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Part III

Statement of Program Service Accomplishments

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

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1

Briefly describe the organization's mission

See Schedule O

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 \$ 539,220,698 including grants of \$ 280,460 ) (Revenue \$ 606,938,186 )

Grossmont Hospital provides inpatient and outpatient services to the community Patient days were 125,108 and outpatient visits were 262,521 for the twelve months ended 9/30/14 See Community Benefits Report on Schedule O

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 539,220,698

Part IV Checklist of Required Schedules

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

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		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	3,946
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> 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? <b>Note.</b> 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 . . . . .	14	
	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 . . . . .	11	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .	2	Yes
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . . . .	3	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	The governing body? . . . . .	8a	Yes
8b	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	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	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	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	12b	Yes
12c	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	The organization's CEO, Executive Director, or top management official . . . . .	15a	Yes
15b	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	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? . . . . .	16b	Yes

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed CA
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. Own website    Another's website    Upon request    Other (explain in Schedule O)
19	Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization Staci Dickerson 8695 Spectrum Center Blvd San Diego, CA 921231489 (858) 499-5150

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) Tom Cantor	3 00	X						0	0	0
Director	0 00									
(2) Sunita V Cooke	2 00	X		X				0	0	0
Secretary	0 00									
(3) Michael Emerson	4 00	X						0	0	0
Director	0 00									
(4) Jerry Fazio	2 00	X						0	0	0
Director	0 00									
(5) Dave Grundstrom	2 00	X						0	0	0
Director	0 00									
(6) Peter Hanson MD	2 00	X						29,125	0	0
Director	2 00									
(7) Rina Jain MD	2 00	X						30,000	0	0
Director	0 00									
(8) Tom Karlo	3 00	X		X				0	0	0
Chairman	0 00									
(9) Jay LaSuer	1 00	X						0	0	0
Director	0 00									
(10) Randolph Lenac	2 00	X						0	0	0
Director	0 00									
(11) Michael Long MD	5 00	X						0	0	0
Director	0 00									
(12) Deborah McElravy	2 00	X						0	0	0
Director	0 00									
(13) Michael W Murphy	6 00	X		X				0	1,640,404	95,982
President & CEO - SHC	58 00									
(14) Shirley Murphy	2 00	X						0	0	0
Director	0 00									
(15) Jim Parker	2 00	X		X				0	0	0
Treasurer	0 00									
(16) Michele Tarbet	50 00	X		X				0	635,121	37,968
Secretary/CEO-GH	10									
(17) Ann R Pumpian	2 00			X				0	808,920	41,874
SR VP and CFO-SHC	58 00									

Part VII

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) Carlisle C Lewis III SR VP Legal/HR Services - SHC	3 00 57 00			X				0	685,296	50,534
(19) Kan Cornicelli CFO - GH	45 00 15 00			X				0	250,547	31,585
(20) Maryann C Cone COO - GH	55 00 0 00				X			0	347,939	38,009
(21) Anthony M Damico VP Clinical Svs - GH	55 00 0 00				X			0	259,320	18,055
(22) Suzanne K Johnson VP Hospice - GH	40 00 0 00				X			0	250,850	16,890
(23) Hoangmy E Nguyen Director-Pharmacy - GH	40 00 0 00				X			168,172	0	7,524
(24) Dale E Beatty Jr VP Patient Care - GH	40 00 0 00				X			0	153,352	4,967
(25) Michael A Murphy Chief Medical Officer - GH	50 00 0 00					X		0	333,771	28,623
(26) Bruce D Schmidt Mgr Sharp Central Pharmacy	44 00 0 00					X		227,841	0	38,143
(27) Vincent J Balesteri Pharmacist	45 00 0 00					X		216,102	0	35,035
(28) Glicerio M Cid Jr Advanced Clinician	63 00 0 00					X		204,337	0	13,220
(29) Patrick P Guo Medical Physicist	45 00 0 00					X		194,660	0	11,154
(30) Janet L Hanley Former Key Employee	0 00 50 00						X	0	229,291	28,878
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								1,070,237	5,594,811	498,441

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▶544

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

Section B. Independent Contractors

1	Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year		
(A) Name and business address		(B) Description of services	(C) Compensation
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 ▶0		

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	2,408,711				
	e	Government grants (contributions) 1e	49,963,086				
	f	All other contributions, gifts, grants, and similar amounts not included above 1f	85,000				
	g	Noncash contributions included in lines 1a-1f \$	49,153,541				
	h	Total. Add lines 1a-1f . . . . .	52,456,797				
Program Service Revenue	2a	Medicare/Medicaid	Business Code 900099	338,538,313	338,538,313		
	b	Patient Services	900099	257,938,799	257,938,799		
	c	Medical Office Lease	531120	3,501,721	3,501,721		
	d	Op and Contract Pharmacy	900099	3,397,215	3,397,215		
	e	EHR Incentive	900099	1,932,461	1,932,461		
	f	All other program service revenue		1,629,677	1,200,807	428,870	
	g	Total. Add lines 2a-2f . . . . .	606,938,186				
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) . . . . .	5,468,708			5,468,708
4		Income from investment of tax-exempt bond proceeds . . . . .					
5		Royalties . . . . .					
6a		Gross rents	(i) Real	(ii) Personal			
		b	Less rental expenses				
		c	Rental income or (loss)				
		d	Net rental income or (loss) . . . . .				
7a		Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
		b	Less cost or other basis and sales expenses				
		c	Gain or (loss)				
		d	Net gain or (loss) . . . . .	3,302,235			3,302,235
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .	a				
b		Less direct expenses . . . . .	b				
c		Net income or (loss) from fundraising events . . . . .					
9a		Gross income from gaming activities See Part IV, line 19 . . . . .	a				
b		Less direct expenses . . . . .	b				
c		Net income or (loss) from gaming activities . . . . .					
10a		Gross sales of inventory, less returns and allowances . . . . .	a				
b		Less cost of goods sold . . . . .	b				
c		Net income or (loss) from sales of inventory . . . . .					
Miscellaneous Revenue		Business Code					
11a	Parking	812930	1,014,923			1,014,923	
b	Auxiliary	453220	879,247			879,247	
c	Cell Phone Towers	531390	68,806			68,806	
d	All other revenue . . . . .		113,713			113,713	
e	Total. Add lines 11a-11d . . . . .		2,076,689				
12	Total revenue. See Instructions . . . . .		670,242,615	606,509,316	428,870	10,847,632	

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.	280,460	280,460		
2	Grants and other assistance to individuals in the United States. See Part IV, line 22.				
3	Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.				
4	Benefits paid to or for members.				
5	Compensation of current officers, directors, trustees, and key employees.	2,088,404	1,081,765	1,006,639	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	44,218	44,218		
7	Other salaries and wages.	240,877,907	237,393,720	3,484,187	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	9,631,726	9,466,837	164,889	
9	Other employee benefits.	32,801,070	32,140,935	660,135	
10	Payroll taxes.	18,014,700	17,742,939	271,761	
11	Fees for services (non-employees):				
a	Management.	20,911,786	19,590,621	1,321,165	
b	Legal.	691,093	4,935	686,158	
c	Accounting.	6,197,639		6,197,639	
d	Lobbying.	365,419		365,419	
e	Professional fundraising services. See Part IV, line 17.				
f	Investment management fees.	233,030		233,030	
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	49,207,336	48,172,771	1,034,565	
12	Advertising and promotion.	4,354,320	229,573	4,124,747	
13	Office expenses.	18,722,732	17,412,817	1,309,915	
14	Information technology.	24,015,495	23,295,030	720,465	
15	Royalties.				
16	Occupancy.	9,399,401	7,882,019	1,517,382	
17	Travel.	561,750	542,801	18,949	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.	646,310	187,866	458,444	
20	Interest.	2,905,981	2,186,159	719,822	
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	23,341,391	16,475,795	6,865,596	
23	Insurance.	2,296,924	1,891,715	405,209	
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	UBI Taxes.	21,666		21,666	
b	Medical Supplies.	77,130,472	77,130,472		
c	System Allocation.	20,798,182	11,648,510	9,149,672	
d	Repairs and Maintenance.	7,040,612	6,624,830	415,782	
e	All other expenses.	9,512,559	7,793,910	975,901	742,748
25	Total functional expenses. Add lines 1 through 24e.	582,092,583	539,220,698	42,129,137	742,748
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).				

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		7,070,333	1	25,085,898
	2	Savings and temporary cash investments		15,604,753	2	10,685,857
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		76,610,692	4	66,503,128
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		10,707,184	8	11,499,162
	9	Prepaid expenses and deferred charges		5,011,926	9	8,686,288
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	573,509,694		
	b	Less accumulated depreciation	10b	268,632,659	248,072,270	10c 304,877,035
	11	Investments—publicly traded securities		237,268,833	11	333,659,265
	12	Investments—other securities See Part IV, line 11		1,433,149	12	1,285,391
	13	Investments—program-related See Part IV, line 11		17,391,771	13	20,445,449
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		8,574,026	15	14,969,459
	16	Total assets. Add lines 1 through 15 (must equal line 34)		627,744,937	16	797,696,932
Liabilities	17	Accounts payable and accrued expenses		46,506,075	17	44,982,068
	18	Grants payable			18	
	19	Deferred revenue		7,596,309	19	11,774,191
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties		21,536,602	23	27,454,434
	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		39,329,480	25	106,545,880
	26	Total liabilities. Add lines 17 through 25		114,968,466	26	190,756,573
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		497,216,681	27	590,759,307
	28	Temporarily restricted net assets		14,486,387	28	15,085,650
	29	Permanently restricted net assets		1,073,403	29	1,095,402
	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		512,776,471	33	606,940,359
	34	Total liabilities and net assets/fund balances		627,744,937	34	797,696,932



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	670,242,615
2	Total expenses (must equal Part IX, column (A), line 25)	2	582,092,583
3	Revenue less expenses Subtract line 2 from line 1	3	88,150,032
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	512,776,471
5	Net unrealized gains (losses) on investments	5	8,520,997
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	-2,507,141
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	606,940,359

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	2a	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	2b	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	2c	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?	3a	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	3b	

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](http://www.irs.gov/form990).

