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Form 990 Department of the Treasury Internal Revenue Service	Return of Organization Exempt From Income Tax Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations) ▶ Do not enter Social Security numbers on this form as it may be made public. By law, the IRS generally cannot redact the information on the form. ▶ Information about Form 990 and its instructions is at www.irs.gov/form990	OMB No. 1545-0047 <div>2013</div> <div>Open to Public Inspection</div>
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A For the 2013 calendar year, or tax year beginning 07-01-2013 , 2013, and ending 06-30-2014									
B Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending		C Name of organization PORTERCARE ADVENTIST HEALTH SYSTEM					D Employer identification number 84-0438224		
		Doing Business As							
		Number and street (or P O box if mail is not delivered to street address) 2525 S DOWNING ST				Room/suite		E Telephone number (303) 765-6861	
		City or town, state or province, country, and ZIP or foreign postal code DENVER, CO 80210					G Gross receipts \$ 1,004,167,947		
		F Name and address of principal officer GARY CAMPBELL 188 INVERNESS DR W SUITE 500 ENGLEWOOD, CO 80112				H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
						H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)			
I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527						H(c) Group exemption number ▶ 1071			
J Website: ▶ WWW.CENTURA.ORG									
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation 1968		M State of legal domicile CO					

Part I		Summary	
Activities & Governance	1 Briefly describe the organization's mission or most significant activities OUR COMPANY, A FAITH BASED ORGANIZATION, INVESTS IN CHARITY CARE, COMMUNITY PROGRAMS AND SPONSORSHIPS DESIGNED TO NURTURE THE HEALTH OF THE PEOPLE OF COLORADO WITH A GOAL TO KEEP THEM HEALTHY		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	3
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	0
	5 Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	5,831
	6 Total number of volunteers (estimate if necessary)	6	1,100
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	2,915,238	
b Net unrelated business taxable income from Form 990-T, line 34	7b	-435,703	
Revenue		Prior Year	Current Year
	8 Contributions and grants (Part VIII, line 1h)	1,049,707	1,914,123
	9 Program service revenue (Part VIII, line 2g)	960,887,160	972,284,613
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	10,503,137	11,615,849
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	7,242,438	7,985,127
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	979,682,442	993,799,712
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	1,313,703	1,290,340
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	327,606,654	363,306,823
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) <input type="checkbox"/> 0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	557,761,375	575,630,758
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	886,681,732	940,227,921
	19 Revenue less expenses Subtract line 18 from line 12	93,000,710	53,571,791
Net Assets or Fund Balances		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	1,365,736,196	1,415,367,426
	21 Total liabilities (Part X, line 26)	468,441,985	469,346,588
	22 Net assets or fund balances Subtract line 21 from line 20	897,294,211	946,020,838

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

Sign Here	Signature of officer				2015-05-14	
	DAN ENDERSON SVP CFO				Date	
Type or print name and title						
Paid Preparer Use Only	Print/Type preparer's name MARK STOCKI		Preparer's signature		Date	Check <input type="checkbox"/> if self-employed
	Firm's name ▶ CATHOLIC HEALTH INITIATIVES				PTIN P00642127	
	Firm's address ▶ 198 INVERNESS DRIVE WEST ENGLEWOOD, CO 80112				Firm's EIN ▶ 47-0617373 Phone no (303) 298-9100	

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

Part III

Statement of Program Service Accomplishments

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

1

Briefly describe the organization's mission

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?

Yes

No

If "Yes," describe these new services on Schedule O

3

Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes

No

If "Yes," describe these changes on Schedule O

4

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a

(Code) (Expenses \$ 794,633,498 including grants of \$ 1,290,340) (Revenue \$ 972,284,613)

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 794,633,498

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	No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII 	11c Yes	
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	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	Yes	
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	5,831
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 DR W 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) RICHARD REINER VICE PRESIDENT/CHAIRMAN	1 00 50 00	X		X				0	1,662,894	59,355
(2) TERRY SHAW ASST TREASURER/SECRETARY	1 00 50 00	X		X				0	1,692,632	243,317
(3) ROBERT HENDERSCHEDT BOARD MEMBER	1 00 50 00	X						0	1,185,775	164,296
(4) DAN ENDERSON SVP Chief Finance Officer	1 00 0			X				0	0	0
(5) GARY CAMPBELL PRESIDENT/CEO	1 00 0			X				0	0	0
(6) RANDY HAFFNER CEO-PORTER ADVENTIST HOSP	40 00 0			X				849,782	0	241,292
(7) ANDREW GAASCH CFO-PORTER ADVENTIST HOSP	40 00 0				X			345,372	0	47,538
(8) BRETT 58355 SPENST CEO-Littleton Adventist Hospital	40 00 0				X			492,391	0	90,493
(9) CHERYL CURRY CFO-AVISTA ADVENTIST HOSP	40 00 0				X			300,185	0	43,100
(10) DENNIS BARTS CEO - Avista Adventist Hospital	40 00 0				X			246,887	0	10,055
(11) JOHN SACKETT CEO-avista adventist hospital	40 00 0				X			158,484	0	27,328
(12) JONATHAN FISHER CFO -Parker Adventist Hospital	40 00 0				X			214,617	0	35,158
(13) MORRE DEAN CEO-Parker Adventist Hosp	40 00 0				X			480,448	0	122,690
(14) DAVID SCHRIER Physician	40 00 0					X		760,421	0	45,945
(15) JOHN CAMPANA Physician	40 00 0					X		721,337	0	45,019
(16) RAYMOND KIM Physician	40 00 0					X		781,203	0	44,675
(17) ROBERT THOMAS PHYSICIAN	40 00 0					X		941,320	0	40,907

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

[illegible]

1b	Sub-Total			
c	Total from continuation sheets to Part VII, Section A			
d	Total (add lines 1b and 1c)	7,146,077	4,541,301	1,306,287

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 360

		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	No
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
APP-UNIPATH 6116 E WARREN AVE DENVER CO 80222	MEDICAL SERVICES	2,715,120
SP III DENER-POTER LLC 707 WESTCHESTER AVE 401A WHITE PLAINS NY 106043151	CONSTRUCTION	2,547,548
CRITICAL CARE PULMONARY & SLEEP ASSOCIATES 274 UNION BLVD SUITE 110 LAKEWOOD CO 80228	PHYSICIAN SERVICES	1,727,102
OBSTETRIX MEDICAL GROUP PO BOX 281034 ATLANTA GA 30384	MEDICAL SERVICES	1,322,589
SUPPLEMENTAL HEALTH CARE 1640 W REDSTONE CENTER DRIVE 200 PARK CITY TX 84098	TEMPORARY STAFFING	1,140,181

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 ►50

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	1,907,712			
	e	Government grants (contributions) 1e				
	f	All other contributions, gifts, grants, and similar amounts not included above 1f	6,411			
	g	Noncash contributions included in lines 1a-1f \$				
	h	Total. Add lines 1a-1f	1,914,123			
Program Service Revenue	Business Code					
	2a	PATIENT SERVICES	900099	966,812,773	966,812,773	
	b	EQUITY CHANGES OF UNCONSOLIDATED ORGS	900099	2,570,726	2,570,726	
	c	RENTAL INCOME	900099	2,738,299	2,736,549	1,750
	d	EDUCATION	611710	115,217	115,217	
	e	GUEST ROOM FEES	721310	47,595	47,595	
	f	All other program service revenue	3	3	0	0
	g	Total. Add lines 2a-2f	972,284,613			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)	9,848,709		75	9,848,634
	4	Income from investment of tax-exempt bond proceeds	0			
	5	Royalties	0			
	(i) Real		(ii) Personal			
	6a	Gross rents	66,037			
	b	Less rental expenses	19,315			
	c	Rental income or (loss)	46,722	0		
	d	Net rental income or (loss)	46,722			46,722
	(i) Securities		(ii) Other			
	7a	Gross amount from sales of assets other than inventory	11,606,088			
	b	Less cost or other basis and sales expenses	9,838,948			
	c	Gain or (loss)	0	1,767,140		
	d	Net gain or (loss)	1,767,140			1,767,140
	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		803,759			
	b	Less cost of goods sold b	509,972			
	c	Net income or (loss) from sales of inventory	293,787			293,787
	Miscellaneous Revenue		Business Code			
	11a	CAFETERIA	722100	4,040,660	115,079	3,925,581
	b	PHARMACY SERVICES	446110	2,355,290	2,171,701	183,589
	c	RESEARCH	541700	523,636	523,636	0
	d	All other revenue	725,032	0	102,997	622,035
	e	Total. Add lines 11a-11d	7,644,618			
	12	Total revenue. See Instructions	993,799,712	972,282,863	2,915,238	16,687,488

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.	1,290,340	1,290,340		
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.	296,163,101	236,930,481	59,232,620	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	16,141,022	12,912,818	3,228,204	
9	Other employee benefits.	30,676,511	24,541,209	6,135,302	
10	Payroll taxes.	20,326,189	16,260,951	4,065,238	
11	Fees for services (non-employees):				
a	Management.	82,142,410	65,713,928	16,428,482	
b	Legal.	39,295		39,295	
c	Accounting.	187,726		187,726	
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).	101,716,511	78,969,084	22,747,427	0
12	Advertising and promotion.	3,289,576	2,631,661	657,915	
13	Office expenses.	18,652,269	14,167,969	4,484,300	
14	Information technology.	0			
15	Royalties.	0			
16	Occupancy.	19,423,607	15,538,886	3,884,721	
17	Travel.	1,253,475	1,002,780	250,695	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.	0			
19	Conferences, conventions, and meetings.	452,792	362,234	90,558	
20	Interest.	14,716,564	14,716,564		
21	Payments to affiliates.	0			
22	Depreciation, depletion, and amortization.	53,192,603	42,554,082	10,638,521	
23	Insurance.	3,533,999	2,827,199	706,800	
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	43,659,239	43,659,239		
b	REPAIRS AND MAINTENANCE	12,986,824	10,389,459	2,597,365	
c	MEDICAL SUPPLIES	168,013,267	168,013,267		
d	BAD DEBTS	49,138,050	39,310,440	9,827,610	
e	All other expenses	3,232,551	2,840,907	391,644	0
25	Total functional expenses. Add lines 1 through 24e.	940,227,921	794,633,498	145,594,423	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		654,163	1	2,230,184
	2	Savings and temporary cash investments		21,593,387	2	39,301,890
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		111,801,820	4	125,813,285
	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		2,570,749	7	4,278,068
	8	Inventories for sale or use		17,917,398	8	20,699,843
	9	Prepaid expenses and deferred charges		2,591,953	9	3,524,177
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D.	10a952,205,959			
	b	Less: accumulated depreciation	10b362,542,664	568,490,402	10c	589,663,295
	11	Investments—publicly traded securities		0	11	0
	12	Investments—other securities. See Part IV, line 11.		13,894,871	12	15,357,622
	13	Investments—program-related. See Part IV, line 11.		463,983,942	13	440,699,160
	14	Intangible assets		88,149,186	14	88,074,186
	15	Other assets. See Part IV, line 11.		74,088,325	15	85,725,716
	16	Total assets. Add lines 1 through 15 (must equal line 34).		1,365,736,196	16	1,415,367,426
Liabilities	17	Accounts payable and accrued expenses		71,719,303	17	81,549,962
	18	Grants payable			18	
	19	Deferred revenue			19	1,424,064
	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	
	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.		396,722,682	25	386,372,562
	26	Total liabilities. Add lines 17 through 25.		468,441,985	26	469,346,588
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		897,190,355	27	945,916,982
	28	Temporarily restricted net assets		103,856	28	103,856
	29	Permanently restricted net assets			29	
	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		897,294,211	33	946,020,838
	34	Total liabilities and net assets/fund balances		1,365,736,196	34	1,415,367,426

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	993,799,712
2	Total expenses (must equal Part IX, column (A), line 25)	2	940,227,921
3	Revenue less expenses Subtract line 2 from line 1	3	53,571,791
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	897,294,211
5	Net unrealized gains (losses) on investments	5	1,355,565
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	-6,200,729
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	946,020,838

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?		No
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		

SCHEDULE A

(Form 990 or 990EZ)

Department of the
Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization PORTERCARE ADVENTIST HEALTH SYSTEM	Employer identification number 84-0438224
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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	
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SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ **Complete if the organization is described below. ▶ Attach to Form 990 or Form 990-EZ.**

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

OMB No 1545-0047

2013

Open to Public
Inspection

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

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

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

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

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

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

Name of the organization PORTERCARE ADVENTIST HEALTH SYSTEM	Employer identification number 84-0438224
--	--

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		25,861
	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			25,861
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).	2a	
a	Current year.		
b	Carryover from last year.		
c	Total.		
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.	LINE 1F ANNUAL DUES WERE PAID TO COLORADO HEALTH ASSOCIATION, A PORTION OF WHICH WERE ALLOCATED TO LOBBYING. THE AMOUNT THAT REPRESENTS THIS ENTITY'S SHARE OF THE ALLOCATED LOBBYING EXPENSE IS AS FOLLOWS: COLORADO HEALTH ASSOCIATION \$25,861.

Part IV

Return Reference

Explanation

SCHEDULE D
(Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2013

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

Name of the organization PORTERCARE ADVENTIST HEALTH SYSTEM	Employer identification number 84-0438224
--	--

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
- b If "Yes," explain the arrangement in Part XIII and complete the following table
- c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	
1d	
1e	
1f	
- 2a Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes ☐ No
- b If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII

☐

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

- | | (a)Current year | (b)Prior year | b (c)Two years back | (d)Three years back | (e)Four years back |
|--|-----------------|---------------|---------------------|---------------------|--------------------|
| 1a Beginning of year balance | | | | | |
| b Contributions | | | | | |
| c Net investment earnings, gains, and losses | | | | | |
| d Grants or scholarships | | | | | |
| e Other expenditures for facilities and programs | | | | | |
| f Administrative expenses | | | | | |
| g End of year balance | | | | | |
- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as
- a Board designated or quasi-endowment ▶

b Permanent endowment ▶

c Temporarily restricted endowment ▶
- The percentages in lines 2a, 2b, and 2c should equal 100%
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by
- (i) unrelated organizations

(ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		
- b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?
- 4 Describe in Part XIII the intended uses of the organization's endowment funds

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

Description of property	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	1,247,156	68,299,790		69,546,946
b Buildings		600,426,396	238,477,198	361,949,198
c Leasehold improvements				0
d Equipment		217,400,907	112,101,374	105,299,533
e Other		64,831,710	11,964,092	52,867,618
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ▶				589,663,295

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	PORTERCARE ADVENTIST HEALTH SYSTEM'S FINANCIAL INFORMATION IS INCLUDED IN THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS OF ADVENTIST HEALTH SYSTEM (AHS), A RELATED ORGANIZATION AHS'S FIN 48 FOOTNOTE FOR THE YEAR ENDED DECEMBER 31, 2013 IS AS FOLLOWS "HEALTHCARE CORPORATION AND ITS AFFILIATED ORGANIZATIONS, OTHER THAN NORTH AMERICAN HEALTH SERVICES, INC AND ITS SUBSIDIARIES (NAHS), ARE EXEMPT FROM STATE AND FEDERAL INCOME TAXES ACCORDINGLY, HEALTHCARE CORPORATION AND ITS TAX-EXEMPT AFFILIATES ARE NOT SUBJECT TO FEDERAL, STATE, OR LOCAL INCOME TAXES EXCEPT FOR ANY NET UNRELATED BUSINESS TAXABLE INCOME FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012, UNRELATED BUSINESS INCOME ACTIVITIES CONDUCTED BY HEALTHCARE CORPORATION AND ITS TAX-EXEMPT AFFILIATES DID NOT GENERATE A MATERIAL AMOUNT OF COMBINED FEDERAL, STATE AND LOCAL INCOME TAX NAHS IS A WHOLLY OWNED, FOR-PROFIT SUBSIDIARY OF HEALTHCARE CORPORATION NAHS AND ITS SUBSIDIARIES ARE SUBJECT TO FEDERAL AND STATE INCOME TAXES NAHS FILES A CONSOLIDATED FEDERAL INCOME TAX RETURN AND, WHERE APPROPRIATE, CONSOLIDATED STATE INCOME TAX RETURNS FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012, NAHS GENERATED TAXABLE INCOME OF APPROXIMATELY \$500 AND \$2,100, RESPECTIVELY THIS TAXABLE INCOME WAS FULLY OFFSET BY NET OPERATING LOSS CARRYFORWARDS FOR FEDERAL INCOME TAX PURPOSES ALTHOUGH ONE STATE IN WHICH NAHS CONDUCTS BUSINESS SUSPENDED THE UTILIZATION OF NET OPERATING LOSS CARRYFORWARDS FOR THE YEAR ENDED DECEMBER 31, 2013, NO MATERIAL STATE INCOME TAX LIABILITY RESULTED ACCORDINGLY, THERE IS NO PROVISION FOR CURRENT FEDERAL OR STATE INCOME TAX FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012 NAHS ALSO HAS TEMPORARY DEDUCTIBLE DIFFERENCES OF APPROXIMATELY \$65,000 AND \$64,800 AT DECEMBER 31, 2013 AND 2012, RESPECTIVELY, PRIMARILY AS A RESULT OF NET OPERATING LOSS CARRYFORWARDS AT DECEMBER 31, 2013, NAHS HAD NET OPERATING LOSS CARRYFORWARDS OF APPROXIMATELY \$64,200, OF WHICH \$21,000 WILL EXPIRE IN 2023, WITH THE REMAINING \$43,300 EXPIRING BEGINNING IN 2018 THROUGH 2026 SOME OF THESE NET OPERATING LOSSES ARE SUBJECT TO THE SEPARATE RETURN LIMITATION YEAR RULES DEFERRED TAXES HAVE BEEN PROVIDED FOR THESE AMOUNTS, RESULTING IN A NET DEFERRED TAX ASSET OF APPROXIMATELY \$24,700 AND \$24,600 AT DECEMBER 31, 2013 AND 2012, RESPECTIVELY A FULL VALUATION ALLOWANCE HAS BEEN PROVIDED AT DECEMBER 31, 2013 AND 2012, RESPECTIVELY, TO OFFSET THE DEFERRED TAX ASSET SINCE HEALTHCARE CORPORATION HAS DETERMINED THAT IT IS MORE LIKELY THAN NOT THAT THE BENEFIT OF THE NET OPERATING LOSS CARRYFORWARDS WILL NOT BE REALIZED IN FUTURE YEARS THE INCOME TAXES TOPIC OF THE ASC (ASC 740) PRESCRIBES THE ACCOUNTING FOR UNCERTAINTY IN INCOME TAX POSITIONS RECOGNIZED IN FINANCIAL STATEMENTS ASC 740 PRESCRIBES A RECOGNITION THRESHOLD AND MEASUREMENT ATTRIBUTE FOR THE FINANCIAL STATEMENT RECOGNITION AND MEASUREMENT OF A TAX POSITION TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN THERE WERE NO MATERICAL UNCERTAIN TAX POSITION AS OF DECEMBER 31, 2013 AND 2012 "

[illegible]

Additional Data

Software ID: 13000248
Software Version: 2013v3.1
EIN: 84-0438224
Name: PORTERCARE ADVENTIST HEALTH SYSTEM

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

1 (a) Description of Liability	(b) Book Value
INTERCOMPANY PAYABLES	370,758,723
ANNUITIES PAYABLE	92,500
CRT OBLIGATION	486,963
MALPRACTICE	12,812,434
PHYSICIAN LOAN FORGIVENESS	1,703,184
UNCLAIMED PROPERTY	16,030
ENVIRONMENTAL REMEDIATION	394,933
POST EMPLOYMENT BENEFITS	107,795

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
PORTERCARE ADVENTIST HEALTH SYSTEM

Employer identification number
84-0438224

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 _____ % 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 _____ % 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"?	3a Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	3b Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	4 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?	5a Yes	
6a	Did the organization prepare a community benefit report during the tax year?	5b Yes	
b	If "Yes," did the organization make it available to the public?	5c	No
	Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.	6a Yes	
		6b Yes	

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)			14,372,260		14,372,260	1 610 %
b Medicaid (from Worksheet 3, column a)			55,808,726		55,808,726	6 260 %
c Costs of other means-tested government programs (from Worksheet 3, column b) . .			9,113,496		9,113,496	1 020 %
d Total Financial Assistance and Means-Tested Government Programs . .	0	0	79,294,482	0	79,294,482	8 890 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			7,885,544		7,885,544	0 880 %
f Health professions education (from Worksheet 5)			7,271		7,271	0 %
g Subsidized health services (from Worksheet 6)			2,312,044		2,312,044	0 260 %
h Research (from Worksheet 7)			4,535		4,535	0 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			1,398,712		1,398,712	0 160 %
j Total Other Benefits	0	0	11,608,106	0	11,608,106	1 300 %
k Total. Add lines 7d and 7j . .	0	0	90,902,588	0	90,902,588	10 190 %

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

Section A. Bad Debt Expense		Yes	No
1	Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1	Yes
2	Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount	2	49,138,050
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3	0
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements		
Section B. Medicare			
5	Enter total revenue received from Medicare (including DSH and IME)	5	213,522,470
6	Enter Medicare allowable costs of care relating to payments on line 5	6	288,632,419
7	Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-75,109,949
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		
Section C. Collection Practices			
9a	Did the organization have a written debt collection policy during the tax year?	9a	Yes
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	Yes

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

Section A. Hospital Facilities

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

[illegible]

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)

PARKER ADVENTIST 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) 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)	1	Yes	
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) a <input checked="" type="checkbox"/> Hospital facility's website (list url) <u>www.parkerhospital.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)	5	Yes	
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? If "No," indicate why	Yes	
<div>a</div> <div><input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions</div>		
<div>b</div> <div><input type="checkbox"/> The hospital facility's policy was not in writing</div>		
<div>c</div> <div><input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)</div>		
<div>d</div> <div><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</div> <div><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</div> <div><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</div> <div><input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged</div>		
<div>d</div> <div><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)

LITTLETON ADVENTIST 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>mylittletonhospital.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)
PORTER ADVENTIST 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) 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			
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			
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)			
a <input checked="" type="checkbox"/> Hospital facility's website (list url) <u>porterhospital.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			
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)?			
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?			
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 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)

AVISTA ADVENTIST 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) 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	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>avistahospital.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? 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)

CASTLE ROCK ADVENTIST 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)

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		No
a <input type="checkbox"/> A definition of the community served by the hospital facility			
b <input type="checkbox"/> Demographics of the community			
c <input 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 type="checkbox"/> How data was obtained			
e <input type="checkbox"/> The health needs of the community			
f <input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g <input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs			
h <input type="checkbox"/> The process for consulting with persons representing the community's interests			
i <input 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 ____			
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		
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		
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		
a <input type="checkbox"/> Hospital facility's website (list url) _____			
b <input type="checkbox"/> Other website (list url) _____			
c <input 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 type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b <input type="checkbox"/> Execution of the implementation strategy			
c <input type="checkbox"/> Participation in the development of a community-wide plan			
d <input type="checkbox"/> Participation in the execution of a community-wide plan			
e <input 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 type="checkbox"/> Prioritization of health needs in its community			
h <input 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		
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		
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?	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		

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? **56**

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, INCOME-BASED CRITERIA	PORTERCARE ADVENTIST HEALTH SYSTEM 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 IN ADDITION, PORTERCARE ADVENTIST HEALTH SYSTEM 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	PORTERCARE ADVENTIST HEALTH SYSTEM IS OPERATED BY CENTURA HEALTH CORPORATION (CHC) CHC PREPARES ITS OWN WRITTEN COMMUNITY BENEFIT REPORT WHICH INCLUDES THE ACTIVITIES OF PORTERCARE ADVENTIST HEALTH SYSTEM 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	PORTERCARE ADVENTIST HEALTH SYSTEM 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, APPLIED TO THE APPLICABLE GROSS REVENUES (E G MEDICARE, MEDICAID) 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	49,138,050

Form and Line Reference	Explanation
Schedule H, Part III, Line 2, Bad debt expense - methodology used to estimate amount	PORTERCARE ADVENTIST HEALTH SYSTEM (PAHS) USES THE OVERALL COST TO GROSS CHARGE RATIO APPLICABLE TO EACH FACILITY TO DETERMINE THE COSTS IN PART III LINES 2 AND 3 PAHS 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	PORTERCARE ADVENTIST HEALTH SYSTEM DOES NOT BELIEVE THAT ANY PORTION OF BAD DEBT EXPENSE COULD REASONABLY BE ATTRIBUTED TO PATIENTS WHO QUALIFY FOR FINANCIAL ASSISTANCE SINCE AMOUNTS DUE FROM THOSE INDIVIDUALS' ACCOUNTS WILL BE RECLASSIFIED FROM BAD DEBT EXPENSE TO CHARITY CARE WITHIN 30 DAYS FOLLOWING THE DATE THAT THE PATIENT IS DETERMINED TO QUALIFY FOR CHARITY CARE

Form and Line Reference	Explanation
Schedule H, Part III, Line 4, Bad debt expense - financial statement footnote	<p>PORTERCARE ADVENTIST HEALTH SYSTEM USES THE OVERALL COST TO GROSS CHARGE RATIO APPLICABLE TO EACH FACILITY TO DETERMINE THE COSTS IN PART III LINES 2 AND 3 PORTERCARE ADVENTIST HE ALTH SYSTEM 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 PORTERCARE ADVENTIST HEA LTH SYSTEM PROVIDES INFORMATION TO PATIENTS AT THE TIME OF REGISTRATION WITH RESPECT TO IT S FINANCIAL ASSISTANCE POLICIES HOWEVER, IN SOME INSTANCES PATIENTS DO NOT COMPLETE THE N ECESSARY FORMS TO APPLY FOR FINANCIAL ASSISTANCE AS A RESULT, PORTERCARE ADVENTIST HEALTH SYSTEM USES AN OUTSIDE VENDOR TO ASSIST IN DETERMINING A PATIENT'S ELIGIBILITY FOR FINANC IAL ASSISTANCE THIS INCLUDES A REVIEW OF THE PATIENT'S FINANCIAL SITUATION BASED ON THE V ENDOR'S DATABASE OF EXTERNAL INFORMATION IN INSTANCES WHERE THE REVIEW INDICATES THAT THE PATIENT QUALIFIES FOR FINANCIAL ASSISTANCE, PORTERCARE ADVENTIST HEALTH SYSTEM ADJUSTS TH E PATIENT'S BILL TO MATCH ITS CHARITY POLICY AND DOES NOT PURSUE COLLECTION FROM THE PATIE NT FOR THE PORTION OF THE PATIENT'S OBLIGATION THAT QUALIFIES FOR CHARITY PORTERCARE ADVE NTIST HEALTH SYSTEM (PAHS) DOES NOT ISSUE SEPARATE AUDITED FINANCIAL STATEMENTS, HOWEVER, PAHS IS INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS OF ADVENTIST HEALTH SYSTEM (AHS) AND THEIR FOOTNOTE IS REFERENCED BELOW BAD DEBT EXPENSE IS REPORTED ON PAHS' INTERNAL FI NANCIAL STATEMENTS AS AN EXPENSE THE AMOUNT REPORTED IS BASED ON THE AMOUNT DEEMED TO NOT BE COLLECTIBLE BY PATIENTS WHO HAVE THE ABILITY TO PAY FINANCIAL STATEMENT FOOTNOTE RELA TED TO ACCOUNTS RECEIVABLE AND ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS THE SYSTEM'S PATIENT ACCEPTANCE POLICY IS BASED ON ITS MISSION STATEMENT AND ITS CHARITABLE PURPOSES ACCORDING LY, THE SYSTEM ACCEPTS PATIENTS IN IMMEDIATE NEED OF CARE, REGARDLESS OF THEIR ABILITY TO PAY PATIENT SERVICE REVENUE IS REPORTED AT ESTIMATED NET REALIZABLE AMOUNTS FOR SERVICES RENDERED THE SYSTEM RECOGNIZES PATIENT SERVICE REVENUE ASSOCIATED WITH PATIENTS WHO HAVE THIRD-PARTY PAYOR COVERAGE ON THE BASIS OF CONTRACTUAL RATES FOR THE SERVICES RENDERED FO R UNINSURED PATIENTS THAT DO NOT QUALIFY FOR CHARITY CARE, REVENUE IS RECOGNIZED ON THE BA SIS OF DISCOUNTED RATES IN ACCORDANCE WITH THE SYSTEM'S POLICY PATIENT SERVICE REVENUE IS REDUCED BY THE PROVISION FOR BAD DEBTS AND ACCOUNTS RECEIVABLE ARE REDUCED BY AN ALLOWANC E FOR UNCOLLECTIBLE ACCOUNTS THESE AMOUNTS ARE BASED ON MANAGEMENT'S ASSESSMENT OF HISTOR ICA L AND EXPECTED NET COLLECTIONS FOR EACH MAJOR PAYOR SOURCE, CONSIDERING BUSINESS AND EC ONOMIC CONDITIONS, TRENDS IN HEALTHCARE COVERAGE AND OTHER COLLECTION INDICATORS MANAGEME NT REGULARLY REVIEWS COLLECTIONS DATA BY MAJOR PAYOR SOURCES IN EVALUATING THE SUFFICIENCY OF THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS ON THE BASIS OF HISTORICAL EXPERIENCE, A SIG NIFICANT PORTION OF THE SYSTEM'S SELF-PAY PATIENTS WILL BE UNABLE OR UNWILLING TO PAY FOR SERVICES PROVIDED THUS, THE SYSTEM RECORDS A SIGNIFICANT PROVISION FOR BAD DEBTS IN THE P ERIOD SERVICES ARE PROVIDED RELATED TO SELF-PAY PATIENTS THE SYSTEM'S ALLOWANCE FOR UNCOL LECTIBLE ACCOUNTS FOR SELF-PAY PATIENTS WAS 97% OF SELF-PAY ACCOUNTS RECEIVABLE AS OF DECE MBER 31, 2013 AND 2012 FOR RECEIVABLES ASSOCIATED WITH PATIENTS WHO HAVE THIRD-PARTY COVE RAGE, THE SYSTEM ANALYZES CONTRACTUALLY DUE AMOUNTS AND PROVIDES AN ALLOWANCE FOR UNCOLLEC TIBLE ACCOUNTS AND A PROVISION FOR BAD DEBTS, IF NECESSARY ACCOUNTS RECEIVABLE ARE WRITTE N OFF AFTER COLLECTION EFFORTS HAVE BEEN FOLLOWED IN ACCORDANCE WITH THE SYSTEM'S POLICIES FOR ALL PATIENTS OTHER THAN CHARITY PATIENTS, PATIENT SERVICE REVENUE, NET OF CONTRACTUA L ALLOWANCES AND SELF-PAY DISCOUNTS AND BEFORE THE PROVISION FOR BAD DEBTS, RECOGNIZED FRO M MAJOR PAYOR SOURCES IS AS FOLLOWS THIRD PARTY PAYORS, NET OF CONTRACUTAL ALLOWANCES 20 13 \$7,240,083 2012 \$6,977,094 SELF-PAY PATIENTS, NET OF DISCOUNTS 2013 \$426,173 2012 \$ 368,244 THE SYSTEM HAS NOT EXPERIENCED SIGNIFICANT CHANGES IN WRITE-OFF TRENDS AND HAS NOT CHANGED ITS SELF-PAY DISCOUNT OR CHARITY CARE POLICY FOR THE YEARS ENDED DECEMBER 31, 201 3 OR 2012 THE SYSTEM HAS DETERMINED, BASED ON AN ASSESSMENT AT THE REPORTING-ENTITY LEVEL , THAT PATIENT SERVICE REVENUE IS PRIMARILY RECORDED PRIOR TO ASSESSING THE PATIENT'S ABIL ITY TO PAY AND AS SUCH, THE ENTIRE PROVISION FOR BAD DEBTS IS RECORDED AS A DEDUCTION FROM PATIENT SERVICE REVENUE IN THE ACCOMPANYING CONSOLIDATED STATEMENTS OF OPERATIONS AND CHA NGES IN NET ASSETS REVENUE FROM MEDICARE AND MEDICAID PROGRAMS REPRESENTS APPROXIMATELY 3 1% AND 33% OF THE SYSTEM'S PATIENT SERVICE REVENUE FOR THE YEARS ENDED DECEMBER 31, 2013 A ND 2012, RESPECTIVELY LAWS AND REGULATIONS GOVERNING THE MEDICARE AND MEDICAID PROGRAMS A RE EXTREMELY COMPLEX AND SUBJECT TO INTERPRETATION AS A RESULT, THERE IS AT LEAST A REASO NABLE POSSIBILITY THAT RECORDED ESTIMATES WILL CHA</p>

