOR THEIR PERSPECTIVES ON T HE PREDOMINANT HEALTH ISSUES IN THEIR COMMUNITIES THEY WERE INTERVIEWED IN EITHER A ONE-O N-ONE INTERVIEW FORMAT OR A FOCUS GROUP THE INTERVIEWEES WERE COMPRISED OF REPRESENTATIVE S FROM THE FOLLOWING GROUPS * JEFFERSON COUNTY PUBLIC HEALTH DEPARTMENT * HEALTH CONSULTI NG * LAW ENFORCEMENT * JEFFERSON COUNTY SCHOOL DISTRICT * FEDERALLY QUALIFIED COMMUNITY HE ALTH CENTER * SENIOR HEALTH SERVICES/JEWISH FAMILY SERVICES * HOME HEALTH/HOSPICE * MINIST ERIAL ASSOCIATIONS * EMERGENCY MEDICAL SERVICE * LOW INCOME POPULATION REPRESENTATIVES (ME TRO COMMUNITY PROVIDER NETWORK AND THE ACTION CENTER) * SENIOR-AGED HEALTH FAIR PARTICIPAN TS * AMERICAN LUNG ASSOCIATION * AMERICAN CANCER SOCIETY * DONOR ALLIANCE, TISSUE AND ORGA N RECOVERY ORGANIZATION FOR COLORADO AND WYOMING , (1) - PENROSE HOSPITAL FOCUS GROUPS MA DE UP OF COMMUNITY LEADERS MET AND RESPONDED TO A CONSISTENT SET OF QUESTIONS INVITEES WE RE CHOSEN BASED UPON THE AREA OF EXPERTISE OR INTEREST IN RELATIONSHIP TO COMMUNITY HEALTH THE FOCUS GROUPS WERE ASKED TO 1)REVIEW COMPILATION OF EXISTING DATA, AND 2)TO HELP T RANSLATE THAT DATA TO THEIR OWN EXPERIENCE AS A LEADER IN THE COMMUNITY AND TO PROVIDE THE IR PERSPECTIVES ON THE PREDOMINANT HEALTH ISSUES IN THEIR COMMUNITIES THERE WERE THREE FO CUS GROUPS MEETINGS THAT TOOK PLACE IN APRIL 2012 AND EACH MEETING LASTED SEVERAL HOURS , (1) - ST MARY-CORWIN MEDICAL CENTER COMMUNITY MEMBERS WERE INTERVIEWED IN EITHER A ONE-O N-ONE INTERVIEW FORMAT, FOCUS GROUP, OR AS PART OF A COMMITTEE FOR THEIR PERSPECTIVES ON T HE PREDOMINANT HEALTH ISSUES IN THEIR COMMUNITIES DATA WAS COLLECTED OVER THE PERIOD FROM MARCH TO APRIL 2012 THREE HUNDRED AND EIGHTY-TWO (382) COMMUNITY RESIDENTS, ALL PATIENTS OF ST MARY-CORWIN MEDICAL CENTER OR PATIENTS OF TOUCHSTONE HEALTH, AN AFFILIATED PRIMARY CARE CLINIC OF ST MARY-CORWIN, FILLED OUT A HEALTH ISSUE RANKING SURVEY EILEEN AIRE, AS SOCIATE DIRECTOR, AND ERIKA HENRY, RESEARCH ASSISTANT FOR THE CENTER FOR HEALTH ADMINISTRA TION AT THE UNIVERSITY OF COLORADO-DENVER BUSINESS SCHOOL AND HEALTH SCIENCE CENTER, COMPI LED RESULTS OF THE SURVEY AND VERIFIED THE VALIDITY AND RELEVANCE OF THE SURVEY RESULTS ST MARY-CORWIN MEDICAL CENTER DEVELOPED A COMMUNITY HEALTH NEEDS ASSESSMENT RANKING QUESTI ONNAIRE TO COLLECT ADDITIONAL DATA THOSE SURVEYED WERE ASKED TO RANK 34 HEALTH ISSUES USI NG A SCALE OF 1 TO 5, WITH 1 MEANING "NOT A CRITICAL ISSUE" AND 5 MEANING A "VERY CRITICAL ISSUE " THE QUESTIONNAIRES WERE DISSEMINATED TO A VARIETY OF INTERNAL AND COMMUNITY GROUP S DATA WAS COLLECTED IN MARCH AND APRIL OF 2012 THE GOAL WAS TO REACH THE BROADEST NUMBE R OF CONSTITUENTS POSSIBLE IN PUEBLO COUNTY THE QUESTIONNAIRES WERE TARGETED TO REACH SPE CIFIC CONSTITUENT GROUPS INCLUDING, UNDER OR UNINSURED, FAITH-BASED, BUSINESS, NON-PROFIT COMMUNITY ORGANIZATIONS, SENIORS, STUDENTS, PRIMARY CARE PHYSICIANS, FIRST RESPONDERS, AND HOSPITAL LEADERSHIP, INCLUDING COMMUNITY BOARD MEMBERS SURVEYS WERE DISTRIBUTED TO INDIV IDUALS THROUGH THE FOLLOWING ORGANIZATIONS * SOUTHERN COLORADO FAMILY MEDICINE CLINIC * T OUCHSTONE HEALTH * PUEBLO COUNTY UNITED WAY * GREATER PUEBLO CHAMBER OF COMMERCE * CENTURA HEALTH AT HOME * LONG TERM CARE OMBUDSMAN * SENIOR RESOURCE DEVELOPMENT AGENCY * ST MARY - CORWIN MEDICAL CENTER EMPLOYED PHYSICIAN GROUP * COLORADO STATE UNIVERSITY (PUEBLO)SOCIA L WORK STUDENTS * WILZ TRAUMA SYMPOSIUM * DIOCESE OF PUEBLO FINANCE COUNCIL * ST MARY-COR WIN MEDICAL CENTER COMMUNITY BOARD * PUEBLO STEP-UP * PATIENT FAMILY ADVISORY COUNCIL AT ST MARY-CORWIN MEDICAL CENTER * DIABETES EDUCATION CLASSES AT ST MARY-CORWIN MEDICAL CENT ER * CATHOLIC CHARITIES FAMILY OUTREACH, (1) - MERCY REGIONAL MEDICAL CENTER DATA WAS COL LECTED FROM A SERIES OF TWO COMMUNITY STAKEHOLDER MEETINGS IN EACH COUNTY DURING JANUARY 2 012 - APRIL 2012 TWO MEETINGS EACH IN LA PLATA COUNTY AND ARCHULETA COUNTY WERE WELL PUBLICIZED THROUGH NEWSPAPER NOTICES, INDIVIDUAL MAILINGS, AND PERSONAL CONTACTS ATTENDEES IN CLUDED A BROAD CROSS-SECTION OF THE PUBLIC INCLUDING LOCAL AND REGIONAL PUBLIC HEALTH REPR ESENTATIVES, SOUTHERN UTE INDIAN HEALTH AND COMMUNITY ACTION PROGRAM, A VARIETY OF LOW-INC OME CONSUMER ADVOCATES, NON-PROFIT ORGANIZATIONS, ACADEMIC EXPERTS, LOCAL GOVERNMENT OFFIC IALS, COMMUNITY-BASED ORGANIZATIONS SUCH AS CITIZENS HEALTHCARE ALLIANCE, AND HEALTH CARE PROVIDERS INCLUDING THOSE FOCUSING ON PATIENTS WITH CHRONIC DISEASE AND PRIVATE BUSINESSES , (1) - ST FRANCIS MEDICAL CENTER FOCUS GROUPS MADE UP OF COMMUNITY LEADERS MET AND RE SPONDED TO A CONSISTENT SET OF QUESTIONS INVITEES WERE CHOSEN BASED UPON THEIR AREAS OF E XPERTISE OR INTEREST IN RELATIONSHIP TO COMMUNITY HEALTH THE FOCUS GROUPS WERE ASKED TO 1)REVIEW COMPILATION OF EXISTING DATA, AND 2)HELP TRANSLATE THAT DATA TO THEIR OWN EXPER IENCE AS A LEADER IN THE COMMUNITY AND PROVIDE THEIR PERSPECTIVES ON THE PREDOMINANT HEALT H ISSUES IN THEIR COMMUNITIES THERE WERE THREE FO |

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 |
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| Schedule H, Part V Sec B, Line 3, Community Served by Needs Assessment | <p>CUS GROUPS MEETINGS THAT TOOK PLACE IN APRIL 2012 AND EACH MEETING LASTED SEVERAL HOURS , (1) - ST ANTHONY NORTH HOSPITAL ONE COMMUNITY PHONE INTERVIEW AND MULTIPLE SURVEYS WERE DONE IN A VARIETY OF SETTINGS AND WITH VARIOUS INDIVIDUALS IN OUR SERVICE AREA TRI-COUNTY HEALTH DEPARTMENT PROGRAM MANAGER ALLISON HAWKES, MD, MS, WAS INTERVIEWED BY PHONE IN MARCH 2012 PROVIDING HER PERSPECTIVE ON HEALTH ISSUES IN ADAMS COUNTY VIA AN INDIVIDUAL INTERVIEW AND WAS AVAILABLE ON A LIMITED CONSULTING BASIS THE PATIENT POPULATION THAT IS FREQUENTLY SEEN BY THE HEALTH DEPARTMENT IS ALSO SERVED BY ST ANTHONY NORTH HOSPITAL A WRITTEN RANKING QUESTIONNAIRE WAS USED TO HELP PRIORITIZE THE HEALTH CARE NEEDS IN OUR COMMUNITY EACH PARTICIPANT WAS ASKED TO RANK HEALTH ISSUES USING A SCALE OF 1 TO 5, WITH 1 MEANING "NOT A CRITICAL ISSUE" AND 5 MEANING A "VERY CRITICAL ISSUE " OVER 350 SURVEYS WERE COMPLETED IN SETTINGS THAT MADE TAKING THE SURVEY COMFORTABLE FOR THE PARTICIPANTS, THEY WERE ST ANTHONY NORTH'S 9 HEALTH FAIR, APRIL 22, 2012, ST ANTHONY NORTH'S FAMILY MEDICINE CLINIC, MARCH 2012, COMMUNITY REACH, MARCH 2012, ARAPAHOE HOUSE, MARCH 2012, AND VILLAS OF SUNNY ACRES, FEBRUARY 2012 THE RESULTS OF THE SURVEYS WERE AVERAGED TO PROVIDE A QUANTITATIVE MEASURE THAT WAS USED IN THE PRIORITIZATION PROCESS , (1) - ST ANTHONY SUMMIT MEDICAL CENTER ST ANTHONY SUMMIT MEDICAL CENTER RETAINED CORONA INSIGHTS RESEARCH COMPANY TO CONDUCT THREE FOCUS GROUPS IN JUNE OF 2012 TWO FOCUS GROUP SESSIONS WERE CONDUCTED WITH MEMBERS OF THE GENERAL PUBLIC WHILE ONE FOCUS GROUP WAS CONDUCTED WITH SPANISH-SPEAKING RESIDENTS THE FOCUS GROUPS REVIEWED DATA RELEVANT TO THE COUNTY AND THEIR OPINIONS HELPED THE HOSPITAL TO IDENTIFY WHETHER THERE WERE SIGNIFICANT DIFFERENCES IN THE OPINION, PERCEPTIONS, OR EXPERIENCE OF THE RESIDENTS ON HEALTH NEEDS THE SUMMIT COUNTY PUBLIC HEALTH DIRECTOR, PHYSICIANS, BOARD MEMBERS, CITY OFFICIALS, SUBJECT MATTER EXPERTS, AND THE COMMUNITY HEALTH NEEDS ASSESSMENT STEERING COMMITTEE WERE ASKED TO RANK SEVERAL HEALTH ISSUES USING A SCALE OF 1 TO 5, WITH 1 MEANING "NOT A CRITICAL ISSUE" AND 5 MEANING A "VERY CRITICAL ISSUE " THE RESULTS OF THE SURVEYS WERE AVERAGED TO PROVIDE A QUANTITATIVE MEASURE THAT WAS USED IN THE PRIORITIZATION PROCESS , (1) - ORTHOCOLORADO HOSPITAL COMMUNITY MEMBERS WERE INTERVIEWED FOR THEIR PERSPECTIVES ON THE PREDOMINANT HEALTH ISSUES IN THEIR COMMUNITIES THEY WERE INTERVIEWED IN EITHER A ONE-ON-ONE INTERVIEW FORMAT OR A FOCUS GROUP THE INTERVIEWEES WERE COMPRISED OF REPRESENTATIVES FROM THE FOLLOWING GROUPS * JEFFERSON COUNTY PUBLIC HEALTH DEPARTMENT * HEALTH CONSULTING AGENCY * LAW ENFORCEMENT * JEFFERSON COUNTY SCHOOL DISTRICT * FEDERALLY QUALIFIED COMMUNITY HEALTH CENTER * SENIOR HEALTH SERVICES/JEWISH FAMILY SERVICES * HOME HEALTH/HOSPICE * MINISTERIAL ASSOCIATIONS * EMERGENCY MEDICAL SERVICE * LOW INCOME POPULATION REPRESENTATIVES (METRO COMMUNITY PROVIDER NETWORK AND THE ACTION CENTER * SENIOR-AGED HEALTH FAIR PARTICIPANTS * AMERICAN LUNG ASSOCIATION * AMERICAN CANCER SOCIETY * DONOR ALLIANCE, TISSUE AND ORGAN RECOVERY ORGANIZATION FOR COLORADO AND WYOMING, (1) - ST THOMAS MORE HOSPITAL ST THOMAS MORE HOSPITAL CONDUCTED COMMUNITY LEADER INTERVIEWS WITH CARLA DIONNE, DIRECTOR, FREMONT COUNTY PUBLIC HEALTH AND JAMES BERG, COLORADO MEDICAL ASSISTANCE PROGRAM, STATE OF COLORADO THE HOSPITAL ALSO DEVELOPED A HEALTH NEEDS RANKING QUESTIONNAIRE THOSE SURVEYED WERE ASKED TO RANK 34 HEALTH ISSUES USING A SCALE OF 1 TO 5, WITH 1 MEANING "NOT A CRITICAL ISSUE" AND 5 MEANING A "VERY CRITICAL ISSUE " THE QUESTIONNAIRES WERE DISSEMINATED TO A VARIETY OF INTERNAL AND COMMUNITY GROUPS THE GOAL WAS TO REACH THE BROADEST NUMBER OF CONSTITUENTS POSSIBLE SURVEYS WERE DISTRIBUTED TO INDIVIDUALS BETWEEN JANUARY 2012 AND MAY 2012 THROUGH SEVERAL COMMUNITY ORGANIZATIONS ,</p> |

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 |
|--|--|
| Schedule H, Part V Sec B, Line 4, Other Hospital Facilities included in Needs Assessment | (1) - ST ANTHONY HOSPITAL ORTHOCOLORADO HOSPITAL EXEMPLA LUTHERAN MEDICAL CENTER , (1) - PENROSE HOSPITAL ST FRANCIS MEDICAL CENTER, (1) - MERCY REGIONAL MEDICAL CENTER PAGOSA SPRINGS MEDICAL CENTER, (1) - ST FRANCIS MEDICAL CENTER PENROSE HOSPITAL, (1) - ORTHOCOLORADO HOSPITAL ST ANTHONY HOSPITAL EXEMPLA LUTHERAN MEDICAL CENTER , |

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 |
|---|--|
| Schedule H, Part V Sec B, Line 7, Needs not addressed in Needs Assessment | (1) - ST ANTHONY HOSPITAL KEY HEALTH NEEDS FOR ST ANTHONY WERE IDENTIFIED AS ACCESS TO HEALTH SERVICES, CANCER, DIABETES, HEART DISEASE, INJURY, MENTAL HEALTH, OBESITY, COMMUNIC ABLE DISEASE, ORAL HEALTH, SEXUAL HEALTH, SUBSTANCE ABUSE, AND TOBACCO USE AFTER DOING AN ASSESSMENT OF EXISTING CAPACITY AND COMMUNITY EFFORTS, ST ANTHONY HOSPITAL DECIDED TO FO CUS ON OBESITY AND INJURY PREVENTION THE NEEDS NOT ADDRESSED WERE ALREADY BEING ADDRESSED BY STRONG COMMUNITY ORGANIZATIONS, AND HOSPITAL RESOURCES WERE BETTER USED TOWARDS CREATI NG TARGETED STRATEGIES TO IMPACT THE PRIORITIZED NEEDS EFFORTS WERE STRATEGICALLY TARGETE D TOWARDS AREAS WHERE THE LARGEST NEED EXISTED, AND WHERE ST ANTHONY COULD HAVE THE GREAT EST IMPACT , (1) - PENROSE HOSPITAL THERE WERE A FEW HEALTH NEEDS IDENTIFIED BUT NOT ADDR ESSED BY PENROSE HOSPITAL SEVERAL STRONG COMMUNITY GROUPS WERE ALREADY SUCCESSFULLY WORKI NG ON THESE ISSUES INSTEAD OF UTILIZING RESOURCES TO CREATE A NEW STRATEGY, PENROSE DECID ED TO SUPPORT AND PARTNER WITH SUCCESSFUL GROUPS ALREADY WORKING IN THE COMMUNITY TO HAVE THE GREATEST IMPACT ON THE NEEDS THAT WE DID IDENTIFY, COMMUNITY BENEFIT RESOURCES WERE C AREFULLY PLANNED AND ALLOCATED TOWARDS TARGETED EVIDENCE BASED STRATEGIES KNOWN TO DIRECTLY IMPACT AND IMPROVE THE IDENTIFIED NEEDS , (1) - ST MARY-CORWIN MEDICAL CENTER THERE WE RE SOME HEALTH NEEDS IDENTIFIED BUT NOT ADDRESSED BY ST MARY CORWIN HOSPITAL SEVERAL STRONG COMMUNITY GROUPS WERE ALREADY SUCCESSFULLY WORKING ON THESE ISSUES AN INTERNAL CAPACI TY ASSESSMENT CONCLUDED THAT IT WOULD BE MORE FORTUITOUS TO SUPPORT AND PARTNER WITH SUCCE SSFUL GROUPS ALREADY WORKING IN THE COMMUNITY, INSTEAD OF USING RESOURCES TO CREATE NEW ST RATEGIES, WHEN SUCCESS PROGRAMS AND STRATEGIES ALREADY EXISTED TO HAVE THE GREATEST IMPACT ON THE NEEDS THAT WE DID IDENTIFY, COMMUNITY BENEFIT RESOURCES WERE CAREFULLY PLANNED AN D ALLOCATED TOWARDS TARGETED EVIDENCE BASED STRATEGIES KNOWN TO DIRECTLY IMPACT AND IMPROV E THE IDENTIFIED NEEDS , (1) - MERCY REGIONAL MEDICAL CENTER MERCY REGIONAL MEDICAL CENT ER IDENTIFIED BUT DID NOT ADDRESS OBESITY, TOBACCO USE, MOTOR VEHICLE ACCIDENTS, COLORECTA L AND BREAST CANCER HEALTHY LIFESTYLE LA PLATA, A LOCAL COMMUNITY GROUP, IS ALREADY ADDRE SSING OBESITY MERCY DECIDED TO PARTNER AND ALIGN WITH THIS GROUP TO REDUCE DUPLICATION OF EFFORTS THEY DID NOT ADDRESS TOBACCO USE BECAUSE THEY ARE WORKING WITH THEIR LOCAL HEALT H DEPARTMENT TO ALIGN WITH THEIR PROGRAMMING AND PLAN THEY DID NOT ADDRESS MOTOR VEHICLE ACCIDENTS DUE TO A LACK OF CAPACITY TO ADDRESS THIS ISSUE FROM THEIR HEALTH SYSTEM PERSPEC TIVE LASTLY, THEY DID NOT ADDRESS COLORECTAL AND BREAST CANCER SCREENING RATES BECAUSE UP ON CLOSER EXAMINATION, THESE WERE ACTUALLY NOT HIGH PRIORITY NEEDS IN THEIR COMMUNITY , (1) - ST FRANCIS MEDICAL CENTER THERE WERE SOME HEALTH NEEDS IDENTIFIED BUT NOT ADDRESSED BY ST FRANCIS HOSPITAL SEVERAL STRONG COMMUNITY GROUPS WERE ALREADY SUCCESSFULLY WORKING ON THESE ISSUES AN INTERNAL CAPACITY ASSESSMENT CONCLUDED THAT IT WOULD BE MORE FORTUITO US TO SUPPORT AND PARTNER WITH SUCCESSFUL GROUPS ALREADY WORKING IN THE COMMUNITY, INSTEAD OF USING RESOURCES TO CREATE NEW STRATEGIES, WHEN SUCCESS PROGRAMS AND STRATEGIES ALREADY EXISTED TO HAVE THE GREATEST IMPACT ON THE NEEDS WERE IDENTIFIED, COMMUNITY BENEFIT RESO URCES WERE CAREFULLY PLANNED AND ALLOCATED TOWARDS TARGETED EVIDENCE BASED STRATEGIES KNOW N TO DIRECTLY IMPACT AND IMPROVE THE IDENTIFIED NEEDS , (1) - ST ANTHONY NORTH HOSPITAL KEY HEALTH NEEDS FOR ST ANTHONY NORTH WERE IDENTIFIED AS ACCESS TO HEALTH SERVICES, CANCE R, MENTAL HEALTH/SUBSTANCE ABUSE, OBESITY, SMOKING, GENERAL HEALTH, HIV/AIDS/HEP B ST AN THONY NORTH PRIORITIZED ACCESS TO HEALTH SERVICES AND MENTAL HEALTH SUBSTANCE ABUSE AFTER DOING A CAPACITY ASSESSMENT AND LITERATURE REVIEW OF EVIDENCE BASED STRATEGIES, ST ANTHO NY NORTH DETERMINED THEY WOULD HAVE THE GREATEST IMPACT ADDRESSING ACCESS TO CARE AND MENT AL HEALTH/SUBSTANCE ABUSE ISSUES THE NEEDS NOT ADDRESSED WERE ALREADY BEING ADDRESSED BY STRONG COMMUNITY ORGANIZATIONS, AND HOSPITAL RESOURCES WERE BETTER USED TOWARDS CREATI NG TARGETED STRATEGIES TO IMPACT THE PRIORITIZED NEEDS EFFORTS WERE STRATEGICALLY TARGETED TO WARDS AREAS WHERE THE LARGEST NEED EXISTED, AND WHERE ST ANTHONY NORTH COULD HAVE THE GRE ATEST IMPACT , (1) - ST ANTHONY SUMMIT MEDICAL CENTER KEY HEALTH NEEDS FOR ST ANTHONY S UMIT HOSPITAL WERE IDENTIFIED AS ACCESS TO HEALTH SERVICES, INJURY PREVENTION, CANCER, FLU SHOT/PNEUMONIA, MENTAL HEALTH, OBESITY, ORAL HEALTH, SEXUAL HEALTH, HIV/AIDS, AND SUBSTAN CE ABUSE AFTER DOING AN ASSESSMENT OF EXISTING CAPACITY AND COMMUNITY EFFORTS, ORTHOCOLOR ADO HOSPITAL DECIDED TO FOCUS ON ACCESS TO CARE AND INJURY PREVENTION THE NEEDS NOT ADDRE SSED WERE ALREADY BEING ADDRESSED BY STRONG COMMUNITY ORGANIZATIONS, AND HOSPITAL RESOURCE S WERE BETTER USED TOWARDS CREATING TARGETED STRATEGIES TO IMPACT THE PRIORITIZED NEEDS E FFO RTS WERE STRATEGICALLY TARGETED TOWARDS AREAS W |

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 |
|---|---|
| Schedule H, Part V Sec B, Line 7, Needs not addressed in Needs Assessment | HERE THE LARGEST NEED EXISTED, AND WHERE ST ANTHONY COULD HAVE THE GREATEST IMPACT, AND WOULD NOT BE DUPLICATING EXISTING PROGRAMS , (1) - ORTHOCOLORADO HOSPITAL KEY HEALTH NEEDS FOR ORTHOCOLORADO HOSPITAL WERE IDENTIFIED AS ACCESS TO HEALTH SERVICES, CANCER, DIABETES , HEART DISEASE, INJURY, MENTAL HEALTH, OBESITY, COMMUNICABLE DISEASE, ORAL HEALTH, SEXUAL HEALTH, SUBSTANCE ABUSE, AND TOBACCO USE AFTER DOING AN ASSESSMENT OF EXISTING CAPACITY AND COMMUNITY EFFORTS, ORTHOCOLORADO HOSPITAL DECIDED TO FOCUS ON OBESITY AND INJURY PREVENTION THE NEEDS NOT ADDRESSED WERE ALREADY BEING ADDRESSED BY STRONG COMMUNITY ORGANIZATIONS, AND HOSPITAL RESOURCES WERE BETTER USED TOWARDS CREATING TARGETED STRATEGIES TO IMPACT THE PRIORITIZED NEEDS EFFORTS WERE STRATEGICALLY TARGETED TOWARDS AREAS WHERE THE LARGE ST NEED EXISTED, AND WHERE ST ANTHONY COULD HAVE THE GREATEST IMPACT , (1) - ST THOMAS MORE HOSPITAL THERE WERE SOME HEALTH NEEDS IDENTIFIED BUT NOT ADDRESSED BY ST THOMAS MORE SEVERAL STRONG COMMUNITY GROUPS WERE ALREADY SUCCESSFULLY WORKING ON THESE ISSUES AN INTERNAL CAPACITY ASSESSMENT CONCLUDED THAT IT WOULD BE MORE FORTUITOUS TO SUPPORT AND PARTNER WITH SUCCESSFUL GROUPS ALREADY WORKING IN THE COMMUNITY, INSTEAD OF USING RESOURCES TO CREATE NEW STRATEGIES, WHEN SUCCESS PROGRAMS AND STRATEGIES ALREADY EXISTED TO HAVE THE GREATEST IMPACT ON THE NEEDS THAT WE DID IDENTIFY, COMMUNITY BENEFIT RESOURCES WERE CAREFULLY PLANNED AND ALLOCATED TOWARDS TARGETED EVIDENCE BASED STRATEGIES KNOWN TO DIRECTLY IMPACT AND IMPROVE THE IDENTIFIED NEEDS , |

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 |
|--|--|
| Schedule H, Part V Sec B, Line 20d, How amounts charged to FAP-eligible patients were determined | (1) - ST ANTHONY HOSPITAL CATHOLIC HEALTH INITIATIVES COLORADO (CHIC) AUTOMATICALLY DISCOUNTS ALL SELF-PAY PATIENT ACCOUNTS BY 30% AND ALSO OFFERS A 10% PROMPT PAY DISCOUNT THE TOTAL DISCOUNT OF 40% APPROXIMATES CHIC'S CONTRACTED RATES , (1) - PENROSE HOSPITAL CATHOLIC HEALTH INITIATIVES COLORADO (CHIC) AUTOMATICALLY DISCOUNTS ALL SELF-PAY PATIENT ACCOUNTS BY 30% AND ALSO OFFERS A 10% PROMPT PAY DISCOUNT THE TOTAL DISCOUNT OF 40% APPROXIMATES CHIC'S CONTRACTED RATES , (1) - ST MARY-CORWIN MEDICAL CENTER CATHOLIC HEALTH INITIATIVES COLORADO (CHIC) AUTOMATICALLY DISCOUNTS ALL SELF-PAY PATIENT ACCOUNTS BY 30% AND ALSO OFFERS A 10% PROMPT PAY DISCOUNT THE TOTAL DISCOUNT OF 40% APPROXIMATES CHIC'S CONTRACTED RATES , (1) - MERCY REGIONAL MEDICAL CENTER CATHOLIC HEALTH INITIATIVES COLORADO (CHIC) AUTOMATICALLY DISCOUNTS ALL SELF-PAY PATIENT ACCOUNTS BY 30% AND ALSO OFFERS A 10% PROMPT PAY DISCOUNT THE TOTAL DISCOUNT OF 40% APPROXIMATES CHIC'S CONTRACTED RATES , (1) - ST FRANCIS MEDICAL CENTER CATHOLIC HEALTH INITIATIVES COLORADO (CHIC) AUTOMATICALLY DISCOUNTS ALL SELF-PAY PATIENT ACCOUNTS BY 30% AND ALSO OFFERS A 10% PROMPT PAY DISCOUNT THE TOTAL DISCOUNT OF 40% APPROXIMATES CHIC'S CONTRACTED RATES , (1) - ST ANTHONY NORTH HOSPITAL CATHOLIC HEALTH INITIATIVES COLORADO (CHIC) AUTOMATICALLY DISCOUNTS ALL SELF-PAY PATIENT ACCOUNTS BY 30% AND ALSO OFFERS A 10% PROMPT PAY DISCOUNT THE TOTAL DISCOUNT OF 40% APPROXIMATES CHIC'S CONTRACTED RATES , (1) - ST ANTHONY SUMMIT MEDICAL CENTER CATHOLIC HEALTH INITIATIVES COLORADO (CHIC) AUTOMATICALLY DISCOUNTS ALL SELF-PAY PATIENT ACCOUNTS BY 30% AND ALSO OFFERS A 10% PROMPT PAY DISCOUNT THE TOTAL DISCOUNT OF 40% APPROXIMATES CHIC'S CONTRACTED RATES , (1) - ORTHOCOLORADO HOSPITAL CATHOLIC HEALTH INITIATIVES COLORADO (CHIC) AUTOMATICALLY DISCOUNTS ALL SELF-PAY PATIENT ACCOUNTS BY 30% AND ALSO OFFERS A 10% PROMPT PAY DISCOUNT THE TOTAL DISCOUNT OF 40% APPROXIMATES CHIC'S CONTRACTED RATES , (1) - ST THOMAS MORE HOSPITAL CATHOLIC HEALTH INITIATIVES COLORADO (CHIC) AUTOMATICALLY DISCOUNTS ALL SELF-PAY PATIENT ACCOUNTS BY 30% AND ALSO OFFERS A 10% PROMPT PAY DISCOUNT THE TOTAL DISCOUNT OF 40% APPROXIMATES CHIC'S CONTRACTED RATES , |

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) |
|--|-----------------------------|
| SYNERGY ORTHOPEDICS 8510 Bryant St Suite 320 WESTMINSTER,CO 80031 | PHYSICIAN CLINIC |
| VILLAS AT SUNNY ACRES 2501 EAST 104TH AVE THORNTON,CO 80233 | PHYSICIAN CLINIC |
| SMC GASTROENTEROLOGY 1925 E ORMAN PUEBLO,CO 81004 | PHYSICIAN CLINIC |
| WOMEN'S HEALTH SPECIALISTS 13691 Colorado Blvd Suite 106 THORNTON,CO 80602 | PHYSICIAN CLINIC |
| DURANGO URGENT CARE AT DMR 1 SKIER PLACE DURANGO,CO 81301 | PHYSICIAN CLINIC |
| PSF PRIMARY CARE HEALTH CARE SERVICES 2960 N Circle Dr Suite 100 COLORADO SPRINGS,CO 80909 | PHYSICIAN CLINIC |
| GARDENS AT ST ELIZABETH 2835 WEST 32ND AVE DENVER,CO 80211 | PHYSICIAN CLINIC |
| NORTH METRO INTERNAL MEDICINE 8300 Alcott St Suite 302 WESTMINSTER,CO 80031 | PHYSICIAN CLINIC |
| SUMMIT CARDIOLOGY 360 PEAK ONE DR Suite 390 FRISCO,CO 80443 | PHYSICIAN CLINIC |
| PENROSE HOME CARE 7015 TALL OAKS DRIVE COLORADO SPRINGS,CO 80919 | PHYSICIAN CLINIC |
| SMC SURGICAL PHYSICIANS 1925 E ORMAN PUEBLO,CO 81004 | PHYSICIAN CLINIC |
| DIMENSION PAIN MANAGEMENT 400 W 144th Suite 240 WESTMINSTER,CO 80031 | PHYSICIAN CLINIC |
| PENROSE COMMUNITY HOSPITAL 3205 N CASCADE AVE COLORADO SPRINGS,CO 80917 | PHYSICIAN CLINIC |
| SURGERY SERVICES & THE MEDICAL HOME 1339 PHAY AVE CANON CITY,CO 81212 | PHYSICIAN CLINIC |
| VASCULAR & ENDOVASCULAR SPECIALIST OF COLORADO 11700 W 2nd Place Suite 210 LAKEWOOD,CO 80228 | PHYSICIAN CLINIC |

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) |
|--|-----------------------------|
| SMC PHYSICIAN PARTNERS-REHAB 1925 E ORMAN PUEBLO,CO 81004 | PHYSICIAN CLINIC |
| BRECKENRIDGE MEDICAL CLINIC 555 S PARK AVE PLAZA II PO BOX 6909 BRECKENRIDGE,CO 80424 | PHYSICIAN CLINIC |
| TOUCHSTONE PUEBLO WEST CLINIC 141 S PURCELL BLVD Suite 106 PUEBLO WEST,CO 81007 | PHYSICIAN CLINIC |
| PSYCHIATRIC SERVICES 11600 W 2nd Place LAKEWOOD,CO 80228 | PHYSICIAN CLINIC |
| MEDALION RETIREMENT COMMUNITY 1719 EAST BIJOU ST COLORADO SPRINGS,CO 80909 | PHYSICIAN CLINIC |
| ST ANTHONY HEALTH CENTER EVERGREEN 1520 EVERGREEN PKWY EVERGREEN,CO 80439 | PHYSICIAN CLINIC |
| MERCY HEALTH SERVICES CLINIC 1800 E THIRD AVE DURANGO,CO 81301 | PHYSICIAN CLINIC |
| CENTURA HEALTH URGENT CARE CANON CITY 3245 E US Hwy 50 CANON CITY,CO 81212 | PHYSICIAN CLINIC |
| ROCKY MOUNTAIN SPORTS AND FAMILY MEDICINE 1315 Fortino Blvd W PUEBLO,CO 81008 | PHYSICIAN CLINIC |
| AZTEC DIAGNOSTIC LAB 604 S RIO GRANDE AZTEC,NM 87410 | PHYSICIAN CLINIC |
| MERCY HOME HEALTH ONE MERCADO STREET suite 270 DURANGO,CO 81301 | PHYSICIAN CLINIC |
| SENIOR HEALTH CENTER WEST 11700 W 2nd Place LAKEWOOD,CO 80228 | PHYSICIAN CLINIC |
| ENDOCRINOLOGY DIABETES & THYROID SPECIALISTS OF COLORADO 11700 W 2nd Place Suite 210 LAKEWOOD,CO 80228 | PHYSICIAN CLINIC |
| PHYSICIAN PARTNERS ORTHOPAEDIC SURGERY 4112 OUTLOOK BLVD PUEBLO,CO 81008 | PHYSICIAN CLINIC |
| ASSOCIATED SURGEONS 11700 W 2nd Place Suite 210 LAKEWOOD,CO 80228 | PHYSICIAN CLINIC |

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

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

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

| Name and address | Type of Facility (describe) |
|---|-----------------------------|
| SOUTHERN COLORADO GYNOCLOGY ONCOLOGY 2222 N Nevada Ave Suite 2025 COLORADO SPRINGS,CO 80907 | PHYSICIAN CLINIC |
| PENROSE URGENT CARE AT CRIPPLE CREEK 1101 TELLER COUNTY ROAD 1 CRIPPLE CREEK,CO 80813 | PHYSICIAN CLINIC |
| MERCY DIAGNOSTIC LAB 2577 N MAIN AVE DURANGO,CO 81301 | PHYSICIAN CLINIC |
| CENTURA HOME OXYGEN-PUEBLO 4025 CLUB MANOR DRIVE PUEBLO,CO 81008 | PHYSICIAN CLINIC |
| PSF PRIMARY CARE HEALTH CARE SERVICES 6011 E Woodmen Suite 100 COLORADO SPRINGS,CO 80923 | PHYSICIAN CLINIC |
| SOUTHERN COLORADO BREAST CARE SPECIALISTS 2312 N Nevada Ave Suite 235 COLORADO SPRINGS,CO 80907 | PHYSICIAN CLINIC |
| PROGRESSIVE CARE CENTER 1338 PHAY AVE CANON CITY,CO 81212 | PHYSICIAN CLINIC |
| ST ANTHONY HOSPICE 1391 SPEER BLVD Suite 600 DENVER,CO 80204 | PHYSICIAN CLINIC |
| NAMASTE ALZHEIMER CENTER 2 PENROSE BOULEVARD COLORADO SPRINGS,CO 80906 | PHYSICIAN CLINIC |
| SENIOR HEALTH CENTER NORTH 8510 BRYANT ST SUITE 250 WESTMINSTER,CO 80031 | PHYSICIAN CLINIC |
| VILLA PUEBLO SENIOR LIVING COMMUNITY 1111 BONFORTE BLVD PUEBLO,CO 81001 | PHYSICIAN CLINIC |
| CARDIAC AND THORACIC SURGERY ASSOCIATES PC 2222 N Nevada Ave Suite 5011 COLORADO SPRINGS,CO 80907 | PHYSICIAN CLINIC |
| CHAMBERS SPECIALTY SURGICAL CARE 11700 W 2nd Place Suite 210 LAKEWOOD,CO 80228 | PHYSICIAN CLINIC |
| ST ANTHONY KEYSTONE MEDICAL CLINIC 1252 COUNTY ROAD 8 KEYSTONE,CO 80435 | PHYSICIAN CLINIC |
| NORTH RIDGE MEDICAL PRACTICE 13691 COLORADO BLVD SUITE 106 THORNTON,CO 80602 | PHYSICIAN CLINIC |