OMB No 1545-0047

2013

Open to Public  
Inspection

Name of the organization Grossmont Hospital Corporation	Employer identification number 33-0449527
--	--

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 )

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

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

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

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

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 )

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

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 )

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

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 )

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

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

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Non-functionally integrated

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)

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

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?

Provide the following information about the supported organization(s)

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

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

Part II

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

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

Section B. Total Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV )						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here . . . . . ▶						

Section C. Computation of Public Support Percentage			
14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	14		
15 Public support percentage for 2012 Schedule A, Part II, line 14	15		
16a 33 1/3% support test—2013. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization			▶
b 33 1/3% support test—2012. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization			▶
17a 10%-facts-and-circumstances test—2013. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization			▶
b 10%-facts-and-circumstances test—2012. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization			▶
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions			▶

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

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

Section B. Total Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage		
15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2012 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage		
17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from 2012 Schedule A, Part III, line 17	18	
19a 33 1/3% support tests—2013. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ▶		
b 33 1/3% support tests—2012. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ▶		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶		

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

Facts And Circumstances Test		
Return Reference	Explanation	

SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527  
▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**  
▶ **See separate instructions.** ▶ **Information about Schedule C (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.**

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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 Grossmont Hospital Corporation	Employer identification number 33-0449527
--	--

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 <b>Form 1120-POL</b> 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		325,000
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		40,419
j	Total. Add lines 1c through 1i.			365,419
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A

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

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

Part III-B

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

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

Part IV

Supplemental Information

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

Return Reference	Explanation
Part II-B, Line 1	Grossmont Hospital Corporation (GHC) pays annual dues to the California Hospital Association (CHA), the Healthcare Association of San Diego and Imperial Counties (HASDIC), the California Association of Hospitals and Health Systems (CAHHS), the American Hospital Association (AHA) and the California Hospice and Palliative Care Association (CHAPCA). CHA, HASDIC, CAHHS, AHA, and CHAPCA have determined that a portion of their membership dues are used for lobbying purposes. GHC's FY 2014 portion of annual dues calculated to have been used for lobbying was \$40,419. Grossmont Hospital Corporation (GHC) contributed \$325,000 to "Citizens for Continued Hospital Excellence Yes on H" to lobby for public approval of a hospital lease extension between Grossmont Healthcare District and Grossmont Hospital Corporation.



[illegible]

SCHEDULE D  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b

▶ Attach to Form 990. ▶ See separate instructions. ▶ Information about Schedule D (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047  

2013

Open to Public Inspection

Name of the organization Grossmont Hospital Corporation	Employer identification number  33-0449527
--	--

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	3,952,926	3,791,203	3,277,151	3,421,590	2,331,612
b Contributions	695,673	1,000	1,000	38	821,647
c Net investment earnings, gains, and losses	307,715	160,723	513,052	-112,858	268,716
d Grants or scholarships					
e Other expenditures for facilities and programs	8,262			31,619	385
f Administrative expenses					
g End of year balance	4,948,052	3,952,926	3,791,203	3,277,151	3,421,590

2

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

a

Board designated or quasi-endowment

69 000 %

b

Permanent endowment

31 000 %

c

Temporarily restricted endowment

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

3a

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

(i) unrelated organizations

3a(i)

Yes

No

(ii) related organizations

3a(ii)

Yes

b

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

3b

Yes

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		581,843		581,843
b Buildings		291,253,472	144,856,187	146,397,285
c Leasehold improvements		5,016,332	1,812,581	3,203,751
d Equipment		145,518,617	113,622,535	31,896,082
e Other		131,139,430	8,341,356	122,798,074
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				304,877,035



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	626,294,251
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12	2e	
a	Net unrealized gains on investments . . . . .	2a	8,520,997
b	Donated services and use of facilities . . . . .	2b	166
c	Recoveries of prior year grants . . . . .	2c	
d	Other (Describe in Part XIII ) . . . . .	2d	101,846
e	Add lines 2a through 2d . . . . .	2e	8,623,009
3	Subtract line 2e from line 1 . . . . .	3	617,671,242
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1	4c	
a	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	4a	233,030
b	Other (Describe in Part XIII ) . . . . .	4b	52,338,343
c	Add lines 4a and 4b . . . . .	4c	52,571,373
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12 ) . . . . .	5	670,242,615

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	580,963,087
2	Amounts included on line 1 but not on Form 990, Part IX, line 25	2e	
a	Donated services and use of facilities . . . . .	2a	166
b	Prior year adjustments . . . . .	2b	
c	Other losses . . . . .	2c	
d	Other (Describe in Part XIII ) . . . . .	2d	101,846
e	Add lines 2a through 2d . . . . .	2e	102,012
3	Subtract line 2e from line 1 . . . . .	3	580,861,075
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:	4c	
a	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	4a	233,030
b	Other (Describe in Part XIII ) . . . . .	4b	998,478
c	Add lines 4a and 4b . . . . .	4c	1,231,508
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18 ) . . . . .	5	582,092,583

Part XIII

Supplemental Information

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

Return Reference	Explanation
Part V, Line 4	Grossmont Hospital Foundation holds 22 board designated and permanent endowments for Grossmont Hospital Corporation that are restricted for a variety of purposes, such as hospice and hospice homes, diabetes, nursing education, cancer treatment, hospital equipment and technology, and more
Part X, Line 2	Sharp recognizes tax benefits from any uncertain tax positions only if it is more likely than not the tax position will be sustained, based solely on its technical merits, with the taxing authority having full knowledge of all relevant information. Sharp records a liability for unrecognized tax benefits from uncertain tax positions as discrete tax adjustments in the first interim period that the more likely than not threshold is not met. Sharp recognizes deferred tax assets and liabilities for temporary differences between the financial reporting basis and the tax basis of its assets and liabilities along with net operating loss and tax credit carryovers only for tax positions that meet the more likely than not recognition criteria. At September 30, 2014 and 2013, no such assets or liabilities were recorded.
Part XI, Line 2d - Other Adjustments	Foundation Donations to Individuals 101,846
Part XI, Line 4b - Other Adjustments	Prop G - Donations of Capital/Donation for Capital Purchased 49,963,086 Donations of Capital/Donation for Capital Purchased 1,224,220 Medical Staff/Auxiliary Revenue 1,151,037
Part XII, Line 2d - Other Adjustments	Foundation Donations to Individuals 101,846
Part XII, Line 4b - Other Adjustments	Medical Staff/Auxiliary Expenses 998,478

[illegible]

SCHEDULE H  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization  
Grossmont Hospital Corporation

Employer identification number  
33-0449527

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 type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" 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 type="checkbox"/> 400% <input checked="" type="checkbox"/> Other _____ 50000 0000000000 %  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		No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care? . . . . .	5a	Yes	
6a	Did the organization prepare a community benefit report during the tax year? . . . . .	5b		No
b	If "Yes," did the organization make it available to the public? . . . . .	5c		
	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) . . . . .			11,661,844		11,661,844	2 000 %
b Medicaid (from Worksheet 3, column a) . . . . .			180,910,491	129,330,311	51,580,180	8 860 %
c Costs of other means-tested government programs (from Worksheet 3, column b) . . . . .			7,652,209	3,422,697	4,229,512	0 730 %
d <b>Total</b> Financial Assistance and Means-Tested Government Programs . . . . .			200,224,544	132,753,008	67,471,536	11 590 %
<b>Other Benefits</b>						
e Community health improvement services and community benefit operations (from Worksheet 4) . . . . .			648,312		648,312	0 110 %
f Health professions education (from Worksheet 5) . . . . .			594,513		594,513	0 100 %
g Subsidized health services (from Worksheet 6) . . . . .			39,911,987	29,089,383	10,822,604	1 860 %
h Research (from Worksheet 7) . . . . .						
i Cash and in-kind contributions for community benefit (from Worksheet 8) . . . . .			294,277		294,277	0 050 %
j <b>Total</b> Other Benefits . . . . .			41,449,089	29,089,383	12,359,706	2 120 %
k <b>Total.</b> Add lines 7d and 7j . . . . .			241,673,633	161,842,391	79,831,242	13 710 %

Part IICommunity Building Activities

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1Physical improvements and housing			10,669		10,669	0 %
2Economic development						
3Community support			238,320	42,352	195,968	0 030 %
4Environmental improvements						
5Leadership development and training for community members						
6Coalition building			2,753		2,753	0 %
7Community health improvement advocacy						
8Workforce development						
9Other						
10Total			251,742	42,352	209,390	0 030 %

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

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

1

No

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

2

6,695,168

3Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit.

3

0

4Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements

Section B. Medicare

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

5

133,337,011

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

6

139,275,692

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

7

-5,938,681

8Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used.

☐ Cost accounting system

☒ Cost to charge ratio

☐ Other

Section C. Collection Practices

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

9a

Yes

bIf "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI.