Form and Line Reference	Explanation
Schedule H, Part III, Line 4, Bad debt expense - financial statement footnote	<p>NGE BY A MATERIAL AMOUNT IN THE NEAR TERM OTHER THAN THE ACCOUNTS RECEIVABLE RELATED TO THE MEDICARE AND MEDICAID PROGRAMS, THERE ARE NO SIGNIFICANT CONCENTRATIONS OF ACCOUNTS RECEIVABLE DUE FROM AN INDIVIDUAL PAYOR AT DECEMBER 31, 2013 AND 2012 THE SYSTEM WAS A PARTY TO A SETTLEMENT AGREEMENT DATED APRIL 5, 2012 WITH THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS), THE SECRETARY OF HHS AND THE CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS) THE SYSTEM, ALONG WITH A GROUP OF OTHER MEDICARE PROVIDERS, HAD CHALLENGED CMS' IMPLEMENTATION OF THE RURAL FLOOR BUDGET NEUTRALITY PROVISION OF THE BALANCE BUDGET ACT OF 1997, WHICH EFFECTIVELY UNDERSTATED THE STANDARD AMOUNT PAID THROUGH THE INPATIENT PROSPECTIVE PAYMENT SYSTEM FOR A NUMBER OF YEARS UNDER THE SETTLEMENT AGREEMENT, THE SYSTEM RECEIVED \$52,769 DURING THE YEAR ENDED DECEMBER 31, 2012 AND RECOGNIZED THIS AMOUNT AS PATIENT SERVICE REVENUE IN THE ACCOMPANYING CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS RELATED PROFESSIONAL FEES OF \$5,277 ARE INCLUDED IN OPERATING EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2012 IN THE ACCOMPANYING CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS THE SYSTEM IS SUBJECT TO RETROACTIVE REVENUE ADJUSTMENTS DUE TO FUTURE AUDITS, REVIEWS AND INVESTIGATIONS RETROACTIVE ADJUSTMENTS ARE CONSIDERED IN THE RECOGNITION OF REVENUE ON AN ESTIMATED BASIS IN THE PERIOD THE RELATED SERVICES ARE RENDERED, AND SUCH AMOUNTS ARE ADJUSTED IN FUTURE PERIODS AS ADJUSTMENTS BECOME KNOWN OR AS YEARS ARE NO LONGER SUBJECT TO SUCH AUDITS, REVIEWS AND INVESTIGATIONS ADJUSTMENTS TO REVENUE RELATED TO PRIOR PERIODS, EXCLUDING AMOUNTS RECEIVED FROM THE 2012 CMS SETTLEMENT DISCUSSED ABOVE, INCREASED PATIENT SERVICE REVENUE BY APPROXIMATELY \$10,600 AND \$49,500 FOR THE YEARS ENDED DECEMBER 31, 2013 AND 2012, RESPECTIVELY</p>

Form and Line Reference	Explanation
Schedule H, Part III, Line 8, Community benefit & methodology for determining medicare costs	<p>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 RATIONALE FOR INCLUDING A MEDICARE SHORTFALL AS COMMUNITY BENEFIT AS A 501(C)(3) ORGANIZATION, THE FILING ORGANIZATION PROVIDES EMERGENCY AND NON-ELECTIVE CARE TO ALL REGARDLESS OF ABILITY TO PAY ALL HOSPITAL SERVICES ARE PROVIDED IN A NON-DISCRIMINATORY MANNER TO PATIENTS WHO ARE COVERED BENEFICIARIES UNDER THE MEDICARE PROGRAM AS A PUBLIC INSURANCE PROGRAM, MEDICARE PROVIDES A PRE-ESTABLISHED REIMBURSEMENT RATE/AMOUNT TO HEALTH CARE PROVIDERS FOR THE SERVICES THEY PROVIDE TO PATIENTS IN SOME CASES, THE REIMBURSEMENT AMOUNT PROVIDED TO A HOSPITAL MAY EXCEED ITS COSTS OF PROVIDING A PARTICULAR SERVICE OR SERVICES TO A PATIENT IN OTHER CASES, THE MEDICARE REIMBURSEMENT AMOUNT MAY RESULT IN THE HOSPITAL EXPERIENCING A SHORTFALL OF REIMBURSEMENT RECEIVED OVER COSTS INCURRED IN THOSE CASES WHERE AN OVERALL SHORTFALL IS GENERATED FOR PROVIDING SERVICES TO ALL MEDICARE PATIENTS, THE SHORTFALL AMOUNT SHOULD BE CONSIDERED AS A BENEFIT TO THE COMMUNITY TAX-EXEMPT HOSPITALS ARE REQUIRED TO ACCEPT ALL MEDICARE PATIENTS REGARDLESS OF THE PROFITABILITY, OR LACK THEREOF, WITH RESPECT TO THE SERVICES THEY PROVIDE TO MEDICARE PATIENTS THE POPULATION OF INDIVIDUALS COVERED UNDER THE MEDICARE PROGRAM IS SUFFICIENTLY LARGE SO THAT THE PROVISION OF SERVICES TO THE POPULATION IS A BENEFIT TO THE COMMUNITY AND RELIEVES THE BURDENS OF GOVERNMENT IN THOSE SITUATIONS WHERE THE PROVISION OF SERVICES TO THE TOTAL MEDICARE PATIENT POPULATION OF A TAX-EXEMPT HOSPITAL DURING ANY YEAR RESULTS IN A SHORTFALL OF REIMBURSEMENT RECEIVED OVER THE COST OF PROVIDING CARE, THE TAX-EXEMPT HOSPITAL HAS PROVIDED A BENEFIT TO A CLASS OF PERSONS BROAD ENOUGH TO BE CONSIDERED A BENEFIT TO THE COMMUNITY DESPITE A FINANCIAL SHORTFALL, A TAX-EXEMPT HOSPITAL MUST AND WILL CONTINUE TO ACCEPT AND CARE FOR MEDICARE PATIENTS TYPICALLY, TAX-EXEMPT HOSPITALS PROVIDE HEALTH CARE SERVICES BASED UPON AN ASSESSMENT OF THE HEALTH CARE NEEDS OF THEIR COMMUNITY AS OPPOSED TO THEIR TAXABLE COUNTERPARTS WHERE PROFITABILITY OFTEN DRIVES DECISIONS ABOUT PATIENT CARE SERVICES THAT ARE OFFERED PATIENT CARE PROVIDED BY TAX-EXEMPT HOSPITALS THAT RESULTS IN MEDICARE SHORTFALLS SHOULD BE CONSIDERED AS PROVIDING A BENEFIT TO THE COMMUNITY AND RELIEVING THE BURDENS OF GOVERNMENT</p>

Form and Line Reference	Explanation
Schedule H, Part III, Line 9b, Collection practices for patients eligible for financial assistance	PORTERCARE ADVENTIST HEALTH SYSTEM'S DEBT COLLECTION POLICY PROVIDES 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 PORTERCARE ADVENTIST HEALTH SYSTEM'S CHARITY CARE POLICY, UNINSURED DISCOUNT POLICY OR ANOTHER FINANCIAL ASSISTANCE PROGRAM (I E MEDICAID) PORTERCARE ADVENTIST HEALTH SYSTEM REQUIRES THE FOLLOWING OF ITS THIRD-PARTY COLLECTION AGENCIES * NEITHER PORTERCARE ADVENTIST HEALTH SYSTEM HOSPITALS OR THEIR COLLECTION AGENCIES WILL REQUEST BENCH OR ARREST WARRANTS AS A RESULT OF NON-PAYMENT, * NEITHER PORTERCARE ADVENTIST HEALTH SYSTEM HOSPITALS OR THEIR COLLECTION AGENCIES WILL SEEK LIENS THAT WOULD REQUIRE THE SALE OR FORECLOSURE OF A PRIMARY RESIDENCE, AND * NO PORTERCARE ADVENTIST HEALTH SYSTEM COLLECTION AGENCY MAY SEEK COURT ACTION WITHOUT HOSPITAL APPROVAL

Form and Line Reference	Explanation
SCHEDULE H, PART V, SECTION B, LINE 1, CASTLE ROCK ADVENTIST HOSPITAL	CASTLE ROCK ADVENTIST HOSPITAL OPENED IN AUGUST OF 2013 THE COMMUNITY HEALTH NEEDS ASSESSMENT WILL BE COMPLETED IN FY15 AND REPORTED ON THE 2014 FORM 990

Form and Line Reference	Explanation
SCHEDULE H, PART VI, LINES 2, 4, & 5 NEEDS ASSESSMENT AND COMMUNITY INFORMATION AND BENEFIT	<p>ACROSS COLORADO, MORE THAN 4,500 ASSOCIATES OF PORTERCARE ADVENTIST HEALTH SYSTEM (PAHS) A RE CHANGING LIVES IN OUR 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, PAHS 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 PAHS SUPPORTS ITS NEIGHBORS THROUGHOUT THE STATE COMMUNITY BENEFITS ARE OFFERED IN THE FORM OF OUTREACH AND EDUCATION, SUPPORT GROUPS, ACTIVITIES AND CLINICS, AS WELL AS CHARITY CARE AS A NONPROFIT, FAITH-BASED ORGANIZATION, PAHS 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 PAHS INVESTED THE FOLLOWING IN ITS COMMUNITIES</p> <p>COMMUNITY BENEFIT ANNUAL REPORT FY14 SUMMARY PORTERCARE ADVENTIST HEALTH SYSTEM (PAHS), A FAITH-BASED, NONPROFIT HEALTH CARE ENTITY, SINCE THEIR EARLIEST DAYS, HAVE PLACED AN EMPHASIS ON WHOLE PERSON CARE AND ON ILLNESS PREVENTION, HAVE 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, PAHS BUILDS UPON ITS UNIQUE HISTORY, HERITAGE AND TRADITIONS TO CREATE A FAITH-BASED ENTITY DESIGNED TO ADVANCE THE MISSION OF THEIR INDIVIDUAL ORGANIZATIONS TODAY, PAHS OPERATES 5 HOSPITALS AVISTA ADVENTIST HOSPITAL, LITTLETON ADVENTIST HOSPITAL, PARKER ADVENTIST HOSPITAL AND PORTER ADVENTIST HOSPITAL IN KEEPING WITH OUR MISSION, PAHS PROVIDES CARE FOR ALL REGARDLESS OF ABILITY TO PAY IN FY14, PAHS PROVIDED \$48 MILLION IN HEALTHCARE TO UNDERPRIVILEGED INDIVIDUALS AND THE BROADER COMMUNITY THROUGH CHARITY CARE, COMMUNITY EDUCATION AND OUTREACH, AND UNPAID COSTS OF MEDICAID QUALITY HEALTHCARE IS DELIVERED TO PERSONS IN THESE SERVICE AREAS - DENVER, BOULDER, LITTLETON, PARKER AND THEIR SURROUNDING COMMUNITIES IN THE STATE OF COLORADO UNCOMPENSATED CARE PORTERCARE ADVENTIST HEALTH SYSTEM PROVIDES A SIGNIFICANT AMOUNT OF UNCOMPENSATED CARE EACH YEAR IN FY14, THE COST OF TRADITIONAL CHARITY CARE PROVIDED WAS \$14.4 MILLION PAHS ALSO INCURRED \$55.8 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 PAHS INCURRED \$68.5 MILLION IN UNREIMBURSED COSTS FOR MEDICARE COMMUNITY OUTREACH FOR PERSONS WHO ARE POOR PROJECT CURE COLLECTION OF MEDICAL SUPPLIES AND EQUIPMENT IS PALLETIZED AND SHRUNK WRAPPED FOR DONATION SOCIAL ASSISTANCE PRESCRIPTIONS THIS PROGRAM PROVIDES MEDICATIONS AT THE TIME OF DISCHARGE FOR LOW-INCOME PATIENTS CAB VOUCHERS VOUCHERS FOR CABS ARE PROVIDED FOR LOW INCOME PATIENTS COMMUNITY OUTREACH FOR THE BROADER COMMUNITY COMMUNITY CONTRIBUTIONS PAHS HOSPITALS ARE PROUD TO CONTRIBUTE TO THE LOCAL CHARITIES AND ORGANIZATIONS THAT HELP TO MEET THEIR MISSION AND CARE FOR THE PEOPLE OR THEIR COMMUNITY NEW LIFE EDUCATION CLASSES PAHS PROVIDES NUMEROUS CHILD BIRTHING PREPARATION, SIBLING PREPARATION, AND EXERCISE CLASSES SAFETY SAFARI PROVIDES SAFETY INFORMATION TO CHILDREN IN THE COMMUNITY COMMUNITY EDUCATION PROVIDES EDUCATION REGARDING DISEASE PROCESSES, SAFETY AND PROMOTING HEALTH IN THE COMMUNITY FAMILY EDUCATION WOMEN'S SERVICES OFFERS A VARIETY OF CLASSES FOR THE COMMUNITY, INCLUDING CPR, LACTATION AND OTHERS VIM AND VIGOR MAGAZINE FREE COMMUNITY HEALTH AND WELLNESS MAGAZINE PUBLISHED QUARTERLY DIABETES AWARENESS CLASSES IN THESE CLASSES, DIABETICS AND THEIR FAMILIES LEARN TO MANAGE DIABETES THROUGH NUTRITION, EXERCISE, FOOT CARE, MEDICATIONS AND THE INS AND OUTS OF MONITORING BLOOD SUGAR BODY OF KNOWLEDGE - COMMUNITY TALKS A SERIES OF PUBLIC LECTURES THAT COVER VARIOUS TOPICS FROM CARDIOLOGY AND HEART HEALTH TO ORTHOPEDIC SURGERY TO NEW TREATMENTS FOR PARKINSON'S DISEASE EDUCATIONAL PROGRAMS FOR CLINICAL PROFESSIONALS THE PORTER HOSPITAL TRANSPLANT PROGRAM CONDUCTS NUMEROUS PROGRAMS AND SEMINARS DESIGNED TO EDUCATE THE GREATER COMMUNITY ON THE LATEST ADVANCEMENTS IN TRANSPLANT MEDICINE 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 STUDENT PRECEPTING SUPERVISING HEALTHCARE RELATED STUDENTS FROM VARIOUS LOCAL AND REGIONAL COLLEGES AND VOCATIONAL SCHOOLS CURIOUS GEORGE HOSPITAL TOURS THIS PROGRAM IS GEARED TO CHILDREN AGED 4-10 BASED ON THE STORY "CURIOUS GEORGE GOES TO THE HOSPITAL"</p>

Form and Line Reference	Explanation
SCHEDULE H, PART VI, LINES 2, 4, & 5 NEEDS ASSESSMENT AND COMMUNITY INFORMATION AND BENEFIT	AL" AND INVOLVES TAKING TOURS OF ALL THE DEPARTMENTS THAT GEORGE VISITED THE TOUR COMPLIMENTS THE HOSPITALS FOCUS ON CREATING A HEALING ENVIRONMENT CHILDREN SEE A HOSPITAL AS A LESS SCARY, HELPFUL PLACE DEMOGRAPHIC DATA PORTER ADVENTIST HOSPITAL AND LITTLETON ADVENTIST HOSPITAL THE PORTER ADVENTIST HOSPITAL AND LITTLETON ADVENTIST SERVICE AREA COVERS COUNTIES WITH DIVERSE DEMOGRAPHIC SITUATIONS INCLUDING DENVER, ARAPAHOE, DOUGLAS, AND JEFFERSON COUNTIES ("SOUTH DENVER OPERATING GROUP") WITHIN THE SOUTH DENVER OPERATING GROUP, DENVER IS THE MOST POPULOUS COUNTY FOLLOWED CLOSELY BY ARAPAHOE AND JEFFERSON COUNTIES DOUGLAS COUNTY IS THE SMALLEST COUNTY IN THE GROUP, WITH A COMBINED POPULATION OF 1,706,704 RESIDENTS JEFFERSON AND DOUGLAS COUNTY ARE PREDOMINANTLY WHITE, WITH 88% AND 90% OF THE POPULATION IN THIS GROUP, RESPECTIVELY ARAPAHOE IS MORE DIVERSE WITH 73% WHITE AND 10% AFRICAN AMERICAN COLORADANS WITH THE HIGHEST MEDIAN HOUSEHOLD INCOMES RESIDE IN DOUGLAS COUNTY FOLLOWED BY JEFFERSON COUNTY ARAPAHOE COUNTY'S MEDIAN HOUSEHOLD INCOME IS CLOSE TO THE STATE AVERAGE DOUGLAS COUNTY'S UNEMPLOYMENT IS AMONG THE LOWEST IN THE STATE JEFFERSON AND ARAPAHOE HAVE RATES CLOSE TO THE STATE'S AVERAGE RATE THE UNEMPLOYMENT RATE IN DENVER COUNTY IS HIGHER THAN THE STATE AVERAGE

Form and Line Reference	Explanation
SCHEDULE H, PART VI, LINE 2, 3, 4 CONT	<p> PARKER ADVENTIST HOSPITAL PARKER ADVENTIST HOSPITAL'S PRIMARY SERVICE AREAS ARE DOUGLAS AND ARAPAHOE COUNTIES ADDITIONAL INFORMATION ON JEFFERSON AND DENVER COUNTIES IS INCLUDED IN THIS SECTION SINCE THOSE COUNTIES ARE PART OF THE SOUTH DENVER OPERATING GROUP HOWEVER, THE INFORMATION ON THESE ADDITIONAL COUNTIES IS FOR COMPARISON PURPOSES ONLY AND IS NOT INTENDED TO BE PART OF PARKER HOSPITAL'S PRIMARY SERVICE AREA JEFFERSON AND DOUGLAS COUNTY ARE PREDOMINANTLY WHITE, WITH 88% AND 90% OF THE POPULATION IN THIS GROUP, RESPECTIVELY ARAPAHOE IS MORE DIVERSE WITH 73% WHITE AND 10% AFRICAN AMERICAN COLORADANS WITH THE HIGHEST MEDIAN HOUSEHOLD INCOMES RESIDE IN DOUGLAS COUNTY FOLLOWED BY JEFFERSON COUNTY ARAPAHOE COUNTY'S MEDIAN HOUSEHOLD INCOME IS CLOSE TO THE STATE AVERAGE DOUGLAS COUNTY'S UNEMPLOYMENT IS AMONG THE LOWEST IN THE STATE JEFFERSON AND ARAPAHOE HAVE RATES CLOSE TO THE STATE'S AVERAGE RATE THE UNEMPLOYMENT RATE IN DENVER COUNTY IS HIGHER THAN THE STATE AVERAGE AVISTA ADVENTIST HOSPITAL AVISTA ADVENTIST HOSPITAL SERVES THE COUNTIES OF BOULDER, BROOMFIELD, AND ADAMS WHILE THIS DATA IS REPRESENTATIVE OF THE ENTIRE AVISTA SERVICE AREA, AVISTA TARGETS A MORE NARROWLY FOCUSED DEMOGRAPHIC AREA CONCENTRATING ON THE AREA OF BOULDER AND BROOMFIELD COUNTIES, WHICH DEMONSTRATE THE GREATEST HEALTHCARE NEEDS THE POPULATION OF BOULDER COUNTY IS 294,567 AND CONSISTS OF 117,222 HOUSEHOLDS THE RACIAL/ETHNIC MAKEUP IS AS FOLLOWS 87% WHITE (INCLUDING LATINO), 4% ASIAN, 1% AFRICAN AMERICAN, 4% NATIVE AMERICAN, 3% TWO OR MORE RACES, AND 5% OTHER THE MEDIAN FAMILY INCOME AS OF 2008 WAS \$85,602 WHILE 14% OF INDIVIDUALS, 8% OF FAMILIES, AND 13% OF CHILDREN WERE LIVING BELOW THE POVERTY LEVEL THE POPULATION OF BROOMFIELD COUNTY IS 55,880 AND CONSISTS OF 22,646 HOUSEHOLDS THE RACIAL/ETHNIC IS AS FOLLOWS 89% WHITE (INCLUDING LATINO), 6 1% ASIAN, 1 5% AFRICAN AMERICAN, 9% NATIVE AMERICAN, AND 2 4% TWO OR MORE RACES THE MEDIAN FAMILY INCOME AS OF 2010 WAS \$75,590, WHILE 5 5% OF BROOMFIELD COUNTY LIVES BELOW THE POVERTY LEVEL </p>

Form and Line Reference	Explanation
Schedule H, Part VI, Line 3, Patient education of eligibility for assistance	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
Schedule H, Part VI, Line 6, Affiliated health care system	PORTERCARE ADVENTIST HEALTH SYSTEM 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 HEALTH CARE 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

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 3, Community Served by Needs Assessment	<p>(1) - PARKER ADVENTIST HOSPITAL THE HOSPITAL RETAINED THE CENTER FOR HEALTH ADMINISTRATIO N AT THE UNIVERSITY OF COLORADO DENVER TO OBTAIN COMMUNITY INPUT COMMUNITY PERSPECTIVES WERE GATHERED THROUGH TELEPHONE INTERVIEWS DURING FEBRUARY AND MARCH 2012 INTERVIEW QUESTI ONS WERE PHRASED IN AN OPEN-ENDED MANNER SO THAT RESPONDENTS COULD IDENTIFY WHATEVER ISSUE S WERE MOST IMPORTANT TO THEM THEY WERE ALSO ASKED FOR IDEAS ON WAYS THAT THE HOSPITAL CO UL D ASSIST THEM IN IMPROVING THE HEALTH OF THEIR COMMUNITY RESIDENTS WERE ALSO ASKED FOR IDEAS ON WAYS THAT THE HOSPITAL COULD ASSIST THEM IN IMPROVING THE HEALTH OF THEIR COMMUNITY THE FOLLOWING ORGANIZATIONS WERE CHOSEN TO PROVIDE INPUT *CITY OF PARKER *CROSSROADS COMMUNITY CHURCH *PARKER CHAMBER OF COMMERCE *PARKER POLICE DEPARTMENT *PARKER SENIOR CENT ER *PARKER TASK FORCE FOOD BANK *PONDEROSA HIGH SCHOOL *SOUTH METRO FIRE RESCUE AUTHORITY *TRI-COUNTY HEALTH DEPARTMENT *WOMEN'S CRISIS AND FAMILY OUTREACH CENTER, (1) - LITTLETON ADVENTIST HOSPITAL COMMUNITY MEMBERS WERE INTERVIEWED FOR THEIR PERSPECTIVES ON THE PREDO MINANT HEALTH ISSUES IN THEIR COMMUNITIES THEY WERE INTERVIEWED IN EITHER A ONE-ON-ONE IN Terview FORMAT, FOCUS GROUP, OR AS PART OF A STEERING COMMITTEE DATA WAS COLLECTED OVER T HE PERIOD FROM JUNE 2011 TO JUNE 2012 THE INTERVIEWEES COMPRISED OF REPRESENTATIVES OF TH E FOLLOWING GROUPS *LITTLETON FIRE DEPARTMENT- WAYNE ZYGOWICZ, EMS DIVISION CHIEF *TRI-CO UNTY DEPARTMENT OF HEALTH- PATTY BOYD, RD MPH, PROGRAM MANAGER *ARAPAHOE DOUGLAS MENTAL HE ALTH, LISA TRAUDT *DOCTORS CARE- BEBE KLEINMAN, EXECUTIVE DIRECTOR *HIGHLANDS RANCH COMMUN ITY ASSOCIATION - JAMIE NOEBEL, COMMUNITY MANAGER *HEALTHY COMMUNITIES GROUP OF CENTURA HE ALTH'S SOUTH DENVER OPERATING GROUP -COLORADO WELLNESS - BONNIE THOMAS, OWNER AND NURSE -P ORTER ADVENTIST HOSPITAL - DIANNE MCCALLISTER, CHIEF MEDICAL OFFICER -ADVENTIST COMMUNITY SERVICES - MICHAEL BRIGHT, EXECUTIVE DIRECTOR** -LITTLETON ADVENTIST HOSPITAL - KIM MURAMO TO, TRAUMA DIRECTOR -CITY OF LITTLETON - SUSAN THORNTON, EX-MAYOR -LITTLETON ADVENTIST HOS PITAL - RHONDA WARD, CHIEF NURSING OFFICER -EMERGENCY MEDICAL SERVICE - WAYNE ZYGOWICZ, CH IEF - GREATER YOUTH INITIATIVE - KAY WILMESHER -LITTLETON ADVENTIST HOSPITAL - LAWRENCE WOO D, CHIEF MEDICAL OFFICER, (1) - PORTER ADVENTIST HOSPITAL COMMUNITY MEMBERS WERE INTERVIE WED OVER A PERIOD OF ONE YEAR REGARDING THE NEEDS THEY PERCEIVED IN THEIR COMMUNITY FOR TH EIR PERSPECTIVES ON THE PREDOMINANT HEALTH ISSUES IN THEIR COMMUNITIES THEY WERE INTERVIE WED IN EITHER A ONE-ON-ONE INTERVIEW FORMAT, FOCUS GROUP, OR AS PART OF A STEERING COMMITTEE THE INTERVIEWEES COMPRISED OF REPRESENTATIVES OF THE FOLLOWING GROUPS *LOCAL FIRE DEP ARTMENTS- WAYNE ZYGOWICZ, EMS DIVISION CHIEF *COUNTY PUBLIC HEALTH DEPARTMENT- PATTY BOYD, RD, MPH, PROGRAM MANAGER *HOME HEALTH / HOSPICE- MELODY WRIGHT, CNO *LONG TERM CARE / ASS ISTED LIVING- CAMILLE THOMPSON, COO CHRISTIAN LIVING COMMUNITIES *MARRY-WELL COLORADO - LAU REN REITSMA, EXECUTIVE DIRECTOR FOR RELATIONSHIP *DOCTORS CARE- BEBE KLEINMAN, EXECUTIVE D IRECTOR *ADVENTIST COMMUNITY SERVICES- MICHAEL BRIGHT, EXECUTIVE DIRECTOR *STOUT STREET CL INIC- CAROL JENKINS, RN, (1) - AVISTA ADVENTIST HOSPITAL RATHER THAN REPEAT A DUPLICATIVE COMMUNITY ENGAGEMENT WITH THE SAME STAKEHOLDERS, AVISTA CHOSE TO UTILIZE THE COMMUNITY FE EDBACK OBTAINED THROUGH BCPH'S PHIP PRIMETIME RESEARCH AND EVALUATION CONDUCTED INTERVIEW S WITH THE BCPH PHIP CORE TEAM, AS WELL AS SELECTED BCPH EMPLOYEES AND A VARIETY OF COMMUNITY STAKEHOLDERS THE INTERVIEWS CONSISTED OF A REVIEW OF A LIST OF 30+ HEALTH OUTCOMES AND WERE FOLLOWED BY A DISCUSSION OF WHAT THE INTERVIEWEE FELT WERE THE MOST IMPORTANT HEALT H OUTCOMES TO PRIORITIZE OVER THE NEXT FIVE YEARS PRIMETIME RESEARCH AND EVALUATION ALSO COMPLETED THE FORMAL HEALTH SYSTEM CAPACITY ASSESSMENT IN BOULDER COUNTY, WHICH WAS CONDCU TED THROUGH A SERIES OF TEN 3-HOUR MEETINGS HELD DURING THE MONTH OF MAY 2011 EACH MEETIN G FOCUSED ON ONE OF THE TEN ESSENTIAL PUBLIC HEALTH SERVICES THESE MEETINGS WERE CONDUCTE D THROUGH FACILITATED FOCUS GROUPS CONSISTING OF 6-10 INVITED PARTICIPANTS THESE PARTICIP ANTS' TASKS WERE 1)TO REVIEW THE EVALUATION MEASURES DEVELOPED BY THE NPHPSP FOR THAT SES SION'S ESSENTIAL SERVICE, 2) PARTICIPATE IN THE GROUP DISCUSSION ABOUT THE HEALTH SYSTEM'S CAPACITY AND PERFORMANCE OF THAT PUBLIC HEALTH FUNCTION, 3) COME TO A CONSENSUS ON A RATI NG SCORE OF THE CURRENT CAPACITY, AND 4)TO EXPRESS CONCERNS AND PROVIDE RECOMMENDATIONS F OR IMPROVEMENT PARTICIPANTS SELECTED FOR EACH MEETING WERE CHOSEN BASED ON AREA OF EXPERT ISE OR INTEREST AND RELATIONSHIP TO THE ESSENTIAL SERVICE TO BE DISCUSSED INVITATIONS WER E SENT TO A BROAD RANGE OF KEY PARTNERS FROM THE LOCAL PUBLIC HEALTH AGENCY, STATE SERVICE AGENCIES, COMMUNITY BASED ORGANIZATIONS, ACADEMIC INSTITUTIONS, HOSPITALS, SCHOOL SYSTEMS , FOUNDATIONS, LAW ENFORCEMENT AGENCIES, AND NON-PROFIT ORGANIZATIONS ADDITIONALLY, INVIT ATIONS WERE SENT TO PEOPLE IN LOCAL GOVERNMENTAL O</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 3, Community Served by Needs Assessment	R QUASI-GOVERNMENTAL ENTITIES INCLUDING FIRST RESPONDERS, ELECTED OFFICIALS, SOCIAL SERVIC E PROVIDERS, ADMINISTRATORS, DIVERSITY ADVOCATES, AND OTHERS INVITATIONS WERE ALSO EXTEND ED TO INDIVIDUALS IN THE BUSINESS COMMUNITY, MEDIA, AND JUDICIAL INSTITUTIONS APPROXIMATE LY 70 KEY PARTICIPANTS (6-10 PER MEETING) RESPONDED TO THE REQUEST TO PARTICIPATE IN THE A SSESSMENT SESSIONS ,