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) |
|--|-----------------------------|
| CENTURA HOME OXYGEN-COLORADO SPRINGS 4260 BUCKINGHAM DR suite 100 COLORADO SPRINGS,CO 80907 | PHYSICIAN CLINIC |
| TOUCHSTONE 1925 E ORMAN PUEBLO,CO 81004 | PHYSICIAN CLINIC |
| INTERNAL MEDICINE 614 YALE CANON CITY,CO 81212 | PHYSICIAN CLINIC |
| SOUTHERN COLORADO VASCULAR SURGERY 2222 N Nevada Ave Suite 5011 COLORADO SPRINGS,CO 80907 | PHYSICIAN CLINIC |
| INTERMOUNTAIN NEURO PHYSICIANS 11750 W 2nd Place Suite 255 LAKEWOOD,CO 80228 | PHYSICIAN CLINIC |
| REHABILITATIONCCOM 1338 PHAY AVE CANON CITY,CO 81212 | PHYSICIAN CLINIC |
| FAMILY MEDICINE CLINIC NORTH 8510 BRYANT ST SUITE 210 WESTMINSTER,CO 80031 | PHYSICIAN CLINIC |
| CENTURA FAMILY CARE CENTER 916 Indiana Ave PUEBLO,CO 81004 | PHYSICIAN CLINIC |
| PENROSE MOUNTAIN URGENT CARE CLINIC 41 STATE HIGHWAY 67 WOODLAND PARK,CO 80863 | PHYSICIAN CLINIC |
| ADVANCED CARE IN ENDOCRINOLOGY AND DIABETES 3207 North Academy Blvd Suite 1300 COLORADO SPRINGS,CO 80917 | PHYSICIAN CLINIC |
| SOUTHERN COLORADO FAMILY MEDICINE 1008 MINNEQUA AVE PUEBLO,CO 81004 | PHYSICIAN CLINIC |
| HOSPICE OF MERCY ONE MERCADO STREET suite 270 DURANGO,CO 81301 | PHYSICIAN CLINIC |
| MERCY CARDIOLOGY ASSOCIATES 1 Mercado Street DURANGO,CO 81301 | PHYSICIAN CLINIC |
| CHPG WESTMINSTER INTERNAL & FAMILY MEDICINE 400 W 144th Suite 260A WESTMINSTER,CO 80023 | PHYSICIAN CLINIC |
| ASPEN RIDGE ENT 11700 2nd Place Suite 210 LAKEWOOD,CO 80228 | PHYSICIAN CLINIC |

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

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

| Name and address | Type of Facility (describe) |
|--|-----------------------------|
| ST MARY CORWIN HOME SERVICES 4025 CLUB MANOR DRIVE PUEBLO,CO 81003 | PHYSICIAN CLINIC |
| PRIMARY CARE SERVICES 4231 W 16TH AVE DENVER,CO 80204 | PHYSICIAN CLINIC |
| CENTURA HOME OXYGEN-DENVER 2590 W 2ND AVE SUITE 5 DENVER,CO 80219 | PHYSICIAN CLINIC |
| ST ANTHONY COPPER MOUNTAIN CLINIC 860 COPPER RD COPPER MOUNTAIN,CO 80443 | PHYSICIAN CLINIC |
| URGENT CARE OF GOLDEN 1030 Johnson Rd Suite 200 GOLDEN,CO 80401 | PHYSICIAN CLINIC |
| OBGYN SERVICES 1335 PHAY AVE SUITE B CANON CITY,CO 81212 | PHYSICIAN CLINIC |
| SASMC AMBULATORY SURGERY CENTER 340 PEAK ONE DRIVE FRISCO,CO 80443 | PHYSICIAN CLINIC |
| DURANGO CANCER CENTER 1 Mercado Street Suite 100 DURANGO,CO 81301 | PHYSICIAN CLINIC |

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
CATHOLIC HEALTH INITIATIVES COLORADO

Employer identification number
84-0405257

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 | | | | | | | |
| | | | | | | | |
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| | | | | | | | |

2

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

23

3

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

0

Part III

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

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

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 |
|--|--|
| Schedule I, Part I, Line 2, Procedures for monitoring use of grant funds | GRANTS ARE GIVEN AT THE DISCRETION OF THE CATHOLIC HEALTH INITIATIVES COLORADO CEO THE CEO MAKES REQUESTS FOR FUNDING, WHICH IS PAID OUT IN THE FORM OF A DONATION TO THE ENTITY OR USED TO REIMBURSE AN INVOICE SUBMITTED FOR AN EXPENSE FOR A SPECIFIC PURPOSE THE MAJORITY OF THE DONEES ARE 501(C)(3) ORGANIZATIONS THAT ASSUME RESPONSIBILITY FOR ENSURING THAT THE FUNDS ARE USED IN FURTHERANCE OF THE PURPOSE OF THE GRANT |

Additional Data

Software ID: 13000248
Software Version: 2013v3.1
EIN: 84-0405257
Name: CATHOLIC HEALTH INITIATIVES COLORADO

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 HEALTH INITIATIVE COLORADO FOUNDATION 6385 CORPORATE DRIVE SUITE 301 COLORADO SPRINGS,CO 80919 | 84-0902211 | 501(C)3 | 277,778 | | | | 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 OF COLORADO 29 W KIOWA STREET COLORADO SPRINGS, CO 80903 | 84-0586169 | 501(C)3 | 15,000 | | | | 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 |
|--|------------|------------------------------------|--------------------------|-----------------------------------|---|--|------------------------------------|
| RONALD MCDONALD HOUSE CHARITIES OF SOUTHERN CO 311 NORTH LOGAN COLORADO SPRINGS, CO 80909 | 84-1013843 | 501(C)3 | 7,500 | | | | SPONSORSHIP |

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 |
|--|------------|------------------------------------|--------------------------|-----------------------------------|--|--|------------------------------------|
| NEWBORN HOPE INC P O BOX 2515 COLORADO SPRINGS,CO 80901 | 84-1093905 | 501(C)3 | 10,000 | | | | 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 HEART ASSOCIATIONSO CENTRAL AFFILIATE 10900-B STONELAKE BLVD 320 AUSTIN,TX 78759 | 13-5613797 | 501(C)3 | 18,000 | | | | SPONSORSHIP |

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 |
|--|------------|------------------------------------|--------------------------|-----------------------------------|--|--|------------------------------------|
| ROCKY MOUNTAIN WOMEN'S FILM FESTIVAL 421 S TEJON ST 333 COLORADO SPRINGS, CO 80903 | 84-1097818 | 501(C)3 | 10,000 | | | | SPONSORSHIP |

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 |
|---|------------|------------------------------------|--------------------------|-----------------------------------|--|--|------------------------------------|
| COLORADO SPRINGS RODEO ASSOCIATION 104 S CASCADE AVE 2003 COLORADO SPRINGS,CO 80903 | 84-0473034 | 501(C)3 | 16,000 | | | | SPONSORSHIP |

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 |
|--|------------|------------------------------------|--------------------------|-----------------------------------|---|--|------------------------------------|
| PROJECT CURE 10377 E GEDDAS AVE STE 200 CENTENNIAL, CO 80112 | 84-1568566 | 501(C)3 | | 35,335 | BOOK | SUPPLIES | 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 |
|---|------------|------------------------------------|--------------------------|-----------------------------------|--|--|------------------------------------|
| ARRUPE JESUIT HIGH SCHOOL 4343 UTICA ST DENVER,CO 80204 | 02-0628872 | 501(C)3 | 11,500 | | | | 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 |
|---|------------|------------------------------------|--------------------------|-----------------------------------|--|--|------------------------------------|
| JEFFCO EDC 1667 COLE BLVD STE 400 GOLDEN,CO 80401 | 84-0447505 | 501(C)3 | 45,000 | | | | 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 |
|---|------------|------------------------------------|--------------------------|-----------------------------------|--|--|------------------------------------|
| COMPANEROS FOUR CORNERS IMMIGRANT RESOURCE CENTER 701 CAMINO DEL RIO 309 DURANGO,CO 81301 | 37-1640345 | 501(C)3 | 10,000 | | | | 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 |
|--|------------|------------------------------------|--------------------------|-----------------------------------|--|--|------------------------------------|
| FORT LEWIS COLLEGE FOUNDATION 1000 RIM DR DURANGO,CO 81301 | 23-7122114 | 501(C)3 | 12,750 | | | | SPONSORSHIP |

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 |
|---|------------|------------------------------------|--------------------------|-----------------------------------|--|--|------------------------------------|
| CROSSROADS TURNING POINTS 509 E 13TH STREET PUEBLO,CO 81001 | 84-0810723 | 501(C)3 | 24,000 | | | | 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 |
|--|------------|------------------------------------|--------------------------|-----------------------------------|--|--|------------------------------------|
| COLORADO STATE UNIVERSITY FOUNDATION 2200 BONFORTE BLVD 187 PUEBLO,CO 81001 | 23-7098397 | 501(C)3 | 30,839 | | | | SPONSORSHIP |

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 OF THE DIOCESE OF PUEBLO 429 W 19TH STREET STE 101 PUEBLO, CO 81003 | 84-0471001 | 501(C)3 | 19,375 | | | | SPONSORSHIP |

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 |
|--|------------|------------------------------------|--------------------------|-----------------------------------|---|--|------------------------------------|
| PUEBLO SYMPHONY ASSOCIATION 301 NORTH MAIN STREET PUEBLO, CO 81003 | 84-0580443 | 501(C)3 | 6,563 | | | | SPONSORSHIP |

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 |
|--|------------|------------------------------------|--------------------------|-----------------------------------|---|--|------------------------------------|
| SANGRE DE CRISTO ARTS 210 N SANTA FE AVE PUEBLO,CO 81003 | 84-0624551 | 501(C)3 | 8,688 | | | | SPONSORSHIP |

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 |
|--|------------|------------------------------------|--------------------------|-----------------------------------|--|--|------------------------------------|
| HISTORIC ARKANSAS RIVERWALK OF PUEBLO FOUNDATION 125 RIVERWALK PLACE PUEBLO,CO 81003 | 84-1308918 | 501(C)3 | 14,375 | | | | SPONSORSHIP |

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 LEAGUE OF PUEBLO 421 N MAIN ST SUITE 415 PUEBLO, CO 81003 | 84-0739613 | 501(C)3 | 5,500 | | | | SPONSORSHIP |

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 |
|--|------------|------------------------------------|--------------------------|-----------------------------------|--|--|------------------------------------|
| CENTER FOR AMERICAN VALUES 101 S MAIN ST 100 PUEBLO,CO 81003 | 27-2779073 | 501(C)3 | 6,000 | | | | SPONSORSHIP |

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 |
|--|------------|------------------------------------|--------------------------|-----------------------------------|--|--|------------------------------------|
| YOUNG WOMENS CHRISTIAN ASSOCIATION OF PUEBLO 801 N SANTA FE AVENUE PUEBLO,CO 81003 | 84-0402720 | 501(C)3 | 15,000 | | | | 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 |
|---|------------|------------------------------------|--------------------------|-----------------------------------|---|--|------------------------------------|
| FOUR CORNERS HEALTH CARE 2911 JUNCTION STREET DURANGO, CO 81301 | 20-1420109 | 501(C)3 | 61,521 | | | | CHARITY CARE |

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 |
|---|------------|------------------------------------|--------------------------|-----------------------------------|---|--|------------------------------------|
| DURANGO DEVO INC 10 TOWN PLAZA 110 DURANGO,CO 81301 | 64-0959974 | 501(C)3 | 7,000 | | | | PROGRAM SUPPORT |

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
CATHOLIC HEALTH INITIATIVES COLORADO

Employer identification number
84-0405257

Part I

Questions Regarding Compensation

| | Yes | No |
|---|-----|----|
| <div><div>1a</div><div>Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items</div><div><div><div><input type="checkbox"/> First-class or charter travel</div><div><input checked="" type="checkbox"/> Travel for companions</div><div><input checked="" type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div><div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input checked="" type="checkbox"/> Health or social club dues or initiation fees</div><div><input checked="" type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div></div></div> | | |
| <div><div>b</div><div>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</div></div> | Yes | |
| <div><div>2</div><div>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?</div></div> | Yes | |
| <div><div>3</div><div>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</div><div><div><div><input type="checkbox"/> Compensation committee</div><div><input type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Form 990 of other organizations</div></div><div><div><input type="checkbox"/> Written employment contract</div><div><input type="checkbox"/> Compensation survey or study</div><div><input type="checkbox"/> Approval by the board or compensation committee</div></div></div></div> | | |
| <div><div>4</div><div>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</div></div> | | |
| <div><div>a</div><div>Receive a severance payment or change-of-control payment?</div></div> | | No |
| <div><div>b</div><div>Participate in, or receive payment from, a supplemental nonqualified retirement plan?</div></div> | Yes | |
| <div><div>c</div><div>Participate in, or receive payment from, an equity-based compensation arrangement?</div></div> <div>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III</div> | | No |
| <div><div></div><div>Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.</div></div> | | |
| <div><div>5</div><div>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</div></div> | | |
| <div><div>a</div><div>The organization?</div></div> | | No |
| <div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 5a or 5b, describe in Part III</div> | | No |
| <div><div>6</div><div>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</div></div> | | |
| <div><div>a</div><div>The organization?</div></div> | | No |
| <div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 6a or 6b, describe in Part III</div> | | No |
| <div><div>7</div><div>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</div></div> | Yes | |
| <div><div>8</div><div>Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III</div></div> | | No |
| <div><div>9</div><div>If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?</div></div> | | |

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 |
|--|---|
| Schedule J, Part I, Line 1a, Travel for companions | SENIOR VICE PRESIDENTS AND HOSPITAL CEOS ARE PAID THROUGH CENTURA HEALTH CORPORATION AND ARE ELIGIBLE FOR THE FOLLOWING BENEFITS TRAVEL FOR COMPANIONS, HEALTH OR SOCIAL CLUB DUES, AND REIMBURSEMENT UP TO \$10,000 FOR PERSONAL SERVICES SUCH AS TAX, FINANCIAL, AND ESTATE PLANNING SERVICES, ALONG WITH TAX GROSS-UP PAYMENTS FOR ANY REIMBURSEMENTS INCLUDED IN TAXABLE COMPENSATION ALL BENEFITS ARE PROVIDED PURSUANT TO A WRITTEN POLICY GOVERNING PAYMENT AND REIMBURSEMENT, SUBSTANTIATION IS REQUIRED FOR ALL EXPENSES SUBMITTED FOR REIMBURSEMENT, AND REIMBURSEMENTS ARE INCLUDED IN TAXABLE COMPENSATION WHERE APPROPRIATE |
| Schedule J, Part I, Line 1a, Tax indemnification and gross-up payments | SEE SCHEDULE J, PART I, LINE 1A - TRAVEL FOR COMPANIONS DISCLOSURE |
| Schedule J, Part I, Line 1a, Health or social club dues or initiation fees | SEE SCHEDULE J, PART I, LINE 1A - TRAVEL FOR COMPANIONS DISCLOSURE |
| Schedule J, Part I, Line 1a, Personal services | SEE SCHEDULE J, PART I, LINE 1A - TRAVEL FOR COMPANIONS DISCLOSURE |
| SCHEDULE J, PART I, LINE 3, METHODS USED TO ESTABLISH CEO COMPENSATION | CATHOLIC HEALTH INITIATIVES-COLORADO'S CEO IS PAID BY CENTURA HEALTH CORPORATION (CENTURA) OUTSIDE CONSULTANTS ARE ENGAGED TO PROVIDE RECOMMENDATIONS TO CENTURA'S COMPENSATION COMMITTEE REGARDING THE COMPENSATION OF FACILITY CEOS THE CONSULTANT'S RECOMMENDATIONS ARE THEN PRESENTED TO AND APPROVED BY THE COMPENSATION COMMITTEE |
| Schedule J, Part I, Line 4b, Supplemental nonqualified retirement plan | DURING THE 2013 CALENDAR YEAR CATHOLIC HEALTH INITIATIVES ("CHI"), A RELATED ORGANIZATION, MAINTAINED A SUPPLEMENTAL NON-QUALIFIED DEFERRED COMPENSATION PLAN FOR MBO CEOS AND OTHER CHI EMPLOYEES AT THE LEVEL OF SENIOR VICE PRESIDENT AND ABOVE THE FOLLOWING REPORTABLE INDIVIDUALS WERE ELIGIBLE TO PARTICIPATE IN THAT PLAN JOHN DICOLA, MICHAEL ROWAN AND JAMES SWINDLE DURING 2013 THE FOLLOWING CONTRIBUTIONS WERE MADE BY CHI TO THE DEFERRED COMPENSATION PLAN MICHAEL ROWAN \$214,851 JOHN DICOLA \$0 JAMES SWINDLE \$179,529 DURING 2013 THE FOLLOWING DISTRIBUTIONS WERE MADE BY CHI TO THE DEFERRED COMPENSATION PLAN MICHAEL ROWAN \$175,028 JOHN DICOLA \$86,866 JAMES SWINDLE \$70,057 DUE TO THE "SUPER" VESTING RULES UNDER THE CHI DEFERRED COMPENSATION PLAN, PARTICIPANTS WHO HAVE MET CERTAIN REQUIREMENTS SUCH AS TERMINATION, AGE, OR YEARS OF SERVICE ARE ELIGIBLE TO RECEIVE THEIR 2013 CONTRIBUTIONS IN CASH THESE CASH PAYOUTS ARE INCLUDED IN THE PARTICIPANT'S REPORTABLE COMPENSATION IN COLUMN (III) OTHER REPORTABLE COMPENSATION ON SCHEDULE J PART II DURING 2013, THE FOLLOWING CONTRIBUTIONS THAT WOULD HAVE BEEN MADE BY CHI TO THE DEFERRED COMPENSATION PLAN WERE PAID IN CASH JOHN DICOLA \$109,903 IN ADDITION, CENTURA OFFERS A NON-QUALIFIED RETIREMENT PLAN IN WHICH SENIOR EXECUTIVES (SENIOR VPS AND ABOVE) ARE PROVIDED A 10% OF SALARY ALLOWANCE TO PURCHASE INSURANCE PRODUCTS OR CONTRIBUTE INTO THE DEFERRED COMPENSATION PLAN IN ADDITION, A PENSION RESTORATION BENEFIT IS PROVIDED WHICH CREDITS PARTICIPANTS WITH A BENEFIT WHICH IS CALCULATED BASED ON THE EXCESS OF THE PARTICIPANT'S COMPENSATION OVER THE MAXIMUM ALLOWED FOR PENSION CONTRIBUTIONS AMOUNTS DEFERRED ARE NOT REPORTED AS TAXABLE INCOME UNTIL/UNLESS A TRIGGERING EVENT OCCURS THIS DEFERRED COMPENSATION PLAN HAS A SUBSTANTIAL RISK OF FORFEITURE PROVISION AND AN ELECTED VESTING SCHEDULE THE FOLLOWING INDIVIDUALS WERE ELIGIBLE TO PARTICIPATE IN AND RECEIVED CONTRIBUTIONS TO THE SUPPLEMENTAL NON-QUALIFIED DEFERRED COMPENSATION PLAN DURING THE CALENDAR YEAR 2013 MARGARET SABIN \$116,223 JEFFREY BRICKMAN \$65,646 DURING THE CALENDAR YEAR 2013 THE FOLLOWING DISTRIBUTIONS WERE MADE BY CENTURA FROM THE DEFERRED COMPENSATION PLAN JEFFREY BRICKMAN \$18,338 MARGARET SABIN \$110,015 |
| Schedule J, Part I, Line 7, Non-fixed payments | PARTICIPANTS IN CENTURA'S INCENTIVE COMPENSATION PLANS INCLUDE DIRECTORS AND ABOVE PAYOUTS ARE BASED ON METRICS ESTABLISHED AND APPROVED BY CENTURA'S COMPENSATION COMMITTEE THE METRICS INCLUDE QUANTIFIABLE MEASURES PERTAINING TO FINANCIAL PERFORMANCE, SAFETY AND QUALITY AND ASSOCIATE SATISFACTION WITH EACH METRIC WEIGHTED IN DETERMINING THE OVERALL SCORE THE INCENTIVE COMPENSATION PAYOUT IS CALCULATED BASED ON THE CUMULATIVE SCORE FOR ALL METRICS AND THE PAYOUT IS BASED ON A COMBINATION OF THE SCORE, THE INDIVIDUAL'S BASE COMPENSATION AMOUNT AND POSITION (E G DIRECTOR, VICE PRESIDENT) |
| SCHEDULE J, PART II, REPORTABLE INDIVIDUALS COMPENSATED BY UNRELATED ORGANIZATIONS | ALL KEY EMPLOYEES AND HOSPITAL CEOS ARE COMPENSATED BY CENTURA HEALTH CORPORATION, WHO MANAGES THE DAILY ACTIVITIES OF THE CATHOLIC HEALTH INITIATIVES-COLORADO (CHIC) HOSPITALS UNDER A JOINT OPERATING AGREEMENT DATED DECEMBER 8, 1995 BETWEEN THE ADVENTIST HEALTHCARE SYSTEM AND CATHOLIC HEALTH INITIATIVES AS SUCH, THEIR SALARIES ARE PAID TO THEM BY CENTURA, AN UNRELATED ORGANIZATION, FOR SERVICES RENDERED IN THEIR CAPACITY AS KEY EMPLOYEES OR OFFICERS OF CHIC ALL OF THEIR REPORTABLE COMPENSATION IS DISCLOSED ON FORM 990, SCHEDULE J, PART II, ROW (I) AND 990, PART VII, COLUMN (D) AS REPORTING ORGANIZATION COMPENSATION IN ADDITION, THE CEO AND CFO OF CHIC WERE APPOINTED AS SUCH BY THE CHIC BOARD OF DIRECTORS WHILE THEY ARE OFFICERS OF THESE ENTITIES, A VERY SMALL PORTION OF THEIR TIME IS DIRECTLY RELATED TO THE OPERATIONS OF CHIC THEY ARE COMPENSATED BY CENTURA, WHICH IS CHARGED WITH MANAGING THE FACILITIES THEIR RESPECTIVE COMPENSATION IS NOT REPORTED ON THE FILING ORGANIZATION'S 990 BUT IN FACT IS REPORTED IN FULL ON PART VII AND SCHEDULE J OF CENTURA HEALTH CORPORATION'S FORM 990 |

Additional Data

Software ID: 13000248
Software Version: 2013v3.1
EIN: 84-0405257
Name: CATHOLIC HEALTH INITIATIVES COLORADO

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 | | | | |
| JOHN DICOLA BOARD MEMBER/SVP CHI | (i) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | (ii) | 684,855 | 690,423 | 223,713 | 33,702 | 21,818 | 1,654,511 | 86,866 |
| MICHAEL ROWAN FACHE BOARD MEMBER/EVP CHI COO | (i) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | (ii) | 1,098,277 | 1,471,311 | 200,128 | 238,353 | 19,702 | 3,027,771 | 175,028 |
| DEAN SWINDLE CPA BOARD MEMBER/EVP CHI CFO | (i) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | (ii) | 897,093 | 1,213,319 | 93,389 | 200,481 | 21,818 | 2,426,100 | 70,057 |
| MARGARET SABIN CEO - PENROSE ST FRANCIS | (i) | 505,492 | 230,223 | 140,421 | 190,970 | 28,732 | 1,095,838 | 110,015 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DANIEL REEVES CFO - PENROSE ST FRANCIS | (i) | 250,870 | 69,418 | 811 | 22,227 | 19,114 | 362,440 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| DAVID THOMPSON CFO - ST ANTHONY CENTRAL | (i) | 286,065 | 85,590 | 881 | 37,177 | 7,601 | 417,314 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| JEFFREY BRICKMAN GROUP CHIEF EXECUTIVE OFFICER | (i) | 590,128 | 271,398 | 37,811 | 176,569 | 19,476 | 1,095,382 | 18,338 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| A STEWART LEVY PHYSICIAN | (i) | 807,744 | 0 | 2,293 | 27,327 | 23,874 | 861,238 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| JOHN MEHALL PHYSICIAN | (i) | 731,392 | 274,780 | 605 | 23,502 | 14,480 | 1,044,759 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| CAMILLE AZAR PHYSICIAN | (i) | 612,582 | 148,661 | 3,689 | 23,502 | 21,144 | 809,578 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| MICHAEL DREWEK PHYSICIAN | (i) | 744,155 | 0 | 1,381 | 24,777 | 21,882 | 792,195 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| ALEXANDER FRALEY PHYSICIAN | (i) | 682,401 | 0 | 822 | 20,952 | 22,749 | 726,924 | 0 |
| | (ii) | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

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 CATHOLIC HEALTH INITIATIVES COLORADO | Employer identification number 84-0405257 |
|--|--|

| Return Reference | Explanation |
|---|---|
| Form 990, Part VI, Sec A, Line 6, Classes of members or stockholders | ACCORDING TO THE BYLAWS OF CATHOLIC HEALTH INITIATIVES-COLORADO, THE ENTITY'S SOLE MEMBER IS CATHOLIC HEALTH INITIATIVES, A COLORADO NONPROFIT CORPORATION |

| Return Reference | Explanation |
|---|--|
| Form 990, Part VI, Sec A, Line 7a, Members or stockholders electing members of governing body | THE SOLE CORPORATE MEMBER HAS THE POWER TO APPOINT, REPLACE OR REMOVE THE MEMBERS OF THE BOARD OF DIRECTORS ACCORDING TO THE ORGANIZATION'S BYLAWS, THE SOLE MEMBER SHALL FILL ALL VACANCIES ON THE BOARD OF TRUSTEES CREATED BY REMOVAL, RESIGNATION, OR DEATH |

| Return Reference | Explanation |
|--|---|
| Form 990, Part VI, Sec A, Line 7b, Decisions requiring approval by members or stockholders | <p>CATHOLIC HEALTH INITIATIVES-COLORADO'S ("CHIC") CORPORATE MEMBER IS CATHOLIC HEALTH INITIATIVES ("CHI") PURSUANT TO SECTION 5 4 1 OF THE ORGANIZATION'S BYLAWS, THE CORPORATE MEMBER SHALL HAVE THE SPECIFIC RIGHTS SET FORTH IN THE GOVERNANCE MATRIX EXCEPT TO THE EXTENT OTHERWISE PROVIDED IN ORGANIZATION'S ARTICLES AND BYLAWS PURSUANT TO THE GOVERNANCE MATRIX THE FOLLOWING RIGHTS ARE HELD BY THE CHIC BOARD - APPROVE MEMBERS OF THE CHIC BOARD - AMENDMENT OF THE CORPORATE DOCUMENTS OF CHIC - APPROVE REMOVAL OF A MEMBER OF THE GOVERNING BODY OF CHIC - ADOPTION OF LONG RANGE AND STRATEGIC PLANS FOR CHIC - SUBSTANTIAL CHANGE IN THE MISSION OR PHILOSOPHY OF CHIC THE FOLLOWING RIGHTS ARE RESERVED TO THE CHI BOARD DIRECTLY OR THROUGH POWERS DELEGATED TO THE CHI CHIEF EXECUTIVE OFFICER - REMOVAL OF A MEMBER OF THE GOVERNING BODY OF CHIC - APPROVAL OF ISSUANCE OF DEBT BY CHIC - APPROVAL OF PARTICIPATION OF CHIC IN A JOINT VENTURE - APPROVAL OF FORMATION OF A NEW CORPORATION BY CHIC - APPROVAL OF A MERGER INVOLVING CHIC - APPROVAL OF THE SALE OF ALL OR SUBSTANTIALLY ALL OF THE ASSETS OF CHIC - TO REQUIRE THE TRANSFER OF ASSETS BY CHIC TO CHI TO ACCOMPLISH CHI'S GOALS AND OBJECTIVES, AND TO SATISFY CHI DEBTS PURSUANT TO SECTION 5 5 2 OF THE ORGANIZATION'S BYLAWS, CHI MAY, IN EXERCISE OF ITS APPROVAL POWERS, GRANT OR WITHHOLD APPROVAL IN WHOLE OR IN PART, OR MAY, IN ITS COMPLETE DISCRETION, AFTER CONSULTATION WITH THE BOARD AND THE PRESIDENT AND CHIEF EXECUTIVE OFFICER OF THE ORGANIZATION, RECOMMEND SUCH OTHER OR DIFFERENT ACTIONS AS IT DEEMS APPROPRIATE IN ADDITION, PURSUANT TO THE AFFILIATION AGREEMENT BETWEEN CHI, CHIC, CENTURA HEALTH CORPORATION, AND PORTERCARE ADVENTIST HEALTH SYSTEM, CERTAIN MATTERS AFFECTING CHIC MUST BE APPROVED BY BOTH PORTERCARE AND CHI THOSE ITEMS INCLUDE - THE TRANSFER OF ASSETS VALUED AT OVER \$1,000,000 - THE ISSUANCE OF A DEBT INSTRUMENT IN EXCESS OF \$250,000 - THE AMENDMENT OF THE ORGANIZING DOCUMENTS - THE ADMISSION OF A NEW SPONSOR - A MERGER OR DISSOLUTION OR REORGANIZATION - SETTLEMENT OF LEGAL PROCEEDINGS IN EXCESS OF \$2,000,000 - CAPITAL EXPENDITURES IN EXCESS OF \$2,000,000</p> |

| Return Reference | Explanation |
|--|---|
| Form 990, Part VI, Sec B, Line 11b, Review of form 990 by governing body | ONCE THE RETURN IS PREPARED, A DRAFT OF THE FORM 990 IS PROVIDED TO MANAGEMENT, INCLUDING THE CFO, FOR REVIEW. THE RETURN IS E-MAILED TO THE ENTIRE BOARD FOR REVIEW PRIOR TO FILING. SUBSEQUENT TO THE RETURN BEING PROVIDED TO THE BOARD, THE TAX DEPARTMENT FILES THE RETURN WITH THE APPROPRIATE FEDERAL AND STATE AGENCIES, MAKING ANY NON-SUBSTANTIVE CHANGES NECESSARY TO EFFECT E-FILING. ANY SUCH CHANGES ARE NOT RE-SUBMITTED TO THE BOARD. |

| Return Reference | Explanation | |
|------------------|---|---|
| | Form 990, Part VI, Sec B, Line 12c, Conflict of interest policy | <p>PROCEDURE 1 PROCEDURE FOR CONFLICT OF INTEREST REPORTING 1 1 THE CATHOLIC HEALTH INITIA TIVES-COLORADO ("CHIC") COMPLIANCE DEPARTMENT ADMINISTERS AN ANNUAL CONFLICT OF INTEREST P ROCESS (USUALLY STARTING IN NOVEMBER) COLLECTING AND ASSESSING ANY POTENTIAL CONFLICTS BOA RD MEMBERS AND RELATED BOARD COMMITTEE MEMBERS, MATERIALS MANAGEMENT/SUPPLY CHAIN AS WELL AS CHIC MANAGEMENT MAY HAVE THE FOLLOWING PROCESS IS FOLLOWED 1 1 1 A COVER LETTER ALON G WITH THE CONFLICTS OF INTEREST POLICY AND THE CONFLICTS OF INTEREST DISCLOSURE STATEMENT ARE AUTOMATICALLY GENERATED AND DISTRIBUTED VIA EMAIL UTILIZING THE COMPLY TRACK SURVEY M ANAGER TOOL FOR THOSE WITHOUT EMAIL ADDRESSES, THE DOCUMENTS ARE SENT VIA US MAIL 1 1 2 A REQUEST IS MADE TO COMPLETE THE DISCLOSURE STATEMENT FROM ONLINE AND SUBMIT AN ELECTRON IC SIGNATURE USING THE SURVEY TOOL FOR THOSE WITHOUT AN EMAIL ADDRESS, A REQUEST IS MADE TO FAX OR MAIL ORIGINALS TO THE COMPLIANCE DEPARTMENT 1 1 3 A REPORT IS COMPILED IDENTIF YING ALL REPORTED POTENTIAL CONFLICTS, NO RESPONSES AND NO NOTED CONFLICTS 1 1 4 THE REP ORT IS REVIEWED FOR POTENTIAL CONFLICTS AND CATEGORIZED BY TYPE OF CONFLICT 1 1 5 A MEMO IS DISTRIBUTED TO EACH FACILITY CEO AND CFO ALONG WITH REPORTED CONFLICTS FOR PROCESSING AND RELEVANT ACTION OR FOLLOW UP THE CEO OR CFO, ON BEHALF OF THE CEO, WILL DISTRIBUTE IN FORMATION ABOUT SPECIFIC CONFLICTS TO RELEVANT DEPARTMENT MANAGEMENT FOR CONSIDERATION IN FUTURE BUSINESS DEALINGS/NEGOTIATIONS 1 1 6 THE REPORT IS SHARED WITH THE CHIC BOARD FOR INFORMATION, DISCUSSION, AND POSSIBLE ACTION RELATIVE TO SPECIFIC CONFLICTIVE SITUATIONS 2 PROCEDURE FOR DISCLOSURE 2 1 WHENEVER ANY MATTER COMES BEFORE A MEETING OF THE BOARD, A BOARD COMMITTEE MANAGEMENT OR MATERIALS MANAGEMENT/SUPPLY CHAIN THAT GIVES RISE TO A PO TENTIAL CONFLICT OF INTEREST, THE FOLLOWING PROCEDURES SHALL APPLY 2 1 1 AN INTERESTED P ERSON MAY MAKE A PRESENTATION AT THE BOARD, COMMITTEE MEETING OR MANAGEMENT MEETING BUT AF TER SUCH PRESENTATION, HE/SHE SHALL, IF REQUESTED BY THE BOARD OR COMMITTEE, LEAVE THE MEE TING DURING THE DISCUSSION OF, AND THE VOTE ON, THE TRANSACTION OR ARRANGEMENT THAT RESULT S IN THE CONFLICT OF INTEREST 2 1 2 THE CHAIRPERSON OF THE BOARD OR COMMITTEE SHALL, IF APPROPRIATE, APPOINT A DISINTERESTED PERSON OR COMMITTEE TO INVESTIGATE ALTERNATIVES TO TH E PROPOSED TRANSACTION OR ARRANGEMENT 2 1 3 AFTER EXERCISING DUE DILIGENCE, THE BOARD OR COMMITTEE SHALL DETERMINE WHETHER CHIC CAN OBTAIN A MORE ADVANTAGEOUS TRANSACTION OR ARR ANGEMENT WITH REASONABLE EFFORTS FROM A PERSON OR ENTITY THAT WOULD NOT GIVE RISE TO A CON FFLICT OF INTEREST 2 1 4 IF A MORE ADVANTAGEOUS TRANSACTION OR ARRANGEMENT IS NOT REASONAB LY ATTAINABLE UNDER CIRCUMSTANCES THAT WOULD NOT GIVE RISE TO A CONFLICT OF INTEREST, THE BOARD OR COMMITTEE SHALL DETERMINE, BY A MAJORITY VOTE OF THE DISINTERESTED MEMBERS, WHETH ER THE TRANSACTION OR ARRANGEMENT IS IN CHIC'S BEST INTEREST AND FOR ITS OWN BENEFIT AND W HETHER THE TRANSACTION IS FAIR AND REASONABLE TO CHIC AND SHALL MAKE ITS DECISION AS TO WH ETHER TO ENTER INTO THE TRANSACTION OR ARRANGEMENT IN CONFORMITY WITH SUCH DETERMINATION 2 1 5 FOR TRANSACTIONS THAT ARE NEGOTIATED BY CHIC MANAGEMENT AND MATERIALS MANAGEMENT/SU PPLY CHAIN AND WHICH ARE NOT REQUIRED TO BE REPORTED TO THE BOARD, EACH MANAGER WILL TAKE PRECAUTIONS TO ENSURE THERE IS NO CONFLICT OR THE APPEARANCE OF A CONFLICT RELATIVE TO THE BUSINESS NEGOTIATIONS AND TRANSACTION IF A CONFLICT, OR THE APPEARANCE OF A CONFLICT EXI STS, THE INTERESTED PERSON WILL REMOVE HIMSELF/HERSELF OR OTHER INTERESTED PARTY FROM THE NEGOTIATION/TRANSACTION 3 VIOLATIONS OF THE CONFLICTS OF INTEREST POLICY 3 1 IF THE BOA RD, COMMITTEE OR CHIC MANAGEMENT HAS REASONABLE CAUSE TO BELIEVE THAT AN INTERESTED PERSON HAS FAILED TO DISCLOSE ACTUAL OR POSSIBLE CONFLICTS OF INTEREST, IT SHALL INFORM THE INTE RESTED PERSON TO DISCLOSE 3 2 IF, AFTER HEARING THE RESPONSE OF THE INTERESTED PERSON AND MAKING SUCH FURTHER INVESTIGATION AS MAY BE WARRANTED IN THE CIRCUMSTANCES, THE BOARD, C OMMITTEE OR CHIC MANAGEMENT DETERMINES THAT THE INTERESTED PERSON HAS IN FACT FAILED TO DI SCLOSE AN ACTUAL OR POSSIBLE CONFLICT OF INTEREST, IT SHALL TAKE APPROPRIATE DISCIPLINARY AND CORRECTIVE ACTION 4 RECORDS OF PROCEEDINGS 4 1 THE MINUTES OF THE BOARD AND ANY COM MITTEES WITH BOARD DELEGATED POWERS SHALL CONTAIN 4 1 1 THE NAMES OF THE PERSONS WHO DIS CLOSED OR OTHERWISE WERE FOUND TO HAVE AN ACTUAL OR POSSIBLE CONFLICT OF INTEREST, THE NAT URE OF THE CONFLICT, ANY ACTION TAKEN TO DETERMINE WHETHER A CONFLICT OF INTEREST WAS PRES ENT, AND THE BOARD OR COMMITTEE'S DECISION AS TO WHETHER A CONFLICT OF INTEREST, IN FACT, EXISTED 4 1 2 THE NAMES OF THE PERSONS WHO WERE PRESENT FOR DISCUSSIONS RELATING TO THE TRANSACTION OR ARRANGEMENT, THE CONTENT OF THE DISCUSSION, INCLUDING ANY ALTERNATIVES TO T HE PROPOSED TRANSACTION OR ARRANGEMENT, A RECORD OF ANY VOTES TAKEN IN CONNECTION THEREWIT H AND A RECORD THAT THE PERSON(S) WITH A CONFLICT</p> |