9b

Yes

Part IVManagement Companies and Joint Ventures

(owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
11Grossmont Imaging LLC	Joint Venture-Diagnostic Imaging	50 000 %	0 %	50 000 %
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				



Part V

Facility Information

Section A. Hospital Facilities

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

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

		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
	See Additional Data Table										

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Grossmont Hospital Corporation

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
<b>Community Health Needs Assessment</b> (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		
<b>1</b> 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)	<b>1</b> Yes	
<b>a</b> <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
<b>b</b> <input checked="" type="checkbox"/> Demographics of the community		
<b>c</b> <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		
<b>d</b> <input checked="" type="checkbox"/> How data was obtained		
<b>e</b> <input checked="" type="checkbox"/> The health needs of the community		
<b>f</b> <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
<b>g</b> <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
<b>h</b> <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
<b>i</b> <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
<b>j</b> <input checked="" type="checkbox"/> Other (describe in Part VI)		
<b>2</b> Indicate the tax year the hospital facility last conducted a CHNA 20 <u>12</u>		
<b>3</b> 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 . . . . .	<b>3</b> Yes	
<b>4</b> Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI . . . . .	<b>4</b> Yes	
<b>5</b> 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)	<b>5</b> Yes	
<b>a</b> <input checked="" type="checkbox"/> Hospital facility's website (list url) <u>See Part V, Section C</u>		
<b>b</b> <input type="checkbox"/> Other website (list url) _____		
<b>c</b> <input checked="" type="checkbox"/> Available upon request from the hospital facility		
<b>d</b> <input type="checkbox"/> Other (describe in Part VI)		
<b>6</b> 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)		
<b>a</b> <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
<b>b</b> <input checked="" type="checkbox"/> Execution of the implementation strategy		
<b>c</b> <input type="checkbox"/> Participation in the development of a community-wide plan		
<b>d</b> <input type="checkbox"/> Participation in the execution of a community-wide plan		
<b>e</b> <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
<b>f</b> <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
<b>g</b> <input checked="" type="checkbox"/> Prioritization of health needs in its community		
<b>h</b> <input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
<b>i</b> <input type="checkbox"/> Other (describe in Part VI)		
<b>7</b> 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 . . . . .	<b>7</b>	No
<b>8a</b> 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>8a</b>	No
<b>b</b> If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax? . . . . .	<b>8b</b>	
<b>c</b> 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		
<b>9</b> 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?		<b>9</b>	Yes		
<b>10</b> 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>200 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		<b>10</b>	Yes		
<b>11</b> 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>500 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		<b>11</b>	Yes		
<b>12</b> Explained the basis for calculating amounts charged to patients? . . . . . If "Yes," indicate the factors used in determining such amounts (check all that apply)		<b>12</b>	Yes		
<b>a</b> <input checked="" type="checkbox"/> Income level					
<b>b</b> <input checked="" type="checkbox"/> Asset level					
<b>c</b> <input type="checkbox"/> Medical indigency					
<b>d</b> <input type="checkbox"/> Insurance status					
<b>e</b> <input checked="" type="checkbox"/> Uninsured discount					
<b>f</b> <input checked="" type="checkbox"/> Medicaid/Medicare					
<b>g</b> <input checked="" type="checkbox"/> State regulation					
<b>h</b> <input type="checkbox"/> Residency					
<b>i</b> <input type="checkbox"/> Other (describe in Part VI)					
<b>13</b> Explained the method for applying for financial assistance? . . . . .		<b>13</b>	Yes		
<b>14</b> 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)		<b>14</b>	Yes		
<b>a</b> <input type="checkbox"/> The policy was posted on the hospital facility's website					
<b>b</b> <input type="checkbox"/> The policy was attached to billing invoices					
<b>c</b> <input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms					
<b>d</b> <input type="checkbox"/> The policy was posted in the hospital facility's admissions offices					
<b>e</b> <input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility					
<b>f</b> <input type="checkbox"/> The policy was available upon request					
<b>g</b> <input checked="" type="checkbox"/> Other (describe in Part VI)					
Billing and Collections					
<b>15</b> 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? . . . . .		<b>15</b>	Yes		
<b>16</b> 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					
<b>a</b> <input type="checkbox"/> Reporting to credit agency					
<b>b</b> <input type="checkbox"/> Lawsuits					
<b>c</b> <input type="checkbox"/> Liens on residences					
<b>d</b> <input type="checkbox"/> Body attachments					
<b>e</b> <input type="checkbox"/> Other similar actions (describe in Section C)					
<b>17</b> 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? . . . . .				<b>17</b>	No
If "Yes," check all actions in which the hospital facility or a third party engaged					
<b>a</b> <input type="checkbox"/> Reporting to credit agency					
<b>b</b> <input type="checkbox"/> Lawsuits					
<b>c</b> <input type="checkbox"/> Liens on residences					
<b>d</b> <input type="checkbox"/> Body attachments					
<b>e</b> <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 checked="" type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d <input type="checkbox"/> Other (describe in Part VI)		
21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? . . . . .		No
If "Yes," explain in Part VI		
22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? . . . . .		No
If "Yes," explain in Part VI		

**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? 9

Name and address	Type of Facility (describe)
<b>1</b> Sharp Hospice Care 8881 Fletcher Parkway Suite 336 La Mesa, CA 91942	Hospice
<b>2</b> PMB Medical Office Building 8860 Center Drive Suite 100 La Mesa, CA 91942	Outpatient Services
<b>3</b> Grossmont Medical Plaza 5525 Grossmont Center Drive Suite LL La Mesa, CA 91942	Outpatient Services
<b>4</b> Briar Patch 9000 Wakarusa Road La Mesa, CA 91942	Outpatient Services
<b>5</b> Grossmont Imaging LLC 8881 Fletcher Parkway Suite 102 La Mesa, CA 91942	Joint Venture-Diagnostic Imaging
<b>6</b> PMB Medical Office Building 8860 Center Drive Suite 200 La Mesa, CA 91942	Outpatient Services-Infusion
<b>7</b> LakeView Hospice Home 9472 Loren Drive La Mesa, CA 91942	Hospice Home
<b>8</b> ParkView Hospice Home 5788 Lyden Way San Diego, CA 92120	Hospice Home
<b>9</b> Grossmont Imaging LLC 9640 Mission Gorge Road Suite H Santee, CA 92071	Joint Venture-Diagnostic Imaging
<b>10</b>	

**Part VI**

**Supplemental Information**

Provide the following information

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

Form and Line Reference	Explanation
Part I, Line 6a	Grossmont Hospital Corporation's community benefit report is prepared by Sharp HealthCare

Form and Line Reference	Explanation
Part I, Line 7	Historical charity care percentages are applied to current revenues to estimate charity on a monthly basis. Actual charity transactions are applied against the estimate and any increase or decrease over estimated amounts is accounted for. Other Cost includes State/County programs included in the S-10 for Medicare Cost Reporting primarily for prison/in custody patient care. Ratio of cost to charges (RCC) were calculated using the Medicare Cost Report from Worksheet C. The Revenue and Expense tie to the general ledger with no exclusions, so worksheet C represents direct revenue and expense plus stepdown from Overhead departments. The RCC by CMS line was then applied to the applicable revenue departments broken down by payer to obtain the fully weighted cost by payer.



Form and Line Reference	Explanation
Part I, Ln 7 Col(f)	Bad debt expense is netted against revenue As such, \$0 00 was backed out of total expenses for column (f) calculation

Form and Line Reference	Explanation
Part II, Community Building Activities	Grossmont Hospital Corporation at times provides a provision for housing for vulnerable patients upon discharge from the hospital Grossmont Hospital Corporation incurred expenses for disaster preparedness training and capital expenditures Grossmont Hospital Corporation incurred expenses for coalition building

Form and Line Reference	Explanation
Part III, Line 4	<p>Bad Debt represents amounts that go unpaid where the patient was determined to have the ability to pay. If an inability to pay is demonstrated, then full or partial Charity is granted and not considered Bad Debt. Bad Debt at Cost should be included as a Community Benefit because, like other shortfall programs, we are required to accept these patients through the Emergency Room or as a referral with "good faith" in collecting. Grossmont Hospital Corporation consolidates into Sharp HealthCare's audited financial statements. The audited financial statements of Sharp HealthCare include a footnote discussing accounts receivable and allowance for doubtful accounts which is included below:</p> <p>* Accounts receivable are reduced by an allowance for doubtful accounts. In evaluating the collectability of accounts receivable, Sharp analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts. For receivables associated with services provided to patients who have third-party coverage, Sharp analyzes contractually due amounts and provides an allowance for doubtful accounts, if necessary. For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), Sharp records a provision for doubtful accounts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts. Sharp HealthCare's audited financial statements include a deduction from revenue line on the Combined Statement of Operations titled Provision for Doubtful Accounts. Additionally, the accounts receivable line on the Combined Balance Sheet details the amount of allowance for doubtful accounts that is netted against the receivable balance.</p>

Form and Line Reference	Explanation
Part III, Line 8	Medicare should be included as a community benefit because participation in the Medicare program requires all patients be accepted whether through the Emergency Room or as a referral and Grossmont Hospital Corporation must accept the Medicare established rates whether they cover the cost or not. Ratio of Cost to Charges (RCC) were calculated using the Medicare Cost Report from Worksheet C. The Revenue and Expense tie to the general ledger with no exclusions, representing direct revenue and expense plus stepdown from Overhead departments. The RCC by CMS line was then applied to the applicable revenue departments broken down by payor to obtain the fully weighted cost by payer.

Form and Line Reference	Explanation
Part III, Line 9b	Sharp does not initiate collection activities on accounts known to be eligible for Financial Assistance or Charity care. It is also Sharp's policy to recall/cancel any accounts assigned to a collection agency if it is determined, at any time, a patient account is eligible for Financial Assistance or Charity care.