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) - PARKER ADVENTIST HOSPITAL PORTER ADVENTIST HOSPITAL LITTLETON ADVENTIST HOSPITAL, (1) - LITTLETON ADVENTIST HOSPITAL PORTER ADVENTIST HOSPITAL PARKER ADVENTIST HOSPITAL, (1) - PORTER ADVENTIST HOSPITAL LITTLETON ADVENTIST HOSPITAL PARKER ADVENTIST HOSPITAL,

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	<p>(1) - PARKER ADVENTIST HOSPITAL MANY OF THE HEALTH ISSUES IDENTIFIED IN THE COMMUNITY HEALTH NEEDS ASSESSMENT AS A SECONDARY HEALTH NEED (SUBSTANCE ABUSE, UNPLANNED PREGNANCIES, SEXUALLY TRANSMITTED INFECTIONS, MOTOR VEHICLE DEATHS, SUICIDE RATES, HEART DISEASE AND STROKE, DIABETES, CANCER, AND POOR ORAL HEALTH) WILL NOT BE ADDRESSED DIRECTLY, AS THEY WILL BE IMPACTED IN A POSITIVE MANNER THROUGH THE INTERVENTIONS RELATED TO THE PRIMARY HEALTH NEEDS (MENTAL HEALTH, ACCESS, AND OBESITY) THE HOSPITAL ADDRESSES MANY OF THESE ISSUES, AS WELL AS THE OTHER ISSUES IDENTIFIED IN THE CHNA, ARE ALREADY BEING ADDRESSED THROUGH DOCTORS CARE AND ITS REFERRAL NETWORK, WHICH ARE LISTED IN A FUTURE SECTION THE FOCUS OF THE COMMUNITY BENEFIT TEAM WAS TO SELECT HEALTH ISSUES THAT HAVE A LARGE IMPACT ON THE POPULATION, HAVE AVAILABLE RESOURCES TO ENSURE SUCCESS OF INTERVENTIONS, AND ARE A HIGH PRIORITY IN THEIR COMMUNITY IT IS ALSO THE UNDERSTANDING OF THE COMMUNITY BENEFIT TEAM TO TRY TO NOT TACKLE EVERYTHING WITH RESULTING MEDIOCRE RESULTS, BUT TO SELECT HEALTH ISSUES THAT CAN BE SUCCESSFULLY ADDRESSED, EVEN IF ON A SMALL SCALE IN THE BEGINNING , (1) - LITTLETON ADVENTIST HOSPITAL MANY OF THE HEALTH ISSUES IDENTIFIED IN THE COMMUNITY HEALTH NEEDS ASSESSMENT AS A SECONDARY HEALTH NEED (SUBSTANCE ABUSE, UNPLANNED PREGNANCIES, SEXUALLY TRANSMITTED INFECTIONS, MOTOR VEHICLE DEATHS, SUICIDE RATES, HEART DISEASE AND STROKE, DIABETES, CANCER, AND POOR ORAL HEALTH) WILL NOT BE ADDRESSED DIRECTLY, BUT WILL BE IMPACTED IN A POSITIVE MANNER THROUGH THE INTERVENTIONS RELATED TO THE PRIMARY HEALTH NEEDS (MENTAL HEALTH , ACCESS, AND OBESITY) MANY OF THESE ISSUES, AS WELL AS THE OTHER ISSUES IDENTIFIED IN THE CHNA, ARE ALREADY BEING ADDRESSED THROUGH DOCTORS CARE AND ITS REFERRAL NETWORK, WHICH ARE LISTED IN A FUTURE SECTION THE FOCUS OF THE COMMUNITY BENEFIT TEAM WAS TO SELECT HEALTH ISSUES THAT HAVE A LARGE IMPACT ON THE POPULATION, HAVE AVAILABLE RESOURCES TO ENSURE SUCCESS OF INTERVENTIONS, AND ARE A HIGH PRIORITY IN THEIR COMMUNITY IT IS ALSO THE UNDERSTANDING OF THE COMMUNITY BENEFIT TEAM TO TRY TO NOT TACKLE EVERYTHING WITH RESULTING MEDIOCRE RESULTS, BUT TO SELECT HEALTH ISSUES THAT CAN BE SUCCESSFULLY ADDRESSED, EVEN IF ON A SMALL SCALE IN THE BEGINNING THE OTHER HEALTH ISSUES ARE AS FOLLOWS 1 CANCER IN GENERAL, AND COLON CANCER SPECIFICALLY IN ARAPAHOE COUNTY THIS IS A KEY SERVICE LINE FOR THE ORGANIZATION FOCUSING ON SUPERIOR CLINICAL OUTCOMES BUT ALSO PREVENTION AND SCREENING ONE EXAMPLE IS MAMMOGRAPHY SCREENINGS SUPPORTED BY THE HOSPITAL FOUNDATION 2 COMMUNICABLE DISEASE, PNEUMONIA VACCINATIONS IN DOUGLAS COUNTY AND HEPATITIS B INCIDENCE IN ARAPAHOE COUNTY DOCTORS CARE PARTNERSHIP ADDRESS THESE NEED IN THE UNINSURED AND UNDERINSURED POPULATIONS 3 DIABETES CREATION HEALTH GRANT PROGRAM SUPPORTS WEIGHT MANAGEMENT THROUGH HEALTHY EATING AND ACTIVE LIVING IS HAVING AN UPSTREAM IMPACT ON DIABETES 4 HEART DISEASE AND STROKE, INCLUDING HYPERTENSION AND HIGH CHOLESTEROL IN ARAPAHOE COUNTY A KEY SERVICE LINE INITIATIVE WITHIN THE HOSPITAL PARTNERING WITH PHYSICIANS AND COMMUNITY ORGANIZATIONS TO PROVIDE EDUCATION AND TO SUPPORT LIFESTYLE CHANGE 5 MATERNAL AND INFANT HEALTH DOCTORS CARE PARTNERSHIP 6 ORAL HEALTH, INCLUDING INFANT CHECKUPS IN DOUGLAS COUNTY DENTISTRY FOR KIDS PARTNERSHIP SUPPORT THIS COMMUNITY NEED 7 OVERALL HEALTH, INCLUDING INFANT MORTALITY RATES IN ARAPAHOE COUNTY DOCTORS CARE ADDRESSING THESE NEEDS IN THE COMMUNITY 8 TOBACCO, INCLUDING USE AMONG HIGH SCHOOL STUDENTS IN ARAPAHOE COUNTY THE HOSPITAL REFERS TO COUNTY AND STATE SERVICES SUCH AS THE TOBACCO FREE COUNTY WEBSITE AND THE STATE OF COLORADO'S MY QUIT PATH CESSATION PORTAL , (1) - PORTER ADVENTIST HOSPITAL MANY OF THE HEALTH ISSUES IDENTIFIED IN THE COMMUNITY HEALTH NEEDS ASSESSMENT AS A SECONDARY HEALTH NEED (SUBSTANCE ABUSE, UNPLANNED PREGNANCIES, SEXUALLY TRANSMITTED INFECTIONS, MOTOR VEHICLE DEATHS, SUICIDE RATES, HEART DISEASE AND STROKE, DIABETES, CANCER, AND POOR ORAL HEALTH) WILL NOT BE ADDRESSED DIRECTLY, BUT WILL HOPEFULLY BE IMPACTED IN A POSITIVE MANNER THROUGH THE INTERVENTIONS RELATED TO THE PRIMARY HEALTH NEEDS (MENTAL HEALTH, ACCESS, OBESITY, INJURY/EQUESTRIAN HEAD INJURIES) MANY OF THESE ISSUES, AS WELL AS THE OTHER ISSUES IDENTIFIED IN THE CHNA , ARE ALREADY BEING ADDRESSED THROUGH DOCTORS CARE AND ITS REFERRAL NETWORK, WHICH ARE LISTED IN A FUTURE SECTION THE FOCUS OF THE TASK FORCE WAS TO SELECT HEALTH ISSUES THAT HAVE A LARGE IMPACT ON THE POPULATION, HAVE AVAILABLE RESOURCES TO ENSURE SUCCESS OF INTERVENTIONS, AND ARE A HIGH PRIORITY IN THEIR COMMUNITY IT IS ALSO THE UNDERSTANDING OF THE TASK FORCE TO TRY TO NOT TACKLE EVERYTHING WITH RESULTING MEDIOCRE RESULTS, BUT TO SELECT HEALTH ISSUES THAT CAN BE SUCCESSFULLY ADDRESSED, EVEN IF ON A SMALL SCALE IN THE BEGINNING THE OTHER HEALTH ISSUES ARE AS FOLLOWS 1 CANCER IN GENERAL, AND COLON CANCER SPECIFICALLY IN ARAPAHOE COUNTY THIS IS A KEY SERVICE LINE FOR</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 7, Needs not addressed in Needs Assessment	R THE ORGANIZATION FOCUSING ON SUPERIOR CLINICAL OUTCOMES AND ALSO PREVENTION AND SCREENIN G ONE EXAMPLE IS MAMMOGRAPHY SCREENINGS SUPPORTED BY THE HOSPITAL FOUNDATION 2 COMMUNIC ABLE DISEASE, PNEUMONIA VACCINATIONS IN DOUGLAS COUNTY AND HEPATITIS B INCIDENCE IN ARAPAH OE COUNTY DOCTORS CARE PARTNERSHIP ADDRESSES THESE NEEDS IN THE UNINSURED AND UNDERINSURE D POPULATIONS 3 DIABETES CREATION HEALTH GRANT PROGRAM SUPPORTS WEIGHT MANAGEMENT THROU GH HEALTHY EATING AND ACTIVE LIVING, THIS PROGRAM IS HAVING AN UPSTREAM IMPACT ON DIABETES 4 HEART DISEASE AND STROKE, INCLUDING HYPERTENSION AND HIGH CHOLESTEROL IN ARAPAHOE COUN TY THIS KEY SERVICE LINE INITIATIVE WITHIN THE HOSPITAL INVOLVES PARTNERING WITH PHYSICI ANS AND COMMUNITY ORGANIZATIONS TO PROVIDE EDUCATION AND TO SUPPORT LIFESTYLE CHANGE 5 M ATERNAL AND INFANT HEALTH DOCTORS CARE PARTNERSHIP SUPPORTS THIS NEED 6 ORAL HEALTH, IN CLUDING INFANT CHECKUPS IN DOUGLAS COUNTY DENTISTRY FOR KIDS PARTNERSHIP SUPPORTS THIS CO MMUNITY NEED 7 OVERALL HEALTH, INCLUDING INFANT MORTALITY RATES IN ARAPAHOE COUNTY DOCT ORS CARE ADDRESSES THESE NEEDS IN THE COMMUNITY 8 TOBACCO, INCLUDING USE AMONG HIGH SCHO OL STUDENTS IN ARAPAHOE COUNTY THE HOSPITAL REFERS TO COUNTY AND STATE SERVICES SUCH AS T HE TOBACCO FREE COUNTY WEBSITE AND THE STATE OF COLORADO'S MY QUIT PATH CESSATION , (1) - AVISTA ADVENTIST HOSPITAL AS A RESULT OF THE EXTENSIVE PROCESS TO IDENTIFY THE HEALTH NEE DS OF THE COMMUNITY THAT AVISTA ADVENTIST HOSPITAL SERVES, THE COMMUNITY COLLABORATION IDE NTIFIED THAT THE GREATEST NEEDS WERE ACCESS TO HEALTH SERVICES, DIABETES, MENTAL HEALTH, S UBSTANCE ABUSE, OBESITY, AND IMMUNIZATIONS THE TEAM DECIDED TO FOCUS ON TWO OF THOSE NEED S, ACCESS TO HEALTH SERVICES AND DIABETES, BECAUSE THEY WANTED TO MAKE A MEASURABLE AND LA STING IMPACT IN THOSE AREAS RATHER THAN ONLY SCRATCHING THE SURFACE IN MULTIPLE AREAS AND DILUTING EFFORTS OTHER NEEDS WERE NOT PRIORITIZED BECAUSE THEY WERE AVAILABLE THROUGH OTH ER HEALTH SERVICES ORGANIZATIONS OR WERE PARTIALLY DUPLICATED IN OTHER AREAS PRIORITIZED BY AVISTA ,

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) - PARKER ADVENTIST HOSPITAL PORTERCARE ADVENTIST HEALTH SYSTEM AUTOMATICALLY DISCOUNTS ALL SELF-PAY PATIENT ACCOUNTS BY 30% AND ALSO OFFERS A PROMPT PAY DISCOUNT , (1) - LITTLETON ADVENTIST PORTERCARE ADVENTIST HEALTH SYSTEM AUTOMATICALLY DISCOUNTS ALL SELF-PAY PATIENT ACCOUNTS BY 30% AND ALSO OFFERS A PROMPT PAY DISCOUNT , (1) - PORTER ADVENTIST HOSPITAL PORTERCARE ADVENTIST HEALTH SYSTEM AUTOMATICALLY DISCOUNTS ALL SELF-PAY PATIENT ACCOUNTS BY 30% AND ALSO OFFERS A PROMPT PAY DISCOUNT , (1) - AVISTA ADVENTIST HOSPITAL PORTERCARE ADVENTIST HEALTH SYSTEM AUTOMATICALLY DISCOUNTS ALL SELF PAY PATIENT ACCOUNTS BY 30% AND ALSO OFFERS A PROMPT PAY DISCOUNT , (1) - CASTLE ROCK ADVENTIST HOSPITAL PORTERCARE ADVENTIST HEALTH SYSTEM AUTOMATICALLY DISCOUNTS ALL SELF-PAY PATIENT ACCOUNTS BY 30% AND ALSO OFFERS A PROMPT PAY DISCOUNT ,

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)
SOUTH DENVER CARDIOLOGY ASSOCIATES 1000 SouthPark Drive LITTLETON,CO 80120	EMP PHYSICIANS GROUP
MILE HIGH ONCOLOGY 7780 S BROADWAY STE 380 LITTLETON,CO 80122	EMP PHYSICIANS GROUP
PINNACLE WOMEN'S HEALTHCARE AT PARKER 9397 CROWN CREST BLVD STE 331 PARKER,CO 80138	EMP PHYSICIANS GROUP
PORTER HOSPICE 1391 SPEER BLVD 600 DENVER,CO 80204	EMP PHYSICIANS GROUP
CHATFIELD WOMEN'S CARE 7720 S BROADWAY LITTLETON,CO 80122	EMP PHYSICIANS GROUP
CENTURA HEALTH AT SOUTHLANDS 6240 SO MAIN ST STE 255 AURORA,CO 80016	EMP PHYSICIANS GROUP
INTEGRATED OBGYN AT PARKER 9397 CROWN CREST BLVD STE 220 PARKER,CO 80138	EMP PHYSICIANS GROUP
CENTER FOR ORTHOPEDICS 7720 S BROADWAY LITTLETON,CO 80122	EMP PHYSICIANS GROUP
CYPRESS HEMOTOLOGY AND ONCOLOGY 2555 S DOWNING ST STE 240 DENVER,CO 80210	EMP PHYSICIANS GROUP
TIMBERVIEW CLINIC AT PARKER 9399 CROWN CREST BLVD STE 200 PARKER,CO 80138	EMP PHYSICIANS GROUP
ACCESS FAMILY MEDICINE 19284 COTTONWOOD DRIVE SUITE 201 PARKER,CO 80138	EMP PHYSICIANS GROUP
RIDGELINE FAMILY MEDICINE 2352 MEADOWS BLVD STE 300 CASTLE ROCK,CO 80108	EMP PHYSICIANS GROUP
AFFILIATED EAR NOSE AND THROAT PHYSICIANS 8000 E PRENTICE AVE STE D12 GRENWOOD VILLAGE,CO 80111	EMP PHYSICIANS GROUP
COMPREHENSIVE OBGYN AT PARKER 9397 CREOWN CREST BLVD STE 431 PARKER,CO 80138	EMP PHYSICIANS GROUP
CLEMENT PARK FAMILY MEDICINE 6901 S PIERCE ST STE 110 LITTLETON,CO 80128	EMP PHYSICIANS GROUP

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)
ENDOSCOPY CENTER AT PORTER LLC 1001 SOUTH PARK DRIVE LITTLETON, CO 80120	EMP PHYSICIANS GROUP
COLORADO HEAD AND NECK SPECIALISTS 2555 S DOWNING ST STE 100 DENVER, CO 80210	EMP PHYSICIANS GROUP
MOUNTAIN VIEW FAMILY PHYSICIANS 2020 ONEIDA ST DENVER, CO 80224	EMP PHYSICIANS GROUP
COLORADO NEUROVASCULAR SPECIALISTS 7780 S BROADWAY LITTLETON, CO 80122	EMP PHYSICIANS GROUP
SOUTH SUBURBAN INTERNAL MEDICINE 7750 S BROADWAY LITTLETON, CO 80122	EMP PHYSICIANS GROUP
BOULDER HOLISTIC MEDICINE 805 S BROADWAY SUITE 103 BOULDER, CO 80305	EMP PHYSICIANS GROUP
AVISTA FAMILY MEDICINE GUNBARREL 5365 SPINE ROAD SUITE C BOULDER, CO 80301	EMP PHYSICIANS GROUP
NORTHWEST GASTROENTEROLOGY 80 HEALTH PARK DRIVE LOUISVILLE, CO 80027	EMP PHYSICIANS GROUP
DIMENSION PAIN MANAGEMENT 400 W 144TH AVE STE 240 WESTMINSTER, CO 80023	EMP PHYSICIANS GROUP
COLORADO JOINT REPLACEMENT 2535 S DOWNING ST DENVER, CO 80210	EMP PHYSICIANS GROUP
AVISTA INTERNAL MEDICINE 90 HEALTHPARK DR STE 350 LOUISVILLE, CO 80027	EMP PHYSICIANS GROUP
COMPREHENSIVE BREAST CARE 2555 S DOWNING ST SUITE 130 DENVER, CO 80210	EMP PHYSICIANS GROUP
PARKER ENDOCRINOLOGY 9397 CROWN CREST BLVD STE 220 PARKER, CO 80138	EMP PHYSICIANS GROUP
APOLLO INTERNAL MEDICINE 950 E HARVARD AVE SUITE 530 DENVER, CO 80210	EMP PHYSICIANS GROUP
PRIMARY CARE (HARVARD PARK) 950 E HARVARD AVE SUITE 660 DENVER, CO 80210	EMP PHYSICIANS GROUP

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)
CENTURA HEALTH PHYSICIAN GROUP AT CLERMONT PARK 2479 S CLERMONT ST DENVER,CO 80222	EMP PHYSICIANS GROUP
CYPRESS ONCOLOGY - PKR 9399 CROWN CREST BLVD SUITE 215 PARKER,CO 80138	EMP PHYSICIANS GROUP
HIGHLANDS RANCH MEDICAL ASSOCIATES 9135 S RIDGELINE BLVD STE 190 HIGHLANDS RANCH,CO 80129	EMP PHYSICIANS GROUP
AVISTA WOMEN'S HEALTH 611 MITCHELL WAY STE 103 ERIE,CO 80516	EMP PHYSICIANS GROUP
AVISTA FAMILY MEDICINE (ERIE) 611 MITCHELL WAY ERIE,CO 80516	EMP PHYSICIANS GROUP
FLATRONS HEART AND VASCULAR 90 HEALTHPARK DRIVE STE 350 LOUISVILLE,CO 80027	EMP PHYSICIANS GROUP
COLORADO ENT SPECIALISTS 9397 CROWN CREST BLVD STE 431 PARKER,CO 80138	EMP PHYSICIANS GROUP
ARACEA WOMEN'S CENTER 300 S JACKSON ST DENVER,CO 80209	EMP PHYSICIANS GROUP
CHATFIELD FAMILY MEDICINE 10789 BRADFORD RD STE 150 LITTLETON,CO 80127	EMP PHYSICIANS GROUP
CENTER ENDOCRINOLOGY AND DIABETES 7750 S BROADWAY STE 220 LITTLETON,CO 80122	EMP PHYSICIANS GROUP
PORTER PRIMARY CARE 300 S JACKSON ST DENVER,CO 80209	EMP PHYSICIANS GROUP
EP CLINIC 2525 S DOWNING ST CARDIAC CATH LAB DENVER,CO 80210	EMP PHYSICIANS GROUP
CENTURA MEDICAL ASSOCIATES 2525 S DOWNING ST DENVER,CO 80210	EMP PHYSICIANS GROUP
SOUTH QUEBEC FAMILY MEDICINE 6081 S QUEBEC ST STE 100 CENTENNIAL,CO 80111	EMP PHYSICIANS GROUP
CASTLE ROCK AFFILIATED ENT 2352 Meadows Blvd CASTLE ROCK,CO 80109	EMP PHYSICIANS GROUP

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)
CASTLE ROCK ORTHOPEDICS 2352 Meadows Blvd CASTLE ROCK, CO 80109	EMP PHYSICIANS GROUP
CASTLE ROCK ONCOLOGY 2352 Meadows Blvd CASTLE ROCK, CO 80109	EMP PHYSICIANS GROUP
RIDGELINE FAMILY MEDICINE AT CASTLE PINES 250 Max Drive CASTLE PINES, CO 80109	EMP PHYSICIANS GROUP
CHPG RIDGEGATE OBGYN AT CRAH 2352 Meadows Blvd CASTLE ROCK, CO 80109	EMP PHYSICIANS GROUP
CHPG SENIOR CARE PAHS HOLLY CREEK 5500 East Peakview Ave CENTENNIAL, CO 80121	EMP PHYSICIANS GROUP
CENTER FOR ENDOCRINOLOGY AND DIABETES 7750 S Broadway LITTLETON, CO 80122	EMP PHYSICIANS GROUP
CASTLE ROCK HOSPITALISTS 2353 Meadows Blvd CASTLE ROCK, CO 80109	EMP PHYSICIANS GROUP
SOUTH QUEBEC FAMILY MEDICINE 6081 South Quebec St CENTENNIAL, CO 80111	EMP PHYSICIANS GROUP
CHPG RIDGEGATE OBGYN AT LONE TREE 10099 Ridgeway Parkway LONE TREE, CO 80124	EMP PHYSICIANS GROUP
SOUTH SUBURBAN INTERNAL MEDICINE 7750 South Broadway LITTLETON, CO 80122	EMP PHYSICIANS GROUP
BARIATRIC AND METABOLIC CENTER 9399 CROWN CREST BLVD STE 110 PARKER, CO 80138	EMP PHYSICIANS GROUP

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
PORTERCARE ADVENTIST HEALTH SYSTEM

Employer identification number
84-0438224

Part I

General Information on Grants and Assistance

1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No

2

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

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

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

2

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

17

3

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

0

Part III

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

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

Part IV

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

Return Reference	Explanation
Schedule I, Part I, Line 2, Procedures for monitoring use of grant funds	GRANTS ARE MADE AT THE DISCRETION OF THE FACILITY CEOS THE CEOS MAKE REQUESTS FOR FUNDING, WHICH CAN BE EITHER A DONATION TO A SPECIFIC ENTITY OR AN INVOICE FOR A SPECIFIC EXPENSE MOST RECIPIENTS OF MONIES ARE 501(C)(3) ENTITIES AS SUCH, THEY ENSURE THAT ALL MONIES RECEIVED ARE USED FOR THEIR INTENDED PURPOSE ONLY FOR ALL TUITION REIMBURSEMENTS, RECIPIENTS ARE REQUIRED TO MAINTAIN MINIMUM ACADEMIC STANDARDS AND PROVIDE DOCUMENTATION THAT THEY ARE MEETING THESE STANDARDS RECIPIENTS MUST SUBMIT WRITTEN SUBSTANTIATION OF ALL EXPENSES INCURRED BEFORE REIMBURSEMENTS WILL BE PAID

Additional Data

Software ID: 13000248
Software Version: 2013v3.1
EIN: 84-0438224
Name: PORTERCARE ADVENTIST HEALTH SYSTEM

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
DOCTORS CARE 191 E ORCHARD RD STE 102NE LITTLETON, CO 80121	84-1150815	501(C)(3)	50,000	6,122	BOOK	DRUGS	DONATION FOR 2014