| Return Reference | Explanation | |
|------------------|---|---|
| | Form 990, Part VI, Sec B, Line 12c, Conflict of interest policy | OF INTEREST DID NOT PARTICIPATE IN THE VOTE 4 1 3 FOR BUSINESS TRANSACTIONS BEING NEGOTIATED OUTSIDE OF THOSE REQUIRED TO BE REPORTED TO THE BOARD AND ANY COMMITTEES, THE COMPLIANCE DEPARTMENT SHALL MAINTAIN DOCUMENTATION AS TO THE RESOLUTION AND APPROPRIATENESS OF ANY POTENTIAL CONFLICT RELATIVE TO MANAGEMENT AND MATERIALS MANAGEMENT/SUPPLY CHAIN ASSOCIATES CONDUCTING BUSINESS ON BEHALF OF CHIC 5 COMPENSATION 5 1 A VOTING MEMBER OF A BOARD OR A BOARD COMMITTEE WHO RECEIVES COMPENSATION, DIRECTLY OR INDIRECTLY, FROM CHIC FOR SERVICES IS PRECLUDED FROM VOTING ON MATTERS PERTAINING TO THAT MEMBER'S COMPENSATION 5 2 A PHYSICIAN WHO IS A VOTING MEMBER OF A BOARD OR BOARD COMMITTEE AND RECEIVES COMPENSATION, DIRECTLY OR INDIRECTLY, FROM CHIC FOR SERVICES IS PRECLUDED FROM DISCUSSING AND VOTING ON MATTERS PERTAINING TO THAT MEMBER AND OTHER PHYSICIANS' COMPENSATION NO PHYSICIAN OR PHYSICIAN BOARD MEMBER OR COMMITTEE MEMBER, EITHER INDIVIDUALLY OR COLLECTIVELY, IS PROHIBITED FROM PROVIDING INFORMATION TO THE BOARD OR BOARD COMMITTEE REGARDING PHYSICIAN COMPENSATION 6 ANNUAL STATEMENTS 6 1 ALL INTERESTED PERSONS MUST COMPLETE A DISCLOSURE STATEMENT ANNUALLY THIS DISCLOSURE STATEMENT MAY BE MODIFIED FROM TIME TO TIME AS DEEMED APPROPRIATE THE VICE PRESIDENT OF CHIC COMPLIANCE IS RESPONSIBLE FOR CIRCULATING, ENSURING COMPLETION OF THE DISCLOSURE STATEMENT BY ALL INTERESTED PERSONS OF CHIC, AND REPORTING THE RESULTS TO THE CHIC HEALTH BOARD 7 PERIODIC REVIEWS 7 1 ANNUALLY, INTERNAL AUDIT WILL REVIEW COMPENSATION AND FINANCIAL ARRANGEMENTS FOR POTENTIAL CONFLICTS OF INTEREST |

| Return Reference | Explanation |
|---|--|
| FORM 990, PART VI, LINE 15, PROCESS USED TO ESTABLISH COMP | THE ORGANIZATION'S CEO AND OFFICERS ARE EMPLOYED BY CENTURA HEALTH CORPORATION ("CENTURA") OUTSIDE CONSULTANTS ARE ENGAGED TO PROVIDE RECOMMENDATIONS TO CENTURA'S COMPENSATION COMMITTEE REGARDING THE COMPENSATION OF FACILITY CEOS AND CENTURA SENIOR EXECUTIVES THE CONSULTANT'S RECOMMENDATIONS ARE THEN PRESENTED TO AND APPROVED BY THE COMPENSATION COMMITTEE CENTURA'S HUMAN RESOURCES DEPARTMENT PERFORMS ANALYSES OF THE MARKET TO DETERMINE COMPENSATION RANGES FOR THE REMAINDER OF CENTURA EXECUTIVES WHICH ARE REVIEWED AND APPROVED BY CENTURA'S SENIOR LEADERSHIP FOR THOSE REPORTABLE INDIVIDUALS (I.E. BOARD MEMBERS) WHOSE COMPENSATION IS PAID BY CATHOLIC HEALTH INITIATIVES ("CHI"), THEIR COMPENSATION WAS SET BY A COMPENSATION COMMITTEE UTILIZING AN INDEPENDENT CONSULTANT AND COMPARABILITY STUDIES TO DETERMINE COMPENSATION AMOUNTS THAT WERE BOARD APPROVED AND PAID TO THEM IN ACCORDANCE WITH A WRITTEN CONTRACT |

| Return Reference | Explanation |
|--|-------------|
| Form 990, Part VI, Sec B, Line 15b, Process to establish compensation of other employees | SEE ABOVE |

| Return Reference | Explanation |
|---|---|
| FORM 990, PART VI, LINE 16B, EVAL OF PARTICIPATION IN JV ARRANGEMENTS | CATHOLIC HEALTH INITIATIVES-COLORADO HAS NOT FORMALLY ADOPTED A WRITTEN POLICY OR WRITTEN PROCEDURE REGARDING JOINT VENTURES. HOWEVER, CATHOLIC HEALTH INITIATIVES' ("CHI") SYSTEM-WIDE JOINT VENTURE MODEL OPERATING AGREEMENT INCORPORATES CONTROLS OVER THE VENTURE SUFFICIENT TO ENSURE THAT (1) THE EXEMPT ORGANIZATION AT ALL TIMES RETAINS CONTROL OVER THE VENTURE SUFFICIENT TO ENSURE THAT THE PARTNERSHIP FURTHERS THE EXEMPT PURPOSE OF THE ORGANIZATION, (2) IN ANY PARTNERSHIP IN WHICH THE EXEMPT ORGANIZATION IS A PARTNER, ACHIEVEMENT OF EXEMPT PURPOSES IS PRIORITIZED OVER MAXIMIZATION OF PROFITS FOR THE PARTNERS, (3) THE PARTNERSHIP DOES NOT ENGAGE IN ANY ACTIVITIES THAT WOULD JEOPARDIZE THE EXEMPT ORGANIZATION'S EXEMPTION, (4) RETURNS OF CAPITAL, ALLOCATIONS, AND DISTRIBUTIONS MUST BE MADE IN PROPORTION TO THE PARTNERS' RESPECTIVE OWNERSHIP INTERESTS, AND (5) ALL CONTRACTS ENTERED INTO BY THE PARTNERSHIP WITH THE EXEMPT ORGANIZATION MUST BE AT ARM'S-LENGTH, WITH PRICES SET AT FAIR MARKET VALUE. ANY JOINT VENTURE AGREEMENTS THAT DO NOT CONFORM TO THE MODEL AGREEMENT ARE GENERALLY REVIEWED BY COUNSEL. |

| Return Reference | Explanation |
|---|--|
| Form 990, Part VI, Sec C, Line 19, Required documents available to the public | THE ORGANIZATION'S GOVERNING DOCUMENTS ARE AVAILABLE ON THE COLORADO SECRETARY OF STATE'S WEBSITE. THE ORGANIZATION'S FINANCIAL STATEMENTS ARE INCLUDED IN THE CATHOLIC HEALTH INITIATIVES CONSOLIDATED AUDITED FINANCIAL STATEMENTS THAT ARE AVAILABLE AT WWW.CATHOLICHEALTHINIT.ORG OR AT WWW.DACBOND.COM . THE ORGANIZATION'S CONFLICT OF INTEREST POLICY IS NOT PUBLICLY AVAILABLE. |

| Return Reference | Explanation |
|--|---|
| Form 990, Part IX, Line 11g, Other Expenses | OTHER FEES FOR SERVICES - TOTAL EXPENSE 36270872, PROGRAM SERVICE EXPENSE 29011241, MANAGEMENT AND GENERAL EXPENSES 7259631, FUNDRAISING EXPENSES , PURCHASED SERVICES - TOTAL EXPENSE 124730686, PROGRAM SERVICE EXPENSE 99784549, MANAGEMENT AND GENERAL EXPENSES 24946137, FUNDRAISING EXPENSES , MANAGEMENT FEES - TOTAL EXPENSE 103333232, PROGRAM SERVICE EXPENSE 82666585, MANAGEMENT AND GENERAL EXPENSES 20666647, FUNDRAISING EXPENSES , PHYSICIAN FEES - TOTAL EXPENSE 62297046, PROGRAM SERVICE EXPENSE 49837636, MANAGEMENT AND GENERAL EXPENSES 12459410, FUNDRAISING EXPENSES , LAB SERVICES - TOTAL EXPENSE 40770753, PROGRAM SERVICE EXPENSE 32616602, MANAGEMENT AND GENERAL EXPENSES 8154151, FUNDRAISING EXPENSES , |

| Return Reference | Explanation |
|--|--|
| Form 990 , Part XI, Line 9, Other changes in net assets or fund balances | CAPITAL RESOURCE POOL CONTRIBUTIONS - -11431848, MINORITY INTEREST - - 10089696, JOINT VENTURE - 950515, |

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
CATHOLIC HEALTH INITIATIVES COLORADO

Employer identification number
84-0405257

| 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 |
| | | | | | |
| | | | | | |
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| | | | | | |

| Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year. | | | | | | | |
|---|-------------------------|--|----------------------------|---|----------------------------------|--|----|
| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Exempt Code section | (e) Public charity status (if section 501(c)(3)) | (f) Direct controlling entity | (g) Section 512(b)(13) controlled entity? | |
| | | | | | | Yes | No |
| See Additional Data Table | | | | | | | |
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Part III

Identification of Related Organizations Taxable as a Partnership

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

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

Identification of Related Organizations Taxable as a Corporation or Trust

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

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

Transactions With Related Organizations

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

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

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

a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity

b Gift, grant, or capital contribution to related organization(s)

c Gift, grant, or capital contribution from related organization(s)

d Loans or loan guarantees to or for related organization(s)

e Loans or loan guarantees by related organization(s)

f Dividends from related organization(s)

g Sale of assets to related organization(s)

h Purchase of assets from related organization(s)

i Exchange of assets with related organization(s)

j Lease of facilities, equipment, or other assets to related organization(s)

k Lease of facilities, equipment, or other assets from related organization(s)

l Performance of services or membership or fundraising solicitations for related organization(s)

m Performance of services or membership or fundraising solicitations by related organization(s)

n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

o Sharing of paid employees with related organization(s)

p Reimbursement paid to related organization(s) for expenses

q Reimbursement paid by related organization(s) for expenses

r Other transfer of cash or property to related organization(s)

s Other transfer of cash or property from related organization(s)

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

1s

No

No

No

No

No

No

No

No

No

No

No

Yes

Yes

No

No

Yes

Yes

No

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 |
|---|-------------------------------|------------------------|--|
| (1) CATHOLIC HEALTH INITIATIVES COLORADO FOUNDATION | B | 277,778 | FMV |
| (2) CATHOLIC HEALTH INITIATIVES COLORADO FOUNDATION | C | 13,735,427 | FMV |
| | | | |
| | | | |
| | | | |
| | | | |

Schedule R (Form 990) 2013

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.

[illegible]

Part VII

Supplemental Information

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

| Return Reference | Explanation |
|------------------|-------------|
|------------------|-------------|

Additional Data

Software ID: 13000248

Software Version: 2013v3.1

EIN: 84-0405257

Name: CATHOLIC HEALTH INITIATIVES COLORADO

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) ALEGENT CREIGHTON CLINIC 12809 W DODGE RD OMAHA, NE 68154 47-0765154 | HEALTHCARE | NE | 501(C)(3) | 3 | ACH | Yes | |
| (1) ALEGENT CREIGHTON HEALTH 12809 W DODGE RD OMAHA, NE 68154 47-0757164 | HEALTHCARE | NE | 501(C)(3) | 3 | CHI NEBRASKA | Yes | |
| (2) ALEGENT CREIGHTON HEALTH FOUNDATION 12809 W DODGE RD OMAHA, NE 68154 47-0648586 | FUNDRAISING | NE | 501(C)(3) | 7 | ACH | Yes | |
| (3) ALEGENT HEALTH - BERGAN MERCY HEALTH SYSTEM 7500 MERCY RD OMAHA, NE 68124 47-0484764 | HEALTHCARE | NE | 501(C)(3) | 3 | CHI NEBRASKA | Yes | |
| (4) ALEGENT HEALTH - COMMUNITY MEMORIAL HOSPITAL OF MISSOURI VALLEY IA 631 N 8TH ST MISSOURI VALLEY, IA 51555 42-0776568 | HEALTHCARE | IA | 501(C)(3) | 3 | CHI NEBRASKA | Yes | |
| (5) ALEGENT HEALTH - IMMANUEL MEDICAL CENTER 6901 N 72ND ST OMAHA, NE 68122 47-0376615 | HEALTHCARE | NE | 501(C)(3) | 3 | CHI NEBRASKA | Yes | |
| (6) ALEGENT HEALTH - MEMORIAL HOSPITAL SCHUYLER 104 W 17TH ST SCHUYLER, NE 68661 47-0399853 | HEALTHCARE | NE | 501(C)(3) | 3 | CHI NEBRASKA | Yes | |
| (7) ALEGENT HEALTH - MERCY HOSPITAL CORNING IOWA PO BOX 368 CORNING, IA 50841 42-0782518 | HEALTHCARE | IA | 501(C)(3) | 3 | CHI NEBRASKA | Yes | |
| (8) ALVERNA APARTMENTS 300 SE 8TH AVE LITTLE FALLS, MN 56345 41-1351177 | LTERM CARE | MN | 501(C)(3) | 9 | CHI | Yes | |
| (9) APPLETREE COURT 601 OAK ST BRECKENRIDGE, MN 56520 41-1850500 | SENIOR LIVING | MN | 501(C)(3) | 9 | SFH | Yes | |
| (10) BISHOP DRUMM RETIREMENT CENTER 1111 6TH AVE DES MOINES, IA 50314 42-0725196 | LTERM CARE | IA | 501(C)(3) | 9 | CHI-IA CORP | Yes | |
| (11) BORNEMANN HEALTHCARE CORPORATION 2500 BERNVILLE RD PO BOX 316 READING, PA 19603 23-2187242 | HEALTHCARE | PA | 501(C)(3) | 11 - Type I | CHI | Yes | |
| (12) CARRINGTON HEALTH CENTER 800 N 4TH ST CARRINGTON, ND 58421 45-0227311 | HEALTHCARE | ND | 501(C)(3) | 3 | CHI | Yes | |
| (13) CATHOLIC HEALTH INITIATIVES 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 47-0617373 | HEALTHCARE | CO | 501(C)(3) | 9 | NA | Yes | |
| (14) CATHOLIC HEALTH INITIATIVES - COLORADO 188 INVERNESS DRIVE WEST STE 500 ENGLEWOOD, CO 80112 84-0405257 | HEALTHCARE | CO | 501(C)(3) | 3 | CHI | Yes | |
| (15) CATHOLIC HEALTH INITIATIVES - IOWA CORP 1111 6TH AVE DES MOINES, IA 50314 42-0680448 | HEALTHCARE | IA | 501(C)(3) | 3 | CHI | Yes | |
| (16) CATHOLIC HEALTH INITIATIVES COLORADO FOUNDATION 6385 CORPORATE DR STE 301 COLORADO SPRINGS, CO 80919 84-0902211 | FUNDRAISING | CO | 501(C)(3) | 7 | CHIC | Yes | |
| (17) CATHOLIC HEALTH INITIATIVES NATIONAL FOUNDATION 6385 CORPORATE DR COLORADO SPRINGS, CO 80919 27-0930004 | FUNDRAISING | CO | 501(C)(3) | 11 - Type I | CHI | Yes | |
| (18) CATHOLIC HEALTH INITIATIVES VIRTUAL HEALTH SERVICES 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 46-0992796 | HEALTHCARE | CO | 501(C)(3) | 11 - Type I | CHINS | Yes | |
| (19) CENTENNIAL MEDICAL GROUP INC 2700 STEWART PKWY ROSEBURG, OR 97471 26-3946191 | PHYSICIANS | OR | 501(C)(3) | 9 | MMC | Yes | |

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

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Exempt Code section | (e) Public charity status (if section 501(c) (3)) | (f) Direct controlling entity | (g) Section 512 (b)(13) controlled entity? | |
|--|-------------------------|--|-------------------------------|---|-------------------------------------|--|----|
| | | | | | | Yes | No |
| (21) CENTRAL KANSAS MEDICAL CENTER 3515 BROADWAY GREAT BEND, KS 67530 48-0543724 | SURGERY CENTER | KS | 501(C)(3) | 3 | CHI | Yes | |
| (1) CHI HEALTH CONNECT AT HOME - FARGO 4816 AMBER VALLEY PKWY S FARGO, ND 58104 27-1966847 | HEALTHCARE | MN | 501(C)(3) | 9 | CHI | Yes | |
| (2) CHI INSTITUTE FOR RESEARCH AND INNOVATION 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 27-1050565 | HEALTHCARE | CO | 501(C)(3) | 11 - Type I | CHI | Yes | |
| (3) CHI KENTUCKY INC 3900 OLYMPIC BLVD STE 400 ERLANGER, KY 41018 20-2741651 | HEALTHCARE | KY | 501(C)(3) | 11 - Type I | CHI | Yes | |
| (4) CHI NATIONAL HOME CARE 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 45-1261716 | HEALTHCARE | CO | 501(C)(3) | 9 | CHI NS | Yes | |
| (5) CHI NATIONAL SERVICES 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 45-2532084 | HEALTHCARE | CO | 501(C)(3) | 11 - Type I | CHI | Yes | |
| (6) CHI NEBRASKA 6940 O ST STE 200 LINCOLN, NE 68510 36-3233121 | HEALTHCARE | NE | 501(C)(3) | 11 - Type III - FI | CHI | Yes | |
| (7) CHI ST LUKE'S HEALTH BAYLOR COLLEGE OF MEDICINE MEDICAL CENTER 6624 FANNIN ST HOUSTON, TX 77030 74-1161938 | HEALTHCARE | TX | 501(C)(3) | 3 | SLHS | Yes | |
| (8) CHI ST VINCENT HOSPITAL HOT SPRINGS 300 WERNER ST HOT SPRINGS, AR 71913 71-0236913 | HEALTHCARE | AR | 501(C)(3) | 3 | CHISVHS | Yes | |
| (9) CHI ST VINCENT HOT SPRINGS 300 WERNER ST HOT SPRINGS, AR 71913 26-1125064 | HOLDING CO | AR | 501(C)(3) | 11 - Type II | SVIMC | Yes | |
| (10) CHI ST VINCENT MEDICAL GROUP HOT SPRINGS 1 MERCY LANE STE 201 HOT SPRINGS, AR 71913 26-1125131 | HEALTHCARE | AR | 501(C)(3) | 3 | CHISVHS | Yes | |
| (11) COMMUNITY LIMITED CARE DIALYSIS CENTER 619 OAK ST ACCOUNTING-3 W CINCINNATI, OH 45206 23-7419853 | HOLDING CO | OH | 501(C)(2) | N/A | GSH | Yes | |
| (12) COMMUNITY MEMORIAL HOSPITAL MEDICAL SERVICE FOUNDATION 631 N 8TH ST MISSOURI VALLEY, IA 51555 42-1294399 | FUNDRAISING | IA | 501(C)(3) | 11 - Type I | AH-CMHMV | Yes | |
| (13) CONTINUING CARE HOSPITAL 150 NORTH EAGLE CREEK DR LEXINGTON, KY 40509 61-1400619 | LT ACH | KY | 501(C)(3) | 3 | SJHS | Yes | |
| (14) COVENANT HOME CARE 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 23-2028429 | HOME HEALTH | PA | 501(C)(3) | 11 - Type II | CHI NHC | Yes | |
| (15) ENUMCLAW REGIONAL HOSPITAL ASSOCIATION 1450 BATTERSBY AVE ENUMCLAW, WA 98022 91-0715805 | HEALTHCARE | WA | 501(C)(3) | 3 | FHS | Yes | |
| (16) FLAGET HEALTHCARE INC 4305 NEW SHEPHERDSVILLE RD BARDSTOWN, KY 40004 61-1345363 | HEALTHCARE | KY | 501(C)(3) | 3 | KOH | Yes | |
| (17) FLAGET MEMORIAL HOSPITAL FOUNDATION INC 4305 NEW SHEPHERDSVILLE RD BARDSTOWN, KY 40004 56-2351341 | FUNDRAISING | KY | 501(C)(3) | 11 - Type I | FH | Yes | |
| (18) FRANCISCAN FOUNDATION 1717 SOUTH J ST TACOMA, WA 98405 91-1145592 | FUNDRAISING | WA | 501(C)(3) | 9 | FHS | Yes | |
| (19) FRANCISCAN HEALTH SYSTEM 1717 SOUTH J ST TACOMA, WA 98405 91-0564491 | HEALTHCARE | WA | 501(C)(3) | 3 | CHI | Yes | |

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

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Exempt Code section | (e) Public charity status (if section 501(c) (3)) | (f) Direct controlling entity | (g) Section 512 (b)(13) controlled entity? | |
|--|-------------------------|--|-------------------------------|---|-------------------------------------|--|----|
| | | | | | | Yes | No |
| (41) FRANCISCAN HEALTH VENTURES FKA SJMGROUP TACOMA FNC CTR BLDG 1145 BROADWAY TACOMA, WA 98402 43-1882377 | PHYSICIANS | MO | 501(C)(3) | 9 | CHI | Yes | |
| (1) FRANCISCAN MEDICAL GROUP 1313 BROADWAY STE 200 TACOMA, WA 98402 91-1939739 | HEALTHCARE | WA | 501(C)(3) | 9 | FHS | Yes | |
| (2) FRANCISCAN VILLA OF SOUTH MILWAUKEE INC 3601 S CHICAGO AVE SOUTH MILWAUKEE, WI 53172 39-1093829 | HEALTHCARE | WI | 501(C)(3) | 9 | CHI | Yes | |
| (3) GLOBAL HEALTH INITIATIVES 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 20-1536108 | MINISTRIES | CO | 501(C)(3) | 11 - Type I | CHI | Yes | |
| (4) GOOD SAMARITAN COLLEGE OF NURSING & HEALTH SCIENCE 619 OAK ST ACCOUNTING-3 W CINCINNATI, OH 45206 31-1778403 | EDUCATION | OH | 501(C)(3) | 2 | GSH | Yes | |
| (5) GOOD SAMARITAN FOUNDATION OF CINCINNATI INC 619 OAK ST ACCOUNTING-3 W CINCINNATI, OH 45206 31-1206047 | FUNDRAISING | OH | 501(C)(3) | 11 - Type I | GSH | Yes | |
| (6) GOOD SAMARITAN HOSPITAL PO BOX 1990 KEARNEY, NE 68848 47-0379755 | HEALTHCARE | NE | 501(C)(3) | 3 | CHI NEBRASKA | Yes | |
| (7) GOOD SAMARITAN HOSPITAL FOUNDATION 111 W 31ST ST KEARNEY, NE 68847 47-0659443 | FUNDRAISING | NE | 501(C)(3) | 7 | GSH | Yes | |
| (8) GOOD SAMARITAN HOSPITAL FOUNDATION - DAYTON 110 N MAIN ST STE 500 DAYTON, OH 45402 23-7296923 | FUNDRAISING | OH | 501(C)(3) | 7 | SHP | Yes | |
| (9) HARRISON MEDICAL CENTER 2520 CHERRY AVE BREMERTON, WA 98310 91-0565546 | HEALTHCARE | WA | 501(C)(3) | 3 | FHS | Yes | |
| (10) HARRISON MEDICAL CENTER FOUNDATION 2520 CHERRY AVE BREMERTON, WA 98310 91-1197626 | FUNDRAISING | WA | 501(C)(3) | 7 | HMC | Yes | |
| (11) HEALTH SET 2420 W 26TH AVE STE 460D DENVER, CO 80211 84-1102943 | LOW INC CARE | CO | 501(C)(3) | 7 | CHIC | Yes | |
| (12) HEALTHCARE AND WELLNESS FOUNDATION 2400 ST FRANCIS DR BRECKENRIDGE, MN 56520 76-0761782 | FUNDRAISING | MN | 501(C)(3) | 11 - Type I | SFMC | Yes | |
| (13) HIGHLINE MEDICAL CENTER 16251 SYLVESTER RD SW BURIEN, WA 98166 91-0712166 | HEALTHCARE | WA | 501(C)(3) | 3 | FHS | Yes | |
| (14) HOUSE OF MERCY 1111 6TH AVE DES MOINES, IA 50314 42-1323808 | SHELTER | IA | 501(C)(3) | 7 | CHI-IA CORP | Yes | |
| (15) JEWISH HOSPITAL AND ST MARY'S HEALTHCARE INC 539 S 4TH ST LOUISVILLE, KY 40202 61-1029768 | HEALTHCARE | KY | 501(C)(3) | 3 | KOH | Yes | |
| (16) KENTUCKYONE HEALTH MEDICAL GROUP INC 539 S 4TH ST LOUISVILLE, KY 40202 61-1352729 | HEALTHCARE | KY | 501(C)(3) | 9 | JHSMH | Yes | |
| (17) KENTUCKYONE HEALTH INC 200 ABRAHAM FLEXNER WAY LOUISVILLE, KY 40202 61-1029769 | HEALTHCARE | KY | 501(C)(3) | 9 | CHI | Yes | |
| (18) LAKEWOOD HEALTH CENTER 600 MAIN AVE S BAUDETTE, MN 56623 41-0758434 | HEALTHCARE | MN | 501(C)(3) | 3 | CHI | Yes | |
| (19) LINUS OAKES INC 2700 STEWART PKWY ROSEBURG, OR 97471 93-0821381 | SENIOR LIVING | OR | 501(C)(3) | 9 | MMC | Yes | |

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

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Exempt Code section | (e) Public charity status (if section 501(c) (3)) | (f) Direct controlling entity | (g) Section 512 (b)(13) controlled entity? | |
|--|-------------------------|---|-------------------------------|---|-------------------------------------|--|----|
| | | | | | | Yes | No |
| (61) LISBON AREA HEALTH SERVICES 905 MAIN ST LISBON, ND 58054 82-0558836 | HEALTHCARE | ND | 501(C)(3) | 3 | CHI | Yes | |
| (1) LUFKIN VISION ACQUISITIONS PO BOX 1447 LUFKIN, TX 75901 82-0563768 | PROPERTY MGMT | TX | 501(C)(3) | 11 - Type III - FI | MHSET | Yes | |
| (2) MEMORIAL HEALTH CARE SYSTEM FOUNDATION INC 2525 DE SALES AVE CHATTANOOGA, TN 37404 62-1839548 | FUNDRAISING | TN | 501(C)(3) | 7 | MHCS | Yes | |
| (3) MEMORIAL HEALTH CARE SYSTEM INC 2525 DE SALES AVE CHATTANOOGA, TN 37404 62-0532345 | HEALTHCARE | TN | 501(C)(3) | 3 | CHI | Yes | |
| (4) MEMORIAL HEALTH PARTNERS FOUNDATION INC 5600 BRAINERD RD STE 500 CHATTANOOGA, TN 37411 03-0417049 | HEALTHCARE | TN | 501(C)(3) | 9 | MHCS | Yes | |
| (5) MEMORIAL HEALTH SYSTEM OF EAST TEXAS PO BOX 1447 LUFKIN, TX 75902 75-0755367 | HEALTHCARE | TX | 501(C)(3) | 3 | CHI | Yes | |
| (6) MEMORIAL MEDICAL CENTER - LIVINGSTON PO BOX 1447 LUFKIN, TX 75902 76-0436439 | HEALTHCARE | TX | 501(C)(3) | 3 | MHSET | Yes | |
| (7) MEMORIAL MEDICAL CENTER - SAN AUGUSTINE PO BOX 1447 LUFKIN, TX 75902 75-2663904 | HEALTHCARE | TX | 501(C)(3) | 3 | MHSET | Yes | |
| (8) MEMORIAL MULTISPECIALTY ASSOCIATES 1201 FRANK AVE LUFKIN, TX 95904 75-2721155 | PHYSICIANS | TX | 501(C)(3) | 11 - Type III - FI | MHSET | Yes | |
| (9) MEMORIAL SPECIALTY HOSPITAL PO BOX 1447 LUFKIN, TX 95902 75-2492741 | HEALTHCARE | TX | 501(C)(3) | 3 | MHSET | Yes | |
| (10) MERCY AUXILIARY OF CENTRAL IOWA 1111 6TH AVE DES MOINES, IA 50314 42-6076069 | AUXILIARY | IA | 501(C)(3) | 11 - Type I | MF-DM IA | Yes | |
| (11) MERCY CLINICS INC 1111 6TH AVE DES MOINES, IA 50314 42-1193699 | PHYSICIANS | IA | 501(C)(3) | 9 | CHI-IA CORP | Yes | |
| (12) MERCY COLLEGE OF HEALTH SCIENCES 1111 6TH AVE DES MOINES, IA 50314 42-1511682 | EDUCATION | IA | 501(C)(3) | 2 | CHI-IA CORP | Yes | |
| (13) MERCY FOUNDATION OF DES MOINES IA 1111 6TH AVE DES MOINES, IA 50314 23-7358794 | FUNDRAISING | IA | 501(C)(3) | 7 | CHI-IA CORP | Yes | |
| (14) MERCY FOUNDATION INC 2700 STEWART PKWY ROSEBURG, OR 97471 93-6088946 | FUNDRAISING | OR | 501(C)(3) | 7 | MMC | Yes | |
| (15) MERCY HEALTH CARE FOUNDATION PO BOX 368 CORNING, IA 50841 42-1461064 | FUNDRAISING | IA | 501(C)(3) | 11 - Type I | AHMH-CORNING | Yes | |
| (16) MERCY HEALTHCARE FOUNDATION 570 CHAUTAUQUA BLVD VALLEY CITY, ND 58072 45-0435338 | FUNDRAISING | ND | 501(C)(3) | 11 - Type III - FI | MHVC | Yes | |
| (17) MERCY HOSPITAL FOUNDATION COUNCIL BLUFFS 800 MERCY DR COUNCIL BLUFFS, IA 51503 42-1178204 | FUNDRAISING | IA | 501(C)(3) | 11 - Type I | AHBMHS | Yes | |
| (18) MERCY HOSPITAL OF DEVILS LAKE 1031 7TH ST NE DEVILS LAKE, ND 58301 45-0227012 | HEALTHCARE | ND | 501(C)(3) | 3 | CHI | Yes | |
| (19) MERCY HOSPITAL OF DEVILS LAKE FOUNDATION 1031 7TH ST NE DEVILS LAKE, ND 58301 35-2367360 | FUNDRAISING | ND | 501(C)(3) | 7 | MHDL | Yes | |

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

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Exempt Code section | (e) Public charity status (if section 501(c)(3)) | (f) Direct controlling entity | (g) Section 512(b)(13) controlled entity? | |
|---|-------------------------|---|----------------------------|--|----------------------------------|--|----|
| | | | | | | Yes | No |
| (81) MERCY HOSPITAL OF VALLEY CITY 570 CHAUTAUQUA BLVD VALLEY CITY, ND 58072 45-0226553 | HEALTHCARE | ND | 501(C)(3) | 3 | CHI | Yes | |
| (1) MERCY MEDICAL CENTER 1301 15TH AVE WEST WILLISTON, ND 58801 45-0231183 | HEALTHCARE | ND | 501(C)(3) | 3 | CHI | Yes | |
| (2) MERCY MEDICAL CENTER - CENTERVILLE ONE ST JOSEPHS DRIVE CENTERVILLE, IA 52544 42-0680308 | HEALTHCARE | IA | 501(C)(3) | 3 | CHI-IA CORP | Yes | |
| (3) MERCY MEDICAL CENTER INC 2700 STEWART PKWY ROSEBURG, OR 97471 93-0386868 | HEALTHCARE | OR | 501(C)(3) | 3 | CHI | Yes | |
| (4) MERCY MEDICAL FOUNDATION 1301 15TH AVE WEST WILLISTON, ND 58801 45-0381803 | FUNDRAISING | ND | 501(C)(3) | 11 - Type I | MMC | Yes | |
| (5) MERCY PROFESSIONAL PRACTICE ASSOCIATES INC 1111 6TH AVE DES MOINES, IA 50314 42-1470935 | PHYSICIANS | IA | 501(C)(3) | 9 | CHI-IA CORP | Yes | |
| (6) NEBRASKA HEART HOSPITAL 7500 S 91ST ST LINCOLN, NE 68526 39-2031968 | HEALTHCARE | NE | 501(C)(3) | 3 | CHI NEBRASKA | Yes | |
| (7) OAKES COMMUNITY HOSPITAL 1200 N 7TH ST OAKES, ND 58474 45-0231675 | HEALTHCARE | ND | 501(C)(3) | 3 | CHI | Yes | |
| (8) OAKES COMMUNITY HOSPITAL FOUNDATION 1200 N 7TH ST OAKES, ND 58474 71-0966606 | FUNDRAISING | ND | 501(C)(3) | 11 - Type I | OCH | Yes | |
| (9) PINEYWOODS MEDICAL DEVELOPMENT CORP PO BOX 1447 LUFKIN, TX 75902 75-2493116 | PROPERTY MGMT | TX | 501(C)(3) | 11 - Type III - FI | MHSET | Yes | |
| (10) PUEBLO STEPUP 1925 E ORMAN AVE STE G52 PUEBLO, CO 81004 84-1234295 | COMMUNITY | CO | 501(C)(3) | 7 | CHIC | Yes | |
| (11) REGIONAL HOSPITAL FOR RESPIRATORY AND COMPLEX CARE 12844 MILITARY RD S TUKWILA, WA 98168 91-1170040 | HEALTHCARE | WA | 501(C)(3) | 3 | FHS | Yes | |
| (12) SET OF COLORADO SPRINGS INC 2864 S CIRCLE DR STE 450 COLORADO SPRINGS, CO 80906 84-1183335 | LTERM CARE | CO | 501(C)(3) | 7 | CHIC | Yes | |
| (13) SAINT CLARE'S COMMUNITY CARE INC 25 POCONO RD DENVER, NJ 07834 22-2876836 | HEALTHCARE | NJ | 501(C)(3) | 11 - Type II | SCHS | Yes | |
| (14) SAINT CLARE'S FOUNDATION INC 25 POCONO RD DENVER, NJ 07834 22-2502997 | FUNDRAISING | NJ | 501(C)(3) | 7 | SCHS | Yes | |
| (15) SAINT CLARE'S HEALTH SERVICES INC 25 POCONO RD DENVER, NJ 07834 22-3639733 | MANAGEMENT | NJ | 501(C)(3) | 11 - Type II | CHI | Yes | |
| (16) SAINT CLARE'S HOSPITAL INC 25 POCONO RD DENVER, NJ 07834 22-3319886 | HEALTHCARE | NJ | 501(C)(3) | 3 | SCHS | Yes | |
| (17) SAINT ELIZABETH FOUNDATION 555 S 70TH ST LINCOLN, NE 68510 47-0625523 | FUNDRAISING | NE | 501(C)(3) | 7 | SERMC | Yes | |
| (18) SAINT ELIZABETH HEALTH SERVICES 555 S 70TH ST LINCOLN, NE 68510 36-3233120 | HEALTHCARE | NE | 501(C)(3) | 3 | SERMC | Yes | |
| (19) SAINT ELIZABETH REGIONAL MEDICAL CENTER 555 S 70TH ST LINCOLN, NE 68510 47-0379836 | HEALTHCARE | NE | 501(C)(3) | 3 | CHI NEBRASKA | Yes | |