Form and Line Reference	Explanation																																						
Part VI, Line 2	<p>Sharp HealthCare (Sharp) has been a long-time partner in the process of identifying and responding to the health needs of the San Diego community. This partnership has included a broad range of hospitals, health care organizations, and community agencies in order to conduct triennial Community Health Needs Assessments (CHNAs) over the past 17 years. Previous collaborations among not-for-profit hospitals and other community partners have resulted in numerous well-regarded CHNA reports. Sharp hospitals, including Grossmont Hospital Corporation (GHC), base their community benefit and community health programs on both the findings of these needs assessments and the combination of expertise in programs and services offered and the knowledge of the populations and communities served by each Sharp hospital. The GHC 2013 CHNA examines the health needs of the community members it serves in San Diego County (SDC). GHC's 2013 CHNA draws from and is based on the collaborative Hospital Association of San Diego and Imperial Counties (HASD&amp;IC) 2013 CHNA process and findings for SDC overall. This collaborative process was conducted under the auspices of HASD&amp;IC, and included partnerships with the Institute for Public Health at San Diego State University (IPH), and hospitals throughout the county, with which Sharp was a key collaborator. CHNA Objectives: The objectives of GHC's 2013 CHNA are:</p> <ol style="list-style-type: none"><li>1. Identify the top health conditions and health care needs of community members in its patient community.</li><li>2. Understand the challenges that community members particularly those in communities of high-need - face in their attempts to access health care and maintain health and well-being.</li><li>3. Identify currently available community resources that support identified health conditions and health challenges.</li><li>4. Provide a foundation of information to begin discussions of opportunities for programs, services and collaborations that could further address the identified health needs and challenges for the community.</li></ol> <p>Study Area Defined: The community served by GHC includes the entire east region of SDC, including the sub-regional areas of Jamul, Spring Valley, Lemon Grove, La Mesa, El Cajon, Santee, Lakeside, Harbison Canyon, Crest, Alpine, Laguna-Pine Valley and Mountain Empire. Approximately five percent of the population lives in remote or rural areas of this region. Table 1 below presents the ZIP codes where the majority of GHC patients reside:</p> <table><tr><td>Table 1</td><td>Primary Communities Served by GHC</td></tr><tr><td>ZIP Code</td><td>Community</td></tr><tr><td>91941</td><td>La Mesa</td></tr><tr><td>91942</td><td>La Mesa</td></tr><tr><td>91945</td><td>Lemon Grove</td></tr><tr><td>91977</td><td>Spring Valley</td></tr><tr><td>92019</td><td>El Cajon</td></tr><tr><td>92020</td><td>El Cajon</td></tr><tr><td>92021</td><td>El Cajon</td></tr><tr><td>92040</td><td>Lakeside</td></tr><tr><td>92071</td><td>Santee</td></tr></table> <p>Source: SpeedTrack California Universal Patient Information Discovery, OSHPD CY 2011 Hospital Discharge Data. Data Collection and Analysis: The HASD&amp;IC 2013 CHNA process and findings significantly informed the GHC 2013 CHNA process and as such are described as applicable throughout this report. For complete details on the HASD&amp;IC 2013 CHNA process, please visit the HASD&amp;IC website at <a href="http://www.hasdic.org">www.hasdic.org</a> or contact Lindsey Wade at <a href="mailto:lwade@hasdic.org">lwade@hasdic.org</a>. For the collaborative HASD&amp;IC 2013 CHNA process, the IPH employed a rigorous methodology using both community input (primary data sources) and quantitative analysis (secondary data sources) to identify and prioritize the top health conditions in SDC. Quantitative data (secondary sources) for both the HASD&amp;IC 2013 CHNA and GHC 2013 CHNA included the 2011 calendar year hospital discharge data at the ZIP code level, statistics from the San Diego County Health and Human Services Agency (HHSA), the U.S. Census Bureau, the Centers for Disease Control, and others. The variables analyzed are included in Table 2 below and were analyzed at the ZIP code level wherever possible.</p> <table><tr><td>Table 2</td><td>Variables Analyzed in the HASD&amp;IC and GHC 2013 CHNA</td></tr><tr><td>Secondary Data Variables</td><td>Inpatient Hospitalizations by Cause, Emergency Department Visits by Cause, Demographic Data (socio-economic indicators), Mortality Data, Regional Disease-Specific Health Data (County HHSA), Self-Reported Health Data (California Health Interview Survey), Specialized Health Data /Reports (various).</td></tr></table> <p>Recognizing that health needs differ across the region and that socioeconomic factors impact health outcomes, both HASD&amp;IC's and GHC's 2013 CHNA processes utilized the Dignity Health Community Need Index (CNI) to identify communities with the highest level of health disparities and needs. Residents in five of these neighborhoods across SDC were asked to provide input in a community forum setting. Table 3 below presents communities (by ZIP code) served by GHC that have especially high need based on their CNI score (score = 4):</p> <table><tr><td>Table 3</td><td>High-Need Communities Served in Sharp Grossmont Hospital's Primary Service Area</td></tr><tr><td>ZIP Code</td><td>Community</td></tr><tr><td>91945</td><td>Lemon Grove</td></tr><tr><td>91977</td><td>Spring Valley</td></tr><tr><td>92020</td><td>El Cajon</td></tr><tr><td>92021</td><td>El Cajon</td></tr></table> <p>Source: Dignity Health, 2011 CNI Data. For the HASD&amp;IC 2013 CHNA, IPH conducted primary data collection through three methods: an online community health leader/health expert survey,</p>	Table 1	Primary Communities Served by GHC	ZIP Code	Community	91941	La Mesa	91942	La Mesa	91945	Lemon Grove	91977	Spring Valley	92019	El Cajon	92020	El Cajon	92021	El Cajon	92040	Lakeside	92071	Santee	Table 2	Variables Analyzed in the HASD&IC and GHC 2013 CHNA	Secondary Data Variables	Inpatient Hospitalizations by Cause, Emergency Department Visits by Cause, Demographic Data (socio-economic indicators), Mortality Data, Regional Disease-Specific Health Data (County HHSA), Self-Reported Health Data (California Health Interview Survey), Specialized Health Data /Reports (various).	Table 3	High-Need Communities Served in Sharp Grossmont Hospital's Primary Service Area	ZIP Code	Community	91945	Lemon Grove	91977	Spring Valley	92020	El Cajon	92021	El Cajon
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Form and Line Reference	Explanation
Part VI, Line 2	<p>key informant interviews, and community forums. The community health leader/health expert survey was completed by 89 members of the health care community, including health care and social service providers, academics, community-based organizations assisting the underserved, and other public health experts. Over the winter and spring of 2013, five community forums were held in communities of high need across SDC including El Cajon, a high-need community served by GHC reaching a total of 106 community residents. In addition, IPH conducted five key informant interviews with individuals chosen by virtue of their professional discipline and knowledge of health issues in SDC. Key informants included county public health officers, health care and social service providers, and members of community-based organizations. Following consultation with the GHC 2013 CHNA Planning Team, additional, specific feedback from key informants with insight into the concerns and health needs of seniors was collected. Four more key informant interviews provided expertise in senior health and end-of-life care as well as health disparities among older adults. GHC also collected nine community feedback surveys from senior volunteers at the hospital. Community members were asked for open-ended feedback on the health issues of greatest importance to them, as well as any significant barriers they face in maintaining health and well-being. Findings: Through the combined analyses of the results for all the data and information gathered, the following conditions were identified as priority health needs for the communities served by GHC (listed in alphabetical order):</p> <ul style="list-style-type: none"> <li>* Behavioral Health (Mental Health)</li> <li>* Cardiovascular Disease</li> <li>* Diabetes, Type II</li> <li>* Obesity</li> <li>* Senior Health (including end-of-life care)</li> </ul> <p>In addition, the IPH conducted a content analysis of all qualitative feedback collected through the HASD &amp; IC 2013 CHNA process: key informants, online survey respondents and community members and found that input fell into one of the following five categories:</p> <ul style="list-style-type: none"> <li>* Access to Care or Insurance</li> <li>* Care Management</li> <li>* Education</li> <li>* Screening Services</li> <li>* Collaboration</li> </ul> <p>GHC is committed to the health and well-being of its community, and the findings of GHC's 2013 CHNA will help to inform the activities and services provided by GHC to improve the health of its community members. The 2013 CHNA process also generated a list of currently existing resources in SDC, an asset map, that address the health needs identified through the CHNA process. While not an exhaustive list of the available resources in San Diego, this map will serve as a resource for GHC to help continue, refine and create programs that meet the needs of its most vulnerable community members. The complete Grossmont Hospital Corporation 2013 Community Health Needs Assessment is available online at <a href="http://www.sharp.com/about/community/community-health-needs-assessments">www.sharp.com/about/community/community-health-needs-assessments</a> cfm or by contacting Sharp HealthCare Community Benefits at <a href="mailto:communitybenefits@sharp.com">communitybenefits@sharp.com</a></p>

Form and Line Reference	Explanation
Part VI, Line 2	<p>Determination of Priority Community NeedsGHC reviewed its CHNA and used the assessment to help inform priority needs for members of the communities it serves. In identifying these priorities, GHC also considered the expertise and mission of its programs and services, in addition to the needs of the unique, ever-changing demographics and health topics that comprise GHC's service area and region. GHC provides behavioral health services to SDC's east region through clinical programs for adults and older adults, including individuals living with psychosis, depression, grief, anxiety, traumatic stress and other disorders. GHC also provides a dedicated psychiatric assessment team in the emergency department (ED) and acute care, as well as hospital-based outpatient programs that serve individuals dealing with a variety of behavioral health issues. Beyond these clinical services, GHC does not have the resources to comprehensively meet the need for community education and support in behavioral health. Consequently, the community education and support elements of behavioral health care are addressed through the programs and services provided through Sharp Mesa Vista Hospital and Sharp McDonald Center, which are the major providers of behavioral health and chemical dependency services in SDC. Obesity is addressed through general nutrition and exercise education and resources provided at GHC, as well as programs that address a healthy lifestyle as part of care for heart disease, diabetes and other health issues influenced by healthy weight and exercise. In addition, Sharp Rees-Stealy clinics throughout SDC provide structured weight management and health education programs to community members, such as smoking cessation and stress management, long-term support for weight management and fat loss, and personalized weight-loss programs. Additionally, through further analysis of GHC's community programs and in consultation with GHC's community relations team, this section also addresses the following priority health needs for community members served by GHC:</p> <ul style="list-style-type: none"> <li>* Cancer education and support, and participation in clinical trials</li> <li>* Bone Health Orthopedic / osteoporosis education and screening</li> <li>* Women's and prenatal health services and education</li> <li>* Prevention of unintentional injuries</li> <li>* Support during the transition of care process for high-risk, underserved, and underfunded patients</li> <li>* Collaboration with local schools to promote interest in health care careers</li> </ul> <p>In addition, GHC:</p> <ul style="list-style-type: none"> <li>* Incorporates community priorities and community input into its strategic plan and develops service line-specific goals</li> <li>* Estimates an annual budget for community programs and services based on community needs, the prior year's experience and current funding levels</li> <li>* Prepares and distributes a monthly report of community activities to its board of directors, describing community benefits provided, such as education, screenings and flu shots</li> <li>* Prepares and distributes information on community benefits programs and services through its foundation and community newsletters</li> <li>* Consults with representatives from a variety of departments, to discuss, plan and implement community activities</li> </ul>