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
CLINICA CAMPESINA (FAMILY HEALTH SERVICES) 1345 PLAZA COURT NORTH SUITE 1A LAFAYETTE,CO 80026	84-0743432	501(C)(3)	165,504				MISSION 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
DENVER BOTANIC GARDENS 909 YORK STREET DENVER, CO 80206	84-0440359	501(C)(3)	8,500				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
AMERICAN TRANSPLANT FOUNDATION 333 WHAMPDEN AVE SUITE 305 ENGLEWOOD,CO 80110	23-7088947	501(C)(3)	15,000				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
ARTHRITIS FOUNDATION 2280 S ALBION STREET DENVER, CO 80222	38-3826066	501(C)(3)	17,250				SPONSORSHIP & PT ED

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 WOMENS CHAMBER OF COMMERCE 2150 WEST 29TH AVENUE 250 DENVER, CO 80211	84-1145793	501(C)(6)	6,100				MEMBERSHIP

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
RETREAT & REFRESH STROKE CAMP 425 W GILES PEORIA,IL 61614	64-0954851	501(C)(3)	10,600				CAMP 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
UNIVERSITY OF DENVER 2201 S GAYLORD ST DENVER, CO 80208	84-0404231	501(C)(3)	12,500				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
COLORADO WELLNESS CONNECTION 4960 E MINERAL CIRCLE CENTENNIAL,CO 80122	84-1504515	501(C)(3)	7,391				9HEALTH FAIR 2014

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
ROCKY MOUNTAIN ADVENTIST HEALTHCARE FOUNDATION 7995 E PRENTICE AVE SUITE 204 GREENWOOD VILLAGE, CO 80111	84-0745018	501(C)(3)	18,350				HEART GALA AND WALK

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 ADVENTIST HEALTHCARE FOUNDATION 7995 E PRENTICE AVE SUITE 204 GREENWOOD VILLAGE, CO 80111	84-0745018	501(C)(3)	9,800				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
LIFESOURCE ADVENTIST FELLOWSHIP 6200 WEST HAMPDEN AVE DENVER, CO 80227	84-6028596	501(C)(3)	6,280				DONATIONS

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 ADVENTIST HEALTHCARE FOUNDATION 7995 E PRENTICE AVE SUITE 204 GREENWOOD VILLAGE, CO 80111	84-0745018	501(C)(3)	265,369				MISSION 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
ROCKY MOUNTAN CONFERENCE OF SEVENTH DAY ADVENTISTS 2520 S DOWNING ST DENVER, CO 80210	27-4456014	501(C)(3)	112,310				DONATIONS

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
UNION COLLEGE 3800 S 48TH STREET LINCOLN,NE 68506	47-0405319	501(C)(3)	65,000				DONATIONS

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
ADVENTIST COMMUNITY SERVICES 5045 W 1ST AVE DENVER, CO 80219	84-0527826	501(C)(3)	62,000				CARE VAN

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 GEDDES AVE CENTENNIAL,CO 80112	84-1568566	501(C)(3)	6,000				SPONSORSHIP

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
PORTERCARE ADVENTIST HEALTH SYSTEM

Employer identification number
84-0438224

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, REPORTABLE INDIVIDUALS COMPENSATED BY UNRELATED ORGANIZATIONS	ALL KEY EMPLOYEES AND HOSPITAL CEOS ARE COMPENSATED BY CENTURA HEALTH CORPORATION, WHO MANAGES THE DAILY ACTIVITIES OF PORTERCARE ADVENTIST 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 PAHS ALL OF THEIR REPORTABLE COMPENSATION IS DISCLOSED ON FORM 990, SCHEDULE J, PART II, ROW (I) AND FORM 990, PART VII, COLUMN (D) AS REPORTING ORGANIZATION COMPENSATION IN ADDITION, THE CEO AND CFO OF PAHS WERE APPOINTED AS SUCH BY THE PAHS BOARD OF DIRECTORS WHILE THEY ARE OFFICERS OF THESE ENTITIES, A VERY SMALL PORTION OF THEIR TIME IS DIRECTLY RELATED TO THE OPERATIONS OF PAHS 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
Schedule J, Part I, Line 1a, Travel for companions	SENIOR VPS AND HOSPITAL CEOS ARE PAID THROUGH CENTURA HEALTH CORP 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, Arrangement used to establish the top management official's compensation	PORTERCARE ADVENTIST HEALTH SYSTEM'S (PAHS) 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	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 CONTRIBUTED 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 RECEIVED CONTRIBUTIONS TO A NON-QUALIFIED PLAN FOR THE CALENDAR YEAR 2013 MORRE DEAN \$48,266 JOHN SACKETT \$6,998 RANDALL HAFFNER \$132,360 BRETT SPENST \$50,120 DENNIS BARTS \$5,347 DURING 2013 THE FOLLOWING DISTRIBUTIONS WERE MADE MORRE DEAN \$13,129 JOHN SACKETT \$75,154 RANDALL HAFFNER \$115,394 IN ADDITION, THREE OF THE BOARD MEMBERS ARE COMPENSATED BY ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORPORATION (AHS) AND IN RECOGNITION OF THE CONTRIBUTION THAT EACH EXECUTIVE MAKES TO THE SUCCESS OF AHS, AHS PROVIDES TO ELIGIBLE EXECUTIVES PARTICIPATION IN THE AHS EXECUTIVE FLEX BENEFIT PROGRAM (THE PLAN) THE PURPOSE OF THE PLAN IS TO OFFER ELIGIBLE EXECUTIVES AN OPPORTUNITY TO ELECT FROM AMONG A VARIETY OF SUPPLEMENTAL BENEFITS, INCLUDING DEFERRED COMPENSATION BENEFITS TAXABLE UNDER INTERNAL REVENUE CODE (IRC) SECTION 457(F), TO INDIVIDUALLY TAILOR A BENEFITS PROGRAM APPROPRIATE TO EACH EXECUTIVE'S NEEDS THE PLAN PROVIDES ELIGIBLE PARTICIPANTS A PRE-DETERMINED BENEFITS ALLOWANCE CREDIT THAT IS EQUAL TO A PERCENTAGE OF THE EXECUTIVE'S BASE PAY FROM WHICH IS DEDUCTED THE COST OF MANDATORY AND ELECTIVE EMPLOYEE BENEFITS THE PRE-DETERMINED BENEFITS ALLOWANCE CREDIT PERCENTAGE IS APPROVED BY THE AHS BOARD STRATEGY & COMPENSATION COMMITTEE, AN INDEPENDENT COMMITTEE OF THE BOARD OF DIRECTORS OF AHS ANY FUNDS THAT REMAIN AFTER THE COST OF MANDATORY AND ELECTIVE BENEFITS ARE SUBTRACTED FROM THE PRE-DETERMINED BENEFITS ANNUAL AMOUNT ARE CONTRIBUTED, AT THE EMPLOYEE'S OPTION, TO EITHER AN IRC 457(F) DEFERRED COMPENSATION ACCOUNT OR TO AN IRC 457(B) ELIGIBLE DEFERRED COMPENSATION PLAN UPON ATTAINMENT OF AGE 65, ALL PREVIOUS 457(F) DEFERRED AMOUNTS ARE PAID IMMEDIATELY TO THE PARTICIPANT AND ANY FUTURE EMPLOYER CONTRIBUTIONS ARE MADE QUARTERLY FROM THE PLAN DIRECTLY TO THE PARTICIPANT THE PLAN DOCUMENTS DEFINE AN EMPLOYEE WHO IS ELIGIBLE TO PARTICIPATE IN THE PLAN TO GENERALLY INCLUDE THE CHIEF EXECUTIVE OFFICERS OF AHS ENTITIES AND VICE PRESIDENTS OF ALL AHS ENTITIES WHOSE BASE SALARY IS AT LEAST \$210,000 THE PLAN PROVIDES FOR A CLASS YEAR VESTING SCHEDULE (2 YEARS FOR EACH CLASS YEAR) WITH RESPECT TO AMOUNTS ACCUMULATED IN THE EXECUTIVE'S 457(F) DEFERRED COMPENSATION ACCOUNT DISTRIBUTIONS COULD ALSO BE MADE FROM THE EXECUTIVE'S 457(F) DEFERRED COMPENSATION ACCOUNT UPON ATTAINMENT OF AGE 65 OR UPON AN INVOLUNTARY SEPARATION THE ACCOUNT IS FORFEITED BY THE EXECUTIVE UPON A VOLUNTARY SEPARATION IN ADDITION TO THE PLAN, AHS HAS INSTITUTED A DEFINED BENEFIT, NON-TAX-QUALIFIED DEFERRED COMPENSATION PLAN FOR CERTAIN EXECUTIVES WHO HAVE PROVIDED LENGTHY SERVICE TO AHS AND/OR TO OTHER SEVENTH-DAY ADVENTIST CHURCH HOSPITAL OR HEALTH CARE INSTITUTIONS PARTICIPATION IN THE PLAN IS OFFERED TO AHS EXECUTIVES ON A PRORATA SCHEDULE BEGINNING WITH 20 YEARS OF SERVICE AS AN EMPLOYEE OF AHS AND/OR ANOTHER HOSPITAL OR HEALTHCARE INSTITUTION CONTROLLED BY THE SEVENTH-DAY ADVENTIST CHURCH AND WHO SATISFY CERTAIN OTHER QUALIFYING CRITERIA THIS SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN (SERP) WAS DESIGNED TO PROVIDE ELIGIBLE EXECUTIVES WITH THE ECONOMIC EQUIVALENT OF AN ANNUAL INCOME BEGINNING AT NORMAL RETIREMENT AGE EQUAL TO 60% OF THE AVERAGE OF THE PARTICIPANT'S THREE HIGHEST YEARS OF BASE SALARY FROM AHS ACTIVE EMPLOYMENT INCLUSIVE OF INCOME FROM ALL OTHER SEVENTH-DAY ADVENTIST CHURCH HEALTHCARE EMPLOYER-FINANCED RETIREMENT INCOME SOURCES AND INVESTMENT INCOME EARNED ON THOSE CONTRIBUTIONS THROUGH SOCIAL SECURITY NORMAL RETIREMENT AGE AS DEFINED IN THE PLAN THE NUMBER OF YEARS INCLUDED IN HIGHEST AVERAGE COMPENSATION IS DETERMINED BY THE INDIVIDUAL'S YEAR OF ENTRY TO THE SERP AND BY THE INDIVIDUAL'S YEAR OF ENTRY TO THE AHS EXECUTIVE FLEX BENEFIT PROGRAM 457(F) EMPLOYER CONTRIBUTIONS FOR CALENDAR YEAR 2013 WERE ROBERT HENDERSCHEDT \$120,509 RICHARD REINER \$191,096 TERRY SHAW \$184,069 457(F) EMPLOYER DISTRIBUTIONS FOR CALENDAR YEAR 2013 WERE ROBERT HENDERSCHEDT \$104,830 RICHARD REINER \$173,596 TERRY SHAW \$179,354 SERP PAYMENTS FOR CALENDAR YEAR 2013 WERE ROBERT HENDERSCHEDT \$201,948 RICHARD REINER \$194,730
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)

Additional Data

Software ID: 13000248
Software Version: 2013v3.1
EIN: 84-0438224
Name: PORTERCARE ADVENTIST HEALTH SYSTEM

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				
TERRY SHAW ASST TREASURER/SECRETARY	(i) (ii)	0 911,185	0 302,898	0 478,549	0 197,919	0 45,398	0 1,935,949	0 166,425
RICHARD REINER VICE PRESIDENT/CHAIRMAN	(i) (ii)	0 913,142	0 302,898	0 446,854	0 13,850	0 45,505	0 1,722,249	0 0
ROBERT HENDERSCHEDT BOARD MEMBER	(i) (ii)	0 632,650	0 210,247	0 342,878	0 134,358	0 29,938	0 1,350,071	0 92,554
RANDY HAFFNER CEO-PORTER ADVENTIST HOSP	(i) (ii)	492,195 0	218,096 0	139,491 0	213,486 0	27,806 0	1,091,074 0	115,394 0
CHERYL CURRY CFO-AVISTA ADVENTIST HOSP	(i) (ii)	214,567 0	83,964 0	1,654 0	23,502 0	19,598 0	343,285 0	0 0
MORRE DEAN CEO-PARKER ADVENTIST HOSP	(i) (ii)	333,337 0	111,284 0	35,827 0	94,292 0	28,398 0	603,138 0	13,129 0
ANDREW GAASCH CFO-PORTER ADVENTIST HOSP	(i) (ii)	260,419 0	84,457 0	496 0	29,463 0	18,075 0	392,910 0	0 0
JOHN SACKETT CEO-AVISTA ADVENTIST HOSPITAL	(i) (ii)	103,601 0	0 0	54,883 0	18,163 0	9,165 0	185,812 0	49,736 0
BRETT 58355 SPENST CEO-LITTLETON ADVENTIST HOSPITAL	(i) (ii)	347,603 0	105,000 0	39,788 0	71,072 0	19,421 0	582,884 0	0 0
DENNIS BARTS CEO - AVISTA ADVENTIST HOSPITAL	(i) (ii)	129,044 0	35,000 0	82,843 0	5,348 0	4,707 0	256,942 0	0 0
JONATHAN FISHER CFO -PARKER ADVENTIST HOSPITAL	(i) (ii)	166,312 0	47,085 0	1,220 0	17,375 0	17,783 0	249,775 0	0 0
RAYMOND KIM PHYSICIAN	(i) (ii)	707,452 0	72,629 0	1,122 0	20,952 0	23,723 0	825,878 0	0 0
DAVID SCHRIER PHYSICIAN	(i) (ii)	757,937 0	0 0	2,484 0	23,502 0	22,443 0	806,366 0	0 0
ROBERT THOMAS PHYSICIAN	(i) (ii)	645,357 0	292,083 0	3,880 0	19,677 0	21,230 0	982,227 0	0 0
TODD MINER PHYSICIAN	(i) (ii)	781,552 0	70,390 0	1,688 0	20,952 0	24,167 0	898,749 0	0 0
JOHN CAMPANA PHYSICIAN	(i) (ii)	593,050 0	126,131 0	2,156 0	23,502 0	21,517 0	766,356 0	0 0

Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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

OMB No 1545-0047
2013
Open to Public Inspection

Name of the organization
PORTERCARE ADVENTIST HEALTH SYSTEM

Employer identification number
84-0438224

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).
Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

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

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

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

Part II Loans to and/or From Interested Persons.
Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

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

Part III Grants or Assistance Benefitting Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) HEALTHCARE SUPPORT SERVICES	KEY ON PAHS/BOARD ON HSS	3,394,992	HSS IS A VENDOR OF PAHS		No
(2) TAMMY SMITH	SPOUSE OF KEY EMPLOYEE	78,287	EMPLOYEE COMPENSATION		No
(3) STEPHANIE TRAVER	DAUGHTER OF KEY EMPLOYEE	62,392	EMPLOYEE COMPENSATION		No
(4) DIANE EITEL	SPOUSE OF KEY EMPLOYEE	27,593	EMPLOYEE COMPENSATION		No

Part V Supplemental Information

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

Return Reference	Explanation
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SCHEDULE O
(Form 990 or 990-EZ)Department of the Treasury
Internal Revenue Service**Supplemental Information to Form 990 or 990-EZ****Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.****▶ Attach to Form 990 or 990-EZ.****▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at
www.irs.gov/form990.****2013****Open to Public
Inspection**Name of the organization
PORTERCARE ADVENTIST HEALTH SYSTEM

Employer identification number

84-0438224

Return Reference	Explanation
Form 990, Part VI, Sec A, Line 1a, Delegate broad authority to a committee	PURSUANT TO ARTICLE IV OF THE BYLAWS OF PORTERCARE ADVENTIST HEALTH SYSTEM, THE BOARD OF TRUSTEES MAY, BY RESOLUTION OR RESOLUTIONS PASSED BY A MAJORITY OF THE TRUSTEES THEREOF, APPOINT AN EXECUTIVE COMMITTEE OR SUCH OTHER COMMITTEES FOR ANY PURPOSE AND DELEGATE TO SUCH COMMITTEES ANY OF THE POWERS AND AUTHORITY OF THE BOARD OF TRUSTEES AS IS PERMITTED BY LAW COLORADO LAW PRECLUDES A COMMITTEE OF THE BOARD FROM (I) AUTHORIZING DISTRIBUTIONS, (II) APPROVING OR PROPOSING TO THE MEMBER ACTIONS THAT ARTICLES 121-137 OF TITLE 7 OF THE COLORADO REVISED STATUTES REQUIRE TO BE APPROVED BY THE MEMBER, (III) AMENDING THE CORPORATION'S AMENDED AND RESTATED ARTICLES OF INCORPORATION, (IV) ADOPTING, AMENDING OR REPEALING THE BYLAWS, (V) APPROVING A PLAN OF MERGER NOT REQUIRING APPROVAL OF THE MEMBER, OR (VI) APPROVING A SALE, LEASE, EXCHANGE OR OTHER DISPOSITION OF ALL, OR SUBSTANTIALLY ALL, OF ITS PROPERTY, WITH OR WITHOUT GOOD WILL, OTHERWISE THAN IN THE USUAL AND REGULAR COURSE OF BUSINESS SUBJECT TO APPROVAL OF THE MEMBER SUCH COMMITTEES SHALL HAVE THE POWER TO ACT ONLY IN INTERVALS BETWEEN MEETINGS OF THE BOARD OF TRUSTEES AND SHALL, AT ALL TIMES, BE SUBJECT TO THE CONTROL OF THE BOARD OF TRUSTEES THE BOARD OF TRUSTEES, OR IF THE BOARD DOES NOT ACT, THE COMMITTEES, SHALL ESTABLISH RULES AND REGULATIONS FOR MEETINGS AND SHALL MEET AT SUCH TIMES AS ARE DEEMED NECESSARY, PROVIDED THAT A REASONABLE NOTICE OF ALL MEETINGS SHALL BE GIVEN TO COMMITTEE MEMBERS NO ACT OF A COMMITTEE SHALL BE VALID UNLESS APPROVED BY THE VOTE OR WRITTEN CONSENT OF A MAJORITY OF ITS MEMBERS COMMITTEES SHALL KEEP REGULAR MINUTES OF PROCEEDINGS AND REPORT THE SAME TO THE BOARD FROM TIME TO TIME AS THE BOARD MAY REQUIRE

Return Reference	Explanation
Form 990, Part VI, Sec A, Line 6, Classes of members or stockholders	THE SOLE CORPORATE MEMBER OF PAHS IS ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORPORATION (AHS), A FLORIDA NONPROFIT CORPORATION

Return Reference	Explanation
Form 990, Part VI, Sec A, Line 7a, Members or stockholders electing members of governing body	AHS, THE SOLE CORPORATE MEMBER, HAS THE POWER TO APPOINT OR REMOVE THE MEMBERS OF THE GOVERNING BODY

Return Reference	Explanation
Form 990, Part VI, Sec A, Line 7b, Decisions requiring approval by members or stockholders	THE CORPORATE MEMBER, AHS, ACTING THROUGH THE BOARD OF TRUSTEES, MAINTAINS ALL RIGHTS PERMITTED TO BE EXERCISED BY DIRECTORS OF A COLORADO CORPORATION EXCEPT AS LIMITED BY THE ORGANIZATIONS' ARTICLES, BYLAWS, OR AFFILIATION AGREEMENT WITH CATHOLIC HEALTH INITIATIVES (CHI) THE AGREEMENT OF BOTH AHS AND CHI IS REQUIRED FOR CERTAIN SIGNIFICANT DECISIONS INVOLVING CENTURA FACILITIES 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

Return Reference	Explanation
Form 990, Part VI, Sec B, Line 11b, Review of form 990 by governing body	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 AFTER PRESENTATION TO THE BOARD, THE TAX DEPARTMENT FILES THE RETURN WITH THE APPROPRIATE FEDERAL 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>PORTERCARE ADVENTIST HEALTH SYSTEM HAS ADOPTED CENTURA HEALTH'S CONFLICT OF INTEREST POLICY</p> <p>1 CONFLICT OF INTEREST POLICY</p> <p>1 1 CONSISTENT WITH CENTURA INTEGRITY STANDARDS, IT IS POLICY THAT EACH BOARD OF TRUSTEE MEMBER, CORPORATE OFFICER, AND KEY EMPLOYEE ACT AT ALL TIMES IN A MANNER THAT IS CONSISTENT WITH CENTURA'S MISSION AND VALUES BASED SERVICE TO THE COMMUNITY AND EXERCISE CARE THAT HE OR SHE DOES NOT HAVE ANY PERSONAL INTEREST WHICH MIGHT CONFLICT WITH OR APPEAR TO CONFLICT WITH THE INTEREST OF CENTURA OR WHICH MIGHT INFLUENCE THEIR JUDGMENT OR ACTIONS IN PERFORMING THEIR DUTIES</p> <p>1 1 1 IN CONNECTION WITH AN ACTUAL OR POSSIBLE TRANSACTION OR ARRANGEMENT INVOLVING CENTURA, ANY BOARD MEMBER, CORPORATE OFFICER, OR KEY EMPLOYEE WHO HAS A DIRECT OR INDIRECT FINANCIAL INTEREST MUST DISCLOSE AND BE GIVEN THE OPPORTUNITY TO SHARE ALL MATERIAL FACTS WITH THE BOARD CONSIDERING THE PROPOSED TRANSACTION OR ARRANGEMENT</p> <p>1 1 2 BOARD MEMBERS, CORPORATE OFFICERS, AND KEY EMPLOYEES ARE ALSO REQUIRED TO DISCLOSE ANY POSSIBLE CONFLICTS ON AN ANNUAL BASIS THROUGH THE CONFLICT OF INTEREST QUESTIONNAIRE</p> <p>2 PROCEDURE FOR DISCLOSING AND REVIEWING TRANSACTION OR ARRANGEMENT CONFLICT OF INTERESTS</p> <p>2 1 BOARD MEMBERS, CORPORATE OFFICERS, AND KEY EMPLOYEES THAT HAVE A FINANCIAL INTEREST IN ANY ACTUAL OR POSSIBLE TRANSACTION INVOLVING CENTURA ARE REQUIRED TO DISCLOSE THE FINANCIAL INTEREST</p> <p>2 1 1 IN ORDER TO DETERMINE IF A CONFLICT OF INTEREST EXISTS, THE INDIVIDUAL WHO IS CONSIDERED TO HAVE A FINANCIAL INTEREST MAY MAKE A PRESENTATION AT THE BOARD OR BOARD COMMITTEE MEETING AFTER SUCH PRESENTATION, THE INDIVIDUAL SHALL LEAVE THE MEETING FOR DISCUSSION AND A VOTE ON THE ISSUE</p> <p>2 1 2 AFTER EXERCISING DUE DILIGENCE, THE BOARD OR BOARD COMMITTEE SHALL DETERMINE WHETHER CENTURA CAN OBTAIN A MORE ADVANTAGEOUS TRANSACTION WITH REASONABLE EFFORTS FROM ANOTHER PERSON OR ENTITY IF A MORE ADVANTAGEOUS TRANSACTION IS NOT REASONABLY ATTAINABLE, THE BOARD OR BOARD COMMITTEE SHALL DETERMINE BY A MAJORITY VOTE OF THE DISINTERESTED MEMBERS WHETHER THE TRANSACTION IS IN CENTURA'S BEST INTEREST AND IS FAIR</p> <p>3 PROCEDURE FOR DISCLOSING AND REVIEWING OTHER CONFLICT OF INTERESTS</p> <p>3 1 BOARD MEMBERS, CORPORATE OFFICERS, AND KEY EMPLOYEES SHALL ALSO DISCLOSE IN ADVANCE TO CENTURA LEADERS ANY NON-TRANSACTIONAL ACTIONS OR RELATIONSHIPS THAT HAVE THE POTENTIAL TO CREATE A CONFLICT OF INTEREST</p> <p>3 1 1 THE BOARD OR BOARD COMMITTEE SHALL CAREFULLY REVIEW AND SCRUTINIZE ANY CONFLICT OF INTEREST BY A MAJORITY VOTE OF THE DISINTERESTED MEMBERS, THE BOARD SHALL TAKE WHATEVER ACTION IS DEEMED APPROPRIATE WITH RESPECT TO THE BOARD MEMBER, CORPORATE OFFICER, OR KEY EMPLOYEE UNDER THE CIRCUMSTANCES, INCLUDING POSSIBLE CORRECTIVE ACTION, IN ORDER TO BEST PROTECT THE INTERESTS OF CENTURA</p> <p>3 1 2 ON AN ANNUAL BASIS, BOARD MEMBERS, CORPORATE OFFICERS, AND KEY EMPLOYEES WILL ALSO BE SENT AN EMAIL REQUESTING THEY COMPLETE THE BOARD MEMBER AND CORPORATE OFFICER CONFLICT OF INTEREST QUESTIONNAIRE BY THE SPECIFIED DUE DATE IN THE EMAIL</p> <p>3 1 3 THE CORPORATE RESPONSIBILITY DEPARTMENT SHALL NOTIFY THE CHAIRPERSON OF THE BOARD OF ANY POTENTIAL CONFLICTS AND THE CHAIRPERSON, OR DESIGNEE, SHALL PERFORM FURTHER INVESTIGATION AS HE OR SHE DEEMS APPROPRIATE</p> <p>4 RECORD OF PROCEEDINGS</p> <p>4 1 THE MINUTES OF THE BOARD AND BOARD COMMITTEE SHALL CONTAIN</p> <p>4 1 1 THE NAMES OF PERSONS WHO DISCLOSED OR OTHERWISE WERE FOUND TO HAVE A FINANCIAL INTEREST AND THE NATURE OF THE FINANCIAL INTEREST</p> <p>4 1 2 THE NAMES OF PERSONS WHO WERE PRESENT FOR DISCUSSIONS AND VOTES RELATING TO ANY FINANCIAL INTEREST, THE CONTENT OF THE DISCUSSION, INCLUDING ANY ALTERNATIVES, AND A RECORD OF THE BOARD OR BOARD COMMITTEE DECISION</p> <p>5 VIOLATIONS OF THE CONFLICTS OF INTEREST POLICY</p> <p>5 1 IF THE BOARD OR BOARD COMMITTEE HAS REASONABLE CAUSE TO BELIEVE THAT AN INDIVIDUAL HAS FAILED TO DISCLOSE EITHER AN ACTUAL OR POTENTIAL CONFLICT OF INTEREST, OR ALL MATERIAL FACTS SURROUNDING AN ACTUAL OR POSSIBLE CONFLICT, THE INDIVIDUAL WILL BE GIVEN A CHANCE TO EXPLAIN</p> <p>5 1 1 AFTER HEARING THE RESPONSE, THE BOARD WILL CONDUCT SUCH ADDITIONAL INVESTIGATION AS APPROPRIATE IF THE BOARD DETERMINES THAT THE INDIVIDUAL HAS IN FACT FAILED TO DISCLOSE AS REQUIRED BY THE CONFLICT OF INTEREST POLICY, THE BOARD SHALL TAKE APPROPRIATE DISCIPLINARY OR CORRECTIVE ACTION</p>

Return Reference	Explanation
FORM 990, PART VI, LINE 15, PROCESS USED TO ESTABLISH COMPENSATION	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, CONSIDERED BY, 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 ASSOCIATES WHICH ARE REVIEWED AND APPROVED BY CENTURA'S SENIOR LEADERSHIP.

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, JOINT VENTURE POLICY	PORTERCARE ADVENTIST HEALTH SYSTEM HAS NOT FORMALLY ADOPTED A WRITTEN POLICY OR WRITTEN PROCEDURE REGARDING JOINT VENTURES. HOWEVER, ADVENTIST HEALTH SYSTEM'S (AHS) SYSTEM-WIDE JOINT VENTURE MODEL OPERATING AGREEMENT INCORPORATES CONTROLS OVER THE VENTURE SUFFICIENT TO ENSURE THAT (1) THE EXEMPT ORGANIZATIONS, 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.