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

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Exempt Code section | (e) Public charity status (if section 501(c)(3)) | (f) Direct controlling entity | (g) Section 512 (b)(13) controlled entity? | |
|--|-------------------------|---|----------------------------|--|----------------------------------|---|----|
| | | | | | | Yes | No |
| (101) SAINT FRANCIS MEDICAL CENTER 2620 W FAIDLEY GRAND ISLAND, NE 68803 47-0376601 | HEALTHCARE | NE | 501(C)(3) | 3 | CHI NEBRASKA | Yes | |
| (1) SAINT FRANCIS MEDICAL CENTER FOUNDATION PO BOX 9804 GRAND ISLAND, NE 68802 47-0630267 | FUNDRAISING | NE | 501(C)(3) | 7 | SFMC | Yes | |
| (2) SAINT JOSEPH BEREА HOSPITAL FOUNDATION INC 305 ESTILL ST BEREA, KY 40403 26-0152877 | FUNDRAISING | KY | 501(C)(3) | 7 | SJHS | Yes | |
| (3) SAINT JOSEPH HEALTH SYSTEM INC 424 LEWIS HARGETT CIRCLE STE 160 LEXINGTON, KY 40503 61-1334601 | HEALTHCARE | KY | 501(C)(3) | 3 | KOH | Yes | |
| (4) SAINT JOSEPH HOSPITAL FOUNDATION INC ONE SAINT JOSEPH DRIVE LEXINGTON, KY 40504 61-1159649 | FUNDRAISING | KY | 501(C)(3) | 11 - Type I | SJHS | Yes | |
| (5) SAINT JOSEPH LONDON FOUNDATION INC 1001 SAINT JOSEPH LANE LONDON, KY 40741 26-0438748 | FUNDRAISING | KY | 501(C)(3) | 7 | SJHS | Yes | |
| (6) SAINT JOSEPH MEDICAL FOUNDATION INC 200 ABRAHAM FLEXNER WAY LOUISVILLE, KY 40202 31-1539059 | PHYSICIANS | KY | 501(C)(3) | 3 | SJHS | Yes | |
| (7) SAINT JOSEPH MOUNT STERLING FOUNDATION INC 225 FALCON DR MOUNT STERLING, KY 40353 27-2884584 | FUNDRAISING | KY | 501(C)(3) | 7 | SJHS | Yes | |
| (8) SAINT JOSEPH'S HOSPITAL FOUNDATION 30 WEST 7TH ST DICKINSON, ND 58601 36-3418207 | FUNDRAISING | ND | 501(C)(3) | 11 - Type I | SJHHC | Yes | |
| (9) SAMARITAN BEHAVIORAL HEALTH INC 601 S EDWIN C MOSES BLVD DAYTON, OH 45417 02-0633634 | HEALTHCARE | OH | 501(C)(3) | 7 | SHP | Yes | |
| (10) SAMARITAN HEALTH PARTNERS 110 N MAIN ST STE 500 DAYTON, OH 45402 31-1107411 | HEALTHCARE | OH | 501(C)(3) | 11 - Type I | CHI | Yes | |
| (11) SCHUYLER MEMORIAL HOSPITAL FOUNDATION INC 104 W 17TH ST SCHUYLER, NE 68661 36-3630014 | FUNDRAISING | NE | 501(C)(3) | 11 - Type I | AHMHS | Yes | |
| (12) SJRMC JOPLIN MISSOURI 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 44-0545809 | HEALTHCARE | MO | 501(C)(3) | 3 | CHI | Yes | |
| (13) SL AUGUSTA CORP PO BOX 20269 HOUSTON, TX 77225 76-0226623 | TITLE HOLDING | TX | 501(C)(2) | N/A | SLPC | Yes | |
| (14) ST ANTHONY HOSPITAL 1601 SE COURT AVE PENDLETON, OR 97801 93-0391614 | HEALTHCARE | OR | 501(C)(3) | 3 | CHI | Yes | |
| (15) ST ANTHONY HOSPITAL FOUNDATION 1601 SE COURT AVE PENDLETON, OR 97801 93-0992727 | FUNDRAISING | OR | 501(C)(3) | 11 - Type I | SAH | Yes | |
| (16) ST ANTHONY'S HOSPITAL ASSOCIATION FOUR HOSPITAL DR MORRILTON, AR 72110 71-0245507 | HEALTHCARE | AR | 501(C)(3) | 3 | SVIMC | Yes | |
| (17) ST CATHERINE HOSPITAL 401 EAST SPRUCE ST GARDEN CITY, KS 67846 48-0543721 | HEALTHCARE | KS | 501(C)(3) | 3 | CHI | Yes | |
| (18) ST CATHERINE HOSPITAL DEVELOPMENT FOUNDATION 401 EAST SPRUCE ST GARDEN CITY, KS 67846 20-0598702 | FUNDRAISING | KS | 501(C)(3) | 11 - Type I | SCH | Yes | |
| (19) ST DOMINIC OF ONTARIO OREGON 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 93-0433692 | HEALTHCARE | OR | 501(C)(4) | N/A | CHI | Yes | |

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

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Exempt Code section | (e) Public charity status (if section 501(c)(3)) | (f) Direct controlling entity | (g) Section 512(b)(13) controlled entity? | |
|--|-------------------------|--|----------------------------|---|----------------------------------|--|----|
| | | | | | | Yes | No |
| (121) ST FRANCIS HOME 2400 ST FRANCIS DR BRECKENRIDGE, MN 56520 41-0729978 | LTERM CARE | MN | 501(C)(3) | 9 | CHI | Yes | |
| (1) ST FRANCIS LIFE CARE CORPORATION 19 POCONO RD DENVER, NJ 07834 22-2536017 | ELDERLY CARE | NJ | 501(C)(3) | 9 | SCHS | Yes | |
| (2) ST FRANCIS MEDICAL CENTER 2400 ST FRANCIS DR BRECKENRIDGE, MN 56520 41-0695598 | HEALTHCARE | MN | 501(C)(3) | 3 | CHI | Yes | |
| (3) ST FRANCIS OF BAKER CITY 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 93-0412495 | HEALTHCARE | OR | 501(C)(3) | 3 | CHI | Yes | |
| (4) ST JOSEPH COMMUNITY HEALTH 1516 5TH ST NW ALBUQUERQUE, NM 87102 71-0897107 | COMMUNITY | NM | 501(C)(3) | 11 - Type I | CHI | Yes | |
| (5) ST JOSEPH HEALTH MINISTRIES 1929 LINCOLN HWY E STE 150 LANCASTER, PA 17602 23-2342997 | HEALTHCARE | PA | 501(C)(3) | 11 - Type I | CHI | Yes | |
| (6) ST JOSEPH MEDICAL CENTER FOUNDATION 2500 BERNVILLE RD PO BOX 316 READING, PA 19603 23-2649362 | FUNDRAISING | PA | 501(C)(3) | 11 - Type I | SJRHN | Yes | |
| (7) ST JOSEPH MEDICAL CENTER INC 201 INTERNATIONAL CIRCLE STE 212 HUNT VALLEY, MD 21030 52-0591461 | HEALTHCARE | MD | 501(C)(3) | 3 | CHI | Yes | |
| (8) ST JOSEPH MEDICAL GROUP 2500 BERNVILLE RD PO BOX 316 READING, PA 19603 20-8544021 | HEALTHCARE | PA | 501(C)(3) | 9 | BHC | Yes | |
| (9) ST JOSEPH PHYSICIAN ENTERPRISE INC 201 INTERNATIONAL CIRCLE STE 212 HUNT VALLEY, MD 21030 52-1311775 | PHYSICIANS | MD | 501(C)(3) | 11 - Type I | SJMC | Yes | |
| (10) ST JOSEPH REGIONAL HEALTH NETWORK 2500 BERNVILLE RD PO BOX 316 READING, PA 19603 23-1352211 | HEALTHCARE | PA | 501(C)(3) | 3 | CHI | Yes | |
| (11) ST JOSEPH'S AREA HEALTH SERVICES 600 PLEASANT AVE PARK RAPIDS, MN 56470 41-0695603 | HEALTHCARE | MN | 501(C)(3) | 3 | CHI | Yes | |
| (12) ST JOSEPH'S HOSPITAL AND HEALTH CENTER 30 WEST 7TH ST DICKINSON, ND 58601 45-0226429 | HEALTHCARE | ND | 501(C)(3) | 3 | CHI | Yes | |
| (13) ST LUKE'S COMMUNITY DEVELOPMENT CORPORATION 6624 FANNIN ST STE 2505 HOUSTON, TX 77030 26-0274448 | MANAGEMENT | TX | 501(C)(3) | 11 - Type I | SLHS | Yes | |
| (14) ST LUKE'S COMMUNITY DEVELOPMENT CORPORATION - PMC 6624 FANNIN ST STE 2505 HOUSTON, TX 77030 27-3733278 | HEALTHCARE | TX | 501(C)(3) | 3 | SLCDC | Yes | |
| (15) ST LUKE'S COMMUNITY DEVELOPMENT CORPORATION - SUGAR LAND 6624 FANNIN ST STE 2505 HOUSTON, TX 77030 26-1947374 | HEALTHCARE | TX | 501(C)(3) | 3 | SLHS | Yes | |
| (16) ST LUKE'S COMMUNITY DEVELOPMENT CORPORATION - THE WOODLANDS 6624 FANNIN ST STE 2505 HOUSTON, TX 77030 26-0335902 | HEALTHCARE | TX | 501(C)(3) | 3 | SLCDC | Yes | |
| (17) ST LUKE'S COMMUNITY HEALTH SERVICES 6624 FANNIN ST STE 1100 HOUSTON, TX 77030 76-0536234 | HEALTHCARE | TX | 501(C)(3) | 3 | SLHS | Yes | |
| (18) ST LUKE'S FOUNDATION 1213 HERMANN DRIVE STE 855 HOUSTON, TX 77004 45-3811485 | FUNDRAISING | TX | 501(C)(3) | 7 | SLHS | Yes | |
| (19) ST LUKE'S HEALTH SYSTEM CORPORATION 6624 FANNIN ST STE 1100 HOUSTON, TX 77030 76-0536232 | MANAGEMENT | TX | 501(C)(3) | 11 - Type I | CHI | Yes | |

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

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal domicile (state or foreign country) | (d) Exempt Code section | (e) Public charity status (if section 501(c) (3)) | (f) Direct controlling entity | (g) Section 512 (b)(13) controlled entity? | |
|--|-------------------------|--|-------------------------------|---|-------------------------------------|--|----|
| | | | | | | Yes | No |
| (141) ST LUKE'S HEALTH SYSTEM FOUNDATION 6624 FANNIN ST STE 1100 HOUSTON, TX 77030 76-0127715 | INVESTMENT MGMT | TX | 501(C)(3) | 11 - Type I | SLHS | Yes | |
| (1) ST LUKE'S HOSPITAL AT THE VINTAGE 6624 FANNIN ST STE 2505 HOUSTON, TX 77030 26-3734606 | HEALTHCARE | TX | 501(C)(3) | 3 | SLHS | Yes | |
| (2) ST LUKE'S MEDICAL GROUP 6624 FANNIN ST HOUSTON, TX 77030 76-0458535 | PHYSICIANS | TX | 501(C)(3) | 3 | SLHS | Yes | |
| (3) ST LUKE'S MEDICAL TOWER CORPORATION 6624 FANNIN ST STE 1100 HOUSTON, TX 77030 76-0531713 | PROPERTY MGMT | TX | 501(C)(3) | 11 - Type I | CHI-SLH | Yes | |
| (4) ST LUKE'S PROPERTIES CORPORATION 6624 FANNIN ST STE 1100 HOUSTON, TX 77030 76-0531716 | PROPERTY MGMT | TX | 501(C)(3) | 11 - Type I | SLHS | Yes | |
| (5) ST LUKE'S SUGAR LAND PROPERTIES CORPORATION 6624 FANNIN ST STE 2505 HOUSTON, TX 77030 45-4120549 | PROPERTY MGMT | TX | 501(C)(3) | 11 - Type I | SLCDC-SL | Yes | |
| (6) ST MARY'S COMMUNITY HOSPITAL 1314 3RD AVE NEBRASKA CITY, NE 68410 47-0443636 | HEALTHCARE | NE | 501(C)(3) | 3 | CHI NEBRASKA | Yes | |
| (7) ST MARY'S HOSPITAL FOUNDATION 1314 3RD AVE NEBRASKA CITY, NE 68410 47-0707604 | FUNDRAISING | NE | 501(C)(3) | 7 | SMCH | Yes | |
| (8) ST VINCENT FOUNDATION TWO ST VINCENT CIRCLE LITTLE ROCK, AR 72205 51-0169537 | FUNDRAISING | AR | 501(C)(3) | 11 - Type I | SVIMC | Yes | |
| (9) ST VINCENT INFIRMARY MEDICAL CENTER TWO ST VINCENT CIRCLE LITTLE ROCK, AR 72205 71-0236917 | HEALTHCARE | AR | 501(C)(3) | 3 | CHI | Yes | |
| (10) ST VINCENT MEDICAL GROUP TWO ST VINCENT CIRCLE LITTLE ROCK, AR 72205 71-0830696 | HEALTHCARE | AR | 501(C)(3) | 9 | SVIMC | Yes | |
| (11) THE GOOD SAMARITAN HOSPITAL OF CINCINNATI OH 619 OAK ST ACCOUNTING-3 W CINCINNATI, OH 45206 31-0537486 | HEALTHCARE | OH | 501(C)(3) | 3 | CHI | Yes | |
| (12) THE PHYSICIAN NETWORK 2000 Q ST STE 500 LINCOLN, NE 68503 47-0780857 | PHYSICIANS | NE | 501(C)(3) | 11 - Type I | CHI NEBRASKA | Yes | |
| (13) TOTAL HEALTHCARE 188 INVERNESS DRIVE WEST STE 500 ENGLEWOOD, CO 80112 84-0927232 | HEALTHCARE | CO | 501(C)(3) | 3 | CHIC | Yes | |
| (14) UNITY FAMILY HEALTHCARE 815 SE 2ND ST LITTLE FALLS, MN 56345 41-0721642 | HEALTHCARE | MN | 501(C)(3) | 3 | CHI | Yes | |
| (15) VILLA NAZARETH INC 801 PAGE DR FARGO, ND 58103 45-0226714 | LTERM CARE | ND | 501(C)(3) | 9 | CHI | Yes | |
| (16) VISITING NURSE ASSOCIATION OF ST CLARE'S INC 191 WOODPORT RD SPARTA, NJ 07871 22-1768334 | HOME HEALTH | NJ | 501(C)(3) | 9 | SCHS | Yes | |
| (17) WOODLANDS DOCTOR GROUP 17200 ST LUKES WAY STE 170 THE WOODLANDS, TX 77384 27-4499340 | PHYSICIANS | TX | 501(C)(3) | 9 | SLCHS | Yes | |

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

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal Domicile (State or Foreign Country) | (d) Direct Controlling Entity | (e) Predominant income (related, unrelated, excluded from tax under sections 512-514) | (f) Share of total income | (g) Share of end-of- year assets | (h) Disproportionate allocations? | | (i) Code V-UBI amount in Box 20 of K-1 (Form 1065) | (j) General or Managing Partner? | | (k) Percentage ownership |
|--|-------------------------|---|--|---|---------------------------------|--|---|----|--|--|----|--------------------------------|
| | | | | | | | Yes | No | | Yes | No | |
| ALEGENT HEALTH NORTHWEST IMAGING CENTER LLC 3606 N 156TH ST OMAHA, NE 68116 06-1786985 | OP DIAGNOSTICS | NE | ACH | RELATED | 116,752 | 776,649 | | No | 0 | Yes | | 51 % |
| AUDUBON LAND COMPANY LLC 5390 N ACADEMY BLVD STE 300 COLORADO SPRINGS, CO 80918 84-1513085 | REAL ESTATE | CO | CHIC | RELATED | 34,991 | 8,665,388 | | No | 0 | | No | 50 1 % |
| AVANTAS LLC 11128 JOHN GALT BLVD STE 400 OMAHA, NE 68137 39-2045003 | STAFFING OF NURSES | NE | AHBMHS | RELATED | -319,683 | 4,762,246 | | No | -439,535 | | No | 95 % |
| BERGAN MERCY SURGERY CENTER LLC 7710 MERCY RD STE 200 OMAHA, NE 68124 20-8671994 | AMBUL SURG CTR | NE | ACH | RELATED | 142,085 | 3,294,472 | | No | 0 | | No | 63 94 % |
| BERYWOOD OFFICE PROPERTIES LLC 400 BERYWOOD TRAIL CLEVELAND, TN 37312 62-1875199 | PHYS OFFICE | TN | MHCS | RELATED | 57,545 | 1,013,237 | | No | 0 | Yes | | 63 % |
| BLUEGRASS REGIONAL IMAGING CENTER 1218 SOUTH BRDWAY STE 310 LEXINGTON, KY 40504 61-1386736 | DIAGNOSTIC IMAGING | KY | SJHS | RELATED | 308,428 | 3,317,191 | | No | 0 | | No | 65 % |
| CATHOLIC HEALTH INITIATIVES PHYSICIAN SERVICES LLC 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 46-2945938 | PRACTICE MGMT SRVC | DE | CHI | RELATED | 2,478 | 4,571,498 | | No | 0 | Yes | | 80 % |
| CENTRAL NEBRASKA HOME CARE SERVICES PO BOX 1146 4502 N SECOND AVE KEARNEY, NE 68848 47-0692112 | HEALTHCARE SRVC | NE | NA | RELATED | -195,425 | 216,945 | | No | -77,269 | Yes | | 100 % |
| CENTRAL NEBRASKA REHAB SERVICE 620 DIERS AVE STE 300 GRAND ISLAND, NE 68803 81-0653461 | PHYSICAL THERAPY | NE | SFMC | RELATED | 2,132,606 | 3,494,427 | | No | 0 | | No | 51 % |
| CHI OPERATING INVESTMENT PROGRAM LP 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 47-0727942 | INVESTMENTS | CO | CHI | UNRELATED | 344,962,532 | 4,617,413,792 | | No | 0 | Yes | | 92 8 % |
| CHICAMSURG SURGERY CENTERS LLC 188 INVERNESS DRIVE WEST 500 ENGLEWOOD, CO 80112 11-1222333 | SURGERY CENTER | CO | CHIC | RELATED | 0 | 0 | | No | 0 | | No | 51 % |
| HC SL VINTAGE I LLC 18000 W SARAH LANE STE 250 BROOKFIELD, WI 53045 27-0453767 | PROPERTY HOLDING | WI | SL CDC-V | RELATED | 1,027,057 | 105,658,490 | | No | 0 | | No | 51 % |
| HEALTHCARE SUPPORT SERVICES PO BOX 9804 GRAND ISLAND, NE 68802 72-1546196 | LAUNDRY | NE | NA | RELATED | 98,584 | 3,190,678 | | No | 97,006 | | No | 100 % |
| HEARTLAND ONCOLOGY LLC 2337 E CRAWFORD ST SALINA, KS 67401 22-2333444 | ONCOLOGY | KS | SCH | RELATED | 0 | 0 | | No | 0 | | No | 51 % |
| HIGHLINE IMAGING LLC 275 SW 160TH ST BURIEN, WA 98166 20-0460005 | DIAGNOSTIC IMAGING | WA | HMC | RELATED | 375,761 | 1,784,057 | | No | 0 | | No | 80 % |

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

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|--|-------------------------|---|--|---|---------------------------------|--|--|----|--|--|----|--------------------------------|
| | | | | | | | Yes | No | | Yes | No | |
| LAKESIDE AMBULATORY SURGICAL CENTER LLC 17031 LAKESIDE HILLS DR OMAHA, NE 68130 20-4267902 | AMBUL SURG CTR | NE | ACH | RELATED | 3,465,880 | 1,951,221 | | No | 0 | | No | 51 % |
| LAKESIDE ENDOSCOPY CENTER LLC 17001 LAKESIDE HILLS PLZ STE 201 OMAHA, NE 68130 20-5544496 | ENDOSCOPY SRVC | NE | ACH | RELATED | 1,455,294 | 1,013,126 | | No | 0 | | No | 52 28 % |
| LINCOLN CK LEASING LLC 6003 OLD CHENEY RD LINCOLN, NE 68516 26-2496856 | REAL ESTATE | NE | SERMC | RELATED | 574,064 | 425,034 | | No | 0 | | No | 53 76 % |
| LOUISVILLE SC LTD 3000 RIVERCHASE GALLERIA STE 500 BIRMINGHAM, AL 35244 06-2119566 | SURGERY CENTER | AL | SCOFL | RELATED | 417,359 | 478,373 | | No | 0 | Yes | | 61 1 % |
| NEBRASKA SPINE HOSPITAL LLC 6901 N 72ND ST OMAHA, NE 68122 27-0263191 | SPINE HOSPITAL | NE | ACH | RELATED | 10,501,730 | 17,301,869 | | No | 0 | | No | 51 % |
| NORTH RIVER SURGERY CENTER LLC 2209 WILDWOOD AVE SHERWOOD, AR 72120 71-0799771 | AMBUL SURG CTR | AR | SVIMC | RELATED | 81,071 | 1,077,536 | | No | 0 | | No | 57 45 % |
| ORTHOCOLORADO LLC 11650 WEST 2ND PLACE LAKEWOOD, CO 80255 37-1577105 | ORTHO HOSPITAL | CO | THC | RELATED | 1,846,183 | 8,411,844 | | No | 0 | | No | 60 % |
| PENINSULA RADIATION ONCOLOGY LLC 315 MLK JR WAY STE 111 TACOMA, WA 98405 87-0808610 | HEALTHCARE SRVC | WA | FHS | RELATED | 256,567 | 3,262,002 | | No | 0 | | No | 60 % |
| PENRAD IMAGING 1390 KELLY JOHNSON BLVD COLORADO SPRINGS, CO 80920 84-1072619 | MEDICAL IMAGING | CO | CHIC | RELATED | 715,094 | 3,489,436 | | No | 0 | | No | 70 % |
| PMC HOSPITAL LLC 4600 E SAM HOUSTON PKWY SOUTH PASADENA, TX 77505 27-3280598 | HOSPITAL | TX | SL CDC- PMC | RELATED | 1,092,540 | 20,751,174 | | No | 0 | Yes | | 51 % |
| PRAIRIE HEALTH VENTURES LLC 421 S 9TH ST STE 102 LINCOLN, NE 68508 20-4962103 | TECH SRVC | NE | AH-IMC | RELATED | 1,011,804 | 5,564,586 | | No | 68,565 | Yes | | 65 75 % |
| PREMIER SURGERY CENTER OF LOUISVILLE LP 3000 RIVERCHASE GALLERIA STE 500 BIRMINGHAM, AL 35244 72-1378216 | SURGERY CENTER | AL | SCA | RELATED | 88,900 | 254,399 | | No | 0 | Yes | | 51 % |
| PUEBLO AMBULATORY SURGERY CENTER LLC 188 INVERNESS DRIVE WEST 500 ENGLEWOOD, CO 80112 62-1488737 | SURGERY CENTER | CO | CHIC | RELATED | 0 | 0 | | No | 0 | | No | 51 % |
| SAINT JOSEPH - PAML LLC 424 LEWIS HARGETT CIRCLE STE 160 LEXINGTON, KY 40503 45-2116736 | MGMT SVCS | KY | SJHS | RELATED | -52,573 | 93,769 | | No | 0 | Yes | | 62 5 % |
| SAINT JOSEPH - SCA HOLDINGS LLC 1451 HARRODSBURG RD LEXINGTON, KY 40503 45-3801157 | OP SURGERY | DE | SJHS | RELATED | 0 | 0 | | No | 0 | Yes | | 51 % |

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

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|--|-------------------------|---|--|---|---------------------------------|--|--|----|--|--|----|--------------------------------|
| | | | | | | | Yes | No | | Yes | No | |
| SAINT JOSEPH-ANC HOME CARE SERVICES 1700 EDISON DR MILFORD, OH 45150 26-3330545 | HOME HEALTH | KY | JH | RELATED | 88,608 | 256,606 | | No | 0 | | No | 100 % |
| SCA PREMIER SURGERY CENTER OF LOUISVILLE LLC 200 ABRAHAM FLEXNER WAY LOUISVILLE, KY 40202 72-1386840 | SURGERY CENTER | KY | JH | RELATED | 42,319 | 631,595 | | No | 0 | Yes | | 51 % |
| ST FRANCIS LAND COMPANY 5390 N ACADEMY BLVD STE 300 COLORADO SPRINGS, CO 80918 26-3134100 | REAL ESTATE | CO | CHIC | RELATED | -130,967 | 13,823,763 | | No | 0 | | No | 51 % |
| ST FRANCIS MEDICAL CENTER ASSOCIATES 1717 SOUTH J ST TACOMA, WA 98405 91-1352698 | MED OFFICE | WA | FHS | RELATED | 238,717 | 19,017,063 | | No | 0 | | No | 54 21 % |
| ST LUKE'S DIAGNOSTIC CATH LAB LLP 6620 MAIN ST STE 1520 HOUSTON, TX 77030 71-0959365 | DIAGNOSTICS | TX | SLHS HOLDINGS | RELATED | 273,448 | 868,814 | | No | 0 | | No | 57 3 % |
| ST LUKE'S HOSPITAL AT THE VINTAGE LLC 6624 FANNIN STE 2505 HOUSTON, TX 77030 26-3734516 | HOSPITAL | TX | SLHS | RELATED | -19,253,743 | 69,158,748 | | No | 0 | Yes | | 51 % |
| ST LUKE'S LAKESIDE HOSPITAL LLC 6624 FANNIN STE 2505 HOUSTON, TX 77030 30-0427437 | HOSPITAL | TX | SL CDC-W | RELATED | 1,106,628 | 25,874,619 | | No | 0 | Yes | | 51 % |
| ST LUKE'S THE WOODLANDS SLEEP CENTER LLC 6624 FANNIN STE 800 HOUSTON, TX 77030 46-2795726 | DIAGNOSTICS | TX | SLHSH | RELATED | 0 | 0 | | No | 0 | Yes | | 50 % |
| SUPERIOR MEDICAL IMAGING LLC 5000 NORTH 26TH ST LINCOLN, NE 68521 26-2884555 | OP DIAGNOSTICS | NE | SERMC | RELATED | -200,323 | 821,112 | | No | 0 | Yes | | 51 % |
| SURGERY CENTER OF LEXINGTON LLC 424 LEWIS HARGETT CIRCLE STE 160 LEXINGTON, KY 40503 62-1179539 | SURGERY CENTER | DE | SJHS | RELATED | -200,318 | 4,079,584 | | No | 0 | Yes | | 51 % |
| SURGERY CENTER OF LOUISVILLE LLC 200 ABRAHAM FLEXNER WAY LOUISVILLE, KY 40202 62-1179537 | SURGERY CENTER | KY | JH | RELATED | -15,452 | 396,101 | | No | 0 | Yes | | 51 % |
| COLORADO SPRINGS CK LEASING LLC 8770 W BRYN MAWR SUITE 1370 CHICAGO, IL 60631 26-2982714 | REAL ESTATE | IL | NA | UNRELATED | 95,765 | 1,039,682 | | No | | | No | 66 % |

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal Domicile (State or Foreign Country) | (d) Direct Controlling Entity | (e) Type of entity (C corp, S corp, or trust) | (f) Share of total income | (g) Share of end-of-year assets | (h) Percentage ownership | (i) Section 512(b)(13) controlled entity? | |
|---|-------------------------|--|----------------------------------|--|------------------------------|------------------------------------|-----------------------------|--|----|
| | | | | | | | | Yes | No |
| ALEAGENT HEALTHCAREIGHTON ST JOSEPH MANAGED CARE SERVICES INC 12809 WEST DODGE RD OMAHA, NE 68154 47-0802396 | MANAGED CARE | NE | CHI NEBRASKA | C CORPORATION | 5,312,313 | 4,520,865 | 100 % | Yes | |
| ALL SAINTS INSURANCE COMPANY SPC LTD | INSURANCE | CJ | CHI | C CORPORATION | 0 | 43,866,961 | 100 % | Yes | |
| ALTERNATIVE INSURANCE MANAGEMENT SERVICE 3900 OLYMPIC BLVD STE 400 ERLANGER, KY 41018 84-1112049 | MANAGEMENT SERVICES | CO | CHI | C CORPORATION | 0 | 6,272,746 | 100 % | Yes | |
| AMERICAN NURSING CARE INC 1700 EDISON DR MILFORD, OH 45150 31-1085414 | HOME HEALTH | OH | CHS | C CORPORATION | 5,118,606 | 51,920,207 | 100 % | Yes | |
| AMERIMED INC 1700 EDISON DR MILFORD, OH 45150 31-1158699 | HOME HEALTH | OH | ANC | C CORPORATION | 2,134,392 | 14,669,219 | 100 % | Yes | |
| BC HOLDING COMPANY INC 1850 BLUEGRASS AVE LOUISVILLE, KY 40215 31-1542851 | FITNESS CLUB | KY | JHSMH | C CORPORATION | 0 | 0 | 100 % | Yes | |
| CADUCEUS MEDICAL ASSOCIATES INC 2525 DE SALES AVE CHATTANOOGA, TN 37404 62-1570736 | HEALTHCARE | TN | MHCS | C CORPORATION | 0 | 1,008 | 100 % | Yes | |
| CAPTIVE MANAGEMENT INITIATIVES LTD PO BOX 10073 APO GEORGETOWN, GRAND CAYMAN KY1-1001 CJ 98-0663022 | CAPTIVE MANAGEMENT | CJ | CHI | C CORPORATION | 0 | 0 | 100 % | Yes | |
| CARMONA-DESOTO BUILDING HORIZONTAL PROPERTY REGIME INC 300 WERNER ST HOT SPRINGS, AR 71913 71-0771076 | HEALTHCARE | AR | CHI-SVHS | C CORPORATION | 0 | 0 | 100 % | Yes | |
| CATHOLIC HEALTH INITIATIVES CENTER FOR TRANSLATIONAL RESEARCH 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 27-2269511 | RESEARCH | CO | CIRI | TRUST | -2,286,538 | 1,241,259 | 100 % | Yes | |
| CGH REALTY COMPANY INC 2500 BERNVILLE RD READING, PA 19603 23-2326801 | REAL ESTATE | PA | SJHM | C CORPORATION | 0 | 0 | 100 % | Yes | |
| CHI ST LUKE'S HEALTH BAYLOR COLLEGE OF MEDICINE MEDICAL CENTER CONDO ASSOC 6624 FANNIN STE 2505 HOUSTON, TX 77030 45-5079545 | CONDO ASSOC | TX | CHI-SLHBCM | C CORPORATION | 0 | 0 | 100 % | Yes | |
| CLEARRIVER HEALTH 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 46-4495960 | INSURANCE | TN | PHPSI | C CORPORATION | 0 | 0 | 100 % | Yes | |
| COMCARE SERVICES INC 5570 DTC PARKWAY ENGLEWOOD, CO 80111 84-0904813 | INACTIVE | CO | CHIC | C CORPORATION | 0 | 0 | 100 % | Yes | |
| CONSOLIDATED HEALTH SERVICES 1700 EDISON DR MILFORD, OH 45150 31-1378212 | HOME HEALTH | OH | CHI | C CORPORATION | -879,467 | 52,379,487 | 100 % | Yes | |

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust

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|---|-------------------------|--|----------------------------------|--|------------------------------|------------------------------------|-----------------------------|--|----|
| | | | | | | | | Yes | No |
| DES MOINES MEDICAL CENTER INC 1111 6TH AVE DES MOINES, IA 50314 42-0837382 | REAL ESTATE | IA | CHI-IA CORP | C CORPORATION | 67,314 | 1,064,032 | 92 98 % | Yes | |
| EAST TEXAS CLINICAL SERVICES INC 2801 VIA FORTUNA 500 AUSTIN, TX 78746 45-4736213 | HEALTHCARE | TX | MHSET | C CORPORATION | 632,545 | 16,782 | 100 % | Yes | |
| FIRST INITIATIVES INSURANCE LTD PO BOX 10073 APO GEORGETOWN, GRAND CAYMAN KY1-1001 CJ 98-0203038 | INSURANCE | CJ | CHI | C CORPORATION | 0 | 0 | 100 % | Yes | |
| FRANCISCAN SERVICES INC 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 23-2487967 | HEALTHCARE | CO | CHI | C CORPORATION | 434,854 | 718,254 | 100 % | Yes | |
| GOOD SAMARITAN OUTREACH SERVICES PO BOX 1990 KEARNEY, NE 68848 47-0659440 | MEDICAL CLINIC | NE | CHI NEBRASKA | C CORPORATION | -7,280 | 180,468 | 100 % | Yes | |
| HEALTH SYSTEMS ENTERPRISES INC PO BOX 1990 KEARNEY, NE 68848 47-0664558 | MGMT | NE | GSH | C CORPORATION | 87,278 | 1,377,820 | 100 % | Yes | |
| HEALTHCARE MGMT SERVICES ORGANIZATION INC 1717 SOUTH J ST TACOMA, WA 98405 91-1865474 | HEALTH ORG | WA | FHS | C CORPORATION | 0 | 0 | 100 % | Yes | |
| HEARTLANDPLAINS HEALTH 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 46-4368223 | INSURANCE | NE | PHPSI | C CORPORATION | 0 | 0 | 100 % | Yes | |
| HIGHLINE MEDICAL GROUP 15811 AMBAUM BLVD SW STE 170 BURIEN, WA 98166 91-1586438 | MEDICAL SERVICES | WA | HMC | C CORPORATION | -6,049,147 | 5,689,139 | 100 % | Yes | |
| MEDQUEST 1602 WEST 11TH ST WILLISTON, ND 58801 45-0392137 | SALE OF DME | ND | MMC WILLISTON | C CORPORATION | | 1,152,715 | 100 % | Yes | |
| MERCY PARK APARTMENTS LTD 1111 6TH AVE DES MOINES, IA 50314 42-1202422 | HOUSING | IA | CHI-IA CORP | C CORPORATION | 273,525 | 1,937,218 | 100 % | Yes | |
| MERCY SERVICES CORP 2700 STEWART PARKWAY ROSEBURG, OR 97471 93-0824308 | RETAIL SALES | OR | MMC | C CORPORATION | 0 | 142,337 | 100 % | Yes | |
| MHI CLINICAL SERVICES 1201 W FRANK AVE LUFKIN, TX 75904 46-1967952 | HEALTHCARE | TX | MHSET | C CORPORATION | 0 | 0 | 100 % | Yes | |
| MOUNTAIN MANAGEMENT SERVICES INC 6028 SHALLOWFORD RD CHATTANOOGA, TN 37421 62-1570739 | MGMT SVC ORG | TN | MHCS | C CORPORATION | 96,044 | 6,465,179 | 100 % | Yes | |
| NAZARETH ASSURANCE COMPANY PO BOX 10073 APO GEORGETOWN, GRAND CAYMAN KY1-1001 CJ 03-0304831 | INSURANCE | CJ | CHI | C CORPORATION | 0 | 0 | 100 % | Yes | |

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust

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|---|-------------------------|--|----------------------------------|--|------------------------------|------------------------------------|-----------------------------|--|----|
| | | | | | | | | Yes | No |
| PATIENT TRANSPORT SERVICES INC 1700 EDISON DR MILFORD, OH 45150 31-1100798 | HOME HEALTH | OH | ANC | C CORPORATION | -164,340 | 5,488,275 | 100 % | Yes | |
| PHYSICIANHEALTH SYSTEM NETWORK 1149 MARKET ST TACOMA, WA 98402 91-1746721 | HEALTH ORG | WA | FHS | C CORPORATION | 0 | 0 | 100 % | Yes | |
| PROMINENCE HEALTH PLAN SERVICES INC (FKA COLLABHEALTH PLAN SERVICES INC) 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 46-1224037 | ADMIN SERVICES | CO | PHI | C CORPORATION | -5,339,325 | 38,272,608 | 100 % | Yes | |
| PROMINENCE HEALTH INC (FKA COLLABHEALTH MANAGED SOLUTIONS INC) 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 46-1222808 | HOLDING CO | CO | CHI | C CORPORATION | 0 | 23,806,707 | 100 % | Yes | |
| QCA HEALTH PLAN INC 12615 CHENAL PARKWAY STE 300 LITTLE ROCK, AR 72211 71-0794605 | INSURANCE | AR | QCHI | C CORPORATION | 0 | 0 | 100 % | Yes | |
| QUALCHOICE HOLDINGS INC 12615 CHENAL PARKWAY STE 300 LITTLE ROCK, AR 72211 27-4075520 | HOLDING CO | AR | PHPS | C CORPORATION | 0 | 0 | 100 % | Yes | |
| QUALCHOICE LIFE AND HEALTH INSURANCE COMPANY INC 12615 CHENAL PARKWAY STE 300 LITTLE ROCK, AR 72211 71-0386640 | INSURANCE | AR | QCH | C CORPORATION | 0 | 0 | 100 % | Yes | |
| RIVERLINK HEALTH 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 46-4380824 | INSURANCE | OH | PHPS | C CORPORATION | 0 | 0 | 100 % | Yes | |
| RIVERLINK HEALTH OF KENTUCKY INC 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 46-4828332 | INSURANCE | KY | PHPS | C CORPORATION | 0 | 0 | 100 % | Yes | |
| SAINT CLARE'S PRIMARY CARE INC 66 FORD RD DENVER, NJ 07834 22-2441202 | BILLING SERVICES | NJ | SCCC | C CORPORATION | -235,604 | 1,361,242 | 100 % | Yes | |
| SAMARITAN FAMILY CARE INC 40 W FOURTH ST STE 1700 DAYTON, OH 45402 31-1299450 | HEALTHCARE | OH | SHP | C CORPORATION | 0 | 0 | 100 % | Yes | |
| SJH SERVICES CORPORATION 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 23-2307408 | HEALTHCARE | CO | FSI | C CORPORATION | -197,039 | 3,331,737 | 100 % | Yes | |
| SJL PHYSICIAN MANAGEMENT SERVICES INC 424 LEWIS HARGETT CR STE 160 LEXINGTON, KY 40503 27-0164198 | MGMT | KY | SJHS | C CORPORATION | 0 | 0 | 100 % | Yes | |
| SLMT PARKING INC 6624 FANNIN STE 800 HOUSTON, TX 77030 76-0637140 | PARKING | TX | SLHS | C CORPORATION | 1,117,934 | 13,768,221 | 100 % | Yes | |
| SOUNDPATH HEALTH INC 32129 WEYERHAEUSER WAY S STE 201 FEDERAL WAY, WA 98001 42-1720801 | INSURANCE | WA | PHPS | C CORPORATION | -154,741 | 10,976,973 | 62 6 % | Yes | |