Form and Line Reference	Explanation
Part VI, Line 3	<p>Sharp HealthCare's financial assistance policy is in furtherance of its charitable mission. The policy identifies eligibility for, and circumstances under which, financial assistance will be extended to Sharp HealthCare's hospital patients for medically necessary services. "Charity Care" is that portion of Sharp HealthCare's charges for medically necessary patient care services provided by a hospital that a patient (either individually or through a third party payer) is unable to pay. Charity Care does not include bad debt, contractual adjustments, or un-reimbursed costs of providing care to patients eligible under government programs for health care services to low-income and medically indigent patients. "Financial Assistance," means any reduction of charges for medically necessary services as defined herein that may be made by Sharp HealthCare either for, or on behalf of, a patient who applies to Sharp HealthCare for Financial Assistance and meets Sharp HealthCare's financial eligibility requirements or criteria as described in this policy. For purposes of the policy Financial Assistance includes "charity care" which means a 100% reduction in charges for medically necessary services and "partial charity care" which means a reduction in a portion of charges for such services. All patients should be screened at the time of admission or at registration for ability to pay for services, including whether or not they are candidates for Financial Assistance. Care for patients presenting with a known or possible emergency medical condition or in active labor shall not be delayed in order to assess financial status. In order to both inform patients of the various programs they may be entitled to, and assist them in the application process, Uncompensated Care Specialists provide patient(s) with a Financial Assistance Form. The Uncompensated Care Specialists direct the patient (or their guarantor) to complete a Patient Financial Statement, include specified financial items for both the patient and spouse (if any), direct the patient to return all information within ten days and document in patient's account history notes the substance of any patient discussions and that the Patient Financial Statement was provided. Following internal processing of the Financial Assistance Form, Sharp Uncompensated Care Specialists and/or Private Pay Representatives notify patient of Financial Assistance Application results, document the decision in all approved and denied Financial Assistance Accounts and secure payment arrangements for remaining balance of partial Financial Assistance or denied Financial Assistance accounts. All follow-up and patient interaction is documented in the patient's account history notes.</p>

Form and Line Reference	Explanation
Part VI, Line 4	The community served by Grossmont Hospital Corporation includes the entire east region of San Diego County, including the sub-regional areas of Jamul, Spring Valley, Lemon Grove, La Mesa, El Cajon, Santee, Lakeside, Harbison Canyon, Crest, Alpine, Laguna-Pine Valley and Mountain Empire. Approximately five percent of the population lives in remote or rural areas of this region. The race/ethnicity breakdown of the community served by Grossmont Hospital is: 48.4% White, 30.1% Hispanic, 8.3% Black, 9.0% Asian/Pacific Islander, and 0.5% Native American. In the County's east region in 2011, 93.6 percent of children ages 0 to 11, 95.7 percent of children ages 12 to 17 and 82.7 percent of adults ages 18 and older had health insurance. Further, 98.8 percent of children ages 0 to 11 and 89.3 percent of children ages 12 to 17 had a regular source of medical care failing to meet the Healthy People (HP) 2020 national targets for health insurance coverage and regular source of medical care. Among uninsured adults ages 18 to 64 years in SDC's east region, 15.7 percent were not currently insured in 2011.

Form and Line Reference	Explanation
Part VI, Line 5	Grossmont Hospital Corporation has an open medical staff and a community board. Surplus funds generated by hospital operations are re-invested by the organization to fund capital improvements and acquire state of the art medical equipment with the intent of continually improving patient care.

Form and Line Reference	Explanation
Part VI, Line 6	<p>Sharp HealthCare is an integrated, regional health care delivery system based in San Diego, Calif. The Sharp system includes four acute care hospitals, three specialty hospitals, two affiliated medical groups, 21 medical clinics, five urgent care facilities, four skilled nursing facilities, two inpatient rehabilitation programs, home health, hospice and home infusion programs, numerous outpatient facilities and programs, and a variety of other community health education programs and related services. Sharp also has a Knox-Keene-licensed care service plan, Sharp Health Plan. Serving a population of approximately three million in San Diego County, Sharp is licensed to operate 2,069 beds, has approximately 2,600 Sharp-affiliated physicians and more than 15,000 employees. It is Sharp's mission to improve the health of those it serves with a commitment to excellence in all that it does. Sharp's goal is to offer quality care and services that set community standards, exceed patient expectations and are provided in a caring, convenient, cost-effective and accessible manner. Sharp will be recognized by employees, physicians, patients, volunteers and the community as the best place to work, the best place to practice medicine and the best place to receive care. Sharp is known as an excellent community citizen embodying an organization of people working together to do the right thing every day to improve the health and wellbeing of those it serves. With 536 licensed beds, Grossmont Hospital Corporation is the largest provider of health care services in San Diego's East County, and operates one of the busiest emergency rooms in San Diego County. Grossmont Hospital Corporation received Magnet Designation for Nursing Excellence by the American Nurses Credentialing Center (ANCC). The Magnet Recognition Program is the highest level of honor awarded by the ANCC and is accepted nationally as the gold standard in nursing excellence.</p>

Form and Line Reference	Explanation
Part VI, Line 7, Reports Filed With States	CA

Form and Line Reference	Explanation
Part VI, Line 7	<p>Sharp HealthCare prepares an annual Community Benefits Report in accordance with the requirements of California Senate Bill (SB) 697, community benefits legislation (According to SB 697, hospitals under the common control of a single corporation or another entity may file a consolidated report with the Calif Office of Statewide Health Planning and Development (OSHPD)) Sharp HealthCare submits an annual Community Benefits Report to the California OSHPD The Sharp HealthCare Community Benefits Plan and Report, Fiscal Year 2014 is available online at <a href="http://www.sharp.com/about/community/community-benefits-health-needs.cfm">www.sharp.com/about/community/community-benefits-health-needs.cfm</a> No figure is reported on Part III, line 3 (estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy) due to all amounts attributable to patients eligible under the charity care policy being reported as charity The organization incurred additional Medicare shortfall that is not allowed to be reported on Parts I and III, due to the definition of Medicare shortfall as prescribed by the IRS This additional shortfall arises from the use of the Medicare cost report data which excludes fee based services, non-billable services, and disallowed operating expenses which the organization has determined to be revenues and expenses of the Medicare program and should be included in the total shortfall A reconciliation of what the organization classifies as Medicare shortfall is as follows Medicare revenue received reported on Parts I and III - 157,983,459 Medicare allowable costs reported on Parts I and III - 170,510,582 Shortfall included on Parts I and III - (12,527,123) Actual Medicare revenue received - 159,185,227 Actual Medicare cost - 189,768,592 Actual Medicare shortfall - (30,583,365) Additional Medicare shortfall not on Parts I and III - (18,056,262)</p>

Additional Data

Software ID:  
Software Version:  
EIN: 33-0449527  
Name: Grossmont Hospital Corporation

<b>Section C. Supplemental Information for Part V, Section B.</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
Grossmont Hospital Corporation	Part V, Section B, Line 1j The Institute for Public Health (IPH) conducted a content analysis of all qualitative feedback collected through the Hospital Association of San Diego and Imperial Counties (HASD&IC) 2013 CHNA process - key informants, online survey respondents and community members - and found that input fell into one of the following five categories - Access to Care or Insurance- Care Management - Education- Screening Services- Collaboration

**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
Grossmont Hospital Corporation	Part V, Section B, Line 3 For the Hospital Association of San Diego and Imperial Counties (HASD&IC) 2013 CHNA, IPH conducted primary data collection through three methods an online community health leader/health expert survey, key informant interviews, and community forums The community health leader/health expert survey was completed by 89 members of the health care community, including health care and social service providers, academics, community-based organizations assisting the underserved, and other public health experts Over the winter and spring of 2013, five community forums were held in communities of high need across SDC including El Cajon, a high-need community served by Grossmont Hospital Corporation (GHC) reaching a total of 106 community residents In addition, IPH conducted five key informant interviews with individuals chosen by virtue of their professional discipline and knowledge of health issues in SDC Key informants included county public health officers, health care and social service providers, and members of community-based organizations Following consultation with the GHC 2013 CHNA Planning Team, additional, specific feedback from key informants with insight into the concerns and health needs of seniors was collected Four more key informant interviews provided expertise in senior health and end-of-life care as well as health disparities among older adults GHC also collected nine community feedback surveys from senior volunteers at the hospital Community members were asked for open-ended feedback on the health issues of greatest importance to them, as well as any significant barriers they face in maintaining health and well-being



**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
Grossmont Hospital Corporation	Part V, Section B, Line 5d Grossmont Hospital Corporation's CHNA is available at <a href="http://www.sharp.com/about/community/upload/SGH_CHNA_2013.pdf">www.sharp.com/about/community/upload/SGH_CHNA_2013.pdf</a>

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

Form and Line Reference	Explanation
Part V, Section B, Line 4	The GHC 2013 CHNA examines the health needs of the community members it serves in San Diego County (SDC) GHC's 2013 CHNA draws from and is based on the collaborative HASD&IC 2013 CHNA process and findings for SDC overall This collaborative process was conducted under the auspices of HASD&IC, and included partnerships with the Institute for Public Health at San Diego State University (IPH), and hospitals throughout the county, with which Sharp was a key collaborator The collaboration included the following SDC hospitals and health systems Sharp HealthCare, Scripps Health, UC San Diego Health System, Tri-City Medical Center, Kaiser Foundation Hospital - San Diego and Palomar Health