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 CONFLICT OF INTEREST POLICY AND FINANCIAL STATEMENTS ARE NOT AVAILABLE TO THE PUBLIC

Return Reference	Explanation
Form 990, Part IX, Line 11g, Other Expenses	OTHER FEES FOR SERVICES - TOTAL EXPENSE 68302093, PROGRAM SERVICE EXPENSE 45554666, MANAGEMENT AND GENERAL EXPENSES 22747427, FUNDRAISING EXPENSES , PHY SICIAN FEES - TOTAL EXPENSE 29418876, PROGRAM SERVICE EXPENSE 29418876, MANAGEMENT AND GENERAL EXPENSES , FUNDRAISING EXPENSES , NURSE FEES - TOTAL EXPENSE 3995542, PROGRAM SERVICE EXPENSE 3995542, MANAGEMENT AND GENERAL EXPENSES , FUNDRAISING EXPENSES ,

Return Reference	Explanation
Form 990 , Part XI, Line 9, Other changes in net assets or fund balances	TRANSFERS TO AFFILIATES - -4995200, MINORITY INTEREST DISTRIBUTIONS - -1205529,

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
PORTERCARE ADVENTIST HEALTH SYSTEM

Employer identification number
84-0438224

Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33.					
(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

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

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

Cat No 50135Y

Schedule R (Form 990) 2013

Part III

Identification of Related Organizations Taxable as a Partnership

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

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

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

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

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

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

No

Yes

No

No

Yes

No

Yes

No

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) ROCKY MOUNTAIN ADVENTIST HEALTHCARE FOUNDATION	C	1,907,712	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
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Additional Data

Software ID: 13000248

Software Version: 2013v3.1

EIN: 84-0438224

Name: PORTERCARE ADVENTIST HEALTH SYSTEM

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) ADVENTIST BOLINGBROOK HOSPITAL 500 REMINGTON BLVD BOLINGBROOK, IL 60440	OPERATION OF HOSPITAL & RELATED SERVICES	IL	501(C)(3)	3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(1) ADVENTIST CARE CENTERS - COURTLAND INC 730 COURTLAND STREET ORLANDO, FL 32804	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	FL	501(C)(3)	9	SUNBELT HLTH CARE CENTERS INC		No
(2) ADVENTIST GLENOAKS HOSPITAL 701 WINTHROP AVENUE GLENDALE HEIGHTS, IL 60139	OPERATION OF HOSPITAL & RELATED SERVICES	IL	501(C)(3)	3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(3) ADVENTIST HINSDALE HOSPITAL 120 NORTH OAK STREET HINSDALE, IL 60521	OPERATION OF HOSPITAL & RELATED SERVICES	IL	501(C)(3)	3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(4) ADVENTIST HEALTH MID-AMERICA INC 9100 W 74TH STREET SHAWNEE MISSION, KS 66204	HLTHCARE RELATED SERVICES	KS	501(C)(3)	11	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(5) ADVENTIST HEALTH PARTNERS INC 1000 REMINGTON BLVD STE 200 BOLINGBROOK, IL 60440	OPERATE OUT-PATIENT PHYSICIAN CLINICS	IL	501(C)(3)	3	AHS MIDWEST MANAGEMENT INC		No
(6) ADVENTIST HEALTH SYSTEM AFFILIATED BENEFIT TRUST 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714	PROMOTION OF HLTHCARE	FL	501(C)(3)	11	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP	Yes	
(7) ADVENTIST HEALTH SYSTEM SUNBELT HEALTHCARE CORP 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714	MANAGEMENT SERVICES	FL	501(C)(3)	11	NA		No
(8) ADVENTIST HEALTH SYSTEMGEORGIA INC 1035 RED BUD ROAD CALHOUN, GA 30701	OPERATION OF HOSPITAL & RELATED SERVICES	GA	501(C)(3)	3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP	Yes	
(9) ADVENTIST HEALTH SYSTEMSUNBELT INC 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP	Yes	
(10) ADVENTIST HEALTH SYSTEMTEXAS INC 602 COURTLAND STREET ORLANDO, FL 32804	LEASING PERSONNEL TO AFFILIATED HOSPITAL	TX	501(C)(3)	11	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP	Yes	
(11) ADVENTIST UNIVERSITY OF HEALTH SCIENCES INC (630 YEAR END) 671 LAKE WINYAH DRIVE ORLANDO, FL 32803	EDUCATION/OPERATION OF SCHOOL	FL	501(C)(3)	2	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(12) AHS MIDWEST MANAGEMENT INC 1000 REMINGTON BLVD STE 200 BOLINGBROOK, IL 60440	OPERATION OF PHYSICIAN PRACTICE MGMT	IL	501(C)(3)	11	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(13) AHSCENTRAL TEXAS INC 1301 WONDER WORLD DRIVE SAN MARCOS, TX 78666	PROVIDE OFFICE SPACE - MEDICAL PROFESSIONALS	TX	501(C)(3)	11	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP	Yes	
(14) APOPKA HEALTH CARE PROPERTIES INC 305 E OAK STREET APOPKA, FL 32703	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	11	SUNBELT HLTH CARE CENTERS INC		No
(15) BATTLE CREEK ADVENTIST HOSPITAL 1000 REMINGTON BLVD STE 200 BOLINGBROOK, IL 60440	INACTIVE	MI	501(C)(3)	3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(16) BOLINGBROOK HOSPITAL FOUNDATION 1000 REMINGTON BLVD N 2ND FL BOLINGBROOK, IL 60440	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	IL	501(C)(3)	7	MIDWEST HLTH FOUNDATION		No
(17) BRADFORD HEIGHTS HEALTH & REHAB CENTER INC 950 HIGHPOINT DRIVE HOPKINSVILLE, KY 42240	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	KY	501(C)(3)	9	SUNBELT HLTH CARE CENTERS INC		No
(18) BURLESON NURSING & REHAB CENTER INC 301 HUGULEY BLVD BURLESON, TX 76028	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	TX	501(C)(3)	9	SUNBELT HLTH CARE CENTERS INC		No
(19) CALDWELL HEALTH CARE PROPERTIES INC 1333 WEST MAIN PRINCETON, KY 42445	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	11	SUNBELT HLTH CARE CENTERS INC		No

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						Yes	No
(21) CEDAR CRAG TERRACE INC (630 YEAR END) (11-72213) RT 5 BOX 900 MANCHESTER, KY 40962	OPERATION OF HOME FOR THE ELDERLY-DISABLED	KY	501(C)(3)	7	MEMORIAL HOSPITAL INC		No
(1) CENTRAL TEXAS HEALTHCARE COLLABORATIVE 1301 WONDER WORLD DRIVE SAN MARCOS, TX 78666	SUPPORT OPERATION OF HOSPITAL	TX	501(C)(3)	11	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(2) CENTRAL TEXAS MEDICAL CENTER FOUNDATION 1301 WONDER WORLD DRIVE SAN MARCOS, TX 78666	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	TX	501(C)(3)	7	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(3) CHICKASAW HEALTH CARE PROPERTIES INC 250 S CHICKASAW TRAIL ORLANDO, FL 32825	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	11	SUNBELT HLTH CARE CENTERS INC		No
(4) CHIPPEWA VALLEY HOSPITAL & OAKVIEW CARE CENTER INC 1220 THIRD AVENUE WEST DURAND, WI 54736	OPERATION OF HOSPITAL & RELATED SERVICES	WI	501(C)(3)	3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(5) COBB MEDICAL ASSOCIATES LLC 3949 SOUTH COBB DRIVE SE SMYRNA, GA 30080	OPERATION OF PHYSICIAN PRACTICES & MEDICAL SERVICES	GA	501(C)(3)	3	EMORY-ADVENTIST INC		No
(6) COURTLAND HEALTH CARE PROPERTIES INC 730 COURTLAND STREET ORLANDO, FL 32804	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	11	SUNBELT HLTH CARE CENTERS INC		No
(7) CREEKWOOD PLACE NURSING & REHAB CENTER INC 683 E THIRD STREET RUSSELLVILLE, KY 42276	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	KY	501(C)(3)	9	SUNBELT HLTH CARE CENTERS INC		No
(8) DAIRY ROAD HEALTH CARE PROPERTIES INC 7350 DAIRY ROAD ZEPHYRHILLS, FL 33540	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	11	SUNBELT HLTH CARE CENTERS INC		No
(9) EAST ORLANDO HEALTH & REHAB CENTER INC 250 S CHICKASAW TRAIL ORLANDO, FL 32825	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	FL	501(C)(3)	9	SUNBELT HLTH CARE CENTERS INC		No
(10) EMORY-ADVENTIST INC 3949 SOUTH COBB DRIVE SMYRNA, GA 30080	OPERATION OF HOSPITAL & RELATED SVCS	GA	501(C)(3)	3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(11) FLETCHER HOSPITAL INC 100 HOSPITAL DRIVE HENDERSONVILLE, NC 28792	OPERATION OF HOSPITAL & RELATED SVCS	NC	501(C)(3)	3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP	Yes	
(12) FLNC INC 3355 E SEMORAN BLVD APOPKA, FL 32703	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	FL	501(C)(3)	9	SUNBELT HLTH CARE CENTERS INC		No
(13) FLORIDA HOSPITAL HEALTHCARE PARTNERS INC (130-123113) 301 MEMORIAL MEDICAL PARKWAY DAYTONA BEACH, FL 32117	OPERATION OF PHYSICIAN PRACTICES & MEDICAL SERVICES	FL	501(C)(3)	3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(14) FLORIDA HOSPITAL MEDICAL GROUP INC 900 WINDERLEY PLACE MAITLAND, FL 32751	OPERATION OF PHYSICIAN PRACTICES & MEDICAL SERVICES	FL	501(C)(3)	3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(15) FLORIDA HOSPITAL PHYSICIAN GROUP INC (21-123113) 14055 RIVEREDGE DRIVE STE 250 TAMPA, FL 33637	OPERATION OF PHYSICIAN PRACTICES & MEDICAL SERVICES	FL	501(C)(3)	3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(16) FLORIDA HOSPITAL WATERMAN INC 1000 WATERMAN WAY TAVARES, FL 32778	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP	Yes	
(17) FLORIDA HOSPITAL ZEPHYRHILLS INC 7050 GALL BLVD ZEPHYRHILLS, FL 33541	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(18) FOUNDATION FOR SHAWNEE MISSION MEDICAL CENTER INC 9100 W 74TH STREET SHAWNEE MISSION, KS 66204	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	KS	501(C)(3)	11	SHAWNEE MISSION MEDICAL CENTER INC		No
(19) GLENOAKS HOSPITAL FOUNDATION 701 WINTHROP AVENUE GLENDALE HEIGHTS, IL 60139	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	IL	501(C)(3)	7	MIDWEST HLTH FOUNDATION		No

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						Yes	No
(41) HELEN ELLIS MEMORIAL HOSPITAL AUXILIARY INC 1395 S PINELLAS AVE TARPON SPRINGS, FL 34689	FUND-RAISING FOR TAX-EXEMPT HOSPITAL/FOUNDATION	FL	501(C)(3)	11	TARPON SPRINGS HOSPITAL FOUNDATION INC		No
(1) HELEN ELLIS MEMORIAL HOSPITAL FOUNDATION INC 1395 S PINELLAS AVE TARPON SPRINGS, FL 34689	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	FL	501(C)(3)	11	TARPON SPRINGS HOSPITAL FOUNDATION INC		No
(2) HINSDALE HOSPITAL FOUNDATION 7 SALT CREEK LANE SUITE 203 HINSDALE, IL 60521	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	IL	501(C)(3)	7	MIDWEST HLTH FOUNDATION		No
(3) IN-MOTION REHAB INC 602 COURTLAND STREET STE 200 ORLANDO, FL 32804	THERAPY SERVICES TO TAX EXEMPT NURSING HOMES	KS	501(C)(3)	11	SUNBELT HLTH CARE CENTERS INC		No
(4) JELLICO COMMUNITY HOSPITAL INC 188 HOSPITAL LANE JELLICO, TN 37762	OPERATION OF HOSPITAL & RELATED SERVICES	TN	501(C)(3)	3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP	Yes	
(5) JOHNSON COUNTY COMMUNITY CARE CORPORATION (11-5613) 11801 SOUTH FREEWAY BURLESON, TX 76028	SUPPORT OPERATION OF HOSPITAL	TX	501(C)(3)	11	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(6) LA GRANGE MEMORIAL HOSPITAL FOUNDATION 5101 S WILLOW SPRINGS RD LA GRANGE, IL 60525	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	IL	501(C)(3)	7	MIDWEST HLTH FOUNDATION		No
(7) MEMORIAL HEALTH SYSTEMS FOUNDATION INC 770 WEST GRANADA BLVD ORMOND BEACH, FL 32174	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	FL	501(C)(3)	7	MEMORIAL HLTH SYSTEMS INC		No
(8) MEMORIAL HEALTH SYSTEMS INC 301 MEMORIAL MEDICAL PARKWAY DAYTONA BEACH, FL 32117	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(9) MEMORIAL HOSPITAL - WEST VOLUSIA INC 701 WEST PLYMOUTH AVENUE DELAND, FL 32720	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	3	MEMORIAL HLTH SYSTEMS INC		No
(10) MEMORIAL HOSPITAL FLAGLER INC 60 MEMORIAL MEDICAL PARKWAY PALM COAST, FL 32164	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	3	MEMORIAL HLTH SYSTEMS INC		No
(11) MEMORIAL HOSPITAL INC 210 MARIE LANGDON DRIVE MANCHESTER, KY 40962	OPERATION OF HOSPITAL & RELATED SERVICES	KY	501(C)(3)	3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP	Yes	
(12) MERRIAM HEALTH CARE PROPERTIES INC 9700 WEST 62ND STREET MERRIAM, KS 66203	LEASE TO RELATED ORGANIZATION	KS	501(C)(3)	11	SUNBELT HLTH CARE CENTERS INC		No
(13) METROPLEX ADVENTIST HOSPITAL INC 2201 S CLEAR CREEK ROAD KILLEEN, TX 76549	OPERATION OF HOSPITAL & RELATED SERVICES	TX	501(C)(3)	3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP	Yes	
(14) METROPLEX CLINIC PHYSICIANS INC 2201 S CLEAR CREEK ROAD KILLEEN, TX 76549	PHYSICIAN HLTHCARE SERVICES TO THE COMMUNITY	TX	501(C)(3)	3	METROPLEX ADVENTIST HOSPITAL INC		No
(15) METROPLEX HOSPITAL INC 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714	FUTURE OPERATION OF HOSPITAL & RELATED SVCS	FL	501(C)(3)	3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(16) MIDWEST HEALTH FOUNDATION 120 NORTH OAK STREET HINSDALE, IL 60521	SUPPORT OF SUBSIDIARY FOUNDATIONS	IL	501(C)(3)	11	NA		No
(17) MILLS HEALTH & REHAB CENTER INC 500 BECK LANE MAYFIELD, KY 42066	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	KY	501(C)(3)	9	SUNBELT HLTH CARE CENTERS INC		No
(18) MISSION STRATEGIES OF GEORGIA INC 3949 S COBB DRIVE SMYRNA, GA 30080	PROVISION OF SUPPORT TO THE NURSING HOME DIVISION	GA	501(C)(3)	11	SUNBELT HLTH CARE CENTERS INC		No
(19) MISSION STRATEGIES INC 602 COURTLAND STREET STE 200 ORLANDO, FL 32804	PROVISION OF SUPPORT TO THE NURSING HOME DIVISION	KS	501(C)(3)	11	SUNBELT HLTH CARE CENTERS INC		No

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						Yes	No
(61) MISSOURI ADVENTIST HEALTH INC 9100 W 74TH STREET SHAWNEE MISSION, KS 66204	SUPPORT HLTH CARE SERVICES	MO	501(C)(3)	11	ADVENTIST HLTH MID-AMERICA INC		No
(1) NORTH REGIONAL EMS INC 188 HOSPITAL LANE JELLICO, TN 37762	EMS SERVICES	TN	501(C)(3)	9	JELLICO COMMUNITY HOSPITAL INC		No
(2) ORMOND BEACH MEMORIAL HOSPITAL AUXILIARY INC 301 MEMORIAL MEDICAL PARKWAY DAYTONA BEACH, FL 32117	VOLUNTEER SUPPORT SERVICES	FL	501(C)(3)	11	MEMORIAL HLTH SYSTEMS INC		No
(3) OVERLAND PARK NURSING & REHAB CENTER INC 6501 WEST 75TH STREET OVERLAND PARK, KS 66204	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	KS	501(C)(3)	9	SUNBELT HLTH CARE CENTERS INC		No
(4) PARAGON HEALTH CARE PROPERTIES INC 950 HIGHPOINT DRIVE HOPKINSVILLE, KY 42240	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	11	SUNBELT HLTH CARE CENTERS INC		No
(5) PASCO-PINELLAS HILLSBOROUGH COMMUNITY HEALTH SYSTEM INC 2400 BEDFORD ROAD ORLANDO, FL 32803	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(6) PORTERCARE ADVENTIST HEALTH SYSTEM (630 YEAR END) 2525 S DOWNING STREET DENVER, CO 80210	OPERATION OF HOSPITAL & RELATED SERVICES	CO	501(C)(3)	3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP	Yes	
(7) PORTLAND NURSING & REHAB CENTER INC (11-6513) 215 HIGHLAND CIRCLE DRIVE PORTLAND, TN 37148	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	TN	501(C)(3)	9	SUNBELT HLTH CARE CENTERS INC		No
(8) PRINCETON HEALTH & REHAB CENTER INC 1333 WEST MAIN PRINCETON, KY 42445	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	KY	501(C)(3)	9	SUNBELT HLTH CARE CENTERS INC		No
(9) PRINCETON PROFESSIONAL SERVICES INC 601 E ROLLINS STREET ORLANDO, FL 32803	PROVISION OF HLTHCARE SERVICES	FL	501(C)(3)	9	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP	Yes	
(10) QUALITY CIRCLE FOR HEALTHCARE INC 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714	HLTHCARE QUALITY SERVICES	FL	501(C)(3)	11	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP		No
(11) RESOURCE PERSONNEL INC 602 COURTLAND STREET STE 200 ORLANDO, FL 32804	PROVIDE ADMINISTRATIVE SUPPORT TO TAX EXEMPT NURSING HOMES	FL	501(C)(3)	11	SUNBELT HLTH CARE CENTERS INC		No
(12) ROCKY MOUNTAIN ADVENTIST HEALTHCARE FOUNDATION (630 YEAR END) 2525 SOUTH DOWNING STREET DENVER, CO 80210	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	CO	501(C)(3)	7	PORTERCARE ADVENTIST HLTH SYSTEM		No
(13) ROLLINS BROOK COMMUNITY CARE CORP 2201 S CLEAR CREEK ROAD KILLEEN, TX 76549	INACTIVE	TX	501(C)(3)	N/A	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(14) RUSSELLVILLE HEALTH CARE PROPERTIES INC 683 EAST THIRD STREET RUSSELLVILLE, KY 42276	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	11	SUNBELT HLTH CARE CENTERS INC		No
(15) SAN MARCOS HEALTH CARE PROPERTIES INC 1900 MEDICAL PARKWAY SAN MARCOS, TX 78666	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	11	SUNBELT HLTH CARE CENTERS INC		No
(16) SAN MARCOS NURSING & REHAB CENTER INC 1900 MEDICAL PARKWAY SAN MARCOS, TX 78666	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	TX	501(C)(3)	9	SUNBELT HLTH CARE CENTERS INC		No
(17) SHAWNEE MISSION HEALTH CARE INC 6501 WEST 75TH STREET OVERLAND PARK, KS 66204	LEASE TO RELATED ORGANIZATION	KS	501(C)(3)	11	SUNBELT HLTH CARE CENTERS INC		No
(18) SHAWNEE MISSION MEDICAL CENTER INC 9100 W 74TH STREET SHAWNEE MISSION, KS 66204	OPERATION OF HOSPITAL & RELATED SERVICES	KS	501(C)(3)	3	ADVENTIST HLTH MID-AMERICA INC		No
(19) SOUTH CENTRAL NURSING HOMES PROPERTIES INC 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714	MANAGEMENT SUPPORT	GA	501(C)(3)	11	SOUTH CENTRAL INC		No

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						Yes	No
(81) SOUTH CENTRAL NURSING HOMES INC 602 COURTLAND STREET ORLANDO, FL 32804	MANAGEMENT SUPPORT	KY	501(C)(3)	11	SOUTH CENTRAL INC		No
(1) SOUTH CENTRAL PROPERTIES III INC 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714	REAL ESTATE	GA	501(C)(2)	1	SOUTH CENTRAL NURSING HOMES PROPERTIES INC		No
(2) SOUTH CENTRAL PROPERTIES IV INC 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714	REAL ESTATE	GA	501(C)(2)	1	SOUTH CENTRAL NURSING HOMES PROPERTIES INC		No
(3) SOUTH CENTRAL PROPERTIES VI INC 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714	REAL ESTATE	GA	501(C)(2)	1	SOUTH CENTRAL NURSING HOMES PROPERTIES INC		No
(4) SOUTH CENTRAL PROPERTIES INC 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714	REAL ESTATE	GA	501(C)(2)	1	SOUTH CENTRAL NURSING HOMES PROPERTIES INC		No
(5) SOUTH CENTRAL INC 602 COURTLAND STREET ORLANDO, FL 32804	MANAGEMENT SUPPORT	GA	501(C)(3)	11	NA		No
(6) SOUTH PASCO HEALTH CARE PROPERTIES INC 38250 A AVENUE ZEPHYRHILLS, FL 33542	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	11	SUNBELT HLTH CARE CENTERS INC		No
(7) SOUTHWEST VOLUSIA HEALTH SERVICES INC 1055 SAXON BLVD ORANGE CITY, FL 32763	MEDICAL OFFICE BUILDING FOR HOSPITAL	FL	501(C)(3)	11	SOUTHWEST VOLUSIA HLTHCARE CORP		No
(8) SOUTHWEST VOLUSIA HEALTHCARE CORP 1055 SAXON BLVD ORANGE CITY, FL 32763	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(9) SPECIALTY PHYSICIANS OF CENTRAL TEXAS INC 1301 WONDER WORLD DRIVE SAN MARCOS, TX 78666	PHYSICIAN HLTHCARE SERVICES TO THE COMMUNITY	TX	501(C)(3)	3	ADVENTIST HLTH SYSTEMSUNBELT INC		No
(10) SPRING VIEW HEALTH & REHAB CENTER INC 718 GOODWIN LANE LEITCHFIELD, KY 42754	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	KY	501(C)(3)	9	SUNBELT HLTH CARE CENTERS INC		No
(11) SUNBELT HEALTH & REHAB CENTER - APOPKA INC 305 EAST OAK STREET APOPKA, FL 32703	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	FL	501(C)(3)	9	SUNBELT HLTH CARE CENTERS INC		No
(12) SUNBELT HEALTH CARE CENTERS INC 602 COURTLAND STREET STE 200 ORLANDO, FL 32804	MANAGEMENT SERVICES	TN	501(C)(3)	11	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP	Yes	
(13) SUNSYSTEM DEVELOPMENT CORP 900 HOPE WAY ALTAMONTE SPRINGS, FL 32714	FUND RAISING FOR AFFILIATED TAX- EXEMPT HOSPITALS	FL	501(C)(3)	7	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP	Yes	
(14) TARPON SPRINGS HOSPITAL FOUNDATION INC 1395 S PINELLAS AVE TARPON SPRINGS, FL 34689	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	3	UNIVERSITY COMMUNITY HOSPITAL INC		No
(15) TARRANT COUNTY HEALTH CARE PROPERTIES INC 301 HUGULEY BLVD BURLESON, TX 76028	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	11	SUNBELT HLTH CARE CENTERS INC		No
(16) TAYLOR CREEK HEALTH CARE PROPERTIES INC 718 GOODWIN LANE LEITCHFIELD, KY 42754	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	11	SUNBELT HLTH CARE CENTERS INC		No
(17) THE VOLUNTEER AUXILIARY OF FLORIDA HOSPITAL - FLAGLER INC 60 MEMORIAL MEDICAL PARKWAY PALM COAST, FL 32164	VOLUNTEER SUPPORT SERVICES	FL	501(C)(3)	11	MEMORIAL HOSPITAL FLAGLER INC		No
(18) TRINITY NURSING & REHAB CENTER INC 9700 WEST 62ND STREET MERRIAM, KS 66203	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	KS	501(C)(3)	9	SUNBELT HLTH CARE CENTERS INC		No
(19) UNIVERSITY COMMUNITY HOSPITAL FOUNDATION INC 3100 E FLETCHER AVE TAMPA, FL 33613	FUND-RAISING FOR TAX-EXEMPT HOSPITAL	FL	501(C)(3)	11	UNIVERSITY COMMUNITY HOSPITAL INC		No

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						Yes	No
(101) UNIVERSITY COMMUNITY HOSPITAL SPECIALTY CARE INC 3100 E FLETCHER AVE TAMPA, FL 33613	INACTIVE	FL	501(C)(3)	11	UNIVERSITY COMMUNITY HOSPITAL INC		No
(1) UNIVERSITY COMMUNITY HOSPITAL INC 3100 E FLETCHER AVE TAMPA, FL 33613	OPERATION OF HOSPITAL & RELATED SERVICES	FL	501(C)(3)	3	ADVENTIST HLTH SYSTEM SUNBELT HLTHCARE CORP	Yes	
(2) WEST KENTUCKY HEALTH CARE PROPERTIES INC 500 BECK LANE MAYFIELD, KY 42066	LEASE TO RELATED ORGANIZATION	GA	501(C)(3)	11	SUNBELT HLTH CARE CENTERS INC		No
(3) ZEPHYR HAVEN HEALTH & REHAB CENTER INC 38250 A AVENUE ZEPHYRHILLS, FL 33542	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	FL	501(C)(3)	9	SUNBELT HLTH CARE CENTERS INC		No
(4) ZEPHYRHILLS HEALTH & REHAB CENTER INC 7350 DAIRY ROAD ZEPHYRHILLS, FL 33540	OPERATION OF HOME FOR THE AGED/HLTHCARE DELIVERY	FL	501(C)(3)	9	SUNBELT HLTH CARE CENTERS INC		No

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of- year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in Box 20 of K-1 (Form 1065)	(j) General or Managing Partner?		(k) Percentage ownership
							Yes	No		Yes	No	
APPALACHIAN THERAPY SERVICES LLC 100 HOSPITAL DRIVE HENDERSONVILLE, NC 28792 20-2463851	THERAPY STAFFING	NC	FLETCHER HOSPITAL INC	N/A								50 %
CLEAR CREEK MOB LTD 2201 S CLEAR CREEK RD KILLEEN, TX 76549 74-2609195	REAL ESTATE	TX	CLEAR CREEK MOB INC	N/A								60 8 %
FLORIDA HOSPITAL DMERT LLC 2450 MAITLAND CENTER PKWY STE 200 MAITLAND, FL 32751 20-2392253	MEDICAL EQUIPMENT	FL	PRINCETON PROF SERVICES INC	N/A								33 33 %
FLORIDA HOSPITAL HOME INFUSION 2450 MAITLAND CENTER PKWY STE 200 MAITLAND, FL 32751 59-3142824	HOME INFUSION SERVICES	FL	PRINCETON PROF SERVSFH WATERMAN	N/A								57 %
KCCCSMMC CANCER CENTER LLC 9100 W 74TH STREET SHAWNEE MISSION, KS 66204 27-0909763	EQUIPMENT RENTAL	KS	SHAWNEE MISSION MED CTR INC	N/A								50 %
SHAWNEE MISSION OPEN MRI LLC 9100 W 74TH STREET BOX 2923 SHAWNEE MISSION, KS 66201 27-0011796	IMAGING & TESTING	KS	SHAWNEE MISSION MED CTR INC	N/A								60 %
PAHSUSP SURGERY CENTERS LLC 15305 DALLAS PKWY SUITE 1600 LB 28 ADDISON, TX 75001 26-3057950	SURGICAL SERVICES	TX	PAHS	RELATED	1,260,889	1,329,167		No	0		No	51 %
ENDOSCOPY CENTER AT PORTER LLC 1001 SOUTH PARK DRIVE LITTLETON, CO 80120 20-5855038	DIAGNOSTIC	CO	PAHS	RELATED	68,523	115,542		No	0		No	51 %
SAN MARCOS MRI LP 1330 WONDER WORLD DR STE 202 SAN MARCOS, TX 78666 77-0597972	IMAGING & TESTING	TX	ADVENTIST HLTH SYSTEMS SUNBELT INC	N/A								60 %