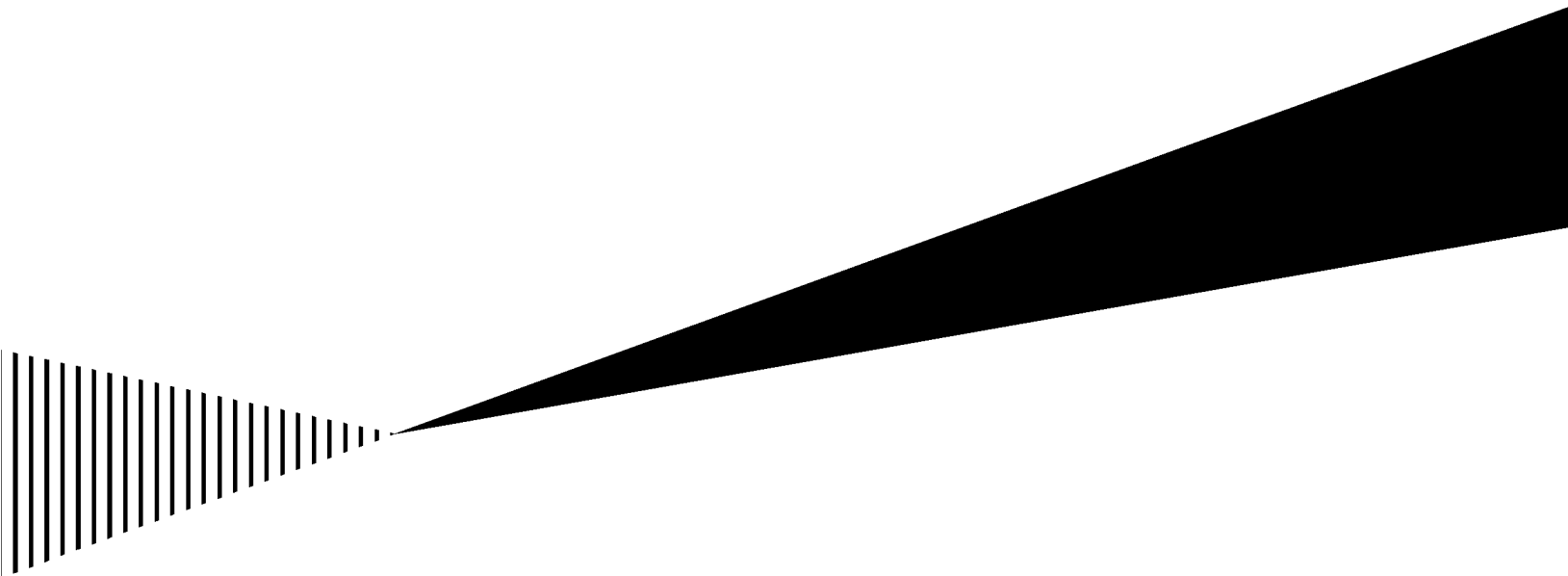
Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust

| (a) Name, address, and EIN of related organization | (b) Primary activity | (c) Legal Domicile (State or Foreign Country) | (d) Direct Controlling Entity | (e) Type of entity (C corp, S corp, or trust) | (f) Share of total income | (g) Share of end-of-year assets | (h) Percentage ownership | (i) Section 512(b)(13) controlled entity? | |
|--|-------------------------|--|----------------------------------|--|------------------------------|------------------------------------|-----------------------------|--|----|
| | | | | | | | | Yes | No |
| ST ANTHONY DEVELOPMENT COMPANY 1415 SOUTHGATE PENDLETON, OR 97801 93-1216943 | ATHLETIC CLUB | OR | SAH | C CORPORATION | 114,663 | 2,936,102 | 100 % | Yes | |
| ST JOSEPH DEVELOPMENT COMPANY INC 1717 SOUTH J ST TACOMA, WA 98405 91-1480569 | RENTAL | WA | FSI | C CORPORATION | 63,164 | 11,845,439 | 100 % | Yes | |
| ST JOSEPH OFFICE PARK ASSOCIATION 1401 HARRODSBURG RD BLDG B70 LEXINGTON, KY 40504 61-1079899 | MGMT | KY | SJHS | C CORPORATION | 0 | 882,139 | 85 % | Yes | |
| ST LUKE'S 6620 MAIN CONDOMINIUM ASSOCIATION 6624 FANNIN STE 2505 HOUSTON, TX 77030 30-0355517 | CONDO ASSOC | TX | SLPC | C CORPORATION | 0 | 0 | 100 % | Yes | |
| ST LUKE'S ANESTHESIOLOGY ASSOCIATES 6624 FANNIN STE 1100 HOUSTON, TX 77030 46-1517163 | MEDICAL CLINIC | TX | CHI-SLH | C CORPORATION | 0 | 0 | 100 % | Yes | |
| ST LUKE'S EPISCOPAL HOSPITAL PHYSICIAN HOSPITAL ORGANIZATION INC 6720 BERTNER MC4-262 HOUSTON, TX 77030 76-0377932 | PHO | TX | CHI-SLH | C CORPORATION | 6 | 0 | 60 % | Yes | |
| ST LUKE'S HEALTH SYSTEM HOLDINGS INC (FKA SLEHS HOLDINGS INC) 6624 FANNIN STE 800 HOUSTON, TX 77030 76-0637138 | HOLDING CO | TX | SLHS | C CORPORATION | 1,425,313 | 33,114,103 | 100 % | Yes | |
| ST LUKE'S MEDICAL ARTS CENTER I CONDOMINIUM ASSOCIATION 6624 FANNIN STE 2505 HOUSTON, TX 77030 30-0355518 | CONDO ASSOC | TX | SLPC | C CORPORATION | 0 | 0 | 100 % | Yes | |
| ST LUKE'S MEDICAL TOWER CONDOMINIUM ASSOCIATION 6624 FANNIN STE 2505 HOUSTON, TX 77030 76-0298751 | CONDO ASSOC | TX | SLMTC | C CORPORATION | 0 | 0 | 100 % | Yes | |
| ST VINCENT COMMUNITY HEALTH SERVICES INC TWO ST VINCENT CIRCLE LITTLE ROCK, AR 72205 71-0710785 | HEALTHCARE | AR | SVIMC | C CORPORATION | 2,408,638 | 15,225,732 | 100 % | Yes | |
| STABLEVIEW HEALTH INC 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112 46-4373713 | INSURANCE | KY | PHPS | C CORPORATION | 0 | 0 | 100 % | Yes | |
| SUGAR LAND DOCTOR GROUP 1317 LAKE POINTE PARKWAY SUGAR LAND, TX 77478 45-4270163 | MEDICAL CLINIC | TX | SLCDC-SL | C CORPORATION | 0 | 0 | 100 % | Yes | |
| THE TEXAS HEART INSTITUTE AT ST LUKE'S EPISCOPAL HOSPITAL DENTON A COOLEY BUILDING COMDOMINIUM ASSOCIATION 6624 FANNIN STE 2505 HOUSTON, TX 77030 90-0064009 | CONDO ASSOC | TX | CHI-SLH | C CORPORATION | 0 | 0 | 100 % | Yes | |
| TOWSON MANAGEMENT INC 7601 OSLER DR TOWSON, MD 21204 52-1710750 | MGMT SERVICES | MD | FSI | C CORPORATION | 516,457 | 197,196 | 100 % | Yes | |

CONSOLIDATED FINANCIAL STATEMENTS AND
REPORTS ON FEDERAL AWARD PROGRAMS

Catholic Health Initiatives
Year Ended June 30, 2014
With Reports of Independent Auditors

Ernst & Young LLP



**Building a better
working world**

Catholic Health Initiatives
Consolidated Financial Statements and
Reports on Federal Award Programs
Year Ended June 30, 2014

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Report of Independent Auditors

The Board of Stewardship Trustees
Catholic Health Initiatives

We have audited the accompanying consolidated financial statements of Catholic Health Initiatives, which comprise the consolidated balance sheets as of June 30, 2014 and 2013, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free 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 Catholic Health Initiatives 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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated September 17, 2014, on our consideration of Catholic Health Initiatives' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Catholic Health Initiatives' internal control over financial reporting and compliance.

Ernst & Young LLP

September 17, 2014

Catholic Health Initiatives

Consolidated Balance Sheets (In Thousands)

| | June 30 | |
|--|----------------------|----------------------|
| | 2014 | 2013 |
| Assets | | |
| Current assets | | |
| Cash and equivalents | \$ 1,042,748 | \$ 609,226 |
| Net patient accounts receivable, less allowances for bad debt of \$924,395 and \$858,394 at 2014 and 2013, respectively | 1,997,468 | 1,755,348 |
| Other accounts receivable | 286,673 | 197,917 |
| Current portion of investments and assets limited as to use | 24,732 | 11,697 |
| Inventories | 271,664 | 247,720 |
| Assets held for sale | 202,066 | 215,777 |
| Prepaid and other | 197,668 | 137,776 |
| Total current assets | 4,023,019 | 3,175,461 |
| Investments and assets limited as to use | | |
| Internally designated for capital and other funds | 5,310,967 | 5,452,023 |
| Mission and ministry fund | 137,099 | 121,109 |
| Capital resource pool | 515,338 | 416,938 |
| Held by trustees | 53,574 | 16,726 |
| Held for insurance purposes | 828,078 | 825,885 |
| Restricted by donors | 296,472 | 266,325 |
| Total investments and assets limited as to use | 7,141,528 | 7,099,006 |
| Property and equipment, net | 8,942,520 | 7,786,240 |
| Deferred financing costs | 43,074 | 36,557 |
| Investments in unconsolidated organizations | 608,088 | 416,816 |
| Intangible assets and goodwill, net | 553,462 | 364,751 |
| Notes receivable and other | 500,886 | 430,888 |
| Total assets | <u>\$ 21,812,577</u> | <u>\$ 19,309,719</u> |

| | June 30 | |
|---|----------------------|----------------------|
| | 2014 | 2013 |
| Liabilities and net assets | | |
| Current liabilities | | |
| Compensation and benefits | \$ 679,575 | \$ 600,837 |
| Third-party liabilities, net | 123,804 | 110,571 |
| Accounts payable and accrued expenses | 1,446,233 | 1,066,930 |
| Liabilities held for sale | 104,117 | 91,412 |
| Variable-rate debt with self liquidity | 521,455 | 321,455 |
| Commercial paper and current portion of debt | 711,408 | 749,617 |
| Total current liabilities | 3,586,592 | 2,940,822 |
| Pension liability | 496,358 | 472,852 |
| Self-insured reserves and claims | 634,718 | 616,652 |
| Other liabilities | 831,615 | 698,283 |
| Long-term debt | 7,146,399 | 6,334,985 |
| Total liabilities | 12,695,682 | 11,063,594 |
| Net assets | | |
| Net assets attributable to CHI | 8,289,188 | 7,769,310 |
| Net assets attributable to noncontrolling interests | 469,296 | 175,663 |
| Unrestricted | 8,758,484 | 7,944,973 |
| Temporarily restricted | 265,639 | 214,524 |
| Permanently restricted | 92,772 | 86,628 |
| Total net assets | 9,116,895 | 8,246,125 |
| Total liabilities and net assets | <u>\$ 21,812,577</u> | <u>\$ 19,309,719</u> |

See accompanying notes.

Catholic Health Initiatives

Consolidated Statements of Operations (In Thousands)

| | Year Ended June 30 | |
|--|--------------------|---------------|
| | 2014 | 2013 |
| Revenues | | |
| Net patient services revenues before provision for doubtful accounts | \$ 13,372,955 | \$ 10,714,455 |
| Provision for doubtful accounts | (965,711) | (821,465) |
| Net patient services revenues | 12,407,244 | 9,892,990 |
| Nonpatient | | |
| Donations | 32,366 | 31,089 |
| Changes in equity of unconsolidated organizations | 26,922 | 19,056 |
| Investment income used for operations | 101,874 | 66,529 |
| Gains on business combinations | 421,955 | 76,425 |
| Hospital nonpatient revenues | 294,021 | 209,413 |
| Insurance premium revenues | 171,465 | 50,503 |
| Other | 432,826 | 362,220 |
| Total nonpatient revenues | 1,481,429 | 815,235 |
| Total operating revenues | 13,888,673 | 10,708,225 |
| Expenses | | |
| Salaries and wages | 5,554,984 | 4,424,404 |
| Employee benefits | 1,072,850 | 970,824 |
| Purchased services, medical professional fees, consulting and legal | 1,945,579 | 1,361,778 |
| Supplies | 2,346,879 | 1,832,984 |
| Utilities | 197,479 | 152,979 |
| Rentals, leases, maintenance and insurance | 875,833 | 616,683 |
| Depreciation and amortization | 698,772 | 555,064 |
| Interest | 235,440 | 164,353 |
| Other | 857,334 | 624,756 |
| Total operating expenses before restructuring, impairment and other losses | 13,785,150 | 10,703,825 |
| Income from operations before restructuring, impairment and other losses | 103,523 | 4,400 |
| Restructuring, impairment, and other losses | 117,514 | 59,343 |
| Loss from operations | (13,991) | (54,943) |
| Nonoperating gains (losses) | | |
| Investment income, net | 748,374 | 488,824 |
| Loss on defeasance of bonds | (5,625) | (17,998) |
| Realized and unrealized (losses) gains on interest rate swaps | (39,424) | 65,843 |
| Other nonoperating (losses) gains | (55,367) | 7,977 |
| Total nonoperating gains | 647,958 | 544,646 |
| Excess of revenues over expenses | 633,967 | 489,703 |
| Deficit of revenues over expenses attributable to noncontrolling interest | 5,686 | 37 |
| Excess of revenues over expenses attributable to CHI | \$ 639,653 | \$ 489,740 |

See accompanying notes

Catholic Health Initiatives

Consolidated Statements of Changes in Net Assets (In Thousands)

| | Unrestricted Net Assets | | | Temporarily | Permanently | Total Net |
|---|-------------------------|--------------------------|---------------------|-------------------|------------------|---------------------|
| | Attributable to | Attributable to | Total | Restricted Net | Restricted Net | Assets |
| | CHI | Noncontrolling Interests | | Assets | Assets | |
| Balances, July 1, 2012 | \$ 6,922,466 | \$ 180,863 | \$ 7,103,329 | \$ 136,821 | \$ 68,033 | \$ 7,308,183 |
| Excess of revenues over expenses | 489,740 | (37) | 489,703 | — | — | 489,703 |
| Net loss from discontinued operations | (108,594) | — | (108,594) | — | — | (108,594) |
| Decrease in pension funded status | 483,468 | 2,082 | 485,550 | — | — | 485,550 |
| Temporarily and permanently restricted contributions | — | — | — | 33,056 | (1,554) | 31,502 |
| Net assets released from restriction for capital | 15,791 | — | 15,791 | (15,791) | — | — |
| Net assets released from restriction for operations | — | — | — | (15,728) | — | (15,728) |
| Investment (loss) income | (45) | — | (45) | 5,393 | 1,280 | 6,628 |
| Temporarily and permanently restricted assets from acquisitions | — | — | — | 74,253 | 19,171 | 93,424 |
| Other changes in net assets | (33,516) | (7,245) | (40,761) | (3,480) | (302) | (44,543) |
| Net increase (decrease) in net assets | 846,844 | (5,200) | 841,644 | 77,703 | 18,595 | 937,942 |
| Balances, June 30, 2013 | 7,769,310 | 175,663 | 7,944,973 | 214,524 | 86,628 | 8,246,125 |
| Excess of revenues over expenses | 639,653 | (5,686) | 633,967 | — | — | 633,967 |
| Net loss from discontinued operations | (14,768) | — | (14,768) | — | — | (14,768) |
| Increase in pension funded status | (47,282) | (809) | (48,091) | — | — | (48,091) |
| Temporarily and permanently restricted contributions | — | — | — | 50,957 | 523 | 51,480 |
| Net assets released from restriction for capital | 20,776 | — | 20,776 | (20,776) | — | — |
| Net assets released from restriction for operations | — | — | — | (17,887) | — | (17,887) |
| Investment (loss) income | (40) | — | (40) | 14,701 | 2,218 | 16,879 |
| Temporarily and permanently restricted assets from acquisitions | — | — | — | 24,197 | 2,003 | 26,200 |
| Noncontrolling interest issued | — | 286,125 | 286,125 | 12,600 | — | 298,725 |
| Other changes in net assets | (78,461) | 14,003 | (64,458) | (12,677) | 1,400 | (75,735) |
| Net increase in net assets | 519,878 | 293,633 | 813,511 | 51,115 | 6,144 | 870,770 |
| Balances, June 30, 2014 | \$ 8,289,188 | \$ 469,296 | \$ 8,758,484 | \$ 265,639 | \$ 92,772 | \$ 9,116,895 |

See accompanying notes

Catholic Health Initiatives

Consolidated Statements of Cash Flows (In Thousands)

| | Year Ended June 30 | |
|---|--------------------|-------------|
| | 2014 | 2013 |
| Operating activities | | |
| Increase in net assets | \$ 870,770 | \$ 937,942 |
| Adjustments to reconcile increase in net assets to net cash provided by operating activities | | |
| Depreciation and amortization | 698,772 | 555,064 |
| Provision for bad debts | 965,711 | 821,465 |
| Changes in equity of unconsolidated organizations | (26,922) | (19,056) |
| Net gains on business combinations | (421,955) | (76,425) |
| Net gains on sales of facilities and investments in unconsolidated organizations | (17,116) | (9,544) |
| Noncash operating expenses related to restructuring, impairment and other losses | 85,709 | 4,872 |
| Loss on defeasance of bonds | 5,625 | 17,998 |
| Increase in fair value of interest rate swaps | (10,200) | (98,799) |
| Decrease in unfunded pension liability | (1,488) | (484,049) |
| Net changes in current assets and liabilities | | |
| Net patient and other accounts receivable | (1,147,685) | (1,067,716) |
| Other current assets | (55,976) | (6,725) |
| Current liabilities | 278,147 | 89,868 |
| Noncontrolling interest issued | (298,725) | — |
| Other changes | (604) | 193,461 |
| Net cash provided by operating activities, before net change in investments, and assets limited as to use | 924,063 | 858,356 |
| Net decrease in investments and assets limited as to use | 239,686 | 474,258 |
| Net cash provided by operating activities | 1,163,749 | 1,332,614 |
| Investing activities | | |
| Purchases of property, equipment and other capital assets | (1,478,741) | (1,285,330) |
| Net cash on contributions and acquisitions | 70,851 | 67,696 |
| Purchase of CHI St. Vincent Hot Springs, net of cash acquired | (59,571) | — |
| Purchase of CHI St. Luke's Health System, net of cash acquired | — | (961,014) |
| Purchase of Alegent Creighton Health, net of cash acquired | — | (505,542) |
| Net cash proceeds from asset sales | 71,639 | 218,002 |
| Distributions from investments in unconsolidated organizations | 45,991 | 35,224 |
| Cash from net repayments of notes receivable | 12,004 | 2,843 |
| Other changes | 19,715 | 35,306 |
| Net cash used in investing activities | (1,318,112) | (2,392,815) |
| Financing activities | | |
| Proceeds from issuance of debt and bank loans | 1,899,065 | 1,591,465 |
| Costs associated with issuance of debt | (11,354) | (12,170) |
| Repayment of debt | (1,299,826) | (313,840) |
| Proceeds from bank loans | — | — |
| Net cash provided by financing activities | 587,885 | 1,265,455 |
| Increase in cash and equivalents | 433,522 | 205,254 |
| Cash and equivalents at beginning of year | 609,226 | 403,972 |
| Cash and equivalents at end of year | \$ 1,042,748 | \$ 609,226 |
| Supplemental disclosures of cash flow information | | |
| Cash paid during the year for interest, including amounts capitalized | \$ 272,627 | \$ 199,413 |

See accompanying notes

Catholic Health Initiatives

Notes to Consolidated Financial Statements

June 30, 2014

1. Summary of Significant Accounting Policies

Organization

Catholic Health Initiatives (CHI), established in 1996, is a tax-exempt Colorado corporation and has been granted an exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code. CHI sponsors market-based organizations (MBO) and other facilities operating in 18 states and includes 92 hospitals, including four academic medical centers, and 24 critical access facilities, community health service organizations, accredited nursing colleges, home health agencies, and other facilities that span the inpatient and outpatient continuum of care. CHI also has an offshore captive insurance company, First Initiatives Insurance, Ltd. (FIIL).

The mission of CHI is to nurture the healing ministry of the Church, supported by education and research. Fidelity to the Gospel urges CHI to emphasize human dignity and social justice as CHI creates healthier communities.

Principles of Consolidation

CHI consolidates all direct affiliates in which it has sole corporate membership or ownership (Direct Affiliates) and all entities in which it has greater than 50% equity interest with commensurate control. All significant intercompany accounts and transactions are eliminated in consolidation.

Fair Value of Financial Instruments

Financial instruments consist primarily of cash and equivalents, patient accounts receivable, notes receivable and accounts payable. The carrying amounts reported in the consolidated balance sheets for these items approximate fair value.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Cash and Equivalents

Cash and equivalents include all deposits with banks and investments in interest-bearing securities with maturity dates of 90 days or less from the date of purchase. In addition, cash and equivalents include deposits in short-term funds held by professional managers. The funds generally invest in high-quality, short-term debt securities, including U.S. government securities, securities issued by domestic and foreign banks, such as certificates of deposit and bankers' acceptances, repurchase agreements, asset-backed securities, high-grade commercial paper and corporate short-term obligations.

Net Patient Accounts Receivable and Net Patient Services Revenues

Net patient accounts receivable has been adjusted to the estimated amounts expected to be collected. These estimated amounts are subject to further adjustments upon review by third-party payors.

The provision for bad debts is based upon management's assessment of historical and expected net collections, taking into consideration historical business and economic conditions, trends in health care coverage, and other collection indicators. Management routinely assesses the adequacy of the allowances for uncollectible accounts based upon historical write-off experience by payor category. The results of these reviews are used to modify, as necessary, the provision for bad debts and to establish appropriate allowances for uncollectible net patient accounts receivable. After satisfaction of amounts due from insurance, CHI follows established guidelines for placing certain patient balances with collection agencies, subject to the terms of certain restrictions on collection efforts as determined by each facility. The provision for bad debts is presented on the consolidated statements of operations as a deduction from patient services revenues (net of contractual allowances and discounts) since CHI accepts and treats substantially all patients without regard to the ability to pay.

During fiscal year 2014 and 2013, CHI added approximately \$76 million and \$400 million, respectively, in net patient accounts receivable due to the acquisition of various new subsidiaries – see Note 4, *Acquisitions, Affiliations and Divestitures*. Effective on January 1, 2014, the Affordable Care Act came into effect, which in certain states has caused a slight shift in payor mix whereby patients that used to be classified as charity now qualify for Medicaid. CHI has not experienced significant changes in write-off trends and there have been no significant changes to its charity care policy.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Details of CHI's allowance activity is as follows (in thousands)

| | Reserve for Contractual Allowance | Allowance for Bad Debt | Reserve for Charity | Total Accounts Receivable Allowances |
|--------------------------|--|---------------------------------------|------------------------------------|---|
| Balance at July 1, 2012 | \$ (1,947,750) | \$ (687,631) | \$ (151,348) | \$ (2,786,729) |
| Additions | (21,690,860) | (886,571) | (1,219,555) | (23,796,986) |
| Reductions | 20,778,640 | 715,808 | 803,787 | 22,298,235 |
| Balance at June 30, 2013 | (2,859,970) | (858,394) | (567,116) | (4,285,480) |
| Additions | (28,747,136) | (1,029,699) | (1,135,618) | (30,912,453) |
| Reductions | 28,079,966 | 963,698 | 1,271,588 | 30,315,252 |
| Balance at June 30, 2014 | <u>\$ (3,527,140)</u> | <u>\$ (924,395)</u> | <u>\$ (431,146)</u> | <u>\$ (4,882,681)</u> |

CHI records net patient services revenues in the period in which services are performed. CHI has agreements with third-party payors that provide for payments at amounts different from its established rates. The basis for payment under these agreements includes prospectively determined rates, cost reimbursement and negotiated discounts from established rates, and per diem payments.

Net patient services revenues are reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including estimated retroactive adjustments due to future audits, reviews and investigations, and excluding estimated amounts considered uncollectible. The differences between the estimated and actual adjustments are recorded as part of net patient services revenues in future periods, as the amounts become known, or as years are no longer subject to such audits, reviews and investigations.

Investments and Assets Limited as to Use

Investments and assets limited as to use include assets set aside by CHI for future long-term purposes, including capital improvements and self-insurance. In addition, assets limited as to use include amounts held by trustees under bond indenture agreements, amounts contributed by donors with stipulated restrictions and amounts held for Mission and Ministry programs.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

CHI has designated its investment portfolio as trading. Accordingly, unrealized gains and losses on marketable securities are reported within excess of revenues over expenses. In addition, cash flows from the purchases and sales of marketable securities are reported as a component of operating activities in the accompanying consolidated statements of cash flows.

Direct investments in equity securities with readily determinable fair values and all direct investments in debt securities have been measured at fair value in the accompanying consolidated balance sheets. Investment income or loss (including realized gains and losses on investments, interest and dividends) is included in excess of revenues over expenses unless the income or loss is restricted by donor or law.

Investments in limited partnerships and limited liability companies are recorded using the equity method of accounting (which approximates fair value as determined by the net asset values of the related unitized interests) with the related changes in value in earnings reported as investment income in the accompanying consolidated financial statements.

Inventories

Inventories, primarily consisting of pharmacy drugs, and medical and surgical supplies, are stated at lower of cost (first-in, first-out method) or market.

Assets and Liabilities Held for Sale

A long-lived asset or disposal group of assets and liabilities that is expected to be sold within one year is classified as held for sale. For long-lived assets held for sale, an impairment charge is recorded if the carrying amount of the asset exceeds its fair value less costs to sell. Such valuations include estimates of fair values generally based upon firm offers, discounted cash flows and incremental direct costs to transact a sale (Level 2 and Level 3 inputs).

Property and Equipment

Property and equipment are stated at historical cost or, if donated or impaired, at fair value at the date of receipt or impairment. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. During fiscal year 2014, CHI conducted a study to reassess the estimated remaining useful lives of its buildings and building improvements. As a result of this study, CHI prospectively adjusted the estimated

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

remaining useful lives of these assets, which resulted in a reduction to depreciation expense of \$23.5 million in 2014. Buildings and improvements are depreciated over estimated useful lives of 5 to 84 years, and equipment and land improvements over 3 to 40 years.

For property and equipment under capital lease, amortization is determined over the shorter period of the lease term or the estimated useful life of the property and equipment. Interest cost incurred during the period of construction of major capital projects is capitalized as a component of the cost of acquiring those assets. Capitalized interest of \$44.7 million and \$30.4 million was recorded in fiscal years 2014 and 2013, respectively. Costs incurred in the development and installation of internal-use software are typically expensed if they are incurred in the preliminary project stage or post-implementation stage, while certain costs are capitalized if incurred during the application development stage. Amounts capitalized are amortized over the useful life of the developed asset following project completion.

Investments in Unconsolidated Organizations

Investments in unconsolidated organizations are accounted for under the cost or equity method of accounting, as appropriate, based on the relative percentage of ownership or degree of influence over that organization. The income or loss on the equity method investments is recorded in the consolidated statements of operations as changes in equity of unconsolidated organizations.

Intangible Assets and Goodwill

Intangible assets are comprised primarily of trade names, which are amortized over the estimated useful lives ranging from 10 to 25 years using the straight-line method. Amortization expense of \$7.9 million and \$5.2 million was recorded in 2014 and 2013, respectively. It is estimated that intangible asset amortization expense over the next five years will be \$10.0 million per year.

Goodwill is not amortized but is subject to annual impairment tests as well as more frequent reviews whenever circumstances indicate a possible impairment may exist. Impairment testing of goodwill is done at the MBO level by comparing the fair value of the MBO's net assets against the carrying value of the MBO's net assets, including goodwill. Each MBO is defined as a reporting unit for purposes of impairment testing. The fair value of net assets is generally estimated based on quantitative analysis of discounted cash flows. The fair value of goodwill is determined by assigning fair values to assets and liabilities and calculating any remaining fair

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

value as the implied fair value of goodwill. As a result of its impairment testing in fiscal year 2014, CHI determined that the implied fair value of one of its MBO's goodwill was less than the carrying value. A goodwill impairment charge of \$15.0 million is reflected in the consolidated statements of operations for fiscal year 2014.

The changes in the carrying amount of goodwill and intangibles is as follows (in thousands):

| | 2014 | 2013 |
|---|-------------------|-------------------|
| Intangible assets, beginning of year | \$ 97,684 | \$ 52,834 |
| Current year acquisitions | 130,124 | 43,600 |
| Purchase price allocation adjustments for prior year's acquisitions and other adjustments | (11,970) | 1,250 |
| Intangible assets, end of year | 215,838 | 97,684 |
| Accumulated amortization, beginning of year | (25,467) | (20,297) |
| Intangible amortization expense | (7,931) | (5,254) |
| Other adjustments | 8,169 | 84 |
| Accumulated amortization, end of year | (25,229) | (25,467) |
| Intangible assets, net | 190,609 | 72,217 |
| Goodwill, beginning of year | 292,534 | 130,343 |
| Current year acquisitions | 16,725 | 146,142 |
| Impairments | (15,040) | — |
| Purchase price allocation adjustments for prior year's acquisitions and other adjustments | 68,634 | 16,049 |
| Goodwill, end of year | 362,853 | 292,534 |
| Total intangible assets and goodwill, net | \$ 553,462 | \$ 364,751 |

Intangible assets and goodwill increased during fiscal year 2014, due to the various acquisitions discussed in Note 4, *Acquisitions, Affiliations and Divestitures*. During fiscal year 2014, certain adjustments to the 2013 purchase price allocations were recorded to intangible and goodwill, including the correction to the values assigned to various CHI St. Luke Medical Center buildings, resulting in a \$78.5 million increase in goodwill.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Notes Receivable and Other Assets

Other assets consist primarily of notes receivable, pledges receivable, deferred compensation assets, prepaid service contracts, deposits and other long-term assets. Notes receivable from related entities at June 30, 2014 and 2013, include balances from Bethesda Hospital, Inc (Bethesda), the non-CHI joint operating agreement (JOA) partner in the Cincinnati, Ohio JOA.

A summary of notes receivable and other assets is as follows as of June 30 (in thousands)

| | <u>2014</u> | <u>2013</u> |
|--|-------------------|-------------------|
| Total notes receivable from related entities | \$ 175,466 | \$ 188,275 |
| Reinsurance recoverable on unpaid losses and loss adjustment expense | 29,109 | 71,801 |
| Deferred compensation assets | 51,684 | 41,014 |
| Other long-term assets | 244,627 | 129,798 |
| Total notes receivable and other | <u>\$ 500,886</u> | <u>\$ 430,888</u> |

Bethesda is a Designated Affiliate in the CHI credit group under the Capital Obligation Document (COD). As conditions of joining the CHI credit group, Bethesda has agreed to certain covenants related to corporate existence, insurance coverage, exempt use of bond-financed facilities, maintenance of certain financial ratios, and compliance with limitations on the incurrence of additional debt. Based upon management's review of the creditworthiness of Bethesda and its compliance with the covenants and limitations, no allowances for uncollectible notes receivable were recorded at June 30, 2014 and 2013.

Net Assets

Temporarily restricted net assets are those whose use has been limited by donors to a specific time period or purpose. Permanently restricted net assets consist of gifts with corpus values that have been restricted by donors to be maintained in perpetuity, including endowment funds. Temporarily restricted net assets and earnings on permanently restricted net assets, including earnings on endowment funds, are used in accordance with the donor's wishes primarily to purchase equipment, to provide charity care, and to provide other health and educational programs and services.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Unconditional promises to receive cash and other assets are reported at fair value at the date the promise is received. Conditional promises and indications of donors' intentions to give are reported at fair value at the date the conditions are met or the gifts are received. All unrestricted contributions are included in the excess of revenue over expenses as donation revenues. Other gifts are reported as either temporarily or permanently restricted if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as donations revenue when restricted for operations or as unrestricted net assets when restricted for property and equipment.

Performance Indicator

The performance indicator is the excess of revenues over expenses, which includes all changes in unrestricted net assets other than changes in the pension liability funded status, net assets released from restrictions for property acquisitions, the cumulative effect of changes in accounting principles, discontinued operations, contributions of property and equipment, and other changes not required to be included within the performance indicator under generally accepted accounting principles.

Operating and Nonoperating Activities

CHI's primary mission is to meet the health care needs in its market areas through a broad range of general and specialized health care services, including inpatient acute care, outpatient services, physician services, long-term care, and other health care services. Activities directly associated with the furtherance of this purpose are considered to be operating activities. Earnings from fixed-income investments held by FIIL are also classified within operating activities as such earnings support FIIL operations. Other activities that result in gains or losses peripheral to CHI's primary mission are considered to be nonoperating. Nonoperating activities include all other investment earnings, gains/losses from bond defeasance, net interest cost and changes in fair value of interest rate swaps, and the nonoperating component of JOA income share adjustments. Any infrequent and nonreciprocal contribution that CHI would make to enter a new market community or to expand upon existing affiliations is also classified as nonoperating.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Charity Care

As an integral part of its mission, CHI accepts and treats all patients without regard to the ability to pay. Services to patients are classified as charity care in accordance with standards established across all MBOs. Charity care represents services rendered for which partial or no payment is expected, and includes the cost of providing services to persons who cannot afford health care due to inadequate resources and/or who are uninsured or underinsured. CHI determines the cost of charity care on the basis of an MBO's total cost as a percentage of total charges applied to the charges incurred by patients qualifying for charity care under CHI's policy. This amount is not included in net patient services revenues in the accompanying consolidated statements of operations and changes in net assets. The estimated cost of charity care provided was \$255.2 million and \$320.7 million in 2014 and 2013, respectively, for continuing operations, and \$1.9 million and \$2.0 million in 2014 and 2013, respectively, for discontinued operations. The decline in charity care provided was due primarily to changes in payor mix as a result of the Affordable Care Act.

Other Nonpatient Revenues

Other nonpatient revenues include services sold to external health care providers, gains on acquisitions of subsidiaries, cafeteria sales, rental income, retail pharmacy and durable medical equipment sales, auxiliary and gift shop revenues, electronic health records incentive payments, gains and losses on the sales of assets, the operating portion of revenue-sharing income or expense associated with Direct Affiliates that are part of JOAs, premium revenues, and revenues from other miscellaneous sources.

Derivative and Hedging Instruments

CHI uses derivative financial instruments (interest rate swaps) in managing its capital costs. These interest rate swaps are recognized at fair value on the consolidated balance sheets. CHI has not designated its interest rate swaps related to CHI's long-term debt as hedges. The net interest cost and change in the fair value of such interest rate swaps is recognized as a component of nonoperating (losses) gains in the accompanying consolidated statements of operations. It is CHI's policy to net the value of collateral on deposit with counterparties against the fair value of its interest rate swaps in other liabilities on the consolidated balance sheets.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Functional Expenses

CHI provides health care services, including inpatient, outpatient, ambulatory, long-term care and community-based services to individuals within the various geographic areas supported by its facilities. Support services include administration, finance and accounting, information technology, public relations, human resources, legal, mission services and other functions that are supported centrally for all of CHI. Support services expenses as a percentage of total operating expenses were approximately 6.2% and 4.5% in 2014 and 2013, respectively.

Restructuring, Impairment, and Other Losses

CHI periodically evaluates property, equipment, goodwill, and certain other intangible assets to determine whether assets may have been impaired. Management determined there were certain goodwill impairments in 2014, and certain property and equipment impairments in both 2014 and 2013, to the extent that the fair values (estimated based upon discounted cash flows – Level 3 inputs) of those assets were less than the underlying carrying values.

During the years ended June 30, 2014 and 2013, CHI recorded total charges of \$117.5 million and \$155.3 million, respectively, relating to asset and goodwill impairments, and changes in business operations, including reorganization and severance costs. Of this amount, \$117.5 million and \$59.3 million were from continuing operations and reported in the consolidated statements of operations for 2014 and 2013, respectively, and \$96.0 million was reported as discontinued operations in the consolidated statements of changes in net assets for 2013. No restructuring or impairment was recorded in 2014, for the discontinued operations.

Income Taxes

CHI is a tax-exempt Colorado corporation and has been granted an exemption from federal income tax under Section 501(c)(3) of the Internal Revenue Code. CHI owns certain taxable subsidiaries and engages in certain activities that are unrelated to its exempt purpose and therefore subject to income tax.

Management reviews its tax positions annually and has determined that there are no material uncertain tax positions that require recognition in the accompanying consolidated financial statements.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could vary from the estimates.

Meaningful Use of Certified Electronic Health Record Technology Incentive Payments

The American Recovery and Reinvestment Act of 2009 provides for Medicare and Medicaid incentive payments beginning in 2011, to certain hospitals and professionals that implement and achieve meaningful use of certified electronic health record (EHR) technology in ways that demonstrate improved quality and effectiveness of care. Eligibility for annual Medicare incentive payments is dependent on providers demonstrating meaningful use of EHR technology in each period over a four-year period. An initial Medicaid incentive payment is available to providers that adopt, implement or upgrade certified EHR technology. However, in order to receive additional Medicaid incentive payments in subsequent years, providers must demonstrate continued meaningful use of EHR technology.

CHI accounts for meaningful use incentive payments under the gain contingency model. Medicare EHR incentive payments are recognized as revenues when eligible providers demonstrate meaningful use of certified EHR technology and the cost report information for the full cost report year that will determine the full calculation of the incentive payment is available. Medicaid EHR incentive payments are recognized as revenues when an eligible provider demonstrates meaningful use of certified EHR technology. CHI recognized \$39.1 million and \$32.5 million of Medicare meaningful use revenues and \$18.0 million and \$8.2 million of Medicaid meaningful use revenues in its consolidated statements of operations for fiscal year 2014 and 2013, respectively.