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

Form and Line Reference	Explanation
Part V, Section B, Line 7	<p>GHC reviewed its CHNA and used the assessment to help inform priority needs for members of the communities it serves. In identifying these priorities, GHC also considered the expertise and mission of its programs and services, in addition to the needs of the unique, ever-changing demographics and health topics that comprise GHC's service area and region. GHC provides behavioral health services to SDC's east region through clinical programs for adults and older adults, including individuals living with psychosis, depression, grief, anxiety, traumatic stress and other disorders. GHC also provides a dedicated psychiatric assessment team in the emergency department (ED) and acute care, as well as hospital-based outpatient programs that serve individuals dealing with a variety of behavioral health issues. Beyond these clinical services, GHC does not have the resources to comprehensively meet the need for community education and support in behavioral health. Consequently, the community education and support elements of behavioral health care are addressed through the programs and services provided through Sharp Mesa Vista Hospital and Sharp McDonald Center, which are the major providers of behavioral health and chemical dependency services in SDC. Obesity is addressed through general nutrition and exercise education and resources provided at GHC, as well as programs that address a healthy lifestyle as part of care for heart disease, diabetes and other health issues influenced by healthy weight and exercise. In addition, Sharp Rees-Stealy clinics throughout SDC provide structured weight management and health education programs to community members, such as smoking cessation and stress management, long-term support for weight management and fat loss, and personalized weight-loss programs. Additionally, through further analysis of GHC's community programs and in consultation with GHC's community relations team, GHC also addresses the following health needs through its community benefits programs - Cancer education and support, and participation in clinical trials- Bone Health Orthopedic / osteoporosis education and screening- Women's and prenatal health services and education- Prevention of unintentional injuries- Support during the transition of care process for high-risk, underserved, and underfunded patients- Collaboration with local schools to promote interest in health care careers.</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
Part V, Section B, Line 14g	The hospital has notices posted in the Emergency Department and waiting rooms to notify patients the hospital has a charity care/discounted care policy for financially qualified patients that is available upon request, at the business office, or by calling the phone number provided. Additionally, patients are provided a notice of the hospital policy for charity care and/or partial charity care (discounted care). This notice lists the criteria to qualify for charity care and/or discounted care and informs patients where they may obtain an application. The full financial assistance policy is posted on the California Office of Statewide Health Planning and Development website.

Schedule I  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Name of the organization  
Grossmont Hospital Corporation

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](http://www.irs.gov/form990).

OMB No 1545-0047

2013

Open to Public  
Inspection

Employer identification number  
33-0449527

Part I General Information on Grants and Assistance

1

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

☒ Yes ☐ No

2

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

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

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) KPBS San Diego State University Research Foundation 5200 Campanile Drive San Diego, CA 921825400	95-6042721	501(c)(3)	10,000				Sponsorship - KPBS Gala
(2) Boys & Girls Clubs of East County 8820 Tamberly Way Santee, CA 92071	95-2088013	501(c)(3)	10,000				Sponsorship - East County Children's Ball
(3) San Diego East County Chamber of Commerce 201 S Magnolia Ave El Cajon, CA 92020	95-1494069	501(c)(6)	7,350				Sponsorship - Women in Leadership, Health Fair, Grip It and Rip It Golf
(4) California Health Foundation & Trust 1215 K Street Suite 800 Sacramento, CA 95814	94-1498697	501(c)(3)	134,155				Medi-Cal Program
(5) Grossmont Hospital Foundation 8695 Spectrum Center Blvd San Diego, CA 921231489	33-0124488	501(c)(3)	99,750				Donations

2

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

4

3

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

1

**Part III**

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

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

**Part IV**

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

Return Reference	Explanation
Part I, Line 2	The Management team evaluates requests for contributions from outside organizations taking into account how they align with the organization's mission No monitoring is done after grants are made

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](http://www.irs.gov/form990).

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization  
Grossmont Hospital Corporation

Employer identification number  
33-0449527

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 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 type="checkbox"/> Health or social club dues or initiation fees</div><div><input 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>		No
<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
Part I, Line 1a	Non-management staff were paid superior performance awards which were grossed up so the net payment would be a specified amount based on each staff member's productive hours worked during the year. The net payments per staff member ranged from \$100 to \$300.
Part I, Line 4b	Sharp HealthCare ("Company") sponsors an Executive Flexible Benefit Plan ("Plan") to provide designated executives with a reasonable level of benefits in return for their continued employment with the Company. The Plan is administered on a Plan Year basis of January 1 to December 31. Changes in Flexible Benefit Options are permitted annually, effective January 1 of the new Plan Year. The provisions of the Plan, which were restated effective as of December 31, 2008, are described below as restated. The Plan is available to the Chief Executive Officer, Executive Vice President of Hospital Operations, and Senior Vice Presidents. The Flexible Benefit Allowance available to each participant each plan year shall equal the sum of the following: - A company provided base allowance equal to 18% of the participant's base salary - A participant deferral up to 6% of the participant's pre-tax base salary for such plan year as elected by the participant - A company match should the participant make an elective deferral for a plan year. The company match begins at 2% for the first 1% elective deferral and increases 0.5% for each additional 1% elective deferral, to a maximum match of 4.5% on a 6% elective deferral. The Plan allows participants to use the Flexible Benefit Allowance to purchase additional long-term disability coverage, long-term care coverage, and flexible survivor coverage/accumulation benefits (life insurance). Participants in the flexible survivor coverage/accumulation benefits plan previously could elect to apply Flexible Benefit Allowance to acquire additional survivor coverage, or toward deposits to the Supplemental Survivor Accumulation Benefit Plan ("SSAB") to fund post-retirement survivor benefits, subject to the ERISA limit provided their policies were issued prior to September 18, 2003. The Company shall automatically continue whatever elective coverage and additional deposit elections that were in place for the SSAB during the 2008 plan year. No elective coverage or additional deposits were available to participants whose policies were issued on or after September 18, 2003. Any Flexible Benefit Allowance that remains after purchasing these additional coverages shall be paid to the participant in cash in equal installments throughout the Plan Year, not less frequently than quarterly. If the participant separates from service during the Plan Year, the participant forfeits any unpaid Allowance.
Part II, Line 1 B1	Compensation was paid to Dr. Peter Hanson through Peter B. Hanson MD Inc. by Grossmont Hospital Corporation for medical director services.
Part II, Line 1 B1	Compensation was paid to Dr. Rina Jain through Rina Jain MD Inc. by Grossmont Hospital Corporation for Chief of Staff services.
Part I, Line 3	The Compensation Committee of Sharp HealthCare, the parent organization, establishes the compensation of the Chief Executive Officer. The Compensation Committee engages independent compensation consultants and the amount is approved by both the Compensation Committee and Board of Directors.

Additional Data

Software ID:  
Software Version:  
EIN: 33-0449527  
Name: Grossmont Hospital Corporation

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				
Peter Hanson MD Director	(i)	29,125	0	0	0	0	29,125	0
	(ii)	0	0	0	0	0	0	0
Rina Jain MD Director	(i)	30,000	0	0	0	0	30,000	0
	(ii)	0	0	0	0	0	0	0
Michael W Murphy President & CEO - SHC	(i)	0	0	0	0	0	0	0
	(ii)	1,168,056	415,264	57,084	79,698	16,284	1,736,386	0
Michele Tarbet Secretary/CEO-GH	(i)	0	0	0	0	0	0	0
	(ii)	498,398	119,223	17,500	25,792	12,176	673,089	0
Ann R Pumpian SR VP and CFO-SHC	(i)	0	0	0	0	0	0	0
	(ii)	627,547	163,873	17,500	29,906	11,968	850,794	0
Carlisle C Lewis III SR VP Legal/HR Services - SHC	(i)	0	0	0	0	0	0	0
	(ii)	527,928	139,868	17,500	34,569	15,965	735,830	0
Kari Cornicelli CFO - GH	(i)	0	0	0	0	0	0	0
	(ii)	202,910	46,640	997	14,935	16,650	282,132	0
Maryann C Cone COO - GH	(i)	0	0	0	0	0	0	0
	(ii)	258,730	62,502	26,707	27,585	10,424	385,948	0
Anthony M Damico VP Clinical Svs - GH	(i)	0	0	0	0	0	0	0
	(ii)	193,893	46,899	18,528	10,817	7,238	277,375	0
Suzanne K Johnson VP Hospice - GH	(i)	0	0	0	0	0	0	0
	(ii)	188,985	48,116	13,749	300	16,590	267,740	0
Hoangmy E Nguyen Director-Pharmacy - GH	(i)	150,038	17,919	215	0	7,524	175,696	0
	(ii)	0	0	0	0	0	0	0
Dale E Beatty Jr VP Patient Care - GH	(i)	0	0	0	0	0	0	0
	(ii)	124,013	25,209	4,130	0	4,967	158,319	0
Michael A Murphy Chief Medical Officer - GH	(i)	0	0	0	0	0	0	0
	(ii)	261,978	51,644	20,149	12,121	16,502	362,394	0
Bruce D Schmidt Mgr Sharp Central Pharmacy	(i)	199,308	27,226	1,307	21,606	16,537	265,984	0
	(ii)	0	0	0	0	0	0	0
Vincent J Balesteri Pharmacist	(i)	211,788	3,324	990	28,157	6,878	251,137	0
	(ii)	0	0	0	0	0	0	0
Glicerio M Cid Jr Advanced Clinician	(i)	199,633	574	4,130	6,594	6,626	217,557	0
	(ii)	0	0	0	0	0	0	0
Patrick P Guo Medical Physicist	(i)	186,552	574	7,534	9,621	1,533	205,814	0
	(ii)	0	0	0	0	0	0	0
Janet L Hanley Former Key Employee	(i)	0	0	0	0	0	0	0
	(ii)	185,675	42,712	904	12,805	16,073	258,169	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](http://www.irs.gov/form990).

OMB No 1545-0047  
**2013**  
Open to Public Inspection

Name of the organization  
Grossmont Hospital Corporation

Employer identification number  
33-0449527

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) Stephen Hanley	See Part V	44,218	Employment		No
(2) Grossmont Imaging LLC	See Part V	523,081	See Part V		No

**Part V Supplemental Information**

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

Return Reference	Explanation
Schedule L, Part IV	Stephen Hanley, an employee of Grossmont Hospital Corporation, is the son of Janet Hanley, a former key employee of Grossmont Hospital Corporation Kari Cornicelli, Chief Financial Officer of Grossmont Hospital Corporation, sits on the Board of Directors of Grossmont Imaging LLC, a partnership 50% owned by Grossmont Hospital Corporation Michele Tarbet, Chief Executive Officer of Grossmont Hospital Corporation, sits on the Board of Directors of Grossmont Imaging LLC, a partnership 50% owned by Grossmont Hospital Corporation Anthony Damico, a key employee of Grossmont Hospital Corporation, sits on the Board of Directors of Grossmont Imaging LLC, a partnership 50% owned by Grossmont Hospital Corporation

SCHEDULE M  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Noncash Contributions

▶Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.  
▶ Attach to Form 990.