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
ALTAMONTE MEDICAL PLAZA CONDOMINIUM ASSOCIATION INC 601 EAST ROLLINS STREET ORLANDO, FL 32803 59-2855792	CONDO ASSOCIATION	FL	NA	C CORPORATION					
APOPKA MEDICAL PLAZA CONDOMINIUM ASSOCIATION INC 601 EAST ROLLINS STREET ORLANDO, FL 32803 59-3000857	CONDO ASSOCIATION	FL	NA	C CORPORATION					
CC MOB INC 2201 S CLEAR CREEK ROAD KILLEEN, TX 76549 74-2616875	REAL ESTATE RENTAL	TX	NA	C CORPORATION					
CENTRAL TEXAS MEDICAL ASSOCIATES 1301 WONDER WORLD DRIVE SAN MARCOS, TX 78666 74-2729873	PHYSICIAN CLINICS	TX	NA	C CORPORATION					
CENTRAL TEXAS PROVIDER'S NETWORK 1301 WONDER WORLD DRIVE SAN MARCOS, TX 78666 74-2827652	PHYSICIAN HOSPITAL ORG	TX	NA	C CORPORATION					
FLORIDA HOSPITAL FLAGLER MEDICAL OFFICES ASSOCIATION INC 60 MEMORIAL MEDICAL PARKWAY PALM COAST, FL 32164 26-2158309	CONDO ASSOCIATION	FL	NA	C CORPORATION					
FLORIDA HOSPITAL HEALTHCARE SYSTEM INC 602 COURTLAND STREET ORLANDO, FL 32804 59-3215680	PHO/TPA	FL	NA	C CORPORATION					
FLORIDA MEDICAL PLAZA CONDO ASSOCIATION INC 601 EAST ROLLINS STREET ORLANDO, FL 32803 59-2855791	CONDO ASSOCIATION	FL	NA	C CORPORATION					
FLORIDA MEMORIAL HEALTH NETWORK INC 770 W GRANADA BLVD STE 317 ORMOND BEACH, FL 32174 59-3403558	PHYSICIAN HOSPITAL ORG	FL	NA	C CORPORATION					
HUGULEY ALLIANCE FOUNDATION 11801 SOUTH FREEWAY FORT WORTH, TX 76115 75-2642209	INACTIVE	TX	NA	C CORPORATION					
KISSIMMEE MULTISPECIALTY CLINIC CONDOMINIUM ASSOCIATION INC 201 HILDA STREET SUITE 30 KISSIMMEE, FL 34741 59-3539564	CONDO ASSOCIATION	FL	NA	C CORPORATION					
METROPLEX ADVENTIST HOSPITAL CRNA 2201 S CLEAR CREEK ROAD KILLEEN, TX 76549 26-0760794	SUPPORT HOSPITAL - PROVIDE ALLIED HEALTH PROFESSIONALS	TX	NA	C CORPORATION					
MIDWEST MANAGEMENT SERVICES INC 9100 WEST 74TH STREET SHAWNEE MISSION, KS 66204 48-0901551	REAL ESTATE RENTAL	KS	NA	C CORPORATION					
NORTH AMERICAN HEALTH SERVICES INC & SUBS 111 N ORLANDO AVENUE WINTER PARK, FL 32789 62-1041820	LESSOR/HOLDING CO	TN	NA	C CORPORATION					
ORMOND PROFESSIONAL CONDO ASSOCIATION 770 W GRANADA BLVD STE 101 ORMOND BEACH, FL 32174 59-2694434	CONDO ASSOCIATION	FL	NA	C CORPORATION					

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
PARK RIDGE PROPERTY OWNER""S ASSOCIATION INC 1 PARK PLACE NAPLES ROAD FLETCHER, NC 28732	CONDO ASSOCIATION	NC	NA	C CORPORATION					
PORTER AFFILIATED HEALTH SERVICES INC DBA DIVERSIFIED AFFILIATED HEALTH SERVICES 2525 S DOWNING STREET DENVER, CO 80210 84-0956175	HEALTHCARE SERVICES	CO	NA	C CORPORATION					
SAN MARCOS REGIONAL MRI INC 1301 WONDER WORLD DRIVE SAN MARCOS, TX 78666 77-0597968	HOLDING COMPANY	TX	NA	C CORPORATION					
THE GARDEN RETIREMENT COMMUNITY INC 602 COURTLAND STREET STE 200 ORLANDO, FL 32804 59-3414055	REAL ESTATE RENTAL	FL	NA	C CORPORATION					
UCH SERVICES INC 3100 EAST FLETCHER AVE TAMPA, FL 33613 59-3508454	MANAGEMENT COMPANY	FL	NA	C CORPORATION					
UNIVERSITY COMMUNITY HEALTH INSURANCE COMPANY SPC LTD PO BOX 69 GT GRAND CAYMAN CJ	CAPTIVE INSURANCE	CJ	NA	C CORPORATION					
WINTER PARK MEDICAL OFFICE BUILDING I CONDO ASSOC INC 200 LAKEMONT AVE WINTER PARK, FL 32792 45-2228478	PHYSICIAN CLINICS	FL	NA	C CORPORATION					

**Audited
Consolidated
Financial
Statements**

December 31, 2013

Adventist Health System

Table of Contents

Consolidated Balance Sheets	2
Consolidated Statements of Operations and Changes in Net Assets	3
Consolidated Statements of Cash Flows	5
Notes to Consolidated Financial Statements	6
Report of Independent Certified Public Accountants	41

Consolidated Balance Sheets

December 31, 2013
and 2012

<i>(dollars in thousands)</i>	2013	2012
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 966,141	\$ 654,893
Investments (including investments pledged under securities lending program of \$20,154 in 2013 and \$3,000 in 2012)	3,514,606	3,285,606
Current portion of assets whose use is limited	240,087	216,767
Collateral held under securities lending program	20,619	3,060
Patient accounts receivable, less allowance for uncollectible accounts of \$264,870 in 2013 and \$217,832 in 2012	345,133	311,406
Estimated settlements from third parties	39,349	35,640
Other receivables	349,098	332,116
Inventories	157,657	153,614
Prepaid expenses and other current assets	78,744	73,257
	<u>5,711,434</u>	<u>5,066,359</u>
Property and Equipment	4,872,811	4,661,206
Assets Whose Use is Limited, net of current portion	605,611	419,908
Other Assets	<u>518,438</u>	<u>497,622</u>
	<u>\$ 11,708,294</u>	<u>\$ 10,645,095</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 771,260	\$ 701,427
Estimated settlements to third parties	229,487	177,917
Payable under securities lending program	20,619	3,060
Other current liabilities	219,304	169,880
Short-term financings	108,324	136,945
Current maturities of long-term debt	75,882	88,089
	<u>1,424,876</u>	<u>1,277,318</u>
Long-Term Debt, net of current maturities	3,400,199	3,050,405
Other Noncurrent Liabilities	<u>562,811</u>	<u>561,465</u>
	<u>5,387,886</u>	<u>4,889,188</u>
Net Assets		
Unrestricted:		
Controlling interest	6,105,853	5,549,868
Noncontrolling interests	39,841	39,761
	<u>6,145,694</u>	<u>5,589,629</u>
Temporarily restricted – controlling interest	174,714	166,278
	<u>6,320,408</u>	<u>5,755,907</u>
Commitments and Contingencies	<u>\$ 11,708,294</u>	<u>\$ 10,645,095</u>

Adventist Health System

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statements of Operations and Changes in Net Assets

For the years ended
December 31, 2013
and 2012

(dollars in thousands)

	2013	2012
Revenue		
Patient service revenue	\$ 7,666,256	\$ 7,345,338
Provision for bad debts	(426,710)	(330,877)
Net patient service revenue	7,239,546	7,014,461
ElHR incentive payments	38,944	57,982
Other	319,309	274,154
Total operating revenue	7,597,799	7,346,597
Expenses		
Employee compensation	3,678,015	3,524,445
Supplies	1,334,264	1,311,364
Professional fees	481,061	442,094
Purchased services	487,934	471,778
Other	550,272	522,269
Interest	132,154	146,524
Depreciation and amortization	433,720	415,653
Total operating expenses	7,097,420	6,834,127
Income from Operations	500,379	512,470
Nonoperating Gains (Losses)		
Investment income	79,781	77,213
Change in fair value of interest rate swaps	—	289
Loss from early extinguishment of debt	(1,919)	(82,186)
Total nonoperating gains (losses)	77,862	(4,684)
Excess of revenue and gains over expenses and losses	578,241	507,786
Less: Deficiency (excess) of revenue and gains over expenses and losses attributable to noncontrolling interests	577	(2,828)
Excess of Revenue and Gains over Expenses and Losses Attributable to Controlling Interest	578,818	504,958

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

For the years ended
December 31, 2013
and 2012

(dollars in thousands)

	2013	2012
CONTROLLING INTEREST		
Unrestricted Net Assets		
Excess of revenue and gains over expenses and losses	\$ 578,818	\$ 504,958
Change in unrealized gains and losses on investments	(91,423)	22,631
Change in fair value of cash flow hedges	—	(1,544)
Accumulated derivative losses related to terminated cash flow hedges reclassified into loss on extinguishment of debt	1,613	73,544
Accumulated derivative losses reclassified into excess of revenue and gains over expenses and losses	11,352	10,028
Net assets released from restrictions for purchase of property and equipment	22,322	15,287
Pension-related changes other than net periodic pension cost	24,137	(27,397)
Other	9,166	932
Increase in unrestricted net assets	555,985	598,439
Temporarily Restricted Net Assets		
Investment income	2,447	2,909
Gifts and grants	36,411	31,081
Net assets released from restrictions for purchase of property and equipment or use in operations	(38,107)	(28,032)
Other	7,685	3,404
Increase in temporarily restricted net assets	8,436	9,362
NONCONTROLLING INTERESTS		
Unrestricted Net Assets		
(Deficiency) excess of revenue and gains over expenses and losses	(577)	2,828
Distributions	(1,613)	(1,240)
Other	2,270	360
Increase in noncontrolling interests	80	1,948
Increase in Net Assets	564,501	609,749
Net assets, beginning of year	5,755,907	5,146,158
Net assets, end of year	<u>\$ 6,320,408</u>	<u>\$ 5,755,907</u>

Consolidated Statements of Cash Flows

For the years ended
December 31, 2013
and 2012

<i>(dollars in thousands)</i>	2013	2012
Operating Activities	\$ 1,153,648	\$ 978,176
Investing Activities		
Purchases of property and equipment, net	(652,363)	(657,310)
Sales and maturities of investments	18,618,004	13,558,555
Purchases of investments	(18,931,976)	(14,283,195)
Sales and maturities of assets whose use is limited	407,222	527,351
Purchases of assets whose use is limited	(444,696)	(566,461)
Additional purchases of assets whose use is limited from borrowings	(178,000)	—
(Increase) decrease in collateral held under securities lending program	(17,559)	8,432
Net proceeds from sale of controlling interest in a subsidiary	—	9,794
Increase in other assets	(11,147)	(27,154)
	<u>(1,210,515)</u>	<u>(1,429,988)</u>
Financing Activities		
Repayments of long-term borrowings	(152,552)	(1,092,639)
Additional long-term borrowings	494,676	1,019,465
Repayments of short-term borrowings	(30,700)	(54,031)
Additional short-term borrowings	2,079	20,000
Payment of deferred financing costs	(1,805)	(6,593)
Increase (decrease) in payable under securities lending program	17,559	(8,432)
Restricted gifts and grants and investment income	38,858	33,990
	<u>368,115</u>	<u>(88,240)</u>
Increase (Decrease) in Cash and Cash Equivalents	311,248	(540,052)
Cash and cash equivalents at beginning of year	654,893	1,194,945
Cash and Cash Equivalents at End of Year	<u>\$ 966,141</u>	<u>\$ 654,893</u>
Operating Activities		
Increase in net assets	\$ 564,501	\$ 609,749
Provision for bad debts	426,710	330,877
Depreciation	429,346	412,004
Amortization of intangible assets	4,374	3,649
Amortization of deferred financing costs and original issue discounts and premiums	(2,103)	(1,217)
Loss on extinguishment of debt, excluding reclassification of accumulated derivative loss	306	8,642
Change in unrealized gains and losses on investments	91,423	(22,631)
Change in fair value of interest rate swaps	—	1,255
Restricted gifts and grants and investment income	(38,858)	(33,990)
Income from unconsolidated entities	(28,960)	(24,790)
Distributions from unconsolidated entities	14,178	14,649
Pension-related changes other than net periodic pension cost	(24,137)	27,397
Changes in operating assets and liabilities:		
Patient accounts receivable	(460,437)	(289,036)
Other receivables	(16,982)	(19,513)
Other current assets	1,882	(35,434)
Accounts payable and accrued liabilities	69,637	44,075
Estimated settlements to third parties	47,861	7,720
Other current liabilities	49,424	22,249
Other noncurrent liabilities	25,483	(77,479)
	<u>\$ 1,153,648</u>	<u>\$ 978,176</u>

Adventist Health System

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

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

Adventist Health System

1. Significant Accounting Policies

Reporting Entity

Adventist Health System Sunbelt Healthcare Corporation d/b/a Adventist Health System (Healthcare Corporation) is a not-for-profit healthcare corporation that operates and controls hospitals, nursing homes and philanthropic foundations (referred to herein collectively as the System). The affiliated hospitals, nursing homes and philanthropic foundations are operated or controlled through their by-laws, governing board appointments or operating agreements by Healthcare Corporation. The System's 43 hospitals, 16 nursing homes and philanthropic foundations operate in 10 states – Colorado, Florida, Georgia, Illinois, Kansas, Kentucky, North Carolina, Tennessee, Texas and Wisconsin.

Healthcare Corporation and the System are collectively controlled by the Lake Union Conference of Seventh-day Adventists, the Mid-America Union Conference of Seventh-day Adventists, the Southern Union Conference of Seventh-day Adventists and the Southwestern Union Conference of Seventh-day Adventists.

SunSystem Development Corporation (Foundation) is a charitable foundation operated by the System for the benefit of the hospitals that are divisions or controlled affiliates of Healthcare Corporation. The board of directors is appointed by the board of directors of the System. The Foundation is involved in philanthropic activities.

Mission

The System exists solely to improve and enhance our local communities that we serve in harmony with Christ's healing ministry. All financial resources and excess of revenue and gains over expenses and losses are used to benefit the communities in the areas of patient care, research, education, community service and capital reinvestment.

Specifically, the System provides:

Benefit to the underprivileged, by offering services free of charge or deeply discounted to those who cannot pay, and by supplementing the unreimbursed costs of the government's Medicaid assistance program.

Benefit to the elderly, as provided through governmental Medicare funding, by subsidizing the unreimbursed costs associated with this care.

Benefit to the community's overall health and wellness through clinics and primary care services, health education and screenings, in-kind donations, extended education and research.

Benefit to the faith-based and spiritual needs of the community in accordance with our mission of extending the healing ministry of Christ.

Benefit to the community's infrastructure by investing in capital improvements to ensure the facilities and technology provide the best possible care to the community.

Principles of Consolidation

The accompanying consolidated financial statements include the accounts of Adventist Health System/Sunbelt, Inc. (Sunbelt), the Foundation and other affiliated organizations that are controlled by Healthcare Corporation. Any subsidiary or other

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

operations owned and controlled by divisions or controlled affiliates of Healthcare Corporation are included in these consolidated financial statements. Investments in entities where Healthcare Corporation does not have operating control are recorded under the equity or cost method of accounting. Income from unconsolidated entities is included in other operating revenue in the accompanying consolidated statements of operations and changes in net assets. All significant intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of these consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Recent Accounting Pronouncements

In December 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2011-11, *Disclosures about Offsetting Assets and Liabilities* (ASU 2011-11), an amendment to the accounting guidance for disclosure of offsetting assets and liabilities. In January 2013, the FASB issued ASU No. 2013-01, *Clarifying the Scope of Disclosures about Offsetting Assets and Liabilities* (ASU 2013-01). These ASUs expand the disclosure requirements in that entities will be required to disclose both gross and net information about instruments and transactions eligible for offset in the balance sheet. This new guidance was effective for annual reporting periods beginning on or after January 1, 2013. The adoption of this standard did not have an impact on the System's consolidated financial statements.

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

The System's patient acceptance policy is based on its mission statement and its charitable purposes. Accordingly, the System accepts patients in immediate need of care, regardless of their ability to pay. Patient service revenue is reported at estimated net realizable amounts for services rendered. The System recognizes patient service revenue associated with patients who have third-party payor coverage on the basis of contractual rates for the services rendered. For uninsured patients that do not qualify for charity care, revenue is recognized on the basis of discounted rates in accordance with the System's policy.

Patient service revenue is reduced by the provision for bad debts and accounts receivable are reduced by an allowance for uncollectible accounts. These amounts are based on management's assessment of historical and expected net collections for each major payor source, considering business and economic conditions, trends in healthcare coverage and other collection indicators. Management regularly reviews collections data by major payor sources in evaluating the sufficiency of the allowance for uncollectible accounts. On the basis of historical experience, a significant portion of the System's self-pay patients will be unable or unwilling to pay for the services provided. Thus, the System records a significant provision for bad debts in the period services are provided related to self-pay patients. The System's allowance for uncollectible accounts for self-pay patients was 97% of self-pay accounts receivable as of December 31, 2013 and 2012. For receivables associated with patients who have third-party coverage, the System analyzes contractually due amounts and provides an allowance for uncollectible accounts and a provision for bad debts, if

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

necessary. Accounts receivable are written off after collection efforts have been followed in accordance with the System's policies.

For all patients other than charity patients, patient service revenue, net of contractual allowances and self-pay discounts and before the provision for bad debts, recognized from major payor sources is as follows:

	Year Ended December 31	
	2013	2012
Third-party payors, net of contractual allowances	\$7,240,083	\$6,977,094
Self-pay patients, net of discounts	426,173	368,244
	<u>\$7,666,256</u>	<u>\$7,345,338</u>

The System has not experienced significant changes in write-off trends and has not changed its self-pay discount or charity care policy for the years ended December 31, 2013 or 2012.

The System has determined, based on an assessment at the reporting-entity level, that services are provided prior to assessing the patient's ability to pay and as such, the entire provision for bad debts is recorded as a deduction from patient service revenue in the accompanying consolidated statements of operations and changes in net assets.

Third-Party Reimbursement Arrangements

Revenue from the Medicare and Medicaid programs represents approximately 31% and 33% of the System's patient service revenue for the years ended December 31, 2013 and 2012, respectively. 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. Other than the accounts receivable related to the Medicare and Medicaid programs, there are no significant concentrations of accounts receivable due from an individual payor at December 31, 2013 and 2012.

The System was a party to a settlement agreement dated April 5, 2012 with the United States Department of Health and Human Services (HHS), the Secretary of HHS and the Centers for Medicare and Medicaid Services (CMS). The System, along with a group of other Medicare providers, had challenged CMS' implementation of the rural floor budget neutrality provision of the Balance Budget Act of 1997, which effectively understated the standard amount paid through the inpatient prospective payment system for a number of years. Under the settlement agreement, the System received \$52,769 during the year ended December 31, 2012 and recognized this amount as patient service revenue in the accompanying consolidated statements of operations and changes in net assets. Related professional fees of \$5,277 are included in operating expenses for the year ended December 31, 2012 in the accompanying consolidated statements of operations and changes in net assets.

The System is subject to retroactive revenue adjustments due to future audits, reviews and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews and investigations. Adjustments to revenue related to prior periods, excluding amounts received from the 2012 CMS settlement discussed above, increased patient service revenue by approximately \$10,600 and \$49,500 for the years ended December 31, 2013 and 2012, respectively.

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

Charity Care

As discussed previously, the System's patient acceptance policy is based on its mission statement and its charitable purposes and as such, the System accepts patients in immediate need of care, regardless of their ability to pay. Patients that qualify for charity are provided services for which no payment is due for all or a portion of the patient's bill. Therefore, charity care is excluded from patient service revenue and the cost of providing such care is recognized within operating expenses.

The System estimates the direct and indirect costs of providing charity care by applying a cost to gross charges ratio to the gross uncompensated charges associated with providing charity care to patients. The System also receives certain funds to offset or subsidize charity services provided. These funds are primarily received from uncompensated care programs sponsored by various states, whereby healthcare providers within the state pay into an uncompensated care fund and the pooled funds are then redistributed based on state specific criteria. The cost of providing charity care, amounts paid by the System into uncompensated care funds and amounts received by the System to offset or subsidize charity services are as follows:

	Year Ended December 31	
	2013	2012
Cost of providing charity care	\$ 293,770	\$ 301,591
Funds paid into trusts (included in other expenses)	\$ (128,717)	\$ (117,480)
Funds received to offset or subsidize charity services (included in patient service revenue)	89,481	75,744
	<u>\$ (39,236)</u>	<u>\$ (41,736)</u>

EHR Incentive Payments

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

The System accounts for EHR incentive payments as a gain contingency. Income from Medicare incentive payments is recognized as revenue after the System has demonstrated that it complied with the meaningful use criteria over the entire applicable compliance period and the cost report period that will be used to determine the final incentive payment has ended. The System recognized revenue from Medicaid incentive payments after it adopted certified EHR technology in its first year of participation and demonstrated compliance with the meaningful use criteria over the remaining compliance periods. Incentive payments totaling \$38,944 and \$57,982 for the years ended December 31, 2013 and 2012, respectively, are included in total operating revenue in the accompanying consolidated statements of operations and changes in net assets. Income from incentive payments is subject to retrospective adjustment as the incentive payments are calculated using Medicare cost report data.

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

that is subject to audit. Additionally, the System's compliance with the meaningful use criteria is subject to audit by the federal government.

Excess of Revenue and Gains over Expenses and Losses

The consolidated statements of operations and changes in net assets include excess of revenue and gains over expenses and losses, which is analogous to income from continuing operations of a for-profit enterprise. Changes in unrestricted net assets that are excluded from excess of revenue and gains over expenses and losses, consistent with industry practice, include changes in unrealized gains and losses on certain investments, changes in the fair value of derivative financial instruments that qualify as cash flow hedges, pension-related changes other than net periodic pension costs and contributions of long-lived assets (including assets acquired using contributions which, by donor restriction, were to be used for the purposes of acquiring such assets).

Contributed Resources

Resources restricted by donors for specific operating purposes or a specified time period are held as temporarily restricted net assets until expended for the intended purpose or until the specified time restrictions are met, at which time they are reported as other revenue. Resources restricted by donors for additions to property and equipment are held as temporarily restricted net assets until the assets are placed in service, at which time they are reported as transfers to unrestricted net assets. Gifts, grants and bequests not restricted by donors are reported as other revenue. At December 31, 2013 and 2012, respectively, the System had \$174,414 and \$166,278 of temporarily restricted net assets that will become available for various programs and capital expenditures at the System's hospitals when time or purpose restrictions are met.

Cash Equivalents

Cash equivalents include all highly liquid investments, including certificates of deposit and commercial paper with maturities not in excess of three months when purchased. Interest income on cash equivalents is included in investment income.

Functional Expenses

The System does not present expense information by functional classification because its resources and activities are primarily related to providing healthcare services. Further, since the System receives substantially all of its resources from providing healthcare services in a manner similar to a business enterprise, other indicators contained in the accompanying consolidated financial statements are considered important in evaluating how well management has discharged its stewardship responsibilities.

Investments

Investment securities, excluding alternative investments accounted for under the equity method, are recorded at fair value. The cost of securities sold is based on the specific identification method. Investment income or loss includes realized gains and losses, interest, dividends and certain unrealized gains and losses. The investment income or loss on investments that are restricted by donor or law is recorded as increases or decreases to temporarily restricted net assets. The System accounts for investment transactions on a settlement-date basis.

Management has designated all fixed-income securities as other-than-trading securities and, accordingly, changes in unrealized gains and losses are included in unrestricted net assets. The System also has an equity investment portfolio, which includes domestic and foreign investments that are based on various market indices

Notes to Consolidated Financial Statements

For the years ended
December 31, 2013
and 2012
(dollars in thousands)

and include securities such as futures contracts, exchange traded funds and puts. Management has designated the securities in this portfolio as trading securities and, accordingly, changes in unrealized gains and losses are included in the excess of revenue and gains over expenses and losses. Certain other equity investments, primarily held by the System's foundations, are designated as other than trading and related changes in unrealized gains and losses are included in unrestricted net assets.

Alternative Investments – Equity Method

As part of its investment strategy, the System invests in alternative investments (primarily hedge funds) through partnership investment trusts. The partnership investment trusts generally contract with managers who have full discretionary authority over the investment decisions. The System accounts for its ownership interest in these alternative investments under the equity method. Accordingly, the System's share of the hedge funds' income or loss, both realized and unrealized, is recognized as investment income or loss, which is a component of excess of revenue and gains over expenses and losses. Alternative investments accounted for using the equity method totaled \$447,327 and \$602,114 at December 31, 2013 and 2012, respectively, and were classified as investments and assets whose use is limited in the accompanying consolidated balance sheets.

Alternative Investments – Fair Value

The System has a wholly-owned subsidiary, AHS-K2 Alternatives Portfolio, Ltd (Fund) that primarily invests in alternative investments (primarily hedge funds) through partnership investment trusts. The Fund is managed by an external investment manager (Manager) in accordance with the investment guidelines contained within the limited liability company agreement.

The strategies of the underlying funds held by the Fund, as of December 31, 2013 and 2012, are described below

Commodity. The underlying funds trade in agricultural, metal and energy markets at various stages in the commodity cycle.

Event Driven The underlying funds focus on identifying and analyzing securities that may benefit from the occurrence of specific corporate events.

Global Macro. The underlying funds invest in products that may benefit from overall economic and political views of various countries.

Insurance The underlying funds invest across instruments, the value of which is driven by insurance related events primarily related to property and life insurance. Risk is managed by diversifying over geography, insurance type and sensitivity to insured losses among other factors. The strategy is a tool to reduce overall investment risk as underlying insurance risk factors are less sensitive to general market factors.

Long/Short The underlying funds invest both long and short, primarily in common stocks, based on the manager's perception of such securities being undervalued or overvalued in the market. Some of the managers may specialize in specific sectors or industries.

Multi-strategy The underlying funds invest in multiple strategies to diversify risks and reduce volatility.

Notes to Consolidated Financial Statements

For the years ended
December 31, 2013
and 2012
(dollars in thousands)

Relative Value. The underlying funds utilize non-directional strategies. Relative value investing involves trading around the mispricing of two related securities using various types of securities or instruments.

Specialist Credit. The underlying funds seek to generate superior risk-adjusted returns from a combination of capital appreciation and current income by opportunistically investing and trading in a diversified portfolio of credit-related securities and other instruments.

Structured Credit. The underlying funds invest across structured credit markets including agency and non-agency residential mortgage-backed securities, commercial mortgage-backed securities and asset-backed securities

The Fund follows the Financial Services-Investment Companies Topic of the Accounting Standards Codification (ASC) (ASC 946), which requires that the investments in the underlying funds be recorded at fair value. The fair value of the underlying hedge funds is determined in good faith by the Manager in accordance with GAAP and generally represents the Fund's proportionate share of the net assets of the underlying funds as reported by the managers. Unrealized appreciation and depreciation resulting from valuing the underlying funds is recognized as investment income or loss, which is a component of excess of revenue and gains over expenses and losses.

The Fund follows the Fair Value Measurement Topic of the ASC (ASC 820) for estimating the fair value of the underlying funds that have calculated a net asset value (NAV) per share in accordance with ASC 946. Accordingly, the Fund uses NAV as reported by the managers as a practical expedient to determine the fair value of those underlying funds that do not have a readily determinable fair value and either have the attributes of an investment company or prepare their financial statements consistent with the measurement principles of an investment company. As of December 31, 2013 and 2012, the fair value of all underlying funds has been determined using the NAV of the underlying funds.

The Manager uses its best judgment in estimating the fair value of these investments. As there are inherent limitations in any estimation technique, the fair value estimates presented herein are not necessarily indicative of an amount that could be realized in an actual transaction and the differences could be material.

Alternative investments accounted for at fair value totaled \$248,569 and \$211,164 as of December 31, 2013 and 2012, respectively, and were classified as investments and assets whose use is limited in the accompanying consolidated balance sheets.

Lock-up Provisions. At December 31, 2013, certain funds cannot currently be redeemed because the funds include restrictions that do not allow for redemption in the first 12 months after investment. These restrictions are referred to as lock-ups. At December 31, 2013, underlying funds with lock-up provisions expiring by January 31, 2014 totaled \$1,095. Certain other underlying funds may charge a withdrawal fee ranging from 2% to 5% if the Fund liquidates its investment prior to the expiration of the lock-up periods. At December 31, 2013, these underlying funds totaling \$35,807 have lock-up provisions that expire through July 31, 2014. The remaining funds totaling \$211,667 have no such restrictions.

Redemption Terms. Upon the expiration of lock-up provisions, the Fund has the ability to liquidate its investments periodically in accordance with the provisions of

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

the respective agreements with the underlying funds. The underlying funds have either monthly, quarterly or annual redemption terms. Certain funds with quarterly redemption terms allow redemptions of up to 25% of the investment each quarter and as such, a period of 12 months would be required to fully redeem these investments.

Certain agreements may also allow the underlying fund to temporarily suspend redemptions or place other temporary restrictions, such as gate provisions or side pockets. Investments that cannot be fully redeemed within 90 days or less due to lock-up provisions and redemption terms totaled \$65,033 and \$70,299 as of December 31, 2013 and 2012, respectively.

Assets Whose Use is Limited

Certain of the System's investments are limited as to use through board resolution, by provisions of contractual arrangements, under the terms of bond indentures or under the terms of other trust agreements. These investments are classified as assets whose use is limited in the accompanying consolidated balance sheets. Interest and dividend income and realized gains and losses on assets whose use is limited are reported as investment income within nonoperating gains (losses) in the accompanying statements of operations and changes in net assets.

Securities Lending Program

The System participates in securities lending transactions with the custodian of its investments, whereby a portion of its investments is loaned to certain brokerage firms in return for cash and securities from the brokers as collateral for the investments loaned, usually on a short-term basis. Collateral provided by brokers is maintained at levels approximating 102% of the fair value of the securities on loan and is adjusted for daily market fluctuations. The fair value of collateral held for loaned securities is reported as collateral held under securities lending program, with a corresponding obligation reported for repayment of such collateral upon settlement of the lending transaction.