2. Community Benefit (Unaudited)

In accordance with its mission and philosophy, CHI commits substantial resources to sponsor a broad range of services to both the poor and the broader community. Community benefit provided to the poor includes the cost of providing services to persons who cannot afford health care due to inadequate resources and/or who are uninsured or underinsured. This type of community benefit includes the costs of traditional charity care, unpaid costs of care provided to

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

2. Community Benefit (Unaudited) (continued)

beneficiaries of Medicaid and other indigent public programs, services such as free clinics and meal programs for which a patient is not billed or for which a nominal fee has been assessed, and cash and in-kind donations of equipment, supplies or staff time volunteered on behalf of the community

Community benefit provided to the broader community includes the costs of providing services to other populations who may not qualify as poor but may need special services and support. This type of community benefit includes the costs of services such as health promotion and education, health clinics and screenings, all of which are not billed or can be operated only on a deficit basis, unpaid portions of training health professionals such as medical residents, nursing students and students in allied health professions, and the unpaid portions of testing medical equipment and controlled studies of therapeutic protocols.

A summary of the cost of community benefit provided to both the poor and the broader community is as follows (in thousands):

| | <u>2014</u> | <u>2013</u> |
|---|----------------------------|----------------------------|
| Cost of community benefit | | |
| Cost of charity care provided | \$ 255,157 | \$ 320,666 |
| Unpaid cost of public programs, Medicaid, and other indigent care programs | 453,386 | 289,436 |
| Non-billed services | 28,242 | 36,237 |
| Cash and in-kind donations | 4,084 | 3,904 |
| Education research | 102,081 | 48,186 |
| Other benefit | 62,263 | 55,427 |
| Total cost of community benefit from continuing operations | <u>905,213</u> | <u>753,856</u> |
| Total cost of community benefit from discontinued operations | 4,664 | 8,095 |
| Total cost of community benefit | <u>909,877</u> | <u>761,951</u> |
| Unpaid cost of Medicare from continuing operations | 776,417 | 392,485 |
| Unpaid cost of Medicare from discontinued operations | 16,445 | 27,055 |
| Total unpaid cost of Medicare | <u>792,862</u> | <u>419,540</u> |
| Total cost of community benefit and the unpaid cost of Medicare | <u><u>\$ 1,702,739</u></u> | <u><u>\$ 1,181,491</u></u> |

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

2. Community Benefit (Unaudited) (continued)

The summary above has been prepared in accordance with the Catholic Health Association of the United States (CHA) publication, *A Guide for Planning & Reporting Community Benefit*. Community benefit is measured on the basis of total cost, net of any offsetting revenues, donations or other funds used to defray cost. During fiscal year 2014 and 2013, CHI received \$4.0 million and \$28.3 million, respectively, in funds used to subsidize charity care provided.

The total cost of community benefit from continuing and discontinued operations was 6.4% and 6.8% of total expenses before operating expenses related to restructuring, impairment and other losses in 2014 and 2013, respectively. The total cost of community benefit and the unpaid cost of Medicare from continuing and discontinued operations was 12.1% and 10.5% of total expenses before operating expenses related to restructuring, impairment and other losses in 2014 and 2013, respectively.

3. Joint Operating Agreements and Investments in Unconsolidated Organizations

Joint Operating Agreements

CHI participates in JOAs with hospital-based organizations in three separate market areas. The agreements generally provide for, among other things, joint management of the combined operations of the local facilities included in the JOAs through Joint Operating Companies (JOC). CHI retains ownership of the assets, liabilities, equity, revenues and expenses of the CHI facilities that participate in the JOAs. The financial statements of the CHI facilities managed under all JOAs are included in the CHI consolidated financial statements. Transfers of assets from facilities owned by the JOA participants generally are restricted under the terms of the agreements.

As of June 30, 2014 and 2013, CHI has a 70% interest in a JOC based in Colorado and has a 50% interest in two other JOCs associated with other JOAs. CHI's interests in the JOCs are included in investments in unconsolidated organizations and totaled \$199.4 million and \$103.2 million at June 30, 2014 and 2013, respectively. CHI recognizes its investment in all JOCs under the equity method of accounting. The JOCs provide varying levels of services to the related JOA sponsors, and operating expenses of the JOCs are allocated to each sponsoring organization. The JOCs had total assets of \$607.7 million and \$483.9 million at June 30, 2014 and 2013, respectively, and net assets of \$347.2 million and \$160.9 million, respectively.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

3. Joint Operating Agreements and Investments in Unconsolidated Organizations (continued)

Investments in Unconsolidated Organizations

Conifer Health Solutions (Conifer) – As of June 30, 2014 and 2013, CHI holds a \$19.3 million cost method investment in Conifer, acquired as part of an 11-year agreement with Conifer where Conifer provides revenue cycle services for CHI acute care operations. The agreement allows CHI to earn shares in Conifer as transition and other activities are completed, and such shares will be issued at specified future dates. As of June 30, 2014 and 2013, CHI has met certain transition milestones and has earned the right to additional future shares valued at \$64.5 million and \$19.1 million, respectively, which are reflected in notes receivable and other in the accompanying consolidated balance sheets. This earned value will be amortized as an offset to revenue cycle service fees paid to Conifer over the life of the agreement.

Preferred Professional Insurance Corporation (PPIC) – PPIC is an unconsolidated affiliate of CHI. PPIC provides professional liability insurance and other related services to preferred physician and other health care providers that are associated with its owners. CHI owns a 27% interest in PPIC and accounts for its investment under the equity method of accounting. The book value of the investment was \$60.5 million and \$56.0 million at June 30, 2014 and 2013, respectively. PPIC had net assets of \$224.8 million and \$208.0 million at December 31, 2013 and 2012, respectively.

Other Entities – The summarized financial positions and results of operations for the other entities accounted for under the equity method of accounting as of and for the periods ended June 30, excluding the investments described above, are as follows (in thousands):

| | 2014 | | | | | | | |
|---|--------------------------------|---|----------------------------------|------------------------|-------------------------------|-----------------|--------------------|------------|
| | Medical Office Buildings | Outpatient and Diagnostic Services | Ambulatory Surgery Centers | Physician Practices | Hospital Based Services | ACO/CCO /CIN | Other Investees | Total |
| Total assets | \$ 17,593 | \$ 270,241 | \$ 71,266 | \$ 31,985 | \$ 119,181 | \$ 96,337 | \$ 147,363 | \$ 753,966 |
| Total debt | 14,906 | 11,707 | 11,117 | 13,552 | 24,605 | 30,554 | 22,970 | 129,411 |
| Net assets | 2,560 | 204,956 | 49,572 | 14,839 | 87,064 | 65,784 | 90,145 | 514,920 |
| Net patient services revenues | — | 254,294 | 151,907 | 41,686 | 100,253 | — | 127,268 | 675,408 |
| Total revenues, net | 2,674 | 349,029 | 152,301 | 44,498 | 83,719 | 149,695 | 188,845 | 970,761 |
| (Deficit) excess of revenues over expenses | (54) | 26,614 | 39,951 | 4,031 | 22,993 | 10,262 | 14,251 | 118,048 |

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

3. Joint Operating Agreements and Investments in Unconsolidated Organizations (continued)

| 2013 | | | | | | | | | |
|-------------------------------------|--------------------------------|---|----------------------------------|------------------------|-------------------------------|-----------------|--------------------|------------|--|
| | Medical Office Buildings | Outpatient and Diagnostic Services | Ambulatory Surgery Centers | Physician Practices | Hospital Based Services | ACO/CCO /CIN | Other Investees | Total | |
| Total assets | \$ 34,746 | \$ 265,568 | \$ 65,084 | \$ 28,697 | \$ 115,036 | \$ 50,623 | \$ 110,002 | \$ 669,756 | |
| Total debt | 33,106 | 24,408 | 11,998 | 12,535 | 27,605 | 14,534 | 18,335 | 142,521 | |
| Net assets | 1,414 | 195,874 | 44,996 | 8,758 | 71,752 | 36,090 | 64,958 | 423,842 | |
| Net patient services revenues | — | 260,204 | 138,577 | 34,197 | 95,749 | — | 72,165 | 600,892 | |
| Total revenues, net | 6,309 | 353,484 | 142,775 | 37,065 | 95,161 | 51,767 | 163,511 | 850,072 | |
| Excess of revenues over expenses | 872 | 34,633 | 44,385 | 4,241 | 18,296 | 3,314 | 7,806 | 113,547 | |

4. Acquisitions, Affiliations and Divestitures

The following table is a summary of the business combinations that occurred in fiscal year 2014 (in thousands)

| | Harrison | CHI St. Luke's/Baylor | Hot Springs | Memorial | Other | Total |
|--------------------------------|-------------------|--------------------------|-------------------|------------------|------------------|-------------------|
| Fiscal year 2014 | | | | | | |
| Purchase consideration | | | | | | |
| Cash | \$ — | \$ — | \$ 59,650 | \$ — | \$ 3,759 | \$ 63,409 |
| Equity interest in acquisition | — | — | — | — | 3,471 | 3,471 |
| Gain on business combinations | 289,030 | — | 61,839 | 53,245 | 17,841 | 421,955 |
| Noncontrolling interest | — | 298,725 | — | — | — | 298,725 |
| | <u>\$ 289,030</u> | <u>\$ 298,725</u> | <u>\$ 121,489</u> | <u>\$ 53,245</u> | <u>\$ 25,071</u> | <u>\$ 787,560</u> |

| | Harrison | CHI St. Luke's/Baylor | Hot Springs | Memorial | Other | Total |
|---------------------------------------|-------------------|--------------------------|-------------------|------------------|------------------|-------------------|
| Fiscal year 2014 | | | | | | |
| Purchase price allocation | | | | | | |
| Cash and investments | \$ 217,515 | \$ — | \$ 79 | \$ 78,798 | \$ 37,333 | \$ 333,725 |
| Patient and other accounts receivable | 50,556 | — | — | 21,254 | 4,638 | 76,448 |
| Other current assets | 11,780 | 63,200 | 6,010 | 7,231 | 3,269 | 91,490 |
| Property and equipment | 199,127 | 215,800 | 126,225 | 125,863 | 5,309 | 672,324 |
| Intangible assets | 21,028 | 79,000 | — | 2,000 | 6,096 | 108,124 |
| Goodwill | — | 16,725 | — | — | — | 16,725 |
| Other assets | 8,883 | — | 133 | 1,338 | 3,143 | 13,497 |
| Current liabilities | (65,858) | — | (4,019) | (21,734) | (10,481) | (102,092) |
| Pension liability | (19,349) | — | — | — | — | (19,349) |
| Other liabilities | (9,178) | (76,000) | — | (22,391) | (23,214) | (130,783) |
| Debt | (120,122) | — | (6,939) | (118,266) | (1,022) | (246,349) |
| Restricted net assets | (5,352) | — | — | (20,848) | — | (26,200) |
| | <u>\$ 289,030</u> | <u>\$ 298,725</u> | <u>\$ 121,489</u> | <u>\$ 53,245</u> | <u>\$ 25,071</u> | <u>\$ 787,560</u> |

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

4. Acquisitions, Affiliations and Divestitures (continued)

Harrison Medical Center – Effective August 1, 2013, Harrison Medical Center (Harrison) was acquired by CHI for no consideration, resulting in the recognition of a \$289.0 million gain calculated as the fair value of assets acquired and liabilities assumed determined based upon Level 3 inputs including estimated future cash flows and probability-weighted performance assumptions. Harrison is located in Bremerton, Washington, and operates two acute care facilities in the area as well as provides emergency services and a range of general and specialized services to adjacent areas. Excluding the contribution gain, Harrison reported \$369.8 million in operating revenues and \$33.9 million of excess of revenues over expenses in the CHI consolidated results of operations for the period August 1, 2013 through June 30, 2014.

Mercy Hot Springs – Effective April 1, 2014, Mercy Health based in St. Louis, Missouri, transferred ownership of its Hot Springs, Arkansas facility, including its hospital and physician clinic (Mercy Hot Springs), to CHI for net proceeds of \$59.7 million. A \$61.8 million gain was recognized, calculated as the fair value of assets acquired and liabilities assumed, determined based upon Level 3 inputs including estimated future cash flows and probability-weighted performance assumptions, less consideration paid. Mercy Hot Springs is a 282-bed acute care hospital, providing an emergency department with a Level 2 Trauma Center designation, a 90-physician clinic organization and a comprehensive range of medical services. Excluding the contribution gain, Mercy Hot Springs reported \$63.7 million in operating revenues and \$2.2 million of deficit of revenues over expenses in the CHI consolidated results of operations for the period April 1, 2014 through June 30, 2014.

Memorial Health System of East Texas – Effective June 1, 2014, Memorial Health System of East Texas (Memorial) was acquired by CHI for no consideration, resulting in the recognition of a \$53.2 million gain calculated as the fair value of assets acquired and liabilities assumed determined based upon Level 3 inputs including estimated future cash flows and probability-weighted performance assumptions. Memorial is a private, nonprofit hospital system with hospitals in Lufkin, Livingston and San Augustine, Texas. Excluding the contribution gain, Memorial reported \$16.2 million in operating revenues and \$0.8 million of deficiency of revenues over expenses in the CHI consolidated results of operations for the period June 1, 2014 through June 30, 2014.

CHI St. Luke's/Baylor College of Medicine – Effective on January 1, 2014, CHI St. Luke's Medical Center (CHI St. Luke's) acquired certain assets of Baylor College of Medicine (Baylor) in exchange for a 35% noncontrolling interest in the combined operations of certain of the operations of CHI St. Luke's. The parties have agreed to build and operate a new, acute care,

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

4. Acquisitions, Affiliations and Divestitures (continued)

open-staff hospital on Baylor's McNair Campus and to share in the operations 65% by CHI St Luke's and 35% by Baylor. CHI St Luke's and Baylor also entered into an academic affiliation agreement whereby Baylor will provide certain clinical programs and services to certain of the CHI St Luke's hospital facilities.

The following table is a summary of the business combinations that occurred in fiscal year 2013:

| | St. Luke's | Highline | UMC | Alegent | Total |
|---------------------------------------|---------------------|------------------|-------------------|-------------------|---------------------|
| Fiscal year 2013 | | | | | |
| Purchase consideration | | | | | |
| Cash | \$ 1,000,000 | \$ – | \$ – | \$ 553,700 | \$ 1,553,700 |
| Note payable | 260,000 | – | – | – | 260,000 |
| Contingent consideration | – | – | 217,709 | – | 217,709 |
| Equity interest in Alegent | – | – | – | 33,934 | 33,934 |
| Gain on business combinations | – | 55,436 | – | 20,989 | 76,425 |
| | <u>\$ 1,260,000</u> | <u>\$ 55,436</u> | <u>\$ 217,709</u> | <u>\$ 608,623</u> | <u>\$ 2,141,768</u> |
| Fiscal year 2013 | | | | | |
| Purchase price allocation | | | | | |
| Cash and investments | \$ 1,153,253 | \$ 57,133 | \$ 94,061 | \$ 496,309 | \$ 1,800,756 |
| Patient and other accounts receivable | 180,106 | 27,268 | 65,723 | 118,833 | 391,930 |
| Other current assets | 37,413 | 5,081 | 29,601 | 34,884 | 106,979 |
| Property and equipment | 1,046,341 | 137,148 | 176,004 | 474,996 | 1,834,489 |
| Intangible assets | 41,124 | 1,494 | – | 982 | 43,600 |
| Goodwill | – | – | 53,178 | 92,964 | 146,142 |
| Other assets | 25,600 | 17,745 | 9,367 | 63,798 | 116,510 |
| Current liabilities | (175,081) | (34,087) | (76,202) | (206,630) | (492,000) |
| Pension liability | (3,559) | (12,307) | – | (48,216) | (64,082) |
| Other liabilities | (153,436) | (5,355) | (11,202) | (81,344) | (251,337) |
| Notes payable to CHI | – | – | – | (337,953) | (337,953) |
| Debt | (891,761) | (138,684) | (122,821) | – | (1,153,266) |
| | <u>\$ 1,260,000</u> | <u>\$ 55,436</u> | <u>\$ 217,709</u> | <u>\$ 608,623</u> | <u>\$ 2,141,768</u> |

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

4. Acquisitions, Affiliations and Divestitures (continued)

CHI St. Luke's Health System – Effective June 1, 2013, CHI acquired the operations of St Luke's Health System (St Luke's), a six-hospital system based in Houston, Texas, from Episcopal Health Foundation for cash and a note payable. For the month of June 2013, the operations of CHI St Luke's contributed \$95.2 million in operating revenues and \$12.8 million of deficit of revenues over expenses to the CHI consolidated results of operations.

Highline Medical Center – Effective April 1, 2013, Highline Medical Center (Highline) was acquired by CHI for no consideration, resulting in the recognition of a \$55.4 million gain calculated as the fair value of assets acquired and liabilities assumed determined based upon Level 3 inputs including estimated future cash flows and probability-weighted performance assumptions. Highline is a 154-bed acute care hospital based in Burien, Washington. Excluding the contribution gain, Highline reported \$48.3 million in operating revenues and \$2.6 million in deficiency of revenues over expenses to the CHI consolidated results of operations for the period April 1 through June 30, 2013.

University Medical Center and University of Louisville Hospital – Effective March 1, 2013, KentuckyOne Health (a CHI MBO), University Medical Center (UMC) and the University of Louisville entered into a partnership, structured as a joint operating agreement between University Medical Center and KentuckyOne Health, whereby KentuckyOne Health controls substantially all of UMC's operations, which consist of the University of Louisville Hospital and the James Graham Brown Cancer Center (ULH). As part of the agreement, KentuckyOne Health has committed to provide financial support to the University of Louisville over the next 20 years. The fair value of the contingent consideration is adjusted annually by management and is based on Level 3 inputs including estimated future cash flows and probability-weighted performance assumptions, all discounted to net present value. Changes in any of the unobservable inputs alone or together would result in a lower (higher) fair value measurement. The fair value of the commitment based on significant unobservable inputs (Level 3) was \$203.2 million at June 30, 2014, compared to an acquisition date value of \$217.7 million. For the period from March 1 through June 30, 2013, the operations of ULH contributed \$166.3 million of operating revenues and \$11.8 million of excess of revenues over expenses to the CHI consolidated results of operations, prior to the effects of the JOA revenue-sharing arrangement.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

4. Acquisitions, Affiliations and Divestitures (continued)

Alegent Creighton Health and Affiliates – Effective November 1, 2012, CHI became the sole corporate sponsor of Alegent based in Omaha, Nebraska. In addition to the operations of Bergan Mercy Health System and Affiliates (Bergan Mercy) previously owned and consolidated by CHI, CHI now consolidates the Alegent operations, which include the operations of Immanuel and the operations of Creighton University Medical Center. For the period from November 1, 2012 through June 30, 2013, incremental Alegent (excluding the Bergan Mercy component) contributed \$611.1 million in operating revenues and \$18.1 million of excess of revenues over expenses to the CHI consolidated results of operations. Upon CHI becoming the sole sponsor of Alegent in November 2012, CHI also recognized a \$21.0 million gain in fiscal year 2013, due to the remeasurement of CHI's interest in the Alegent JOC. Such gain is reflected in other nonpatient revenues in the consolidated statements of operations.

On an unaudited pro forma basis, had CHI owned or been party to agreements with Harrison, Hot Springs and Memorial at the beginning of fiscal year 2014, these entities would have contributed \$1.2 billion of operating revenues and \$415.9 million of excess of revenues over expenses. Had CHI owned or been party to agreements with Harrison, Hot Springs, Memorial, St. Luke's, Highline, University Medical Center and Alegent at the beginning of fiscal year 2013, these entities would have contributed \$3.6 billion in operating revenues and \$190.6 million in excess of revenues over expenses. However, unaudited pro forma information is not necessarily indicative of the historical results that would have been obtained had the transaction actually occurred on those dates, nor of future results.

Texas Heart Institute Affiliation

Effective on January 1, 2014, CHI and Texas Heart Institute (THI) entered into a ten-year affiliation agreement to further develop research, education and patient care opportunities to reduce the toll of cardiovascular disease. Over the term of the agreement, CHI has committed to fund various programs sponsored by THI. The present value of these commitments was \$96.1 million as of the affiliation agreement date, of which \$74.1 million was recorded in fiscal year 2014, as other nonoperating (losses) gains in the consolidated statements of operations. As part of the valuation, CHI recorded \$22 million in trade name intangibles, which will be amortized over the life of the agreement.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

4. Acquisitions, Affiliations and Divestitures (continued)

Discontinued Operations

In 2012, CHI committed to a plan to sell the MBOs in Denville, New Jersey, Towson, Maryland, and Pierre, South Dakota. The Towson MBO was sold to the University of Maryland Medical System effective on December 1, 2012, for preliminary sales proceeds of \$154.0 million. Contingent sales proceeds of \$45.7 million have been placed in escrow pending final disposition of certain open items. A final determination is expected in fiscal year 2015. The Pierre MBO was sold to Avera Health effective January 1, 2013, for net sales proceeds of \$50.0 million and a loss on disposition of \$27.7 million. In May 2013, CHI agreed to sell the Denville MBO to Prime Healthcare Services for \$100.0 million. The transaction is subject to governmental and Church approvals and is expected to close in fiscal year 2015. In accordance with Accounting Standards Codification (ASC) 205-20, *Discontinued Operations*, and ASC 360-10, *Impairment or Disposal of Long-Lived Assets*, the results of operations associated with these MBOs have been reported as discontinued operations and are included in the consolidated statements of changes in net assets. Assets held for sale consist primarily of net patient accounts receivable, net property and other long-term assets. Liabilities held for sale consist primarily of accrued compensation and benefits, accounts payable and deferred revenues.

Related to discontinued operations, CHI recorded a deficiency of revenues over expenses of \$14.8 million and \$108.6 million for the years ended June 30, 2014 and 2013, respectively, which is reported as discontinued operations in the accompanying consolidated statements of changes in net assets. Included in fiscal year 2013 is an impairment loss of \$64.8 million related to adjusting the carrying value of property and equipment at the Denville MBO to its net realizable value. Total operating revenues and deficiency of revenues over expenses included in the results of discontinued operations for the years ended June 30 are summarized below (in thousands):

| | 2014 | 2013 |
|--------------------------------------|--------------------|---------------------|
| Total operating revenues | \$ 296,267 | \$ 464,809 |
| Total operating expenses | (314,035) | (485,949) |
| Restructuring and other losses | — | (95,924) |
| Nonoperating gains | 3,000 | 8,470 |
| Deficiency of revenues over expenses | <u>\$ (14,768)</u> | <u>\$ (108,594)</u> |

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

4. Acquisitions, Affiliations and Divestitures (continued)

The consolidated statements of cash flows include the use of \$18.5 million and \$24.9 million of operating, investing and financing activities related to discontinued operations for the years ended June 30, 2014 and 2013, respectively.

5. Net Patient Services Revenues

Net patient services revenues are derived from services provided to patients who are either directly responsible for payment or are covered by various insurance or managed care programs. CHI receives payments from the federal government on behalf of patients covered by the Medicare program, from state governments for Medicaid and other state-sponsored programs, from certain private insurance companies and managed care programs and from patients themselves. A summary of payment arrangements with major third-party payors follows:

Medicare – Inpatient acute care and certain outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge or procedure. These rates vary according to patient classification systems based on clinical, diagnostic and other factors. Certain CHI facilities have been designated as critical access hospitals and, accordingly, are reimbursed their cost of providing services to Medicare beneficiaries. Professional services rendered by physicians are paid based on the Medicare allowable fee schedule.

Medicaid – Inpatient services rendered to Medicaid program beneficiaries are primarily paid under the traditional Medicaid plan at prospectively determined rates per discharge. Certain outpatient services are reimbursed based on a cost reimbursement methodology, fee schedules or discounts from established charges.

Other – CHI has also entered into payment agreements with certain managed care and commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to CHI under these agreements includes prospectively determined rates per discharge, discounts from established charges and prospectively determined daily rates.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

5. Net Patient Services Revenues (continued)

CHI's Medicare, Medicaid and other payor utilization percentages, based upon net patient services revenues before provision for doubtful accounts, are summarized as follows

| | 2014 | 2013 |
|----------------------|-------------|-------------|
| Medicare | 32% | 32% |
| Medicaid | 8 | 8 |
| Managed care | 41 | 40 |
| Self-pay | 8 | 8 |
| Commercial and other | 11 | 12 |
| | 100% | 100% |

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Estimated settlements related to Medicare and Medicaid of \$117.4 million and \$103.0 million at June 30, 2014 and 2013, respectively, are included in third-party liabilities. Net patient services revenues from continuing operations increased by \$63.2 million in 2014 and \$38.3 million in 2013 due to favorable changes in estimates related to prior-year settlements.

6. Investments and Assets Limited as to Use

CHI's investments and assets limited as to use as of June 30 are reported in the accompanying consolidated balance sheets as presented in the following table (in thousands)

| | 2014 | 2013 |
|------------------------------------|---------------------|--------------|
| Cash and equivalents | \$ 433,606 | \$ 244,077 |
| CHI Investment Program | 5,814,893 | 4,911,135 |
| Marketable equity securities | 390,751 | 858,537 |
| Marketable fixed-income securities | 463,036 | 773,069 |
| Hedge funds and other investments | 63,974 | 323,885 |
| | 7,166,260 | 7,110,703 |
| Less current portion | (24,732) | (11,697) |
| | \$ 7,141,528 | \$ 7,099,006 |

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

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

Net unrealized gains in investments and assets limited to use at June 30, 2014 and 2013, were \$668.6 million and \$297.3 million, respectively.

CHI attempts to reduce its market risk by diversifying its investment portfolio using cash equivalents, fixed-income securities, marketable equity securities and alternative investments. Most of the U.S. Treasury, money market funds and corporate debt obligations as well as exchange-traded marketable securities held by CHI and the CHI Investment Program (the Program) have an actively traded market. However, CHI also invests in commercial paper, mortgage-backed or other asset-backed securities, alternative investments (such as hedge funds, private equity investments, real estate funds and funds of funds), collateralized debt obligations, municipal securities and other investments that have potential complexities in valuation based upon the current conditions in the credit markets. For some of these instruments, evidence supporting the determination of fair value may not come from trading in active primary or secondary markets. Because these investments may not be readily marketable, the estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had an active market for such investments existed. Such differences could be material. However, management reviews the CHI investment portfolio on a regular basis and seeks guidance from its professional portfolio managers related to U.S. and global market conditions to determine the fair value of its investments. CHI believes the carrying amount of these financial instruments in the consolidated financial statements is a reasonable estimate of fair value.

The majority of all CHI long-term investments are held in the Program. The Program is structured under a Limited Partnership Agreement with CHI as managing general partner and numerous limited partners, most sponsored by CHI. The partnership provides a vehicle whereby virtually all entities associated with CHI, as well as certain other unrelated entities, can seek to optimize investment returns while managing investment risk. Entities participating in the Program that are not consolidated in the accompanying financial statements have the ability to direct their invested amounts and liquidate and/or withdraw their interest without penalty as soon as practicable based on market conditions but within 180 days of notification. The Limited Partnership Agreement permits a majority vote of the noncontrolling limited partners to terminate the partnership. Accordingly, CHI recognizes only the portion of Program assets attributable to CHI and its sponsored affiliates. Program assets attributable to CHI and its Direct Affiliates represented 90% of total Program assets at June 30, 2014 and 2013.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

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

The Program asset allocation at June 30 is as follows

| | 2014 | 2013 |
|------------------------------------|-------------|-------------|
| Marketable equity securities | 44% | 43% |
| Marketable fixed-income securities | 31 | 32 |
| Alternative investments | 23 | 24 |
| Cash and equivalents | 2 | 1 |
| | 100% | 100% |

The CHI Finance Committee (the Committee) of the Board of Stewardship Trustees is responsible for determining asset allocations among fixed-income, equity, and alternative investments. At least annually, the Committee reviews targeted allocations and, if necessary, makes adjustments to targeted asset allocations. Given the diversity of the underlying securities in which the Program invests, management does not believe there is a significant concentration of credit risk. Investment income is comprised of the following for the years ended June 30 (in thousands)

| | 2014 | 2013 |
|--|-------------------|-------------------|
| Dividend and interest income | \$ 139,612 | \$ 142,054 |
| Net realized gains | 345,944 | 262,067 |
| Net unrealized gains | 364,692 | 151,232 |
| Total investment income from continuing operations | \$ 850,248 | \$ 555,353 |
| Included in nonpatient revenue | \$ 101,874 | \$ 66,529 |
| Included in nonoperating gains | 748,374 | 488,824 |
| Total investment income from continuing operations | 850,248 | 555,353 |
| Total investment income from discontinued operations | 3,000 | 8,470 |
| Total investment income | \$ 853,248 | \$ 563,823 |

Direct expenses of the Program are less than 0.4% of total assets. Fees paid to the alternative investment managers are not included in the total expense calculation as they are not a direct expense of the Program.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

7. Fair Value of Assets and Liabilities

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

The three levels of the fair value hierarchy and a description of the valuation methodologies used for instruments measured at fair value are as follows:

Level 1 – Valuation is based upon quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 – Valuation is based upon quoted prices for similar assets and liabilities in active markets or other inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial asset or liability.

Level 3 – Valuation is based upon other unobservable inputs that are significant to the fair value measurement.

Certain of CHI's alternative investments are made through limited liability companies (LLC) and limited liability partnerships (LLP). These LLCs and LLPs provide CHI with a proportionate share of the investment gains (losses). CHI accounts for its ownership in the LLCs and LLPs under the equity method. CHI also accounts for its ownership in the CHI Investment Program under the equity method. As such, these investments are excluded from the scope of ASC 820.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

7. Fair Value of Assets and Liabilities (continued)

Financial assets and liabilities measured at fair value on a recurring basis were determined using the market approach based upon the following inputs at June 30 (in thousands)

| 2014 | | | | |
|---|--------------------------|-------------------|-------------------|-------------------|
| Fair Value Measurements at Reporting Date Using | | | | |
| | (Level 1) | (Level 2) | (Level 3) | |
| | Quoted | Other | Unobservable | |
| Fair Value as of June 30 | Prices in Active Markets | Observable Inputs | Inputs | |
| Assets | | | | |
| Assets limited as to use | | | | |
| Cash and short-term investments | \$ 433,606 | \$ 353,077 | \$ 80,529 | \$ — |
| Marketable equity securities | 390,751 | 390,751 | — | — |
| Marketable fixed-income securities | 463,036 | 97,433 | 365,603 | — |
| Other investments | 2,518 | — | — | 2,518 |
| Deferred compensation assets | | | | |
| Cash and short-term investments | 13,911 | 13,911 | — | — |
| | <u>\$ 1,303,822</u> | <u>\$ 855,172</u> | <u>\$ 446,132</u> | <u>\$ 2,518</u> |
| Liabilities | | | | |
| Interest rate swaps | \$ 256,750 | \$ — | \$ 256,750 | \$ — |
| Contingent consideration | 203,236 | — | — | 203,236 |
| Deferred compensation liability | 13,911 | 13,911 | — | — |
| | <u>\$ 473,897</u> | <u>\$ 13,911</u> | <u>\$ 256,750</u> | <u>\$ 203,236</u> |

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

7. Fair Value of Assets and Liabilities (continued)

| | 2013 | | | |
|---------------------------------------|---|--|-------------------------------|------------------------|
| | Fair Value Measurements at Reporting Date Using | | | |
| | | (Level 1) | (Level 2) | (Level 3) |
| | Fair Value as of June 30 | Quoted Prices in Active Markets | Other Observable Inputs | Unobservable Inputs |
| Assets | | | | |
| Assets limited as to use | | | | |
| Cash and short-term investments | \$ 244,077 | \$ 197,385 | \$ 46,692 | \$ — |
| Marketable equity securities | 858,537 | 858,537 | — | — |
| Marketable fixed-income securities | 773,069 | 123,996 | 649,073 | — |
| Other investments | 11,718 | — | — | 11,718 |
| Deferred compensation assets | | | | |
| Cash and short-term investments | 12,035 | 12,035 | — | — |
| | <u>\$ 1,899,436</u> | <u>\$ 1,191,953</u> | <u>\$ 695,765</u> | <u>\$ 11,718</u> |
| Liabilities | | | | |
| Interest rate swaps | \$ 271,634 | \$ — | \$ 271,634 | \$ — |
| Contingent consideration | 205,169 | — | — | 205,169 |
| Deferred compensation liability | 12,035 | 12,035 | — | — |
| | <u>\$ 488,838</u> | <u>\$ 12,035</u> | <u>\$ 271,634</u> | <u>\$ 205,169</u> |

The fair values of the instruments included in Level 1 were determined through quoted market prices. Level 1 instruments include money market funds, mutual funds and marketable debt and equity securities. The fair values of Level 2 instruments were determined through evaluated bid prices based on recent trading activity and other relevant information, including market interest

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

7. Fair Value of Assets and Liabilities (continued)

rate curves and referenced credit spreads, estimated prepayment rates, where applicable, are used for valuation purposes and are provided by third-party services where quoted market values are not available. Level 2 instruments include corporate fixed-income securities, government bonds, mortgage and asset-backed securities, and interest rate swaps. 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 fair value of the contingent liabilities was determined based on estimated future cash flows and probability-weighted performance assumptions, discounted to net present value.

8. Property and Equipment

A summary of property and equipment is as follows as of June 30 (in thousands)

| | 2014 | 2013 |
|-------------------------------|---------------------|--------------|
| Land and improvements | \$ 672,103 | \$ 596,548 |
| Buildings and improvements | 6,880,281 | 6,399,345 |
| Equipment | 5,193,465 | 4,612,302 |
| | 12,745,849 | 11,608,195 |
| Less accumulated depreciation | (5,494,054) | (5,009,102) |
| | 7,251,795 | 6,599,093 |
| Construction in progress | 1,690,725 | 1,187,147 |
| | \$ 8,942,520 | \$ 7,786,240 |

CHI evaluates whether events and circumstances have occurred that indicate the remaining useful life of property, equipment and certain other intangible assets may not be recoverable. Management determined there were impairment issues in both 2014 and 2013, to the extent that the undiscounted cash flows estimated to be generated by certain assets were less than the underlying carrying value. CHI recorded \$59.6 million and \$4.9 million in impairment losses in continuing operations for 2014 and 2013, respectively, resulting from charges related to estimated fair value deficiencies (based upon projected discounted cash flows) at various MBOs.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

9. Debt Obligations

The following is a summary of debt obligations as of June 30 (in thousands)

| | Interest Rates at June 30, | | |
|--------------------------------------|-------------------------------|-----------|-----------|
| | 2014 | 2014 | 2013 |
| CHI debt issued under the COD | | | |
| Variable-rate Bonds | | | |
| Series 1997B, maturing through 2022 | 0 12% | \$ 7,700 | \$ 9,200 |
| Series 2000B, maturing 2027 | 0 10 | 22,700 | 24,000 |
| Series 2002B, maturing 2032 | 0 10 | 94,700 | 97,800 |
| Series 2004B, maturing through 2044 | 0 05–0 11 | 180,700 | 180,700 |
| Series 2004C, maturing through 2044 | 0 04–0 07 | 163,300 | 163,300 |
| Series 2008A, maturing 2036 | 0 11 | 120,225 | 120,260 |
| Series 2008C, maturing 2041 | 0 1 | 50,000 | 50,000 |
| Series 2011B, maturing 2046 | 0 06 | 158,155 | 158,155 |
| Series 2011C, maturing 2046 | 0 1 | 121,000 | 123,000 |
| Series 2013B, maturing 2035 | 0 06 | 200,000 | – |
| Series 2013C, maturing 2023 | 0 11 | 100,000 | – |
| Series 2013E Taxable, maturing 2045 | 0 15 | 125,000 | – |
| Series 2013F Taxable, maturing 2045 | 0 15 | 75,000 | – |
| Fixed-rate Bonds | | | |
| Series 2002A, maturing 2017 | 5 5 | 2,615 | 3,400 |
| Series 2004A, maturing through 2034 | 4 75–5 0 | 146,605 | 146,605 |
| Series 2006A, maturing 2041 | 4 0–5 0 | 270,635 | 270,635 |
| Series 2006C, maturing through 2041 | 3 85–5 1 | 250,000 | 250,000 |
| Series 2008C, maturing through 2041 | 4 0–4 1 | 105,000 | 105,000 |
| Series 2008D, maturing through 2038 | 5 0–6 38 | 471,450 | 471,450 |
| Series 2009A, maturing 2039 | 3 75–5 25 | 724,140 | 748,760 |
| Series 2009B, maturing through 2039 | 4 0–5 25 | 217,720 | 252,360 |
| Series 2011A, maturing 2041 | 3 25–5 25 | 486,090 | 506,090 |
| Series 2012A, maturing 2035 | 4 0–5 0 | 268,980 | 271,260 |
| Series 2012 Taxable, maturing 2042 | 1 6–4 35 | 1,500,000 | 1,500,000 |
| Series 2013A, maturing 2045 | 5 0–5 75 | 600,600 | – |
| Series 2013D Taxable, maturing 2023 | 2 6–4 2 | 540,000 | – |
| Commercial Paper | | 482,362 | 442,475 |
| Unamortized debt premium | | 55,660 | 59,538 |
| Unamortized debt discount | | (24,839) | (11,192) |
| Total CHI debt issued under the COD | | 7,515,498 | 5,942,796 |

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

9. Debt Obligations (continued)

| | Interest Rates at June 30, | |
|--|-------------------------------|---------------------|
| | 2014 | 2013 |
| St. Luke's debt issued under Master Trust Indenture | | |
| Variable-rate Bonds | | |
| Series 2005 | — | 132,600 |
| Series 2008 | — | 100,000 |
| Series 2012 | — | 150,220 |
| Fixed-rate Bonds Series 2009 | — | 150,798 |
| Unsecured Bank Notes | — | 99,798 |
| Total St. Luke's debt issued under Master Trust Indenture | — | 633,416 |
| Note payable issued to Episcopal Health Foundation | 230,225 | 260,000 |
| Capital leases | 204,291 | 106,899 |
| Other debt | 429,248 | 462,946 |
| | <u>8,379,262</u> | <u>7,406,057</u> |
| Less: Amounts classified as current | | |
| Variable-rate debt with self-liquidity | (521,455) | (321,455) |
| Commercial paper and current portion of debt | (711,408) | (749,617) |
| Long-term debt | <u>\$ 7,146,399</u> | <u>\$ 6,334,985</u> |

The fair value of debt obligations was approximately \$8.6 billion at June 30, 2014. Management has determined the carrying values of the variable-rate bonds are representative of fair values as of June 30, 2014, as the interest rates are set by the market participants. The fair value of the fixed-rate tax-exempt bond obligations as of June 30, 2014, is determined by applying credit spreads for similar tax-exempt obligations in the marketplace, which are then used to calculate a price/yield for the outstanding obligations (Level 2 inputs).