▶Information about Schedule M (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization  
Grossmont Hospital Corporation

Employer identification number  
33-0449527

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art—Works of art . . . . .				
2 Art—Historical treasures . . . . .				
3 Art—Fractional interests . . . . .				
4 Books and publications . . . . .				
5 Clothing and household goods . . . . .				
6 Cars and other vehicles . . . . .				
7 Boats and planes . . . . .				
8 Intellectual property . . . . .				
9 Securities—Publicly traded . . . . .				
10 Securities—Closely held stock . . . . .				
11 Securities—Partnership, LLC, or trust interests . . . . .				
12 Securities—Miscellaneous . . . . .				
13 Qualified conservation contribution—Historic structures . . . . .				
14 Qualified conservation contribution—Other . . . . .				
15 Real estate—Residential . . . . .				
16 Real estate—Commercial . . . . .				
17 Real estate—Other . . . . .				
18 Collectibles . . . . .				
19 Food inventory . . . . .				
20 Drugs and medical supplies . . . . .				
21 Taxidermy . . . . .				
22 Historical artifacts . . . . .				
23 Scientific specimens . . . . .				
24 Archeological artifacts . . . . .				
25 Other ▶ ( Heart/Vas Cen )	X	12	21,405,295	Cost
26 Other ▶ ( Central Power )	X	12	19,793,026	Cost
27 Other ▶ ( East Tower )	X	12	7,870,220	Cost
28 Other ▶ ( Equipment )	X	2	85,040	Cost
29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . . .	29	0		
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? . . . . .	30a	Yes	No	No
b If "Yes," describe the arrangement in Part II	31	Yes		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	32a		No	
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? . . . . .				
b If "Yes," describe in Part II				
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II				

**Part III**

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

Return Reference	Explanation
Part I, Column (b)	Number of Contributions

**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](http://www.irs.gov/form990).**

OMB No 1545-0047

**2013**

**Open to Public  
Inspection**

Name of the organization Grossmont Hospital Corporation	Employer identification number 33-0449527
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Return Reference	Explanation
Form 990, Part III, Line 1	To establish, maintain, conduct, and operate a hospital or hospitals related, associated and complimentary facilities and services, such as, but not limited to, skilled nursing, extended care, outpatient care, home care, and other health care programs, activities, services and facilities To carry on any educational activities related to rendering care to the sick and injured, or to the promotion of health To promote and carry on scientific research related to the care of the sick and injured, or to the promotion of health To participate in any activity designed and carried on to promote the general health of the community To operate and maintain this corporation and its assets for the benefit of the communities served by Grossmont Healthcare District, a political subdivision of the State of California, organized pursuant to Local Hospital District Law (Division 23 of the California Health & Safety Code), and which is located in San Diego County, California Generally do anything and everything necessary, expedient or incidental to the foregoing

Return Reference	Explanation
Form 990, Part IV, Line 24a	Tax Exempt Bonds are issued for the Sharp HealthCare Obligated Group. As a result, the tax exempt bond balances are reported on the Sharp HealthCare return (EIN 95-6077327). This organization's allocated portion is included in Part X, Line 25.



Return Reference	Explanation
Form 990, Part VI, Section A, line 2	Michele Tarbet, Kari Cornicelli, and Anthony Damico were all directors on the governing board of the Grossmont Imaging Joint Venture. Grossmont Hospital Corporation directors, Dave Grundstrom and Jim Parker, have a family relationship.

Return Reference	Explanation
Form 990, Part VI, Section A, line 6	Sharp HealthCare (FEIN 95-6077327) is the sole member of Grossmont Hospital Corporation

Return Reference	Explanation
Form 990, Part VI, Section A, line 7a	Sharp HealthCare, as the sole member of the corporation, has the right to elect and remove most board members

Return Reference	Explanation
Form 990, Part VI, Section A, line 7b	Sharp HealthCare, as the sole member of the corporation, has the right to elect and remove most board members. Sharp HealthCare also retains the approval rights afforded members for certain significant transactions (e.g., dissolution or sale or transfer of all or substantially all of the assets.)

Return Reference	Explanation
Form 990, Part VI, Section B, line 11	The final Form 990 is placed on the organization's intranet, prior to the filing date, where it is view able for comment from all members of the governing body The review process includes multiple levels of review including key corporate and entity finance department personnel comprised of the Director of Accounting & Tax, Vice President of Finance, Senior Vice President and Chief Financial Officer, and entity Chief Financial Officer Additionally, the organization contracts with Ernst & Young, an independent accounting firm, for review of the Form 990

Return Reference	Explanation
Form 990, Part VI, Section B, line 12c	<p>Grossmont Hospital has a written conflict of interest policy which has been reviewed and approved by the Grossmont Hospital governing board. Grossmont Hospital is committed to preventing any Participant of the Corporation from gaining any personal benefit from information received or from any transaction of Sharp. One component of the written conflict of interest policy requires that Board Members, Corporate Officers, Senior Vice Presidents and Chief Executive Officer(s) submit a conflict of interest statement annually to Legal Services/Senior Vice President of Legal Services who will review all statements. In addition, all Vice Presidents and any employees in the Purchasing/Supply Chain, Audit and Compliance, and Case Management/Discharge Planning departments are required to complete an online conflict of interest questionnaire annually that is reviewed by the Conflict Review Committee comprised of employees from Sharp's Legal, Compliance, and Internal Audit departments. In connection with any transaction or arrangement, which may create an actual or possible conflict of interest, the person shall disclose in writing the existence and nature of his/her financial interest and all material facts. Board Members, Corporate Officers, Senior Vice Presidents, and the Chief Executive Officer(s) shall make such disclosures directly to the Chairman of the Board, and to the members of the committee with the board designated powers considering the proposed transaction or arrangement. Upon disclosure of the financial interest and all material facts, the Board Member, Corporate Officer, Senior Vice President or the Chief Executive Officer(s) making such disclosures shall leave the board or the committee meeting while the financial interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists. In certain instances, such as if someone takes a board seat on a competitor's board of directors or has a role with an organization whereby the information that they may obtain from Sharp would put them in a consistent conflict with their two roles, the conflict could call for the individual's removal from the board. The bylaws for the organization provide for the ability to remove directors in accordance with Section 5222 of the California Corporations Code. This can generally be done on a "for cause" or a "no cause" basis by the action of the member.</p>

Return Reference	Explanation
Form 990, Part VI, Section B, line 15	<p>The Personnel Committee of Sharp HealthCare retains an independent compensation consulting firm to review the total compensation paid to executive management (CEO/President, Executive Vice President of Hospital Operations, and Senior Vice Presidents) and compares it to the total compensation paid to similar positions with like institutions. The information is presented to the Personnel Committee of the Board of Directors by the independent consultant. The Personnel Committee is comprised of Board members who are not physicians and who are not compensated in any way by the organization. The Personnel Committee approves the total compensation for the President/Chief Executive Officer and reviews and approves the compensation and compensation salary ranges for the remainder of the executive team. The Personnel Committee presents its decision to the Board of Directors. The Personnel Committee retains minutes of its meetings. The Compensation and Benefits department engages a third party independent consultant to conduct a compensation study covering officers and key employees. The independent third party compares base salaries to similar positions with like institutions. The information is reviewed by the Compensation and Benefits department and is presented to the President/Chief Executive Officer, the Executive Vice President of Hospital Operations and the appropriate Senior Vice President for review and approval. The compensation study was last conducted in November/December 2013.</p>

Return Reference	Explanation
Form 990, Part VI, Section C, line 19	Policies are considered proprietary information, however in Sharp HealthCare's publicly available Code of Conduct, Sharp outlines its Conflict of Interest policies in a user friendly manner. The annual audited financial statements of the consolidated group are published on the dacbond.com website (www.dacbond.com), are attached to the Form 990 filed for each of the Sharp hospitals, and are available upon request. The annual audited financial statements include combining schedules which disclose the financial results (Balance Sheet, Statement of Operations, Statement of Changes in Net Assets) for each entity of the consolidated group. Quarterly financial statements of Sharp's obligated group are published on the dacbond.com website (www.dacbond.com).



Return Reference	Explanation
Form 990, Part VII, Section B	Independent contractors are paid under Sharp HealthCare's tax identification number (95-6077327) and are reported on Sharp HealthCare's tax return

Return Reference	Explanation
Form 990, Part X, Line 25	Tax Exempt Bonds are issued for the Sharp HealthCare Obligated Group. As a result, the tax exempt bond balances are reported on the Sharp HealthCare return (EIN 95-6077327) and this organization has reported zero on Form 990, Part X, Line 20 and has reported the allocated balance on Line 25.