Derivative Financial Instruments

The System accounts for its derivative financial instruments as required by the Derivative and Hedging Topic of the ASC (ASC 815) and the Health Care Entities Derivative and Hedging Topic of the ASC (ASC 954-815), which requires that not-for-profit healthcare entities apply the provisions of ASC 815 in the same manner as for-profit enterprises.

Sale of Patient Accounts Receivable

The System and certain of its member affiliates maintain a program (Program) for the continuous sale of certain patient accounts receivable to the Highlands County, Florida, Health Facilities Authority (Highlands) on a nonrecourse basis. Highlands has partially financed the purchase of the patient accounts receivable through the issuance of tax-exempt, variable-rate bonds (Bonds). During 2012, Highlands refinanced the Bonds through a private placement of variable-rate bonds with a mandatory tender in February 2017 and a final maturity in November 2027. As of December 31, 2013 and 2012, Highlands had \$409,600 and \$410,000, respectively, of Bonds outstanding.

As of December 31, 2013 and 2012, the estimated net realizable value, as defined in the underlying agreements, of patient accounts receivable sold by the System and removed from the accompanying consolidated balance sheets was \$700,128 and \$675,966, respectively. The patient accounts receivable sold consist primarily of amounts due from government programs and commercial insurers. The proceeds received from Highlands consist of cash from the Bonds, a note on a subordinated

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

basis with the Bonds and a note on a parity basis with the Bonds. The note on a subordinated basis with the Bonds is in an amount to provide the required over-collateralization of the Bonds and was \$115,528 and \$115,641 at December 31, 2013 and 2012, respectively. The note on a parity basis with the Bonds is the excess of eligible accounts receivable sold over the sum of cash received and the subordinated note and was \$175,000 and \$150,325 at December 31, 2013 and 2012, respectively. These notes are included in other receivables (current) in the accompanying consolidated balance sheets. Due to the nature of the patient accounts receivable sold, collectability of the subordinated and parity notes is not significantly impacted by credit risk.

Inventories

Inventories (primarily pharmaceuticals and medical supplies) are stated at the lower of cost or market using the first-in, first-out method of valuation.

Property and Equipment

Property and equipment are reported on the basis of cost, except for donated items, which are recorded at fair value at the date of the donation. Expenditures that materially increase values, change capacities or extend useful lives are capitalized. Depreciation is computed primarily utilizing the straight-line method over the expected useful lives of the assets. Amortization of capitalized leased assets is included in depreciation expense and allowances for depreciation.

Goodwill

Goodwill represents the excess of the purchase price and related costs over the value assigned to the net tangible and identifiable intangible assets of the businesses acquired. These amounts are included in other assets (noncurrent) in the accompanying consolidated balance sheets and are evaluated annually for impairment or when there is an indicator of impairment. Based on a quantitative assessment of each reporting unit, there was no impairment to goodwill recorded during the year ended December 31, 2013.

Deferred Financing Costs

Direct financing costs are included in other assets (noncurrent) and deferred and amortized over the remaining lives of the financings using the effective interest method.

Interest in the Net Assets of Unconsolidated Foundations

Interest in the net assets of unconsolidated foundations represents contributions received on behalf of the System or its member affiliates by independent fund-raising foundations. As the System cannot influence the foundations to the extent that it can determine the timing and amount of distributions, the System's interest in the net assets of the foundations are included in other assets (noncurrent) and changes in that interest are included in temporarily restricted net assets.

Impairment of Long-Lived Assets

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

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

Bond Discounts and Premiums

Bonds payable, including related original issue discounts and/or premiums, are included in long-term debt. Discounts and premiums are being amortized over the life of the bonds using the effective interest method.

Income Taxes

Healthcare Corporation and its affiliated organizations, other than North American Health Services, Inc. and its subsidiaries (NAHS), are exempt from state and federal income taxes. Accordingly, Healthcare Corporation and its tax-exempt affiliates are not subject to federal, state, or local income taxes except for any net unrelated business taxable income. For the years ended December 31, 2013 and 2012, unrelated business income activities conducted by Healthcare Corporation and its tax-exempt affiliates did not generate a material amount of combined federal, state and local income tax.

NAHS is a wholly owned, for-profit subsidiary of Healthcare Corporation. NAHS and its subsidiaries are subject to federal and state income taxes. NAHS files a consolidated federal income tax return and, where appropriate, consolidated state income tax returns. For the years ended December 31, 2013 and 2012, NAHS generated taxable income of approximately \$500 and \$2,100, respectively. This taxable income was fully offset by net operating loss carryforwards for federal income tax purposes. Although one state in which NAHS conducts business has suspended the utilization of net operating loss carryforwards for the year ended December 31, 2013, no material state income tax liability resulted. Accordingly, there is no provision for current federal or state income tax for the years ended December 31, 2013 and 2012.

NAHS also has temporary deductible differences of approximately \$65,000 and \$64,800 at December 31, 2013 and 2012, respectively, primarily as a result of net operating loss carryforwards. At December 31, 2013, NAHS had net operating loss carryforwards of approximately \$64,200, of which \$21,000 will expire in 2023, with the remaining \$43,200 expiring beginning in 2018 through 2026. Some of these net operating losses are subject to the separate return limitation year rules. Deferred taxes have been provided for these amounts, resulting in a net deferred tax asset of approximately \$24,700 and \$24,600 at December 31, 2013 and 2012, respectively. A full valuation allowance has been provided at December 31, 2013 and 2012, respectively, to offset the deferred tax asset since Healthcare Corporation has determined that it is more likely than not that the benefit of the net operating loss carryforwards will not be realized in future years.

The Income Taxes Topic of the ASC (ASC 740) prescribes the accounting for uncertainty in income tax positions recognized in financial statements. ASC 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken, or expected to be taken, in a tax return. There were no material uncertain tax positions as of December 31, 2013 and 2012.

Reclassifications

Certain reclassifications were made to the 2012 consolidated financial statements to conform to the classifications used in 2013. These reclassifications had no impact on the consolidated excess of revenue and gains over expenses and losses and changes in net assets previously reported.

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

2. Sale of Controlling Interest in a Subsidiary

Effective May 1, 2012 (transaction date), the System sold a 51% membership interest in its Fort Worth, Texas hospital (Hospital) to an unrelated health system located in the North Texas market. The transaction was accounted for as a deconsolidation under ASC 810, as the System ceased holding a controlling interest in the Hospital as of the transaction date. The System continues to manage the Hospital and accounts for its remaining ownership as an equity method investment. Consideration received for the sale consisted of cash and certain intangible assets.

During the period in which the Hospital was consolidated, total operating revenue included in the accompanying consolidated statements of operations and changes in net assets was \$56,880 for the year ended December 31, 2012.

3. Investments and Assets Whose Use is Limited

Investments

Investments are comprised of the following:

	December 31	
	2013	2012
Other than trading portfolio		
Fixed-income instruments		
U.S. government agencies and sponsored entities	\$ 2,343,340	\$ 2,247,645
Corporate bonds	198,017	115,719
Residential mortgage-backed	62,962	69,832
Commercial mortgage-backed	174,758	75,165
Collateralized debt obligations	60,541	24,177
Student loan asset-backed	13,738	16,552
Accrued interest	13,761	11,100
	<u>2,867,117</u>	<u>2,560,190</u>
Equity instruments		
Domestic	5,019	4,892
Foreign	948	964
	<u>5,967</u>	<u>5,856</u>
Trading portfolio		
Domestic equity index securities	37,492	—
	<u>37,492</u>	<u>—</u>
Alternative investments – fair value		
Commodity	7,844	—
Event driven	24,619	14,933
Global macro	16,649	16,083
Insurance	17,359	21,306
Long/short	73,303	46,688
Relative value	9,865	9,669
Specialist credit	9,951	12,441
Structured credit	22,851	32,022
	<u>182,441</u>	<u>153,142</u>
Alternative investments – equity method	<u>421,589</u>	<u>566,418</u>
	<u>\$ 3,514,606</u>	<u>\$ 3,285,606</u>

Notes to Consolidated Financial Statements

For the years ended
December 31, 2013
and 2012
(dollars in thousands)

Assets Whose Use is Limited

Assets whose use is limited is comprised of the following:

	December 31	
	2013	2012
Other than trading portfolio		
Fixed-income instruments		
U.S. government agencies and sponsored entities	\$ 360,528	\$ 396,035
Corporate bonds	15,459	12,309
Residential mortgage-backed	2,686	2,289
Commercial mortgage-backed	5,311	3,498
Collateralized debt obligations	1,475	1,041
Student loan asset-backed	661	1,793
Accrued interest	1,756	1,770
	<u>387,876</u>	<u>418,735</u>
Equity instruments		
Domestic	7,128	13,086
Foreign	862	3,674
	<u>7,990</u>	<u>16,760</u>
Trading portfolio		
Domestic equity index securities	11,292	—
Foreign equity index securities	1,343	—
	<u>12,635</u>	<u>—</u>
Alternative investments – fair value		
Commodity	2,843	—
Event driven	8,923	5,658
Global macro	6,035	6,094
Insurance	6,292	8,072
Long/short	26,569	17,689
Relative value	3,576	3,663
Specialist credit	3,607	4,714
Structured credit	8,283	12,132
	<u>66,128</u>	<u>58,022</u>
Alternative investments – equity method	25,738	35,696
Cash and cash equivalents	<u>345,331</u>	<u>107,462</u>
	<u>\$ 845,698</u>	<u>\$ 636,675</u>

Assets whose use is limited include investments held by bond trustees to fund capital expenditures and debt service, investments held under other trust agreements and investments designated by boards for employee retirement plans and capital expenditures. Amounts to be used for the payment of current liabilities are classified as current assets.

Indenture requirements of tax-exempt financings by the System provide for the establishment and maintenance of various accounts with trustees. These arrangements require the trustee to control the expenditure of debt proceeds, as well as the payment of interest and the repayment of debt to bondholders. Medical malpractice trust funds are set aside to provide funds for settling estimated medical malpractice claims.

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

A summary of the major limitations as to the use of these assets consists of the following:

	December 31	
	2013	2012
Investments held by bond trustees		
Construction funds	\$ 178,876	\$ --
Required bond funds	8,938	9,893
	<u>187,814</u>	<u>9,893</u>
Malpractice trust funds	403,716	356,130
Employee benefits funds	161,847	159,649
Board designated funds for capital expenditures	18,408	54,853
Other	73,913	56,150
	<u>845,698</u>	<u>636,675</u>
Less amounts to pay current liabilities	<u>(240,087)</u>	<u>(216,767)</u>
	<u>\$ 605,611</u>	<u>\$ 419,908</u>

Investment Income and Unrealized Gains and Losses

Investment income from cash and cash equivalents, investments and assets whose use is limited amounted to \$79,781 and \$77,213 for the years ended December 31, 2013 and 2012, respectively, and consisted of the following:

	Year Ended December 31	
	2013	2012
Interest and dividend income	\$ 43,663	\$ 33,285
Net realized and unrealized gains/losses	26,834	17,783
The System's share of income from alternative investments – equity method	9,284	26,145
	<u>\$ 79,781</u>	<u>\$ 77,213</u>

Changes in unrealized gains and losses that are included as a (reduction of) increase to unrestricted net assets in the accompanying consolidated statements of operations and changes in net assets totaled \$(91,423) and \$22,631 for 2013 and 2012, respectively.

At December 31, 2013 and 2012, the total fair value of investments and assets whose use is limited, excluding alternative investments, amounted to \$3,648,891 and \$3,096,133, respectively. The net unrealized losses associated with these holdings were \$68,744 at December 31, 2013, which is comprised of gross unrealized gains of \$20,663 and gross unrealized losses of \$89,407. The net unrealized gains associated with these holdings were \$22,679 at December 31, 2012, which is comprised of gross unrealized gains of \$32,886 and gross unrealized losses of \$10,207.

Notes to Consolidated Financial Statements

For the years ended
December 31, 2013
and 2012
(dollars in thousands)

The following tables summarize the unrealized losses on investments and assets whose use is limited:

	December 31, 2013			
	Unrealized Losses			Fair Value of Loss Holdings
	Greater than 12 Months	Less than 12 Months	Total	
Fixed-income instruments				
U.S. government agencies and sponsored entities	\$ 17,788	\$ 64,235	\$ 82,023	\$1,870,118
Corporate bonds	404	1,349	1,753	106,118
Residential mortgage-backed	625	917	1,542	46,074
Commercial mortgage-backed	848	3,023	3,871	134,486
Collateralized debt obligations	—	4	4	5,245
Student loan asset-backed	—	25	25	3,943
	19,665	69,553	89,218	2,165,984
Equity instruments				
Domestic	138	47	185	2,275
Foreign	3	1	4	80
	141	48	189	2,355
	\$ 19,806	\$ 69,601	\$ 89,407	\$2,168,339

	December 31, 2012				
	Unrealized Losses				
	Greater than 12 Months	Less than 12 Months	Total		Fair Value of Loss Holdings
Fixed-income instruments					
U.S. government agencies and sponsored entities	\$ 4,389	\$ 4,664	\$ 9,053		\$ 680,916
Corporate bonds	2	35	37		11,971
Residential mortgage-backed	685	2	687		6,641
Commercial mortgage-backed	173	124	297		24,134
	<u>5,249</u>	<u>4,825</u>	<u>10,074</u>		<u>723,662</u>
Equity instruments					
Domestic	96	23	119		1,494
Foreign	14	—	14		231
	<u>110</u>	<u>23</u>	<u>133</u>		<u>1,725</u>
	<u>\$ 5,359</u>	<u>\$ 4,848</u>	<u>\$ 10,207</u>		<u>\$ 725,387</u>

Management has evaluated the investments with unrealized losses and has concluded that none of the above losses should be considered other-than-temporary as of December 31, 2013 and 2012. Management does not intend to sell

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

the investments and it is not more likely than not that the System will be required to sell the investments before recovery of their amortized cost. Factors considered in this evaluation included credit rating information, discussions with external advisors and duration of the investments.

4. Unrestricted Cash and Investments

The System's unrestricted cash and cash equivalents, investments and board designated funds for capital expenditures consists of the following.

	December 31	
	2013	2012
Cash and cash equivalents	\$ 966,141	\$ 654,893
Investments	3,514,606	3,285,606
Board designated funds for capital expenditures	18,408	54,853
	<u>\$ 4,499,155</u>	<u>\$3,995,352</u>
Days cash and investments on hand	<u>245</u>	<u>226</u>

Days cash and investments on hand is calculated as unrestricted cash and cash equivalents, investments and certain board designated funds divided by daily operating expenses (excluding depreciation and amortization). The annualized operating expenses of newly constructed facilities are included in the calculations.

5. Property and Equipment

Property and equipment consists of the following:

	December 31	
	2013	2012
Land and improvements	\$ 654,033	\$ 625,126
Buildings and improvements	4,196,324	3,921,494
Equipment	3,619,591	3,364,202
	8,469,948	7,910,822
Less allowances for depreciation	(3,897,246)	(3,554,431)
	4,572,702	4,356,391
Construction in progress	300,109	304,815
	<u>\$ 4,872,811</u>	<u>\$ 4,661,206</u>

Certain hospitals have entered into construction contracts or other commitments for which costs have been incurred and included in construction in progress. These and other committed projects will be financed through operations, board designated funds and existing construction funds held by trustees (note 3). The estimated costs to complete these projects approximated \$108,900 at December 31, 2013.

During periods of construction, interest costs are capitalized to the respective property accounts. Interest capitalized approximated \$6,700 and \$7,700 for the years ended December 31, 2013 and 2012, respectively.

Notes to Consolidated Financial Statements

For the years ended
December 31, 2013
and 2012
(dollars in thousands)

The System capitalizes the cost of acquired software for internal use. Any internal costs incurred in the process of developing and implementing software are expensed or capitalized depending primarily on whether they are incurred in the preliminary project stage, application development stage or post-implementation stage. Capitalized software costs and estimated amortization expense in the tables below exclude software in progress of approximately \$43,000 and \$16,000 at December 31, 2013 and 2012, respectively.

	December 31	
	2013	2012
Capitalized software costs	\$ 178,035	\$ 164,869
Less: accumulated amortization	(109,087)	(97,258)
Capitalized software costs, net	<u>\$ 68,948</u>	<u>\$ 67,611</u>

Estimated amortization expense related to capitalized software costs for the next five years and thereafter is as follows:

2014	\$ 10,710
2015	9,226
2016	6,943
2017	5,359
2018	4,375
Thereafter	32,335

6. Other Assets

Other assets consists of the following:

	December 31	
	2013	2012
Goodwill	\$ 171,078	\$ 169,592
Deferred financing costs	21,620	22,359
Notes and loans receivable	69,802	64,380
Interests in net assets of unconsolidated foundations	63,429	56,539
Investments in unconsolidated entities	129,282	113,100
Other noncurrent assets	63,227	71,652
	<u>\$ 518,438</u>	<u>\$ 497,622</u>

The System's ownership interest and carrying amounts of investments in unconsolidated entities consists of the following:

	Ownership Interest	December 31	
		2013	2012
Texas Health Huguley, Inc. (note 2)	49%	\$ 49,290	\$ 37,739
Centura Health Corporation	30	37,867	34,061
Takoma Regional Hospital, Inc.	40	7,167	7,857
Other	4% - 50%	34,958	33,443
		<u>\$ 129,282</u>	<u>\$ 113,100</u>

Income from unconsolidated entities of \$28,960 and \$24,790 for 2013 and 2012, respectively, is included in other operating revenue in the accompanying consolidated statements of operations and changes in net assets

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012*

(dollars in thousands)

7. Long-Term Debt

Long-term debt consists of the following.

	December 31	
	2013	2012
Fixed-rate hospital revenue bonds, interest rates from 1.06% to 7.25%, payable through 2039	\$ 3,095,305	\$ 2,728,110
Variable-rate hospital revenue bonds, payable through 2035	300,410	326,231
Capitalized leases payable	34,317	33,321
Other indebtedness	1,361	1,607
Unamortized original issue premium, net	44,688	49,225
	<u>3,476,081</u>	<u>3,138,494</u>
Less current maturities	<u>(75,882)</u>	<u>(88,089)</u>
	<u>\$ 3,400,199</u>	<u>\$ 3,050,405</u>

Master Trust Indenture

Long-term debt has been issued primarily on a tax-exempt basis. Substantially all bonds are secured under a Master Trust Indenture (MTI), which provides for, among other things, the deposit of revenue with the master trustee in the event of certain defaults, pledges of accounts receivable, pledges not to encumber property and limitations on additional borrowings. In addition, the MTI requires certain covenants and reporting requirements to be met by the System

Variable-Rate Bonds

Certain variable-rate bonds may be put to the System at the option of the bondholder. The variable-rate bond indentures generally provide the System the option to remarket the obligations at the then prevailing market rates for periods ranging from one day to the maturity dates. The obligations have been primarily marketed for seven-day periods during 2013, with annual interest rates ranging from 0.02% to 0.40%. Additionally, the System paid fees, such as remarketing fees, on variable-rate bonds during 2013. The System has various sources of liquidity in the event any variable-rate bonds are put and not remarketed, including a revolving credit agreement (Revolving Note). In the event variable-rate bonds are put and not remarketed and the Revolving Note were used for liquidity, the System's obligation to the banks would be payable in accordance with the variable-rate bond's original maturities with the remaining amounts due upon expiration of the Revolving Note.

The System's Revolving Note is with a syndicate of banks (Syndicate) in the aggregate amount of \$1,000,000 for letters of credit, liquidity facilities and general corporate needs, including working capital, capital expenditures and acquisitions. The Revolving Note, which expires in November 2015, has certain prime rate and LIBOR-based pricing options. At December 31, 2012, \$30,000 was outstanding under the Revolving Note, which was classified as short-term financings in the accompanying consolidated balance sheet. No amounts were outstanding under the Revolving Note as of December 31, 2013.

2013 Debt Transactions

During 2013, the System issued fixed-rate bonds with par amounts totaling \$485,000 and maturity dates ranging from 2025 to 2032. The interest rates range from 2.36% to 3.72% through 2029. Beginning in 2030, the interest rate for the remaining balance of \$73,350 increases to 7.25% through the maturity date in

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

2032. With the proceeds, the System financed or refinanced certain costs of the acquisition, construction, renovations and equipping of certain facilities.

2012 Debt Transactions

During 2012, the System completed a debt refinancing plan, whereby a significant portion of its variable-rate bonds were replaced with fixed-rate bonds (Phase I) and its remaining variable-rate bonds supported by letters of credit were replaced with self-liquidity, variable-rate bonds (Phase II). Phase I included the issuance by the System of fixed-rate bonds at a premium with par amounts totaling \$500,900, interest rates ranging from 1.06% to 5.00% and maturity dates ranging from 2015 to 2037. Additionally, the System issued fixed-rate bonds with par amounts totaling \$249,385 with interest rates ranging from 2.02% to 2.45% through mandatory tender dates from 2021 to 2023. The interest rate on these bonds may be reset at the mandatory tender dates to either a fixed-rate or variable-rate mode. The proceeds from these bonds along with other available funds were used to extinguish short-term financings with par amounts totaling \$48,200, variable-rate debt obligations with par amounts totaling \$546,810 and fixed-rate debt obligations with par amounts totaling \$204,660, interest rates ranging from 3.35% to 5.85% and maturity dates ranging from 2015 to 2035. Phase II of the debt refinancing plan was completed during November 2012 with the issuance of variable-rate bonds with par amounts totaling \$232,125 with maturity dates through 2035. The proceeds from these bonds along with other available funds were used to extinguish variable-rate debt obligations with par amounts totaling \$235,025.

In connection with this debt refinancing plan, the System recorded a loss from early extinguishment of debt of \$82,186 in the accompanying consolidated statements of operations and changes in net assets for the year ended December 31, 2012. Approximately \$73,544 of the loss resulted from the reclassification of accumulated loss related to terminated cash flow hedges (note 8).

Debt Maturities

The following represents the maturities of long-term debt for the next five years and the years thereafter:

2014	\$ 75,882
2015	82,700
2016	97,598
2017	109,112
2018	123,904
Thereafter	2,942,197

8. Derivative Financial Instruments

Derivatives Designated as Hedging Instruments

In order to manage interest rate risk, the System had entered into interest rate swaps associated with its fixed-rate and variable-rate borrowings. For derivative instruments that are designated and qualify as a cash flow hedge (i.e., hedging the exposure to variability in expected future cash flows associated with certain of the System's variable-rate borrowings), the effective portion of the gain or loss on the derivative instrument is reported as a component of unrestricted net assets and reclassified into earnings in the same line item (interest expense) associated with the forecasted transaction and in the same period or periods during which the hedged transaction affects excess of revenue and gains over expenses and losses.

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

During 2012, in connection with an overall debt restructuring plan, the System terminated and cash settled all of its interest rate swap agreements, including its forward-starting interest rate swaps. As such, none of the System's outstanding variable-rate debt had its interest payments designated as a hedged forecasted transaction at December 31, 2013 or 2012.

The changes in the accumulated net derivative loss included in unrestricted net assets associated with the System's cash flow hedges are as follows:

	Year Ended December 31	
	2013	2012
Accumulated net derivative loss included in unrestricted net assets at beginning of year	\$ (52,957)	\$ (134,985)
Net change associated with current period hedging transactions	—	(1,544)
Net reclassifications into excess of revenue and gains over expenses and losses	12,965	83,572
Accumulated net derivative loss included in unrestricted net assets at end of year	<u>\$ (39,992)</u>	<u>\$ (52,957)</u>

The accumulated net derivative loss included in unrestricted net assets will be reclassified into earnings in the same periods during which the hedged transaction affects excess of revenue and gains over expenses and losses or in the event it is determined that the original forecasted transactions are not probable of occurring by the end of the originally specified period or within the additional period of time allowed in ASC 815. In connection with the early extinguishment of certain variable-rate bonds (note 7), accumulated losses related to terminated cash flow hedges reclassified into excess of revenue and gains over expenses and losses were \$73,544 for the year ended December 31, 2012. The System expects that the amount of net loss existing in unrestricted net assets to be reclassified into excess of revenue and gains over expenses and losses within the next 12 months will be approximately \$11,000.

9. Retirement Plans

Defined Contribution Plans

The System participates with other Seventh-day Adventist healthcare entities in a defined contribution retirement plan (Plan) that covers substantially all full-time employees who are at least 18 years of age. The Plan is exempt from the Employee Retirement Income Security Act of 1974 (ERISA). The Plan provides, among other things, that the employer contribute 2.6% of wages, plus additional amounts for very highly paid employees. Additionally, the Plan provides that the employer match 50% of the employee's contributions up to 4% of the contributing employee's wages, resulting in a maximum available match of 2% of the contributing employee's wages each year.

Contributions for the Plan are included in employee compensation in the accompanying consolidated statements of operations and changes in net assets in the amount of \$89,503 and \$90,098 for the years ended December 31, 2013 and 2012, respectively.

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

Defined Benefit Plan – Multiemployer Plan

Prior to January 1, 1992, certain of the System's entities participated in a multiemployer, noncontributory defined benefit retirement plan, the Seventh-day Adventist Hospital Retirement Plan Trust (Old Plan) administered by the General Conference of Seventh-day Adventists that is exempt from ERISA. The risks of participating in multiemployer plans are different from single-employer plans in the following aspects:

Assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers.

If a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers.

If an entity chooses to stop participating in the multiemployer plan, it may be required to pay the plan an amount based on the underfunded status of the plan, referred to as withdrawal liability.

During 1992, the Old Plan was suspended and the Plan was established. The System, along with the other participants in the Old Plan, may be required to make future contributions to the Old Plan to fund any difference between the present value of the Old Plan benefits and the fair value of the Old Plan assets. Future funding amounts and the funding time periods have not been determined by the Old Plan administrators; however, management believes the impact of any such future decisions will not have a material adverse effect on the System's consolidated financial statements.

The plan assets and benefit obligation data for the Old Plan as of December 31, 2012 is as follows:

Total plan assets	\$ 837,236
Actuarial present value of accumulated plan benefits	949,943
Funded status	88.1%

The System did not make contributions to the Old Plan for the years ended December 31, 2013 or 2012.

Notes to Consolidated Financial Statements

For the years ended
December 31, 2013
and 2012
(dollars in thousands)

Defined Benefit Plan – Frozen Pension Plans

Certain of the System's entities sponsored noncontributory defined benefit pension plans (Pension Plans). The System froze the Pension Plans in December 2010, such that no new benefits will accrue in the future.

The following table sets forth the remaining combined projected and accumulated benefit obligations and the assets of the Pension Plans at December 31, 2013 and 2012, the components of net periodic benefit costs for the year then ended and a reconciliation of the amounts recognized in the accompanying consolidated financial statements:

	Year Ended December 31	
	2013	2012
Accumulated benefit obligation, end of year	<u>\$ 176,979</u>	<u>\$ 199,672</u>
Change in projected benefit obligation:		
Projected benefit obligation, beginning of year	\$ 199,672	\$ 171,238
Interest cost	8,183	8,653
Benefits paid	(6,105)	(5,344)
Actuarial (gains) losses	<u>(24,771)</u>	<u>25,125</u>
Projected benefit obligation, end of year	176,979	199,672
Change in plan assets:		
Fair value of plan assets, beginning of year	150,164	149,689
Actual return on plan assets	7,406	5,819
Employer contributions	3,500	—
Benefits paid	<u>(6,105)</u>	<u>(5,344)</u>
Fair value of plan assets, end of year	<u>154,965</u>	<u>150,164</u>
Deficiency of fair value of plan assets over projected benefit obligation, included in other noncurrent liabilities	<u>\$ (22,014)</u>	<u>\$ (49,508)</u>

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

Included in unrestricted net assets at December 31, 2013 and 2012, are unrecognized actuarial (gains) losses of \$(2,739) and \$21,398, respectively, which have not yet been recognized in net periodic pension expense. None of the actuarial gains included in unrestricted net assets are expected to be recognized in net periodic pension cost during the year ending December 31, 2014.

Changes in plan assets and benefit obligations recognized in unrestricted net assets include:

	Year Ended December 31	
	2013	2012
Net actuarial (gains) losses	\$ (24,081)	\$ 27,397
Amortization of net actuarial losses	<u>(56)</u>	<u>—</u>
Total (increase) decrease recognized in unrestricted net assets	<u>\$ (24,137)</u>	<u>\$ 27,397</u>

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

The components of net periodic pension cost were as follows:

	Year Ended December 31	
	2013	2012
Interest cost	\$ 8,183	\$ 8,653
Expected return on plan assets	(8,096)	(8,091)
Recognized net actuarial losses	56	—
Net periodic pension cost	<u>\$ 143</u>	<u>\$ 562</u>

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

	Year Ended December 31	
	2013	2012
Used to determine projected benefit obligation		
Weighted-average discount rate	5.06%	4.16%
Used to determine pension cost		
Weighted-average discount rate	4.16%	5.13%
Weighted-average expected long-term rate of return on plan assets	5.50%	5.50%

The Pension Plans' assets are invested in a portfolio designed to protect principal and obtain competitive investment returns and long-term investment growth, consistent with actuarial assumptions, with a reasonable and prudent level of risk. Diversification is achieved by allocating funds to various asset classes and investment styles and by retaining multiple investment managers with complementary styles, philosophies and approaches.