A summary of scheduled principal payments, based upon stated maturities, on long-term debt for the next five years is as follows (in thousands):

| Year ending June 30 | Amounts Due |
|---------------------|-------------|
| 2015 | \$ 711,408 |
| 2016 | 248,420 |
| 2017 | 123,497 |
| 2018 | 404,908 |
| 2019 | 410,543 |

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

9. Debt Obligations (continued)

CHI issues the majority of its debt under the COD and is the sole obligor. Bondholder security resides both in the unsecured promise by CHI to pay its obligations and in its control of its Direct and Designated Affiliates. Covenants include a minimum CHI debt service coverage ratio and certain limitations on secured debt. The Direct Affiliates of CHI, defined as Participants under the COD, have agreed to certain covenants related to corporate existence, maintenance of insurance and exempt use of bond-financed facilities.

During the second quarter of fiscal year 2014, CHI issued \$900.6 million of par value tax exempt bonds and \$740.0 million of par value taxable bonds. Of the total proceeds, \$881.8 million was used to redeem various St. Luke's bonds and bank notes, Harrison bonds, and Highline bonds, resulting in a total loss on defeasance of \$10.0 million.

In October 2012, CHI issued \$1.5 billion of par value long-term, fixed-rate, taxable bonds. Proceeds were used to finance a wide array of strategic initiatives, including affiliations in key areas.

As a result of redeeming the various St. Luke's obligations, the St. Luke's Health System Obligated Group and Master Trust Indenture were dissolved. Prior to December 31, 2013, St. Luke's had been a member of the St. Luke's Health System Obligated Group, and together with various of its consolidated subsidiaries, were the obligors under each of the St. Luke's bond issues. Obligated Group members were jointly and severally obligated to pay the notes issued under the Master Trust Indenture. Notes issued under the Master Trust Indenture were equally and ratably secured by a pledge of the accounts receivable of St. Luke's Medical Center and St. Luke's Woodlands Hospital.

As part of the December 2012 divestiture of CHI's facilities in Towson, Maryland, \$113.5 million of Series 2006A bonds were legally defeased, resulting in a loss on defeasance of \$18.0 million.

CHI has two types of external liquidity facilities: those that are dedicated to specific series of variable-rate demand bonds (VRDB) and those that are not dedicated to a particular series of VRDBs but may be used to support CHI's obligations to fund tenders of VRDBs and pay the maturing principal of commercial paper. Liquidity facilities that are dedicated to specific series of bonds were \$897.0 million and \$605.0 million at June 30, 2014 and 2013, respectively, of which \$8.2 million and \$7.9 million, respectively, are classified as current debt. The remaining

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

9. Debt Obligations (continued)

\$888.8 million and \$597.1 million at June 30, 2014 and 2013, respectively, are reported as long-term debt due to the repayment terms on any associated drawings extending beyond the subsequent fiscal year under the terms of the specific agreements.

Liquidity facilities not dedicated for specific series of VRDBs but used to support CHI's obligations to fund tenders and to pay maturing principal of commercial paper were \$420.0 million and \$390.0 million at June 30, 2014 and 2013, respectively. At June 30, 2014 and 2013, respectively, \$482.4 million and \$442.5 million of commercial paper were classified as current due to maturities of less than one year, and \$521.5 million and \$321.5 million, respectively, of VRDBs and Windows variable-rate bonds (Windows) were also classified as current due to the holder's ability to put such VRDBs and Windows back to CHI without liquidity facilities dedicated to these bonds.

At June 30, 2014, CHI had a \$55.0 million credit facility with Bank of New York Mellon. Letters of credit totaling \$47.6 million have been issued for the benefit of third parties, principally in support of the self-insurance programs administered by FIIL. At June 30, 2014 and 2013, no amounts were outstanding under this credit facility.

CHI was a party to 13 floating-to-fixed interest rate swap agreements with notional amounts totaling \$1.4 billion and \$1.6 billion at June 30, 2014 and 2013, respectively. Generally, it is CHI policy that all counterparties have an AA rating or better. The swap agreements require CHI to provide collateral if CHI's liability, determined on a mark-to-market basis, exceeds a specified threshold that varies based upon the rating on CHI's long-term indebtedness. These fixed-payor swap agreements convert CHI's variable-rate debt to fixed-rate debt. The swaps have varying maturity dates ranging from 2025 to 2047. The fair value of the swaps is estimated based on the present value sum of anticipated future net cash settlements until the swaps' maturities. At June 30, 2014 and 2013, the fair value was \$256.7 million and \$271.6 million, respectively.

During fiscal year 2014, a change in CHI's debt ratings resulted in an increase to its cash collateral postings. Cash collateral balances of \$130.5 million and \$107.5 million at June 30, 2014 and 2013, respectively, are netted against the fair value of the swaps, and the net amount is reflected in other liabilities. The change in the fair value of these agreements was a net gain of \$10.2 million and \$98.9 million in 2014 and 2013, respectively.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

10. Retirement Plans

The non-contributory, defined benefit retirement plans (Retirement Plans) sponsored by CHI and its direct affiliates were frozen as of December 31, 2013. Benefits earned by employees through December 31, 2013, will remain in the Retirement Plans, and employees will continue to receive interest credits and, if applicable, vesting credits. Beginning January 1, 2014, CHI introduced a new 401(k) Retirement Savings Plan – see *CHI 401(k) Retirement Savings Plan* below for additional information.

Benefits in the Retirement Plans are based on compensation, retirement age and years of service. Vesting occurs over a five-year period. Substantially all of the Plans are qualified as church plans and are exempt from certain provisions of both the Employee Retirement Income Security Act and Pension Benefit Guaranty Corporation premiums and coverage. Funding requirements are determined through consultation with independent actuaries.

CHI recognizes the funded status (that is, the difference between the fair value of plan assets and the projected benefit obligations) of its Plans in the consolidated balance sheets, with a corresponding adjustment to net assets. Actuarial gains and losses that arise and are not recognized as net periodic pension cost in the same periods are recognized as a component of changes in net assets.

During fiscal year 2014 and 2013, CHI acquired the pension plan assets and liabilities of Harrison and Memorial, and Alegent and CHI St. Luke's (the Acquired plans), respectively, which are included below.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

10. Retirement Plans (continued)

A summary of the changes in the benefit obligation, fair value of plan assets and funded status of the Plans at the June 30 measurement dates is as follows (in thousands)

| | <u>2014</u> | <u>2013</u> |
|---|---------------------|---------------------|
| Change in benefit obligation | | |
| Benefit obligation, beginning of year | \$ 3,877,485 | \$ 3,601,231 |
| Service cost | 106,484 | 205,037 |
| Interest cost | 177,859 | 151,763 |
| Actuarial loss (gain) | 412,995 | (170,282) |
| Acquired plans | 165,506 | 387,189 |
| Transfers | (3,728) | — |
| Curtailements | (267) | (134,233) |
| Settlements | (30,821) | (17,931) |
| Benefits paid | (230,258) | (144,838) |
| Expenses paid | (1,626) | (451) |
| Benefit obligation, end of year | <u>4,473,629</u> | <u>3,877,485</u> |
| Change in the Plans' assets | | |
| Fair value of the Plans' assets, beginning of year | 3,404,633 | 2,708,411 |
| Actual return on the Plans' assets, net of expenses | 575,358 | 309,522 |
| Employer contributions | 123,763 | 203,564 |
| Acquired plans | 139,480 | 346,273 |
| Transfers | (3,528) | — |
| Settlements | (30,551) | (17,848) |
| Benefits paid | (230,258) | (144,838) |
| Expenses paid | (1,626) | (451) |
| Fair value of the Plans' assets, end of year | <u>3,977,271</u> | <u>3,404,633</u> |
| Funded status of the Plans | <u>\$ (496,358)</u> | <u>\$ (472,852)</u> |
| End-of-year values | | |
| Projected benefit obligation | \$ 4,473,629 | \$ 3,877,485 |
| Accumulated benefit obligation | 4,467,063 | 3,844,708 |

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

10. Retirement Plans (continued)

During fiscal year 2014 and 2013, the Plans experienced two curtailment events. Plan design changes for certain Plans resulted in future service reductions in fiscal year 2014, and employee transitions in fiscal year 2013 resulted in an adjustment to the benefit obligation as of June 30, 2013.

Included in net assets at June 30, 2014, are unrecognized actuarial losses of \$772.7 million that have not yet been recognized in net periodic pension cost. The actuarial losses included in net assets and expected to be recognized in net periodic pension cost during the fiscal year ending June 30, 2015, is \$42.0 million.

The components of net periodic pension expense are as follows (in thousands):

| | 2014 | 2013 |
|--|------------------|-------------------|
| Components of net periodic pension expense | | |
| Service cost | \$ 106,484 | \$ 205,037 |
| Interest cost | 177,859 | 151,763 |
| Expected return on the Plans' assets | (247,121) | (220,236) |
| Actuarial losses | 32,733 | 91,606 |
| Amortization of prior service benefit | 78 | 174 |
| Curtailments | 296 | 367 |
| Settlements | 301 | 45 |
| | <u>\$ 70,630</u> | <u>\$ 228,756</u> |
| Weighted-average assumptions | | |
| Discount rate, beginning of year | 4.58% | 4.06% |
| Discount rate, end of year | 4.15 | 4.58 |
| Expected return on Plans' assets | 7.60 | 7.75 |
| Rate of compensation increase | n/a | 3.75 |

The assumption for the expected return on the Plans' assets is based on historical returns and adherence to the asset allocations set forth in the Plans' investment policies. The expected return on the Plans' assets for determining pension cost was 7.60% in 2014 and 7.75% in 2013. The decrease in the discount rate to 4.15% at June 30, 2014, increased the pension benefit obligation by approximately \$283.3 million.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

10. Retirement Plans (continued)

A summary of the Plans' asset allocation targets, ranges by asset class and allocations by asset class at the measurement dates of June 30 is as follows

| | 2014 | 2013 | Target | Range |
|-------------------------|--------------|-------------|---------------|--------------|
| Fixed-income securities | 33.5% | 25.6% | 27.5% | 17.5–37.5% |
| Equity securities | 47.0 | 55.1 | 50.0 | 40.0–60.0 |
| Alternative investments | 19.5 | 19.3 | 22.5 | 12.5–32.5 |

The Plans' assets are invested in a portfolio designed to preserve principal and obtain competitive investment returns and long-term investment growth, consistent with actuarial assumptions, while minimizing unnecessary investment risk. Diversification is achieved by allocating assets to various asset classes and investment styles and by retaining multiple investment managers with complementary philosophies, styles and approaches. Although the objective of the Plans is to maintain asset allocations close to target, temporary periods may exist where allocations are outside of the expected range due to market conditions. The use of leverage is prohibited except as specifically directed in the alternative investment allocation. The portfolio is managed on a basis consistent with the CHI social responsibility guidelines. Alternative investments of \$234 million are illiquid and not available for redemption at the Plans' request.

The Plans' assets measured at fair value on a recurring basis were determined using the following inputs at June 30 (in thousands)

| | 2014 | | | |
|------------------------------------|--|--|--|--------------------------------|
| | Fair Value Measurements at Reporting Date Using | | | |
| | | (Level 1) | (Level 2) | (Level 3) |
| | Fair Value as of June 30 | Quoted Prices in Active Markets | Other Observable Inputs | Unobservable Inputs |
| Cash and short-term investments | \$ 223,904 | \$ 201,206 | \$ 22,698 | \$ – |
| Marketable equity securities | 1,634,181 | 1,630,703 | 3,478 | – |
| Marketable fixed-income securities | 1,371,165 | 324,247 | 943,170 | 103,748 |
| Alternative investments | 748,021 | – | – | 748,021 |
| | \$ 3,977,271 | \$ 2,156,156 | \$ 969,346 | \$ 851,769 |

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

10. Retirement Plans (continued)

| | 2013 | | | |
|------------------------------------|---|---------------------------------------|-------------------------------|------------------------|
| | Fair Value Measurements at Reporting Date Using | | | |
| | | (Level 1) | (Level 2) | (Level 3) |
| | Fair Value as of June 30 | Quoted Prices in Active Markets | Other Observable Inputs | Unobservable Inputs |
| Cash and short-term investments | \$ 115,586 | \$ 102,360 | \$ 13,226 | \$ – |
| Marketable equity securities | 1,715,087 | 1,715,087 | – | – |
| Marketable fixed-income securities | 916,766 | 220,833 | 695,933 | – |
| Alternative investments | 657,194 | – | – | 657,194 |
| | <u>\$ 3,404,633</u> | <u>\$ 2,038,280</u> | <u>\$ 709,159</u> | <u>\$ 657,194</u> |

A summary of the changes in the fair value of the Plans' investments for which Level 3 inputs were used at the June 30 measurement dates is as follows (in thousands)

| | 2014 | 2013 |
|---|-------------------|-------------------|
| Beginning investments at fair value | \$ 657,194 | \$ 505,720 |
| Purchases of investments | 189,680 | 91,868 |
| Proceeds from sale of investments | (70,488) | (47,376) |
| Net change in unrealized appreciation on investments and effect of foreign currency translation | 50,834 | 12,778 |
| Net realized gains on investments | 25,531 | 25,424 |
| Acquired plan investments | – | 53,540 |
| Net transfers (out of) into Level 3 | (982) | 15,240 |
| Ending investments at fair value | <u>\$ 851,769</u> | <u>\$ 657,194</u> |

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

10. Retirement Plans (continued)

CHI expects to contribute \$15.0 million to the Plans in fiscal year 2015. A summary of expected benefits to be paid to the Plans' participants and beneficiaries is as follows (in thousands):

| | <u>Estimated Payments</u> |
|---------------------|-------------------------------|
| Year ending June 30 | |
| 2015 | \$ 235,323 |
| 2016 | 220,122 |
| 2017 | 236,598 |
| 2018 | 245,390 |
| 2019 | 256,854 |
| 2020–2024 | 1,443,265 |

CHI 401(k) Retirement Savings Plan

Effective on January 1, 2014, CHI introduced the CHI 401(k) Retirement Savings Plan (401(k) Savings Plan), which replaced the frozen Retirement Plan as an employee retirement benefit. Years of service under the Retirement Plan will automatically transfer to the 401(k) Savings Plan. An employee is fully vested in the plan for employer contributions after three years of service.

As part of the 401(k) Savings Plan, CHI will match 100.0% of the first 1.0% of eligible pay an employee contributes to the plan, and 50.0% of the next 5.0% of eligible pay contributed to the plan, for a maximum employer matching rate of 3.5% of eligible pay. On an annual basis and regardless of whether or not an employee participates in the 401(k) Savings Plan, CHI will also contribute 2.5% of eligible pay to an employee's 401(k) Savings Plan account. This contribution is made if an employee reaches 1,000 hours in the first year of employment or every calendar year thereafter, and is employed on the last day of the calendar year. For the period from January 1 through June 30, 2014, CHI recorded \$80.4 million of expense related to the 401(k) Savings Plan.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

11. Concentrations of Credit Risk

CHI grants credit without collateral to its patients, most of whom are insured under third-party payor agreements. CHI's exposure to credit risk on patient accounts receivable is limited by the geographical diversity of its MBOs. The mix of net patient accounts receivable at June 30 approximated the following:

| | 2014 | 2013 |
|----------------------|------|------|
| Medicare | 27% | 28% |
| Medicaid | 12 | 10 |
| Managed care | 31 | 31 |
| Self-pay | 7 | 7 |
| Commercial and other | 23 | 24 |
| | 100% | 100% |

CHI maintains long-term investments with various financial institutions and investment management firms through its investment program, and its policy is designed to limit exposure to any one institution or investment. Management does not believe there are significant concentrations of credit risk at June 30, 2014 and 2013.

12. Commitments and Contingencies

Litigation

During the normal course of business, CHI may become involved in litigation. Management assesses the probable outcome of unresolved litigation and records estimated settlements. After consultation with legal counsel, management believes that any such matters will be resolved without material adverse impact to the consolidated financial position or results of operations of CHI.

Health Care Regulatory Environment

The health care industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations include, but are not limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Management

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

12. Commitments and Contingencies (continued)

believes CHI is in compliance with all applicable laws and regulations of the Medicare and Medicaid programs. Compliance with such laws and regulations is complex and can be subject to future governmental interpretation as well as significant regulatory action, including fines, penalties and exclusion from the Medicare and Medicaid programs. Certain CHI entities have been contacted by governmental agencies regarding alleged violations of Medicare practices for certain services. In the opinion of management after consultation with legal counsel, the ultimate outcome of these matters will not have a material adverse effect on CHI's consolidated financial position.

Operating Leases

CHI leases certain real estate and equipment under operating leases, which may include renewal options and escalation clauses. Future minimum lease payments required for the next five years and thereafter for all operating leases that have initial or remaining non-cancelable lease terms in excess of one year at June 30, 2014, are as follows (in thousands):

| | <u>Amounts Due</u> |
|---------------------|--------------------|
| Year ending June 30 | |
| 2015 | \$ 203,656 |
| 2016 | 136,211 |
| 2017 | 119,885 |
| 2018 | 101,828 |
| 2019 | 79,734 |
| Thereafter | 151,073 |
| | <u>\$ 792,387</u> |

Lease expense under operating leases for continuing operations for the years ended June 30, 2014 and 2013, totaled approximately \$285.9 million and \$222.6 million, respectively.

13. Insurance Programs

FIIL, a wholly owned captive insurance company of CHI, provides hospital professional liability, employment practices liability, miscellaneous professional liability, and commercial general liability coverage, primarily to MBOs related to CHI either on a directly written basis or through reinsurance fronting relationships with commercial carriers such as PPIC. Policies

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

13. Insurance Programs (continued)

written provide coverage with primary limits in the amount of \$10.0 million for each and every claim in fiscal years 2014 and 2013, respectively. For the policy year July 1, 2013 to July 1, 2014, there is an annual policy aggregate of \$85.0 million eroded by hospital professional liability and commercial general liability claims, subject to a \$175,000 continuing underlying per claim limit. Effective July 1, 2011, FIIL provided excess umbrella liability coverage for claims in excess of the underlying limits discussed above. The limits provided under such excess coverage are \$200.0 million per claim and in the aggregate. FIIL reinsured 100% of the excess coverage layer with various commercial insurance companies. At June 30, 2014 and 2013, investments and assets limited as to use held for insurance purposes included \$58.0 million and \$55.0 million, respectively, held as collateral for the reinsurance fronting arrangement with PPIC.

FIIL provides workers' compensation coverage, either on a directly written basis or through reinsurance fronting relationships with commercial insurance carriers. Coverage of \$350,000 in excess of \$650,000 per claim for the policy year July 1, 2013 to July 1, 2014, and \$500,000 in excess of \$500,000 per claim for the policy year July 1, 2012 to July 1, 2013, is reinsured with an unrelated commercial carrier.

The liability for self-insured reserves and claims represents the estimated ultimate net cost of all reported and unreported losses incurred through June 30. The reserves for unpaid losses and loss adjustment expenses are estimated using individual case-based valuations, statistical analyses and the expertise of an independent actuary.

The estimates for loss reserves are subject to the effects of trends in loss severity and frequency. Although considerable variability is inherent in such estimates, management believes that the reserves for unpaid losses and loss adjustment expenses are adequate. The estimates are reviewed periodically, with consultation from independent actuaries, and any adjustments to the loss reserves are reflected in current operations. As a result of these reviews of claims experience, estimated reserves were reduced by \$21.3 million and \$48.5 million in 2014 and 2013, respectively. The reserves for unpaid losses and loss adjustment expenses relating to the workers' compensation program were discounted, assuming a 4.0% annual return at June 30, 2014 and 2013, to a present value of \$159.1 million and \$151.2 million at June 30, 2014 and 2013, respectively, and represented a discount of \$52.3 million and \$51.3 million in 2014 and 2013, respectively. Reserves related to professional liability, employment practices and general liability are not discounted.

Catholic Health Initiatives

Notes to Consolidated Financial Statements (continued)

13. Insurance Programs (continued)

FIIL holds \$734.4 million and \$751.9 million of investments held for insurance purposes as of June 30, 2014 and 2013, respectively. Distribution of amounts from FIIL to CHI are subject to the approval of the Cayman Island Monetary Authority. CHI established a captive management operation (Captive Management Initiatives, Ltd.) based in the Cayman Islands, which currently manages FIIL as well as operations of other unrelated parties.

CHI, through its Welfare Benefit Administration and Development Trust, provides comprehensive health and dental coverage to certain employees and dependents through a self-insured medical plan. Accounts payable and accrued expenses include \$69.7 million and \$51.0 million for unpaid claims and claims adjustment expenses for CHI's self-insured medical plan at June 30, 2014 and 2013, respectively. Those estimates are subject to the effects of trends in loss severity and frequency. Although considerable variability is inherent in such estimates, management believes that the reserves for unpaid losses and loss adjustment expenses are adequate. The estimates are reviewed periodically and, as adjustments to the liability become necessary, such adjustments are reflected in current operations. CHI has stop-loss insurance to cover unusually high costs of care beyond a predetermined annual amount per enrolled participant.

14. Subsequent Events

CHI's management has evaluated events subsequent to June 30, 2014 through September 17, 2014, which is the date these consolidated financial statements were available to be issued. There have been no material events noted during this period that would either impact the results reflected herein or CHI's results going forward, except as disclosed below.

Effective in August 2014, CHI entered into a definitive agreement with St. Alexius Medical Center to form a regional, coordinated health system in central and western North Dakota. The affiliation is subject to approvals by state regulatory agencies and is anticipated to close by the end of the calendar year.

Effective in September 2014, CHI entered into a definitive agreement to become the sole sponsor of Sylvania Franciscan Health (SFH), which operates various health ministries in Ohio and Texas. The SFH sponsorship transfer is expected to be complete by the end of the calendar year, subject to board approval, and approval from various federal, state and Church authorities.

Reports on Federal Award Programs



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Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Board of Stewardship Trustees
Kevin E. Lofton, President and Chief Executive Officer
Dean Swindle, President Enterprise Business Lines and
Chief Financial Officer
Catholic Health Initiatives

We have audited, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Catholic Health Initiatives, which comprise the consolidated balance sheet as of June 30, 2014, and the related consolidated statements of operations, changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated September 17, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered Catholic Health Initiatives' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Catholic Health Initiatives' internal control. Accordingly, we do not express an opinion on the effectiveness of Catholic Health Initiatives' internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Catholic Health Initiatives' consolidated financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ernst + Young LLP

September 17, 2014

Report of Independent Auditors on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance and Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

The Board of Stewardship Trustees
Kevin E. Lofton, President and Chief Executive Officer
Dean Swindle, President Enterprise Business Lines and
Chief Financial Officer
Catholic Health Initiatives

Report on Compliance for Each Major Federal Program

We have audited Catholic Health Initiatives' compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of Catholic Health Initiatives' major federal programs for the year ended June 30, 2014. Catholic Health Initiatives' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Catholic Health Initiatives' consolidated financial statements include operations of Appletree Court, which received \$855,504 in federal awards which is not included in the schedule of expenditures of federal awards during the year ended June 30, 2014. Our audit, described below, did not include the operations of Appletree Court because Appletree Court engaged other auditors to perform an audit in accordance with OMB Circular A-133.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on each of Catholic Health Initiatives' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance

about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Catholic Health Initiatives' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Catholic Health Initiatives' compliance.

Basis for Qualified Opinions on Major Federal Programs

As described in the accompanying schedule of findings and questioned costs, we were unable to obtain sufficient, appropriate audit evidence supporting the compliance of Catholic Health Initiatives with CFDA 10.557 Special Supplemental Nutrition Programs for Women, Infants, and Children as described in Finding 2014-001 – Eligibility, consequently we were unable to determine whether Catholic Health Initiatives complied with those requirements applicable to that program.

As described in the accompanying schedule of findings and questioned costs, Catholic Health Initiatives did not comply with requirements regarding the following:

| Finding No. | CFDA No. | Program (or Cluster) Name | Compliance Requirement |
|--------------------|-----------------|---|---|
| 2014-002 | 93.889 | National Bioterrorism Hospital Preparedness Program | Equipment and Real Property Management |

Compliance with such requirements is necessary, in our opinion, for Catholic Health Initiatives to comply with requirements applicable to that program.

Qualified Opinion on Special Supplemental Nutrition Programs for Women, Infants, and Children

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinions on Major Federal Programs paragraph, Catholic Health Initiatives complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on Special Supplemental Nutrition Programs for Women, Infants, and Children for the year ended June 30, 2014.

Qualified Opinion on National Bioterrorism Hospital Preparedness Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinions on Major Federal Programs paragraph, Catholic Health Initiatives complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the National Bioterrorism Hospital Preparedness Program for the year ended June 30, 2014

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, Catholic Health Initiatives complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs that are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2014

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with OMB Circular A-133, and which are described in the accompanying schedule of findings and questioned costs and summarized in the table below. Our opinion on each major federal program is not modified with respect to these matters

| Finding No. | CFDA No. | Program (or Cluster) Name | Compliance Requirement |
|--------------------|-----------------|--|-----------------------------------|
| 2014-003 | Various | Research and Development | Allowable Costs/Cost Principles |
| 2014-004 | Various | Research and Development | Cash Management |
| 2014-005 | 93 224 | Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care) | Special Tests and Provisions |

Catholic Health Initiatives' responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Catholic Health Initiatives' responses were not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of Catholic Health Initiatives is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Catholic Health Initiatives' internal control over compliance with the requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Catholic Health Initiatives' internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs and summarized below to be material weaknesses.

| Finding No. | CFDA No. | Program (or Cluster) Name | Compliance Requirement |
|--------------------|-----------------|---|---|
| 2014-002 | 93 889 | National Bioterrorism Hospital Preparedness Program | Equipment and Real Property Management |

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs and summarized in the table below to be significant deficiencies.

| Finding No. | CFDA No. | Program (or Cluster) Name | Compliance Requirement |
|--------------------|-----------------|--|-----------------------------------|
| 2014-003 | Various | Research and Development | Allowable Costs/Cost Principles |
| 2014-005 | 93 224 | Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care) | Special Tests and Provisions |

Catholic Health Initiatives' responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Catholic Health Initiatives' responses were not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the consolidated financial statements of Catholic Health Initiatives as of and for the year ended June 30, 2014, and have issued our report thereon dated September 17, 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. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information 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 consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Ernst + Young LLP

March 18, 2015

Catholic Health Initiatives

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2014

| Federal Grantor/Pass-Through Grantor/Program Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Research & Development Cluster | Other Federal Expenditures | Total Federal Expenditures |
|--|---------------------------|--|--------------------------------------|-------------------------------|----------------------------------|
| U S Department of Agriculture | | | | | |
| Pass-Through From | | | | | |
| <i>North County Community Health Board</i> | | | | | |
| Special Supplemental Nutrition Program for Women Infants and Children | 10 557 | HE-01661-03 | \$ - | \$ 123 296 | \$ 123 296 |
| <i>Washington State Department of Health</i> | | | | | |
| Special Supplemental Nutrition Program for Women Infants and Children | 10 557 | N1987300 | - | 68 773 | 68 773 |
| <i>Seattle - King County Department of Public Health</i> | | | | | |
| Special Supplemental Nutrition Program for Women Infants and Children | 10 557 | CHS3221 | - | 228 713 | 228 713 |
| <i>Washington State Department of Health</i> | | | | | |
| Special Supplemental Nutrition Program for Women Infants and Children | 10 557 | N20126 | - | 1 479 884 | 1 479 884 |
| <i>Total CFDA 10 557</i> | | | - | 1 900 666 | 1 900 666 |
| <i>Iowa Department of Education</i> | | | | | |
| Child and Adult Care Food Program | 10 558 | 778084 | - | 35 748 | 35 748 |
| <i>Pennsylvania Department of Education</i> | | | | | |
| Child and Adult Care Food Program | 10 558 | 3003-06-000-1 3003-06-556-0 | - | 41 350 | 41 350 |
| <i>Total CFDA 10 558</i> | | | - | 77 098 | 77 098 |
| <i>Washington State Department of Health</i> | | | | | |
| WIC Farmers Market Nutrition Program (FMNP) | 10 572 | N20126 | - | 780 | 780 |
| Total U S Department of Agriculture | | | - | 1 978 544 | 1 978 544 |
| U S Department of Defense | | | | | |
| Department of Defense | | | | | |
| Direct Award | | | | | |
| Military Medical Research and Development | 12 420 | | 437 960 | - | 437 960 |
| Pass-Through From | | | | | |
| <i>American Burn Association</i> | | | | | |
| Military Medical Research and Development | 12 420 | W81XWH-08-1-0683 | 7 420 | - | 7 420 |
| <i>Wake Forest University</i> | | | | | |
| Military Medical Research and Development | 12 420 | WFOHS 441039 CTA-09 | 67 177 | - | 67 177 |
| <i>Total CFDA 12 420</i> | | | 512 557 | - | 512 557 |
| Total U S Department of Defense | | | 512 557 | - | 512 557 |
| U S Department of Housing and Urban Development | | | | | |
| Pass-Through From | | | | | |
| <i>Lancaster County Redevelopment Authority</i> | | | | | |
| Community Development Block Grants Entitlement Grants | 14 218 | | - | 14 876 | 14 876 |
| <i>City of Des Moines</i> | | | | | |
| Supportive Housing Program | 14 235 | IA0037L7D021205 IA0038L7D021205 | - | 503 483 | 503 483 |
| Total U S Department of Housing and Urban Development | | | - | 518 359 | 518 359 |
| U S Department of Justice | | | | | |
| Pass-Through From | | | | | |
| <i>Colorado Department of Public Safety</i> | | | | | |
| <i>Division of Criminal Justice</i> | | | | | |
| Violence Against Women Formula Grants | ARRA-16 588 | 12-VW-5-14 12-VW-17-32 13-VW-5-13 11-VW-17-39 | - | 93 941 | 93 941 |
| Total U S Department of Justice | | | - | 93 941 | 93 941 |

Catholic Health Initiatives

Schedule of Expenditures of Federal Awards (continued)

| Federal Grantor/Pass-Through Grantor/Program Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Research & Development Cluster | Other Federal Expenditures | Total Federal Expenditures |
|---|---------------------------|--|--------------------------------------|-------------------------------|----------------------------------|
| U S Department of Transportation | | | | | |
| Pass-Through From | | | | | |
| Highway Safety Cluster | | | | | |
| Minnesota Department of Public Safety | | | | | |
| State and Community Highway Safety | 20 600 | 3-13785 | \$ - | \$ 776 | \$ 776 |
| Nebraska Office of Highway Safety | | | | | |
| State and Community Highway Safety | 20 600 | 47-0379755 | - | 3 680 | 3 680 |
| Minnesota Department of Public Safety | | | | | |
| Occupant Protection Incentive Grants | 20 602 | SAFE13-2013- STIOEHEALTH-00038 | - | 3 063 | 3 063 |
| Nebraska Office of Highway Safety | | | | | |
| Occupant Protection Incentive Grants | 20 602 | 405-14-12-06 405-14-12-02 | - | 9 956 | 9 956 |
| Total Highway Safety Cluster | | | - | 17 475 | 17 475 |
| Total U S Department of Transportation | | | - | 17 475 | 17 475 |
| Environmental Protection Agency | | | | | |
| Direct Award | | | | | |
| Surveys Studies Research Investigations | | | | | |
| Demonstrations and Special Purpose Activities | | | | | |
| Relating to the Clean Air Act | 66 034 | 97738001 | - | 17 983 | 17 983 |
| Total Environmental Protection Agency | | | - | 17 983 | 17 983 |
| U S Department of Education | | | | | |
| Direct Awards | | | | | |
| Student Financial Assistance Cluster | | | | | |
| Federal Supplemental Education Opportunity Grants | 84 007 | | - | 46 586 | 46 586 |
| Federal Work-Study Program | ARRA-84 033 | | - | 10 000 | 10 000 |
| Federal Pell Grant | ARRA-84 063 | | - | 1 905 918 | 1 905 918 |
| Federal Direct Student Loans | 84 268 | | - | 8 512 928 | 8 512 928 |
| Total Student Financial Assistance Cluster (direct) | | | - | 10 475 432 | 10 475 432 |
| Pass-Through From | | | | | |
| Des Moines Public Schools | | | | | |
| Title I Grants to Local Educational Agencies | 84 010 | | - | 7 224 | 7 224 |
| Nebraska Department of Education | | | | | |
| Rehabilitation Services Vocational Rehabilitation | | | | | |
| Grants to States | 84 126 | | - | 40 000 | 40 000 |
| New Jersey Department of Human Services | | | | | |
| Rehabilitation Services Vocational Rehabilitation | | | | | |
| Grants to States | 84 126 | 70013 | - | 73 500 | 73 500 |
| Total CFD 4 84 126 | | | - | 113 500 | 113 500 |
| The University of Louisville Research Foundation, Inc | | | | | |
| National Institute on Disability and | | | | | |
| Rehabilitation Research | 84 133 | IOIC12-0162201 | 35 145 | - | 35 145 |
| University of Nebraska Medical Center | | | | | |
| Special Education - Grants for Infants and Families | 84 181 | 94-2810-248-1C4-12 94-2810-248-1C5-13 36-5507-1021-015 | - | 11 800 | 11 800 |
| Total U S Department of Education | | | 35 145 | 10 607 956 | 10 643 101 |

Catholic Health Initiatives

Schedule of Expenditures of Federal Awards (continued)

| Federal Grantor/Pass-Through Grantor/Program Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Research & Development Cluster | Other Federal Expenditures | Total Federal Expenditures |
|---|---------------------------|---|--------------------------------------|-------------------------------|----------------------------------|
| U.S. Department of Health and Human Services | | | | | |
| Direct Awards | | | | | |
| Telehealth Programs | 93 211 | | \$ - | \$ 32 140 | \$ 32 140 |
| Consolidated Health Centers (Community Health Centers Migrant Health Centers Health Care for the Homeless and Public Housing Primary Care) | 93 224 | | - | 1 252 032 | 1 252 032 |
| Rural Access to Emergency Devices Grant and Public Access to Defibrillation Demonstration Grant | 93 259 | | - | 133 102 | 133 102 |
| Affordable Care Act (ACA) Nursing Assistant and Home Health Aide Program | 93 503 | | - | 192 606 | 192 606 |
| Affordable Care Act Initiative to Reduce Avoidable Hospitalizations Among Nursing Facility Residents | 93 621 | | - | 971 655 | 971 655 |
| Pass-Through From | | | | | |
| <i>Area Agency on Aging of West Central Arkansas</i> Special Programs for the Aging Title III Part D Disease Prevention and Health Promotion Services | 93 043 | | - | 528 | 528 |
| Aging Cluster | | | | | |
| <i>Area Agency on Aging of West Central Arkansas</i> Special Programs for the Aging Title III Part B Grants for Supportive Services and Senior Centers | 93 044 | | - | 5 144 | 5 144 |
| <i>Denver Regional Council of Governments</i> Special Programs for the Aging Title III Part B Grants for Supportive Services and Senior Centers | 93 044 | EX13031 | - | 107 815 | 107 815 |
| <i>Total CFD 93 044</i> | | | - | 112 959 | 112 959 |
| <i>Area Agency on Aging of West Central Arkansas</i> Special Programs for the Aging Title III Part C Nutrition Services | 93 045 | | - | 33 462 | 33 462 |
| <i>Area Agency on Aging of West Central Arkansas</i> Nutrition Services Incentive Program | 93 053 | | - | 11 945 | 11 945 |
| <i>Total Aging Cluster (pass-through)</i> | | | - | 158 366 | 158 366 |
| <i>Colorado Division of Insurance</i> Special Programs for the Aging Title IV and Title II Discretionary Projects | ARRA-93 048 | OE SFA 13SMP000002 | - | 6 749 | 6 749 |
| <i>North County Community Health Board</i> Public Health Emergency Preparedness | 93 069 | 47765 65492 | - | 26 832 | 26 832 |
| <i>Appanoose County Board of Health</i> Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements | 93 074 | 5884BT03 | - | 13 291 | 13 291 |
| <i>Iowa Department of Public Health</i> Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements | 93 074 | 5884BT65 5884BT64 | - | 27 077 | 27 077 |
| <i>Kansas Department of Health and Environment</i> Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements | 93 074 | | - | 127 000 | 127 000 |
| <i>Loess Hills Healthcare Coalition</i> Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements | 93 074 | 5884BT37 | - | 1 669 | 1 669 |
| <i>Pennsylvania Department of Health</i> Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements | 93 074 | 4100062712 | - | 35 301 | 35 301 |
| <i>Polk County Auditor's Office</i> Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements | 93 074 | | - | 57 703 | 57 703 |
| <i>Total CFD 93 074</i> | | | - | 262 041 | 262 041 |