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

The target investment allocation for the Pension Plans is 50% fixed-income and 50% equity securities. This allocation is partially achieved through investments in alternative investments that have fixed-income or equity strategies. The System maintained this target investment allocation throughout 2013.

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

The following table presents the Pension Plans' financial instruments as of December 31, 2013, measured at fair value on a recurring basis by the valuation hierarchy defined in note 12.

	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 7,612	\$ 7,612	\$ —	\$ —
Debt securities				
U.S. government agencies and sponsored entities	19,938	1,919	18,019	—
Corporate bonds	45,165	—	45,165	—
Commercial mortgage-backed	2,772	—	2,772	—
Collateralized debt obligations	11,120	—	11,120	—
Equity securities				
Domestic equities	7,605	7,605	—	—
Foreign equities	4,308	4,308	—	—
Alternative investments				
Commodity	1,523	—	1,523	—
Event driven	4,780	—	3,658	1,122
Global macro	3,232	—	1,558	1,674
Insurance	3,371	—	1,596	1,775
Long/short	35,255	—	33,226	2,029
Relative value	1,915	—	1,915	—
Specialist credit	1,933	—	1,926	7
Structured credit	4,436	—	1,775	2,661
Total plan assets	\$ 154,965	\$ 21,444	\$ 124,253	\$ 9,268

Notes to Consolidated Financial Statements

For the years ended
December 31, 2013
and 2012
(dollars in thousands)

The following table presents the Pension Plans' financial instruments as of December 31, 2012, measured at fair value on a recurring basis by the valuation hierarchy defined in note 12.

	Total	Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 4,956	\$ 4,956	\$ —	\$ —
Debt securities				
U.S. government agencies and sponsored entities	29,890	4,230	25,660	—
Corporate bonds	39,755	—	39,755	—
Commercial mortgage-backed	862	—	862	—
Collateralized debt obligations	14,019	—	14,019	—
Equity securities				
Domestic equities	7,170	7,170	—	—
Foreign equities	3,436	3,436	—	—
Alternative investments				
Event driven	3,101	—	1,840	1,261
Global macro	3,340	—	2,707	633
Insurance	4,425	—	1,708	2,717
Long/short	27,968	—	26,087	1,881
Relative value	2,008	—	2,008	—
Specialist credit	2,584	—	2,011	573
Structured credit	6,650	—	3,127	3,523
Total plan assets	\$ 150,164	\$ 19,792	\$ 119,784	\$ 10,588

Fair value methodologies for Levels 1, 2 and 3 are consistent with the inputs described in note 12.

The changes in financial assets classified as Level 3 during the year ended December 31, 2013 were as follows:

	Alternative Investments				
	Beginning Balance	Gross Purchases	Gross Sales	Realized Gains (Losses)	Unrealized Gains (Losses)
Event driven	\$ 1,261	\$ 200	\$ (400)	\$ 29	\$ 32
Global macro	633	1,140	—	—	(99)
Insurance	2,717	—	(750)	(103)	(89)
Long/short	1,881	—	—	—	148
Specialist credit	573	—	(500)	49	(115)
Structured credit	3,523	100	(945)	35	(52)
	\$ 10,588	\$ 1,440	\$ (2,595)	\$ 10	\$ (175)
					\$ 9,268

Notes to Consolidated Financial Statements

For the years ended December 31, 2013 and 2012 (dollars in thousands)

The changes in financial assets classified as Level 3 during the year ended December 31, 2012 were as follows:

	Alternative Investments					Ending Balance
	Beginning Balance	Purchases (Sales)	Transfers	Realized Gains (Losses)	Unrealized Gains	
Event driven	\$ 1,481	\$ (624)	\$ —	\$ 94	\$ 310	\$ 1,261
Global macro	—	603	—	—	30	633
Insurance	—	339	2,128	—	250	2,717
Long/short	—	1,657	—	—	224	1,881
Multi-strategy	1,001	(1,027)	—	(17)	43	—
Specialist credit	1,853	(1,664)	—	268	116	573
Structured credit	—	3,059	—	(191)	655	3,523
	<u>\$ 4,335</u>	<u>\$ 2,343</u>	<u>\$ 2,128</u>	<u>\$ 154</u>	<u>\$ 1,628</u>	<u>\$10,588</u>

The following represents the expected benefit plan payments for the next five years and the five years thereafter:

Year ending December 31:

2014	\$ 6,654
2015	6,998
2016	7,381
2017	7,903
2018	8,580
2019-2023	52,353

10. Medical Malpractice

The System established a self-insured revocable trust (Trust) that covers the System's subsidiaries and their respective employees for claims within a specified level (Self-Insured Retention). Claims above the Self-Insured Retention are insured by claims-made coverage that is placed with Adhealth Limited, a Bermuda company (Adhealth). Adhealth has purchased reinsurance through commercial insurers for the excess limits of coverage. A Self-Insured Retention of \$2,000 was established for the year ended December 31, 2001. The Self-Insured Retention was increased to \$7,500 and \$15,000 effective January 1, 2002 and 2003, respectively, and has remained at \$15,000 through December 31, 2013.

The Trust funds are recorded in the accompanying consolidated balance sheets as assets whose use is limited in the amount of \$403,716 and \$356,130 at December 31, 2013 and 2012, respectively. The related accrued malpractice claims are recorded in the accompanying consolidated balance sheets as other current liabilities in the amount of \$83,125 and \$75,742 and as other noncurrent liabilities in the amount of \$292,540 and \$295,765 at December 31, 2013 and 2012, respectively. The related estimated insurance recoveries are recorded as other assets in the amount of \$11,251 and \$13,875 in the accompanying consolidated balance sheets at December 31, 2013 and 2012, respectively.

Management, with the assistance of consulting actuaries, estimated claim liabilities at the present value of future claim payments using a discount rate of 3.75% and 4.25% at December 31, 2013 and 2012, respectively.

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

11. Commitments and Contingencies

Operating Leases

The System leases certain property and equipment under operating leases. Lease and rental expense was approximately \$97,600 and \$100,900 for the years ended December 31, 2013 and 2012, respectively, and is included in other expenses in the accompanying consolidated statements of operations and changes in net assets.

The following represents the net future minimum lease payments under noncancelable operating leases for the next five years and the years thereafter:

Year ending December 31:	
2014	\$ 38,333
2015	36,543
2016	30,822
2017	21,671
2018	11,590
Thereafter	20,079

Compliance with Laws and Regulations

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. Government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Compliance with such laws and regulations can be subject to future review and interpretation as well as regulatory actions unknown or unasserted at this time. Management assesses the probable outcome of unresolved litigation and investigations and records contingent liabilities reflecting estimated liability exposure.

As a part of its compliance activities, the System determined that relationships with certain physicians were not in full technical compliance with the Stark Law and elected to make voluntary self-disclosures to the federal government in 2013. The System is engaged in discussions and is fully cooperating with the Department of Justice on this matter. Based on information available to date, management believes that the System has adequately provided for the most likely outcome of the self-disclosure. However, as more information becomes known, it is possible that the estimate could change. As such, assurance cannot be given that the resolution of these matters will not affect the financial condition or operations of the System, taken as a whole.

In addition, certain of the System's affiliated organizations are involved in litigation and other regulatory investigations arising in the ordinary course of business. In the opinion of management, after consultation with legal counsel, these matters will be resolved without material adverse effect to the System's consolidated financial statements, taken as a whole.

12. Fair Value Measurements

The System categorizes, for disclosure purposes, assets and liabilities measured at fair value into a three-tier fair value hierarchy. Fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement, which should be determined based on assumptions

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

that would be made by market participants. The three-tier hierarchy prioritizes the inputs used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement).

Certain of the System's financial assets and liabilities are measured at fair value on a recurring basis, including money market, fixed-income and equity instruments and collateral under the securities lending program. 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 – Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets or liabilities in an active market that the System has the ability to access.

Level 2 – Financial assets and liabilities whose values are based on pricing inputs that are either directly observable or that can be derived or supported from observable data as of the reporting date. Level 2 inputs may include quoted prices for similar assets or liabilities in nonactive markets or pricing models whose inputs are observable for substantially the full term of the asset or liability.

Level 3 – Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both significant to the fair value of the financial asset or liability and are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

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

Notes to Consolidated Financial Statements

For the years ended
December 31, 2013
and 2012
(dollars in thousands)

Recurring Fair Value Measurements

The fair value of financial assets measured at fair value on a recurring basis at December 31, 2013, was as follows:

	Total	Level 1	Level 2	Level 3
ASSETS				
<i>CASH AND CASH EQUIVALENTS</i>	\$ 935,335	\$ 935,335	\$ —	\$ —
<i>INVESTMENTS</i>				
Debt securities				
U.S. government agencies and sponsored entities	2,343,340	—	2,343,340	—
Corporate bonds	198,017	—	198,017	—
Residential mortgage-backed	62,962	—	62,962	—
Commercial mortgage-backed	174,758	—	174,758	—
Collateralized debt obligations	60,541	—	60,541	—
Student loan asset-backed	13,738	—	13,738	—
Equity securities				
Domestic equities	5,019	5,019	—	—
Foreign equities	948	948	—	—
Domestic equity index securities	37,492	37,492	—	—
Alternative Investments				
Commodity	7,844	—	7,844	—
Event driven	24,619	—	18,838	5,781
Global macro	16,649	—	8,026	8,623
Insurance	17,359	—	8,219	9,140
Long/short	73,303	—	62,855	10,448
Relative value	9,865	—	9,865	—
Specialist credit	9,951	—	9,921	30
Structured credit	22,851	—	9,141	13,710
Total Investments	3,079,256	43,459	2,988,065	47,732

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

	As of December 31, 2013 (cont.)			
	Total	Level 1	Level 2	Level 3
ASSETS WHOSE USE IS LIMITED				
Cash and cash equivalents	345,331	345,331	—	—
Debt securities				
U S government agencies and sponsored entities	360,528	10,645	349,883	—
Corporate bonds	15,459	—	15,459	—
Residential mortgage-backed	2,686	—	2,686	—
Commercial mortgage-backed	5,311	—	5,311	—
Collateralized debt obligations	1,475	—	1,475	—
Student loan asset-backed	661	—	661	—
Equity securities				
Domestic equities	7,128	7,128	—	—
Foreign equities	862	862	—	—
Domestic equity index securities	11,292	11,292	—	—
Foreign equity index securities	1,343	1,343	—	—
Alternative investments				
Commodity	2,843	—	2,843	—
Event driven	8,923	—	6,828	2,095
Global macro	6,035	—	2,909	3,126
Insurance	6,292	—	2,979	3,313
Long/short	26,569	—	22,782	3,787
Relative value	3,576	—	3,576	—
Specialist credit	3,607	—	3,596	11
Structured credit	8,283	—	3,314	4,969
Total assets whose use is limited	818,204	376,601	424,302	17,301
Collateral held under securities lending program	20,619	—	20,619	—
	<u>\$ 4,853,414</u>	<u>\$ 1,355,395</u>	<u>\$ 3,432,986</u>	<u>\$ 65,033</u>

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

The fair value of financial assets measured at fair value on a recurring basis at December 31, 2012, was as follows:

	Total	Level 1	Level 2	Level 3
ASSETS				
CASH AND CASH EQUIVALENTS	\$ 654,893	\$ 654,893	\$ —	\$ —
INVESTMENTS				
Debt securities				
U.S. government agencies and sponsored entities	2,247,645	39,999	2,207,646	—
Corporate bonds	115,719	181	115,538	—
Residential mortgage-backed	69,832	—	69,832	—
Commercial mortgage-backed	75,165	—	75,165	—
Collateralized debt obligations	24,177	—	24,177	—
Student loan asset- backed	16,552	—	16,552	—
Equity securities				
Domestic equities	4,892	4,892	—	—
Foreign equities	964	964	—	—
Alternative Investments				
Event driven	14,933	—	8,860	6,073
Global macro	16,083	—	13,036	3,047
Insurance	21,306	—	8,225	13,081
Long/short	46,688	—	37,631	9,057
Relative value	9,669	—	9,669	—
Specialist credit	12,441	—	9,683	2,758
Structured credit	32,022	—	15,055	16,967
Total investments	2,708,088	46,036	2,611,069	50,983

Notes to Consolidated Financial Statements

For the years ended
December 31, 2013
and 2012
(dollars in thousands)

	As of December 31, 2012 (cont)			
	Total	Level 1	Level 2	Level 3
ASSETS WHOSE USE IS LIMITED				
Cash and cash equivalents	107,462	107,462	—	—
Debt securities				
U S government agencies and sponsored entities	396,035	9,421	386,614	—
Corporate bonds	12,309	—	12,309	—
Residential mortgage-backed	2,289	—	2,289	—
Commercial mortgage-backed	3,498	—	3,498	—
Collateralized debt obligations	1,041	—	1,041	—
Student loan asset-backed	1,793	—	1,793	—
Equity securities				
Domestic equities	13,086	13,086	—	—
Foreign equities	3,674	3,674	—	—
Alternative investments				
Event driven	5,658	—	3,357	2,301
Global macro	6,094	—	4,939	1,155
Insurance	8,072	—	3,116	4,956
Long/short	17,689	—	14,258	3,431
Relative value	3,663	—	3,663	—
Specialist credit	4,714	—	3,669	1,045
Structured credit	12,132	—	5,704	6,428
Total assets whose use is limited	599,209	133,643	446,250	19,316
Collateral held under securities lending program	3,060	—	3,060	—
	\$ 3,965,250	\$ 834,572	\$ 3,060,379	\$ 70,299

The changes in financial assets classified as Level 3 during the year ended December 31, 2013 were as follows.

	Alternative Investments				
	Beginning Balance	Gross Purchases	Gross Sales	Realized Gains (Losses)	Unrealized Gains (Losses)
Event driven	\$ 8,374	\$ 1,500	\$ (2,830)	\$ 200	\$ 632
Global macro	4,202	8,000	—	—	(453)
Insurance	18,037	—	(5,000)	(374)	(210)
Long/short	12,488	—	—	—	1,747
Specialist credit	3,803	—	(3,591)	(26)	(145)
Structured credit	23,395	1,000	(6,984)	596	672
	\$ 70,299	\$ 10,500	\$ (18,405)	\$ 396	\$ 2,243
					\$ 65,033

Adventist Health System

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

The changes in financial assets classified as Level 3 during the year ended December 31, 2012 were as follows:

	Alternative Investments				
	Beginning Balance	Gross Purchases (Sales)	Transfers	Realized Gains (Losses)	Unrealized Gains
Event driven	\$ 8,413	\$ (2,720)	\$ -	\$ 622	\$ 2,059
Global macro	-	4,000	-	-	202
Insurance	-	2,250	14,130	-	1,657
Long/short	-	11,000	-	-	1,488
Multi-strategy	5,682	(5,852)	-	(116)	286
Specialist credit	10,524	(9,269)	-	1,778	770
Structured credit	-	20,317	-	(1,270)	4,348
	<u>\$ 24,619</u>	<u>\$19,726</u>	<u>\$14,130</u>	<u>\$ 1,014</u>	<u>\$ 10,810</u>
					<u>\$70,299</u>

Transfers between levels are determined as of the beginning of the period, which assumes the investment would be transferred at fair value at the beginning of the reporting period. Transfers from Level 2 to Level 3 occurred as a result of changes in the liquidity terms of an underlying fund. The revised liquidity terms of the underlying fund now include quarterly redemption terms with a 25% maximum redemption, which does not allow the System the ability to redeem the investment within the near term. Generally, the System defines near term as redemption of the entire investment within 90 days or less.

Financial assets are reflected in the accompanying consolidated balance sheets as follows:

	December 31	
	2013	2012
Cash and cash equivalents measured at fair value	\$ 935,335	\$ 654,893
Certificates of deposit	30,806	-
Total cash and cash equivalents	<u>\$ 966,141</u>	<u>\$ 654,893</u>
Investments measured at fair value	\$ 3,079,256	\$ 2,708,088
Alternative investments accounted for under the equity method	421,589	566,418
Accrued interest	13,761	11,100
Total investments	<u>\$ 3,514,606</u>	<u>\$ 3,285,606</u>
Assets whose use is limited measured at fair value	\$ 818,204	\$ 599,209
Alternative investments accounted for under the equity method	25,738	35,696
Accrued interest	1,756	1,770
Total assets whose use is limited	<u>\$ 845,698</u>	<u>\$ 636,675</u>

Notes to Consolidated Financial Statements

For the years ended
December 31, 2013
and 2012
(dollars in thousands)

The fair values of the securities included in Level 1 were determined through quoted market prices. The fair values of Levels 2 and 3 financial assets were determined as follows:

Cash equivalents, U.S. government agencies and sponsored entities, corporate bonds, residential mortgage-backed, commercial mortgage-backed, collateralized debt obligations and student loan asset-backed – These Level 2 securities were valued through the use of third-party pricing services that use evaluated bid prices adjusted for specific bond characteristics and market sentiment

Alternative investments – These underlying funds are valued using the NAV as a practical expedient to determine fair value. Several factors are considered in appropriately classifying the underlying funds in the fair value hierarchy. An underlying fund is generally classified as Level 2 if the System has the ability to withdraw its investment with the underlying fund at NAV at the measurement date or within the near term. An underlying fund is generally classified as Level 3 if the System does not have the ability to redeem its investment with the underlying fund at NAV within the near term. Those alternative investments classified as Level 3 as of December 31, 2013 and 2012, were classified as such because they could not be redeemed in the near term.

Collateral held under securities lending program – The System participates in securities lending transactions with the custodian of its investments (program), whereby a portion of its investments is loaned to certain brokerage firms in return for cash or similar debt securities from the brokers as collateral for the investments loaned. Any cash collateral is invested by the System in a securities lending quality trust (SLQT). The fair value of the System's interest in the SLQT is determined by considering its NAV and actual issuances and redemptions of interests in the SLQT. Currently, interests in the SLQT are purchased and redeemed at a constant NAV of \$1.00 per unit for daily operational liquidity purposes, although redemptions for certain other purposes, such as termination of the System's participation in the program, may be in-kind. Any collateral in the form of debt securities is valued through the use of third-party pricing services that use evaluated bid prices adjusted for specific bond characteristics and market sentiment.

Other Fair Value Disclosures

The carrying values of accounts receivable, accounts payable, accrued liabilities and payable under the securities lending program are reasonable estimates of their fair values due to the short-term nature of these financial instruments.

The fair values of the System's fixed-rate bonds are estimated using Level 2 inputs based on quoted market prices for those or similar instruments. The estimated fair value of the fixed-rate bonds were approximately \$3,219,000 and \$2,987,000 as of December 31, 2013 and 2012, respectively. The carrying value of the fixed-rate bonds were approximately \$3,095,000 and \$2,728,000 as of December 31, 2013 and 2012, respectively. The carrying amount approximates fair value for all other long-term debt (note 7).

Notes to Consolidated Financial Statements

*For the years ended
December 31, 2013
and 2012
(dollars in thousands)*

13. Subsequent Events

The System evaluated events and transactions occurring subsequent to December 31, 2013 through March 11, 2014, the date the accompanying consolidated financial statements were issued. During this period, there were no subsequent events that required recognition in the accompanying consolidated financial statements. Additionally, there were no nonrecognized subsequent events that required disclosure.

14. Fourth Quarter Results of Operations (Unaudited)

The System's operating results for the three months ended December 31, 2013 are presented below:

Revenue	
Patient service revenue	\$ 1,961,557
Provision for bad debts	(129,216)
Net patient service revenue	1,832,341
EHR incentive payments	30,135
Other	85,680
Total operating revenue	1,948,156
Expenses	
Employee compensation	928,633
Supplies	351,487
Professional fees	125,672
Purchased services	129,015
Other	121,571
Interest	34,934
Depreciation and amortization	112,248
Total operating expenses	1,803,560
Income from Operations	144,596
Nonoperating Gains	
Investment income	28,915
Gain on early extinguishment of debt	25
Total nonoperating gains	28,940
Excess of revenue and gains over expenses	173,536
Less: Deficiency of revenue and gains over expenses attributable to noncontrolling interests	609
Excess of Revenue and Gains over Expenses Attributable to Controlling Interests	174,145
Other changes in unrestricted net assets, net	36,874
Decrease in temporarily restricted net assets, net	(3,686)
Increase in Net Assets	<u>\$ 207,333</u>

Report of Independent Certified Public Accountants

The Board of Directors
Adventist Health System Sunbelt Healthcare Corporation
d/b/a Adventist Health System

We have audited the accompanying consolidated financial statements of Adventist Health System Sunbelt Healthcare Corporation and Subsidiaries (the System), which comprise the consolidated balance sheets as of December 31, 2013 and 2012, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

Ernst & Young LLP

Orlando, Florida
March 11, 2014

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2013**Open to Public Inspection**Department of the Treasury
Internal Revenue Service

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

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

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

A For the 2013 calendar year, or tax year beginning <u>JULY 01</u> , 2013, and ending <u>JUNE 30</u> , 20 <u>14</u>																							
B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2">C Name of organization <u>PORTERCARE ADVENTIST HEALTH SYSTEM</u></td> <td>D Employer identification number <u>84-0438224</u></td> </tr> <tr> <td colspan="2">Doing Business As</td> <td rowspan="3">E Telephone number <u>(303)765-6861</u></td> </tr> <tr> <td colspan="2">Number and street (or P.O. box if mail is not delivered to street address) Room/suite <u>2525 S DOWNING ST</u></td> </tr> <tr> <td colspan="2">City or town, state or province, country, and ZIP or foreign postal code <u>DENVER, CO 80210</u></td> </tr> <tr> <td colspan="2">F Name and address of principal officer: <u>GARY CAMPBELL</u> <u>188 INVERNESS DR W SUITE 500, ENGLEWOOD, CO 80112</u></td> <td>G Gross receipts \$ <u>1,004,167,947</u></td> </tr> <tr> <td colspan="2">I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527</td> <td> H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ▶ <u>1071</u> </td> </tr> <tr> <td colspan="2">J Website: ▶ <u>WWW.CENTURA.ORG</u></td> <td></td> </tr> <tr> <td colspan="2">K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶</td> <td>L Year of formation <u>1968</u> M State of legal domicile <u>CO</u></td> </tr> </table>	C Name of organization <u>PORTERCARE ADVENTIST HEALTH SYSTEM</u>		D Employer identification number <u>84-0438224</u>	Doing Business As		E Telephone number <u>(303)765-6861</u>	Number and street (or P.O. box if mail is not delivered to street address) Room/suite <u>2525 S DOWNING ST</u>		City or town, state or province, country, and ZIP or foreign postal code <u>DENVER, CO 80210</u>		F Name and address of principal officer: <u>GARY CAMPBELL</u> <u>188 INVERNESS DR W SUITE 500, ENGLEWOOD, CO 80112</u>		G Gross receipts \$ <u>1,004,167,947</u>	I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ▶ <u>1071</u>	J Website: ▶ <u>WWW.CENTURA.ORG</u>			K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation <u>1968</u> M State of legal domicile <u>CO</u>
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Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: <u>OUR COMPANY, A FAITH BASED ORGANIZATION, INVESTS IN CHARITY CARE, COMMUNITY PROGRAMS AND SPONSORSHIPS DESIGNED TO NURTURE THE HEALTH OF THE PEOPLE OF COLORADO WITH A GOAL TO KEEP THEM HEALTHY.</u>
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.
	3	Number of voting members of the governing body (Part VI, line 1a) 3 3
	4	Number of independent voting members of the governing body (Part VI, line 1b) 4 0
	5	Total number of individuals employed in calendar year 2013 (Part V, line 2a) 5 5,831
	6	Total number of volunteers (estimate if necessary) 6 1,100
	7a	Total unrelated business revenue from Part VIII, column (C), line 12 7a 2,915,238
b	Net unrelated business taxable income from Form 990-T, line 34 7b -435,703	
Revenue	8	Contributions and grants (Part VIII, line 1h) 1,049,707 1,914,123
	9	Program service revenue (Part VIII, line 2g) 960,887,160 972,284,613
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d) 10,503,137 11,615,849
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 7,242,438 7,985,127
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) 979,682,442 993,799,712
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3) 1,313,703 1,290,340
	14	Benefits paid to or for members (Part IX, column (A), line 4) 0 0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10) 327,606,654 363,306,823
	16a	Professional fundraising fees (Part IX, column (A), line 11e) 0 0
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 0 0
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e) 557,761,375 575,630,758
	18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25) 886,681,732 940,227,921
19	Revenue less expenses. Subtract line 18 from line 12 93,000,710 53,571,791	
Net Assets or Fund Balances	20	Total assets (Part X, line 16) 1,365,736,196 1,415,367,426
	21	Total liabilities (Part X, line 26) 468,441,985 469,346,588
	22	Net assets or fund balances. Subtract line 21 from line 20 897,294,211 946,020,838

Part II Signature Block

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

Sign Here		Date <u>5-14-15</u>			
	Signature of officer <u>DAN ENDERSON, SVP CFO</u> Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name <u>MARK STOCKI</u>	Preparer's signature 	Date <u>5/15/15</u>	Check <input type="checkbox"/> If self-employed	PTIN <u>P00642127</u>
	Firm's name ▶ <u>CATHOLIC HEALTH INITIATIVES</u>			Firm's EIN ▶ <u>47-0617373</u>	
	Firm's address ▶ <u>198 INVERNESS DRIVE WEST, ENGLEWOOD, CO 80112</u>			Phone no <u>(303)298-9100</u>	
May the IRS discuss this return with the preparer shown above? (see instructions) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No					

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form **990** (2013)

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation. Controlled group members (sections 1561 and 1563) check here <input checked="" type="checkbox"/> See instructions and:		
a Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order): (1) \$ <input type="text"/> (2) \$ <input type="text"/> (3) \$ <input type="text"/>		
b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$ <input type="text"/> (2) Additional 3% tax (not more than \$100,000) \$ <input type="text"/>		
c Income tax on the amount on line 34	35c	0
36 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 34 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041)	36	
37 Proxy tax. See instructions	37	
38 Alternative minimum tax	38	0
39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies	39	0

Part IV Tax and Payments

40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	40a		
b Other credits (see instructions)	40b		
c General business credit. Attach Form 3800 (see instructions)	40c		
d Credit for prior year minimum tax (attach Form 8801 or 8827)	40d		
e Total credits. Add lines 40a through 40d	40e		0
41 Subtract line 40e from line 39	41		0
42 Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach schedule)	42		0
43 Total tax. Add lines 41 and 42	43		0
44a Payments: A 2012 overpayment credited to 2013	44a		
b 2013 estimated tax payments	44b	0	
c Tax deposited with Form 8868	44c		
d Foreign organizations: Tax paid or withheld at source (see instructions)	44d		
e Backup withholding (see instructions)	44e		
f Credit for small employer health insurance premiums (Attach Form 8941)	44f		
g Other credits and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other <input type="text"/> 0 Total	44g	0	
45 Total payments. Add lines 44a through 44g	45		0
46 Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>	46		
47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed	47		0
48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid	48		0
49 Enter the amount of line 48 you want: Credited to 2014 estimated tax <input type="text"/> 0 Refunded <input type="text"/>	49		0

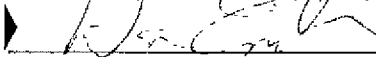
Part V Statements Regarding Certain Activities and Other Information (see instructions)

1 At any time during the 2013 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here	Yes	No
2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file.		✓
3 Enter the amount of tax-exempt interest received or accrued during the tax year \$		

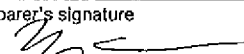
Schedule A—Cost of Goods Sold. Enter method of inventory valuation

1 Inventory at beginning of year	1	0	6 Inventory at end of year	6	0
2 Purchases	2	0	7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2	7	0
3 Cost of labor	3	0	8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?	Yes	No
4a Additional section 263A costs (attach schedule)	4a	0			✓
b Other costs (attach schedule)	4b	0			
5 Total. Add lines 1 through 4b	5	0			

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

Signature of officer  Date 5-14-15 SVP CFO

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

Paid Preparer Use Only	Print/Type preparer's name MARK STOCKI	Preparer's signature 	Date <u>5/15/15</u>	Check <input type="checkbox"/> if self-employed	PTIN P00642127
	Firm's name CATHOLIC HEALTH INITIATIVES	Firm's EIN 47-0617373	Firm's address 198 INVERNESS DRIVE WEST, ENGLEWOOD, CO 80112	Phone no. (303)298-9100	