Catholic Health Initiatives

Schedule of Expenditures of Federal Awards (continued)

| Federal Grantor/Pass-Through Grantor/Program Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Research & Development Cluster | Other Federal Expenditures | Total Federal Expenditures |
|--|---------------------------|---|--------------------------------------|-------------------------------|----------------------------------|
| U.S. Department of Health and Human Services (continued) | | | | | |
| <i>Goodwill Easter Seals</i> | | | | | |
| Health, Marriage Promotion and Responsible Fatherhood Grants | 93 086 | 00-825-230-535 00-824-230-536 | \$ — | \$ 78 125 | \$ 78 125 |
| <i>Health Resources and Services</i> | | | | | |
| Maternal and Child Health Federal Consolidated Programs | 93 110 | 5 H17MC25740-02-00 1 H17MC25740-01-00 | — | 30 773 | 30 773 |
| <i>Cincinnati Children's Hospital Medical Center</i> | | | | | |
| Research Related to Deafness and Communication Disorders | 93 173 | 5R01DC010202-02 | 46 116 | — | 46 116 |
| <i>The University of North Carolina</i> | | | | | |
| Disease Prevention | 93 184 | 5-42318 | 6 952 | — | 6 952 |
| <i>Nebraska Department of Health and Human Services</i> | | | | | |
| Affordable Care Act (ACA) Abstinence Education Program | 93 235 | 10395-Y3 | — | 52 990 | 52 990 |
| <i>CAHlink</i> | | | | | |
| State Rural Hospital Flexibility Program | 93 241 | | — | 48 855 | 48 855 |
| <i>Nebraska Department of Health and Human Services</i> | | | | | |
| State Rural Hospital Flexibility Program | 93 241 | 20288-Y3 | — | 18 000 | 18 000 |
| <i>Nebraska Office of Rural Health</i> | | | | | |
| State Rural Hospital Flexibility Program | 93 241 | 20287-Y3 11460-Y3 | — | 66 000 | 66 000 |
| <i>University of North Dakota</i> | | | | | |
| State Rural Hospital Flexibility Program | 93 241 | UND10098 UND10216 | — | 9 064 | 9 064 |
| <i>Total CFDA 93 241</i> | | | — | 141 919 | 141 919 |
| <i>Iowa Department of Public Health</i> | | | | | |
| Substance Abuse and Mental Health Services – Projects of Regional and National Significance | 93 243 | | — | 76 346 | 76 346 |
| <i>North Country Community Health Board</i> | | | | | |
| Universal Newborn Hearing Screening | 93 251 | 3000001369 | — | 375 | 375 |
| <i>University of Texas Health Science Center</i> | | | | | |
| Occupational Safety and Health Program | 93 262 | R01 OH009697-01 A1 | 11 159 | — | 11 159 |
| <i>Nebraska Department of Health and Human Services</i> | | | | | |
| Immunization Cooperative Agreements | 93 268 | 5H23IP722562-09 5H23IP000756-02 | — | 6 982 | 6 982 |
| <i>North Country Community Health Board</i> | | | | | |
| Immunization Cooperative Agreements | 93 268 | | — | 300 | 300 |
| <i>Total CFDA 93 268</i> | | | — | 7 282 | 7 282 |
| <i>American Psychological Association</i> | | | | | |
| Centers for Disease Control and Prevention – Investigations and Technical Assistance | 93 283 | | — | 8 000 | 8 000 |
| <i>Iowa Department of Public Health</i> | | | | | |
| Centers for Disease Control and Prevention – Investigations and Technical Assistance | 93 283 | 5884NB01 | — | 14 972 | 14 972 |
| <i>Kentuckyana Regional Planning</i> | | | | | |
| Centers for Disease Control and Prevention – Investigations and Technical Assistance | 93 283 | | — | 412 | 412 |
| <i>North Country Community Health Board</i> | | | | | |
| Centers for Disease Control and Prevention – Investigations and Technical Assistance | 93 283 | | — | 3 400 | 3 400 |
| <i>North Dakota Department of Health</i> | | | | | |
| Centers for Disease Control and Prevention – Investigations and Technical Assistance | 93 283 | 4521HLH3214003 | — | 5 000 | 5 000 |
| <i>Total CFDA 93 283</i> | | | — | 31 784 | 31 784 |

Catholic Health Initiatives

Schedule of Expenditures of Federal Awards (continued)

| Federal Grantor/Pass-Through Grantor/Program Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Research & Development Cluster | Other Federal Expenditures | Total Federal Expenditures |
|--|---------------------------|---|--------------------------------------|-------------------------------|----------------------------------|
| U.S. Department of Health and Human Services (continued) | | | | | |
| <i>CAHlink</i> | | | | | |
| Small Rural Hospital Improvement Grant Program | 93 301 | | \$ — | \$ 69 037 | \$ 69 037 |
| <i>Iowa Department of Public Health</i> | | | | | |
| Small Rural Hospital Improvement Grant Program | 93 301 | 5884SH01 5883SH72 5884SH69 | — | 22 248 | 22 248 |
| <i>Minnesota Department of Health</i> | | | | | |
| Small Rural Hospital Improvement Grant Program | 93 301 | 3000009908 | — | 27 441 | 27 441 |
| <i>Nebraska Office of Rural Health</i> | | | | | |
| Small Rural Hospital Improvement Grant Program | 93 301 | | — | 9 563 | 9 563 |
| <i>University of North Dakota</i> | | | | | |
| Small Rural Hospital Improvement Grant Program | 93 301 | UND10073 UND10195 UND10178 UND10189 UND10191 UND10071 UND10085 | — | 43 170 | 43 170 |
| <i>Washington Department of Health</i> | | | | | |
| Small Rural Hospital Improvement Grant Program | 93 301 | N19856 | — | 9 000 | 9 000 |
| <i>Total CFDA 93 301</i> | | | — | 180 459 | 180 459 |
| <i>Oregon Health & Science University</i> | | | | | |
| Cancer Treatment Research | 93 395 | 27469-76 | 9 175 | — | 9 175 |
| <i>The University of Louisville Research Foundation</i> | | | | | |
| Cancer Research Manpower | 93 398 | | 11 603 | — | 11 603 |
| <i>State of Colorado Department of Human Services</i> | | | | | |
| Affordable Care Act (ACA) Maternal Infant and Early Childhood Home Visiting Program | 93 505 | 14 IHA 61336 | — | 381 921 | 381 921 |
| <i>State of Colorado Department of Public Health and Environment</i> | | | | | |
| Affordable Care Act (ACA) Maternal Infant and Early Childhood Home Visiting Program | 93 505 | 13 FLA 50476 | — | 138 171 | 138 171 |
| <i>North Country Community Health Board</i> | | | | | |
| Affordable Care Act (ACA) Maternal Infant and Early Childhood Home Visiting Program | 93 505 | 56659 | — | 210 287 | 210 287 |
| <i>Total CFDA 93 505</i> | | | — | 730 379 | 730 379 |
| <i>Kitsap Public Health District</i> | | | | | |
| State Planning and Establishment Grants for the Affordable Care Act (ACA) Exchange | 93 525 | 1168 | — | 8 484 | 8 484 |
| <i>North Country Community Health Board</i> | | | | | |
| PPHF Community Transformation Grants and National Dissemination and Support for Community Transformation Grants – financed solely by Prevention and Public Health Funds | 93 531 | 3000006587 | — | 22 453 | 22 453 |
| <i>North Country Community Health Board Services</i> | | | | | |
| Temporary Assistance for Needy Families | 93 558 | | — | 45 627 | 45 627 |
| <i>Nebraska Department of Health and Human Services</i> | | | | | |
| Refugee and Entrant Assistance – State Administered Programs | 93 566 | | — | 633 646 | 633 646 |
| <i>Iowa Department of Human Services</i> | | | | | |
| Child Care and Development Block Grant | 93 575 | ACFS 12-029 | — | 367 136 | 367 136 |
| <i>University of Alabama at Birmingham</i> | | | | | |
| Health Care Innovations Awards (HCIA) | 93 610 | 000432302-002 | 281 496 | — | 281 496 |
| <i>Area Agency on Aging of West Central Arkansas</i> | | | | | |
| Social Services Block Grant | 93 667 | | — | 8 787 | 8 787 |

Catholic Health Initiatives

Schedule of Expenditures of Federal Awards (continued)

| Federal Grantor/Pass-Through Grantor/Program Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Research & Development Cluster | Other Federal Expenditures | Total Federal Expenditures |
|---|---------------------------|---|--------------------------------------|-------------------------------|----------------------------------|
| U.S. Department of Health and Human Services (continued) | | | | | |
| <i>North Country Community Health Board Services</i> | | | | | |
| Medical Assistance Program | 93 778 | GRK 36406 | \$ — | \$ 65 423 | \$ 65 423 |
| <i>Colorado Division of Insurance</i> | | | | | |
| Centers for Medicare and Medicaid Services (CMS) | | | | | |
| Research Demonstrations and Evaluations | 93 779 | OE SFA 14SHIP00003 OE SFA 15SHIP00003 | — | 46 786 | 46 786 |
| <i>Washington University</i> | | | | | |
| Blood Diseases and Resources Research | 93 839 | 5U01HL088476 | 22 000 | — | 22 000 |
| <i>Drexel University</i> | | | | | |
| Arthritis Musculoskeletal and Skin Diseases Research | 93 846 | 232486 | 5 615 | — | 5 615 |
| <i>University of Medicine and Dentistry of New Jersey</i> | | | | | |
| Extramural Research Programs in the Neurosciences and Neurological Disorders | 93 853 | 88285 | 850 | — | 850 |
| <i>University of North Dakota</i> | | | | | |
| Child Health and Human Development | | | | | |
| Extramural Research | 93 865 | | — | 15 091 | 15 091 |
| <i>Iowa Department of Public Health</i> | | | | | |
| National Bioterrorism Hospital Preparedness Program | 93 889 | 5883BHP62 5883BHP61 5883BHP63 5883BHP88 5883BHP14 5883BHP15 | — | 32 893 | 32 893 |
| <i>Oregon Health Authority</i> | | | | | |
| National Bioterrorism Hospital Preparedness Program | 93 889 | 139896 143824 | — | 1 983 | 1 983 |
| <i>Sanford Bennett Medical Center</i> | | | | | |
| National Bioterrorism Hospital Preparedness Program | 93 889 | | — | 10 408 | 10 408 |
| <i>Tennessee Department of Health</i> | | | | | |
| National Bioterrorism Hospital Preparedness Program | 93 889 | GE1439973 GE1439968 | — | 51 000 | 51 000 |
| <i>West Central Minnesota Healthcare System</i> | | | | | |
| National Bioterrorism Hospital Preparedness Program | 93 889 | | — | 3 910 | 3 910 |
| <i>Washington State Department of Health Washington State Hospital Association</i> | | | | | |
| National Bioterrorism Hospital Preparedness Program | 93 889 | U3REP090228-02-00 | — | 22 252 | 22 252 |
| <i>Total CFDA 93 889</i> | | | — | 122 446 | 122 446 |
| <i>Madison County Memorial Hospital</i> | | | | | |
| Rural Health Care Services Outreach Rural Health Network Development and Small Health Care Provider Quality Improvement Program | 93 912 | | — | 72 438 | 72 438 |
| <i>University of Louisville Research Foundation</i> | | | | | |
| Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease | 93 918 | ULRF 14-0728 | 13 750 | — | 13 750 |
| <i>Iowa Department of Health and Human Services</i> | | | | | |
| Block Grants for Community Mental Health Services | 93 958 | MDHA11-053 MDHS11-054 | — | 49 405 | 49 405 |
| <i>New Jersey Department of Human Services</i> | | | | | |
| Block Grants for Community Mental Health Services | 93 958 | 30305 | — | 315 957 | 315 957 |
| <i>Total CFDA 93 958</i> | | | — | 365 362 | 365 362 |
| <i>Minnesota Department of Human Services</i> | | | | | |
| Block Grants for Prevention and Treatment of Substance Abuse | 93 959 | 29214 | — | 205 947 | 205 947 |

Catholic Health Initiatives

Schedule of Expenditures of Federal Awards (continued)

| Federal Grantor/Pass-Through Grantor/Program Title | Federal CFDA Number | Pass-Through Entity Identifying Number | Research & Development Cluster | Other Federal Expenditures | Total Federal Expenditures |
|--|---------------------------|---|--------------------------------------|-------------------------------|----------------------------------|
| U S Department of Health and Human Services (continued) | | | | | |
| <i>Nebraska Department of Health and Human Services</i> | | | | | |
| Preventive Health and Health Services Block Grant | 93 991 | 2B01 DP009036-13 | \$ - | \$ 4 020 | \$ 4 020 |
| <i>Washington State Department of Commerce – Community Services and Housing Division</i> | | | | | |
| Preventive Health and Health Services Block Grant | 93 991 | #13-31110-1678 | | | |
| | | #14-31110-168 | | | |
| <i>Total CFDA 93 991</i> | | | - | 12 011 | 12 011 |
| <i>North Country Community Health Board Services</i> | | | - | 16 031 | 16 031 |
| Maternal and Child Health Services Block Grant to the States | 93 994 | | - | 32 670 | 32 670 |
| Total U S Department of Health and Human Services | | | 408 716 | 6 394 810 | 6 803 526 |
| Corporation for National and Community Service | | | | | |
| Pass-Through From | | | | | |
| <i>Foundation for a Healthy Kentucky</i> | | | | | |
| Social Innovation Fund | 94 019 | 2012KHF1013 | - | 106 112 | 106 112 |
| Total Corporation for National and Community Service | | | - | 106 112 | 106 112 |
| U S Department of Homeland Security | | | | | |
| Pass-Through From | | | | | |
| <i>Commonwealth of Kentucky Department of Military Affairs</i> | | | | | |
| <i>Division of Emergency Management</i> | | | | | |
| Hazard Mitigation Grant | 97 039 | HMGP DR-1855-0018-R | - | 88 503 | 88 503 |
| Total U S Department of Homeland Security | | | - | 88 503 | 88 503 |
| Total Expenditures of Federal Awards | | | \$ 956,418 | \$ 19,823,683 | \$ 20,780,101 |

See accompanying notes to schedule of expenditures of federal awards

Catholic Health Initiatives

Notes to Schedule of Expenditures of Federal Awards

June 30, 2014

1. General

The schedule of expenditures of federal awards (SEFA) presents expenditures for all federal programs that were in effect during the year ended June 30, 2014, for Catholic Health Initiatives (CHI), with one exception. Federal expenditures in the amount of \$855,504 for CFDA 14 157 – Supportive Housing for the Elderly are not presented in the SEFA as a separate audit was performed as required by the U S Department of Housing and Urban Development (HUD).

For purposes of the SEFA, federal awards include all federal assistance entered into directly between CHI and the federal government and sub-awards from nonfederal organizations made under federally sponsored agreements. The SEFA does not include payments received under Medicare and Medicaid reimbursement programs.

2. Basis of Accounting

Expenditures are reported on the accrual basis of accounting in accordance with U S generally accepted accounting principles. The information in the SEFA is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

3. Federal Student Loans

CHI participates in the Federal Direct Student Loans program (CFDA 84 268), which includes the Federal Stafford Loan and the Federal Parent Loans for Undergraduate Students programs. New loans disbursed during the fiscal year ended June 30, 2014, totaled \$8,512,928. Loans under the Federal Direct Student Loans program are made directly by the federal government to students. New loans made in the fiscal year ended June 30, 2014, relating to this program are represented as current year federal expenditures, whereas the outstanding loan balances are not.

4. Subrecipients

Of the federal expenditures represented in the SEFA, CHI provided federal awards to subrecipients as follows:

| <u>CFDA – Program Title</u> | <u>Amount</u> |
|--|---------------|
| 12 420 – Military Medical Research and Development | \$ 441,223 |

Catholic Health Initiatives

Schedule of Findings and Questioned Costs

Year Ended June 30, 2014

Part I – Summary of Auditor’s Results

Financial statements section

Type of auditor’s report issued (unmodified, qualified, adverse, or disclaimer)

Unmodified

Internal control over financial reporting

Material weakness(es) identified?

 Yes X **No**

Significant deficiency(ies) identified?

 Yes X **None reported**

Noncompliance material to financial statements noted?

 Yes X **No**

Federal awards section

Internal control over major programs

Material weakness(es) identified?

 X **Yes** **No**

Significant deficiency(ies) identified?

 X **Yes** **None reported**

Type of auditor’s report issued on compliance for major programs (unmodified, qualified, adverse, or disclaimer)

Unmodified for all major programs, except for Special Supplemental Nutrition Program for Women, Infants, and Children, and National Bioterrorism Hospital Preparedness Program, which were qualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?

 X **Yes** **No**

Catholic Health Initiatives

Schedule of Findings and Questioned Costs (continued)

Part I – Summary of Auditor’s Results (continued)

Identification of major programs

| CFDA Number(s) | Name of Federal Program or Cluster |
|---|---|
| 84 007, ARRA-84 033, ARRA-84 063, 84 268 | Student Financial Assistance Cluster |
| Various | Research and Development Cluster |
| 10 557 | Special Supplemental Nutrition Program for Women, Infants, and Children |
| 93 224 | Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care) |
| 93 505 | Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program |
| 93 566 | Refugee and Entrant Assistance – State Administered Programs |
| 93 575 | Child Care and Development Block Grant |
| 93 621 | Affordable Care Act Initiative to Reduce Avoidable Hospitalizations Among Nursing Facility Residents |
| 93 889 | National Bioterrorism Hospital Preparedness Program |
| 93 958 | Block Grants for Community Mental Health Services |
| Dollar threshold used to distinguish between Type A and Type B programs | \$ 309,140 |
| Auditee qualified as low-risk auditee? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

Catholic Health Initiatives

Schedule of Findings and Questioned Costs (continued)

Part II – Financial Statement Findings Section

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, and abuse related to the consolidated financial statements for which *Government Auditing Standards* require reporting in a Circular A-133 audit

There were no financial statement findings

Part III – Federal Award Findings and Questioned Costs Section

This section identifies the audit findings required to be reported by Circular A-133 section 510(a) (for example, material weaknesses, significant deficiencies, and material instances of noncompliance, including questioned costs), as well as any abuse findings involving federal awards that are material to a major program

Catholic Health Initiatives

Schedule of Findings and Questioned Costs (continued)

Finding 2014-001 – Eligibility

Federal program information

U S Department of Agriculture
CFDA 10 557 – Special Supplemental Nutrition Programs for Women, Infants, and Children (WIC)
Passed Through Washington State Department of Health – St Clare Hospital (N20126)
Passed through Department of Public Health, Seattle and King County – Highline Medical Center (CHS3221)
Passed through North Country Community Health Board – St Joseph’s Area Health Services and Lakewood Health Center

Criteria or specific requirement (including statutory, regulatory or other citation)

Scope Limitation – Eligibility per OMB Circular A-133 Section 5102(5) the auditor should report a finding when the auditor’s report on compliance is other than unqualified

Condition

CHI was unable to provide sufficient documentation at St Clare Hospital in Tacoma, Washington, supporting eligibility determinations made for WIC program participants due to the use of a paperless software system required by the State of Washington and the U S Department of Agriculture

Questioned costs

\$0

Context

Upon the screening of an individual for eligibility for participation in the WIC program, St Clare Hospital reviews the support for income, residency, etc , and documents the applicant’s eligibility in a software program required by the State of Washington and the U S Department of Agriculture Based upon the inputs from screening, the software program indicates whether or not an individual is eligible for WIC However, St Clare Hospital is not required to and does not retain evidence of what was documented in the software program

Catholic Health Initiatives

Schedule of Findings and Questioned Costs (continued)

Effect

We are not able to test eligibility compliance or controls over compliance for the WIC program at St Clare Hospital resulting in a scope limitation. Due to the scope limitation at St Clare Hospital, which accounted for 78% of the WIC expenditures, the scope limitation is reported for the WIC program overall.

Cause

The paperless software system used for the WIC program at St Clare Hospital does not require the retention of records supporting eligibility determination, and such records are not retained.

Recommendation

None

Views of responsible officials
and planned corrective
actions

A scope limitation qualified opinion was issued for Catalog of Federal Domestic Assistance (CFDA) 10 557 – Special Supplemental Nutrition Programs for Women, Infants, and Children (WIC) as the auditors were unable to obtain sufficient documentation supporting the compliance of St Clare Hospital regarding eligibility for participants. St Clare Hospital uses a paperless software system as required by the State of Washington and the U S Department of Agriculture. Third-party documentation is reviewed by St Clare Hospital at the time the initial eligibility determination of a WIC participant is made. However, due to the paperless system, these records are not retained. The grantor, State of Washington, has been informed of this finding in prior years and has stated that they do not sustain this finding and that no corrective action is required. As a result, no further corrective action will be taken. CHI notes that this issue is isolated to St Clare Hospital and does not apply to the other CHI locations that receive funding from the WIC program.

Catholic Health Initiatives

Schedule of Findings and Questioned Costs (continued)

Finding 2014-002 – Material Weakness – Equipment and Real Property Management

Federal program information

U S Department of Health and Human Services (HHS)
CFDA 93 889 – National Bioterrorism Hospital Preparedness
Program (HPP)

Criteria or specific
requirement (including
statutory, regulatory or other
citation)

In accordance with 2 CFR Section 215.34(f), codified by HHS at 45 CFR Section 74.34(f), property management records for equipment acquired with federal funds shall include all of the following: description of equipment, serial number, model number, or other identification number, source of the equipment, including the award number, whether the title vests in the recipient or federal government, acquisition date, location and condition of equipment, unit acquisition cost, and ultimate disposition date. Also, the recipient shall take a physical inventory of equipment and the results reconciled with the equipment records at least once every two years. Any differences between quantities determined by the physical inspection and those shown in the accounting records shall be investigated to determine the causes of the difference. The recipient shall, in connection with the inventory, verify the existence, current utilization, and continued need for the equipment.

Condition

CHI's property management records for equipment acquired with federal HPP funds do not include equipment from grant inception to date and also do not include all of the required information.

Physical inventories were not performed or documented adequately for the HPP within the last two years.

Questioned costs

\$0

Catholic Health Initiatives

Schedule of Findings and Questioned Costs (continued)

Context

CHI did not provide equipment listings, to include equipment purchases for previous years, for the HPP

For HPP – Memorial Health Care System, a list of current year equipment additions was provided and the list included all of the required information for those equipment items, however, no prior year equipment purchases were included on the list

CHI did not provide evidence of a physical inventory of HPP equipment being performed in the last two years

Effect

Misappropriation or loss of equipment purchased with federal funds could occur when internal controls designed to prevent and detect noncompliance related to safeguarding and identifying federal equipment are not implemented or operating effectively

Cause

Proper controls were not fully implemented to appropriately record equipment information in the system after the equipment was received and tagged and to perform the required physical inventories every two years

Recommendation

All equipment purchased with federal funds should be appropriately tagged, and a detailed listing should be maintained with all of the required elements. This listing should include equipment acquired with federal funds from grant inception. A physical inventory observation of federally funded equipment should be performed and documented every two years. The physical inventory could be useful to compile lists of equipment acquired in previous years that were not originally included in equipment listings when purchased.

Views of responsible officials and planned corrective actions

During FY2015, CHI will compile a listing of HPP equipment purchased with federal funds since program inception that will include all required attributes. CHI will also perform an inventory in FY2015 of this equipment.

Catholic Health Initiatives

Schedule of Findings and Questioned Costs (continued)

Finding 2014-003 – Significant Deficiency – Allowable Costs/Cost Principles

Federal program information

U S Department of Health and Human Services
U S Department of Education
Research and Development Cluster

Jewish Hospital and St Mary's Health Care, Inc (Jewish) – CFDA 84 133 passed through the University of Louisville Research Foundation, Inc , and CFDA 93 846 passed through Drexel University (11012367)

CHI Institute for Research and Innovation – CFDA 93 610 passed through the University of Alabama at Birmingham

Criteria or specific requirement (including statutory, regulatory or other citation)

As required by CFR 45 Part 74 Appendix E and OMB A-122, Attachment B, Paragraph 7, the distribution of salaries and wages must be supported by personnel activity reports for each employee whose compensation is charged in whole or in part to the award. The reports must reflect an assessment of actual activity for each employee, must account for the total activity for which the employee is compensated, must be prepared at least monthly, must coincide with one or more pay periods, and must be signed by the individual employee or a supervisory official having firsthand knowledge of the activities performed by the employee. Budget estimates should not be used as support for expenditures.

Condition

For award 93 846, each month, the Data Coordinator would invoice Drexel University for the budgeted monthly amount of \$1,500 instead of the actual hours spent on the grant. The actual costs incurred working on the grant were lower than the reimbursement requested by \$7,885.

Additionally, for two selections, time records for December 2013 and January 2014 pay, totaling \$241, were not completed with employee and supervisor approval until June 2014.

For one selection, the time record for pay, totaling \$69, approval was completed in August 2014, reflecting three hours were worked on the grant, although four hours were

Catholic Health Initiatives

Schedule of Findings and Questioned Costs (continued)

| | |
|-------------------------|--|
| | <p>charged to the grant for the pay period, resulting in an excess request of \$17</p> <p>For award 84 133, for two selections, time records for April and May 2014 pay, totaling \$3,224, were not completed until July/August 2014</p> <p>For award 93 610, for one employee selection, \$2,855 in salary expenses was requested for reimbursement from grantor in excess of actual expenses</p> |
| <u>Questioned costs</u> | <p>93 846 \$8,143</p> <p>84 133 \$3,224</p> <p>93 610 \$2,855</p> |
| <u>Context</u> | <p>For awards 84 133 and 93 846, for five of the time records that were selected for testing, only one of the time records was approved timely in accordance with the regulations Total salary expenditures for CFDA 93 846 and 84 133 totaled \$3,758 and \$35,145, respectively</p> <p>For award 93 610, for one of five employee selections, \$2,855 in salary expenses was requested for reimbursement from grantor in excess of actual expenditures Total salary expenditures for CFDA 93 610 totaled \$249,965</p> |
| <u>Effect</u> | <p>Actual expenditures were not charged to the grant Additionally, payroll expenditures were not properly supported at the time the expenditures were charged to the federal program</p> |
| <u>Cause</u> | <p>Proper controls were not implemented to appropriately track and bill time and expenditures in accordance with the grant requirements</p> |

Catholic Health Initiatives

Schedule of Findings and Questioned Costs (continued)

Recommendation

Personnel activity reports or time and effort records should be prepared at least monthly and coincide with one or more pay periods for employees who charge time to federal programs and be signed by the employee or supervisory official having firsthand knowledge of the activities performed by the employee. Amounts billed to the awarding agency should be for actual time incurred and not based upon budget and should not exceed actual expenditures.

Views of responsible officials and planned corrective actions

CHI will implement a time and effort reporting policy during FY2015 that incorporates all of the federal requirements.

Catholic Health Initiatives

Schedule of Findings and Questioned Costs (continued)

Finding 2014-004 – Cash Management

Federal program information

U S Department of Defense
U S Army Medical Command
Research and Development Cluster

Jewish Hospital and St Mary's Health Care, Inc (Jewish) –
CFDA 12 420 – Military Medical Research and Development
passed through Wake Forest University (WFUHS 441039
CTA-09)

Criteria or specific
requirement (including
statutory, regulatory or other
citation)

OMB Circular A-110, *Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations* requires (a) Payment methods shall minimize the time elapsing between the transfer of funds from the United States Treasury and the issuance or redemption of checks, warrants, or payment by other means by the recipients (b) Recipients are to be paid in advance, provided they maintain or demonstrate the willingness to maintain (1) written procedures that minimize the time elapsing between the transfer of funds and disbursement by the recipient, and (2) financial management systems that meet the standards for fund control and accountability as established in Section __ 21 Cash advances to a recipient organization shall be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the recipient organization in carrying out the purpose of the approved program or project The timing and amount of cash advances shall be as close as is administratively feasible to the actual disbursements by the recipient organization for direct program or project costs and the proportionate share of any allowable indirect costs (g) To the extent available, recipients shall disburse funds available from repayments to and interest earned on a revolving fund, program income, rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash payments

Catholic Health Initiatives

Schedule of Findings and Questioned Costs (continued)

Condition

For CFDA 12 420 – Military Medical Research and Development, WFUHS 441039 CTA-09, the grant terms are on a reimbursement basis. The reimbursement requests were submitted to and received from the pass-through agency prior to paying the subrecipient. Additionally, one of the checks received through the bank lock box by Jewish for \$7,421 was made payable to Jewish's subrecipient by Wake Forest University, however, Jewish cashed the check rather than returning the check to Wake Forest University.

Questioned costs

\$7,421

Context

CFDA 12 420 WFUHS 441039 CTA-09 represents \$67,177 or 7% of total R&D Cluster expenditures, of this amount \$57,730 was passed through to subrecipients by Jewish representing 6% of total R&D Cluster expenditures.

The payment to the subrecipients occurred as follows:
Reimbursement #1 \$59,755 requested funds June 11, 2014, received funds June 19, 2014, paid funds to the subrecipient September 18, 2014 and September 9, 2014, respectively.

Reimbursement #2 \$7,421 requested funds July 9, 2014, received funds July 17, 2014, paid funds to the subrecipient October 23, 2014. Additionally, the check received on July 17, 2014, was made payable to the subrecipient directly by Wake Forest University but was cashed via a lock box deposit by Jewish and then Jewish paid the subrecipient.

Effect

Program funds were requested before program costs were incurred by Jewish, so the grant was not in accordance with the terms of the grant agreement. Federal funds received that were not made payable to Jewish were not returned to the pass-through entity.

Cause

The delay in payment to the subrecipient was due to the transition period of the Grant Manager position. The check that was cashed by Jewish was processed through the lock box.

Catholic Health Initiatives

Schedule of Findings and Questioned Costs (continued)

Recommendation

For grants on a reimbursement basis, program costs should be paid for by CHI funds before reimbursement is requested from the pass-through entity. Checks should be returned to the pass-through entity if they are not made payable to Jewish.

Views of responsible officials
and planned corrective
actions

CHI implemented a Cash Management policy during FY2013 that incorporates all of the federal requirements. Personnel at Jewish have been informed of the policy and will comply with requirements in the future.

Catholic Health Initiatives

Schedule of Findings and Questioned Costs (continued)

Finding 2014-005 – Significant Deficiency – Special Tests and Provisions

Federal program information

U S Department of Health and Human Services (HHS)
CFDA 93 224 – Consolidated Health Centers (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care) – Good Samaritan Hospital, Dayton, Ohio

Criteria or specific requirement (including statutory, regulatory or other citation)

Financial Management and Control Policies

Health center maintains accounting and internal control systems appropriate to the size and complexity of the organization reflecting Generally Accepted Accounting Principles (GAAP) and separates functions appropriate to organizational size to safeguard assets and maintain financial stability Health center assures an annual independent financial audit is performed in accordance with Federal audit requirements, including submission of a corrective action plan addressing all findings, questioned costs, reportable conditions, and material weaknesses cited in the Audit Report (Section 330(k)(3)(D) and (q) of the PHS Act and 45 CFR Parts 74 14, 74 21, and 74 26)

Board Authority

Health center governing board maintains appropriate authority to oversee the operations of the center (Section 330(k)(3)(H) of the PHS Act and 42 CFR Part 51c 304) Unless a requirement for a governing board is waived by Health Resources Services Administration (HRSA) or the center is operated by an Indian tribe or tribal or Indian organization under the Indian Self-Determination Act or an urban Indian organization under the Indian Health Care Improvement Act, the health center must have a governing board that (1) is composed of individuals, a majority of whom are being served by the center and who, as a group, represent the individuals being served by the center, (2) meets at least once a month, (3) selects the services to be provided by the center, (4) schedules the hours during which services will be provided by the center, (5) approves the center's annual budget, (6) approves the selection of a director for the center,

Catholic Health Initiatives

Schedule of Findings and Questioned Costs (continued)

Condition

and (7) except in the case of a public center, establishes general policies for the center (42 USC 254b(k)(3)(H))

Financial Management and Control Policies

Samaritan Homeless Clinic, a department of Good Samaritan Hospital, developed its budget in a manner that shows anticipated federal and nonfederal resources needed to carry out the project, as required by HRSA, but it does not track the actual expenditure of federal and nonfederal funds at the transaction level. The chart of accounts provides sufficient code structure to properly assign income and expenses to all departments at a high level of detail, but it had no provision that allows Samaritan Homeless Clinic to distinguish between federal and nonfederal transactions, as required by Policy Information Notice (PIN) 2013-01.

Board Authority

Samaritan Homeless Clinic received a waiver in 2005 that negated the HRSA requirement of monthly board meetings. That waiver was deemed ineffective by HRSA as of January 1, 2014, by PIN 2014-01 that was sent electronically to Samaritan Homeless Clinic by its HRSA Program Officer in January 2014. Samaritan Homeless Clinic was operating under its own advisory committee, which had no authority, however, in accordance with program requirements, Samaritan Homeless Clinic must be operating under the grantee's (Good Samaritan Hospital) board. Samaritan Homeless Clinic is considered a department of Good Samaritan Hospital and, as such, may not operate under its own board. As a result, Good Samaritan Hospital was not maintaining appropriate board authority to oversee operations of Samaritan Homeless Clinic, and the board was not meeting monthly in accordance with the requirements.

Questioned costs

\$0

Catholic Health Initiatives

Schedule of Findings and Questioned Costs (continued)

Context

We noted and tested controls and compliance for nine requirements under special tests and provisions for the Consolidated Health Centers program in relation to Samaritan Homeless Clinic. For two of nine requirements, we noted noncompliance as discussed above related to financial management and control policies and board authority.

Effect

Good Samaritan Hospital is noncompliant with special tests and provisions related to the federal program. Due to the board authority finding, Good Samaritan Hospital sent notice to HRSA in November 2014 of its intent to relinquish the grant and request transfer to another entity for the remainder of the project period, from June 1, 2015 through October 31, 2015.

Cause

Samaritan Homeless Clinic was not aware that a separate chart of accounts was needed for federal versus nonfederal transactions.

The waiver received by Samaritan Homeless Clinic in 2005 that negated the HRSA requirement of monthly board meetings was deemed ineffective by HRSA as of January 1, 2014, by PIN 2014-01.

Recommendation

Financial and Management Controls

Good Samaritan Hospital should develop additional account code structure in its chart of accounts to permit it to account for and monitor the actual use of federal and nonfederal resources in a manner consistent with its approved budget.

Board Authority

Good Samaritan Hospital's board should maintain appropriate authority to oversee the operations of the health center and become compliant with all of aspects related to the federal program requirements over board authority or discuss other alternatives with the funding agency.

Catholic Health Initiatives

Schedule of Findings and Questioned Costs (continued)

Views of responsible officials
and planned corrective
actions

Good Samaritan Hospital submitted its intent to relinquish this grant as of June 1, 2015, due to its inability to meet the Board Authority requirement. As of November 1, 2014, the start of the new grant budget period, new accounts were implemented to allow for the separate tracking of expenditures paid for with federal funds. This separate tracking will be maintained until transfer of the grant is complete.

Catholic Health Initiatives

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2014

Finding 2013-001 – SEFA Preparation – Reporting

Current Status This finding has been corrected. During FY2014, CHI centralized the grant accounting function and has implemented the grant module within its accounting system. The implementation of this module has given CHI a tool to effectively accumulate and report federal expenditures. Within this module, cluster information is stored which ensures the correct classification of research and development grants.

Finding 2013-002 – Eligibility – CFDA 10.557

Current Status This finding has been repeated as finding 2014-001. Franciscan Medical Group's St. Clare Hospital uses a paperless software system as required by the State of Washington and the U.S. Department of Agriculture. Third-party documentation is reviewed by St. Clare Hospital at the time the initial eligibility determination of a WIC participant is made. However, due to the paperless system, these records are not retained. Since St. Clare Hospital follows the paperless system as required by the grantor, no further corrective action will be taken.

Finding 2013-003 – Procurement – CFDA 10.855, 93.887, 93.889, 93.958, and 93.621

Current Status This finding has been corrected. During FY2014, CHI implemented a national procurement policy for federal grant-funded purchases.

Finding 2013-004 – Equipment and Real Property Management – CFDA 10.855, 93.887, and 93.889

Current Status This finding has been repeated as finding 2014-002. During FY2014, CHI implemented attributes in its fixed asset accounting module to store the required attributes for assets purchased with federal grant funds in FY2014 and forward. Physical inventories of equipment purchased with federal grant funds are planned for FY2015.

Finding 2013-005 – Allowable Costs/Cost Principles – CFDA 93.889 and 93.958 and R&D Cluster

Current Status This finding has been repeated as finding 2014-003. CHI began to enforce time and effort reporting requirements in FY2014. In FY2015, a time and effort reporting policy will be implemented and enforced.

Catholic Health Initiatives

Summary Schedule of Prior Audit Findings (continued)

Finding 2013-006 – Procurement and Suspension and Debarment – CFDA 10.855

Current Status This finding has been corrected. During FY2014, CHI implemented a national procurement policy for federal grant funded purchases.

Finding 2013-007 – Cash Management – CFDA 93.621

Current Status CHI resolved this finding with the grantor agency prior to the issuance of the FY2013 audit report. This finding resulted from a misunderstanding of whether the grant operated on a reimbursement versus cash advance basis.

Finding 2013-008 –Reporting – CFDA 10.855

Current Status CHI resolved this finding by filing the 2013 report as required and included activity that took place over the term of the grant.

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