Return Reference	Explanation
Form 990, Part XI, line 9	Change in Minimum Pension Liability -5,560,819 Beneficial Interest in Grossmont Hospital Foundation 3,053,678

Return Reference	Explanation
Form 5471	Form 5471 has been filed on behalf of Grossmont Hospital Corporation by Sharp HealthCare (FEIN 95-6077327)

Return Reference	Explanation	
	Form 990, Part III, Line 4a	<p>Fiscal Year 2014 Community Benefits Report Section 1 An Overview of Sharp HealthCare Sharp HealthCare (Sharp or SHC) is an integrated, regional health care delivery system based in San Diego, Calif The Sharp system includes four acute care hospitals, three specialty hospitals, two affiliated medical groups, 21 medical clinics, five urgent care facilities, three skilled nursing facilities, two inpatient rehabilitation centers, home health, hospice, and home infusion programs, numerous outpatient facilities and programs, and a variety of other community health education programs and related services Sharp offers a full continuum of care, including emergency care, home care, hospice care, inpatient care, long-term care, mental health care, outpatient care, primary and specialty care, rehabilitation, and urgent care Sharp also has a Knox-Keene-licensed care service plan, Sharp Health Plan (SHP) Serving a population of approximately 3.2 million in San Diego County (SDC), as of September 30, 2014, Sharp is licensed to operate 2,087 beds, and has approximately 2,600 Sharp-affiliated physicians and nearly 17,000 employees</p> <p>FOUR ACUTE CARE HOSPITALS Sharp Chula Vista Medical Center (343 beds) The largest provider of health care services in San Diego's rapidly expanding South Bay, Sharp Chula Vista Medical Center (SCVMC) operates the region's busiest Emergency Department (ED) and is the closest hospital to the busiest international border in the world SCVMC is home to the region's most comprehensive heart program, services for orthopedic care, women and infants and the only bloodless medicine and surgery center in SDC Sharp Coronado Hospital and Healthcare Center (181 beds) Sharp Coronado Hospital and Healthcare Center (SCHHC) provides services that include sub-acute and long-term care, rehabilitation therapies, joint replacement surgery, and hospice and emergency services SCHHC is the largest provider of total joint surgeries in all of SDC Sharp Grossmont Hospital (536 beds) Sharp Grossmont Hospital (SGH) is the largest provider of health care services in San Diego's East County, and has one of the busiest EDs in SDC SGH is known for outstanding programs in heart care, orthopedics, rehabilitation, robotic surgery, stroke care and women's health Sharp Memorial Hospital (656 beds) A regional tertiary care leader, Sharp Memorial Hospital (SMH) provides specialized care in trauma, oncology, orthopedics, organ transplantation, cardiology and rehabilitation SMH houses San Diego's largest emergency and trauma center</p> <p>THREE SPECIALTY CARE HOSPITALS Sharp Mary Birch Hospital for Women &amp; Newborns (206 beds) A freestanding women's hospital specializing in obstetrics, gynecology, gynecologic oncology, and neonatal intensive care, Sharp Mary Birch Hospital for Women &amp; Newborns (SMBHWN) delivers more babies than any other private hospital in California Sharp Mesa Vista Hospital (149 beds) The largest private freestanding psychiatric hospital in California, Sharp Mesa Vista Hospital (SMV) is a premier provider of behavioral health services Sharp McDonald Center (16 beds) Sharp McDonald Center (SMC) is San Diego County's only licensed chemical dependency recovery hospital Collectively, the operations of SMH, SMBHWN, SMV and SMC are reported under the not-for-profit public benefit corporation of SMH, and are referred to herein as the Sharp Metropolitan Medical Campus (SMMC) The operations of Sharp Rees-Stealy Medical Centers (SRS) are included within the not-for-profit public benefit corporation of Sharp, the parent organization The operations of SGH are reported under the not-for-profit public benefit corporation of Grossmont Hospital Corporation</p> <p>Mission Statement It is Sharp's mission to improve the health of those it serves with a commitment to excellence in all that it does Sharp's goal is to offer quality care and services that set community standards, exceed patients' expectations and are provided in a caring, convenient, cost-effective and accessible manner Vision Sharp's vision is to become the best health system in the universe Sharp will attain this position by transforming the health care experience through a culture of caring, quality, safety, service, innovation and excellence Sharp will be recognized by employees, physicians, patients, volunteers and the community as the best place to work, the best place to practice medicine and the best place to receive care Sharp will be known as an excellent community citizen, embodying an organization of people working together to do the right thing every day to improve the health and well-being of those it serves</p> <p>Values * Integrity - Trustworthy, Respectful, Sincere, Authentic, Committed to Organizational Mission and Values * Caring - Compassionate, Communicative, Service Oriented, Dedicated to Teamwork and Collaboration, Serves Others Above Self, Celebrates Wins * Safety - Reliable, Competent, Inquiring, Unwavering, Resilient, Transparent, Sound Decision</p>

Return Reference	Explanation	
Form 990, Part III, Line 4a		<p>n Making * Innovation - Creative, Drives for Continuous Improvement, Initiates Breakthroughs, Develops Self, Willing to Accept New Ideas and Change * Excellence - Quality Focused, Compelled by Operational and Service Excellence, Cost Effective, and Accountable Culture</p> <p>The Sharp Experience For more than 14 years, Sharp has been on a journey to transform the health care experience for patients and their families, physicians and staff. Through a sweeping, organization-wide performance and experience improvement initiative called The Sharp Experience, the entire Sharp team has recommitted to purposeful, worthwhile work, and creating the kind of health care people want and deserve. This work has added discipline and focus to every part of the organization, helping to make Sharp one of the nation's top-ranked health care systems. Sharp is San Diego's health care leader because it remains focused on the most important element of the health care equation: the people. Through this extraordinary initiative, Sharp is transforming the health care experience in San Diego by striving to be:</p> <ul style="list-style-type: none"> <li>* The best place to work. Attracting and retaining highly skilled and passionate staff members who are focused on providing quality health care and building a culture of teamwork, recognition, celebration, and professional and personal growth. This commitment to serving patients and supporting one another will make Sharp "the best health system in the universe."</li> <li>* The best place to practice medicine. Creating an environment in which physicians enjoy positive, collaborative relationships with nurses and other caregivers, experience unsurpassed service as valued customers, have access to state-of-the-art equipment and cutting-edge technology, and enjoy the camaraderie of the highest-caliber medical staff at San Diego's health care leader.</li> <li>* The best place to receive care. Providing a new standard of service in the health care industry, much like that of a five-star hotel, employing service-oriented individuals who see it as their privilege to exceed the expectations of every patient - treating them with the utmost care, compassion and respect, and creating healing environments that are pleasant, soothing, safe, immaculate, and easy to access and navigate. Through this transformation, Sharp will continue to live its mission to care for all people, with special concern for the underserved and San Diego's diverse population. This is something Sharp has been doing for more than half a century.</li> </ul> <p><b>Pillars of Excellence</b> In support of Sharp's organizational commitment to transform the health care experience, Sharp's Pillars of Excellence serve as a guide for its team members, providing framework and alignment for everything Sharp does. In FY 2014, Sharp HealthCare made an important decision regarding these pillars as part of its continued journey toward excellence. Each year, Sharp incorporates cycles of learning into its strategic planning process. This year, Sharp's Executive Steering and Board of Directors enhanced Sharp's safety focus, further driving the organization's emphasis on its culture of safety, and incorporating the commitment to become a High Reliability Organization ("HRO") in all aspects of the organization. At the core of HROs are five key concepts: o Sensitivity to operations, o A reluctance to simplify, o Preoccupation with failure, o Deference to expertise, and o Resilience. Applying high reliability concepts in an organization begins when leaders at all levels start thinking about how the care they provide could become better. It begins with a culture of safety.</p>

Return Reference	Explanation
Form 990, Part III, Line 4a (continued)	<p>With this learning, Sharp is now a seven-pillar organization - Quality, Safety, Service, People, Finance, Growth and Community. The foundational elements of Sharp's strategic plan have been enhanced to emphasize Sharp's desire to do no harm. This strategic plan continues Sharp's transformation of the health care experience, focusing on safe, high-quality and efficient care provided in a caring, convenient, cost-effective and accessible manner. The seven pillars listed below are a visible testament to Sharp's commitment to become the best health care system in the universe by achieving excellence in these areas:</p> <ul style="list-style-type: none"><li>Demonstrate and improve clinical excellence to set industry standards and exceed customer expectations.</li><li>Keep patients, employees and physicians safe and free from harm.</li><li>Create exceptional experiences at every touch point for customers, physicians and partners by demonstrating service excellence.</li><li>Create a values-driven culture that attracts, retains and promotes the best and brightest people, who are committed to Sharp's mission and vision.</li><li>Achieve financial results to ensure Sharp's ability to provide quality health care services, new technology and investment in the organization.</li><li>Achieve consistent net revenue growth to enhance market dominance, sustain infrastructure improvements and support innovative development.</li><li>Be an exemplary community citizen by making a difference in the community and supporting the stewardship of our environment.</li></ul> <p>Awards Sharp has received the following recognition: Sharp is a recipient of the 2007 Malcolm Baldrige National Quality Award, the nation's highest presidential honor for quality and organizational performance excellence. Sharp was the first health care system in California and eighth in the nation to receive this recognition. Sharp was recognized as one of the 2013 World's Most Ethical (WME) Companies by the Ethisphere Institute, the leading business ethics think-tank. The list highlights companies that outperform industry peers when it comes to ethical behavior. The 2013 WME companies are those that truly embrace ethical business practices and demonstrate industry leadership, forcing peers to follow suit or fall behind. Sharp was the only company in San Diego named to the list. Sharp was named the No. 1 "best integrated health care network" in California and No. 12 nationally by Modern Healthcare magazine in 2012. The rankings are part of the "Top 100 Most Highly Integrated Healthcare Networks (IHN)," a survey conducted by health care data analyst IMS Health. This was the 14th consecutive year that Sharp placed among the top in the state. Sharp HealthCare was named "Best Hospital Group" by U-T San Diego readers participating in the paper's 2014 "Best of San Diego" Readers Poll, and Sharp Rees-Stealy Medical Group was named "Best Medical Group" in 2014. SGH was named "Best Hospital," while SMH and SMBHWN were ranked second and fourth. "Best Hospitals." SGH and SMH have both received MAGNET Designation for Nursing Excellence by the American Nurses Credentialing Center (ANCC). The Magnet Recognition Program is the highest level of honor bestowed by the ANCC and is accepted nationally as the gold standard in nursing excellence. SMH was re-designated in March 2013. Sharp was named one of the nation's "Most Wired" health care systems from 2012 to 2014, as well as from 1999 to 2009, by Hospitals &amp; Health Networks magazine's annual Most Wired Survey and Benchmark Study. "Most Wired" hospitals are committed to using technology to enhance quality of care for both patients and staff. In July 2010, SMH was named the "Most Beautiful Hospital in America" by Soliant Health, one of the largest medical staffing companies in the country. With over 10,000 votes from visitors to the Soliant Health website, SMH was voted to the top of the second annual "20 Most Beautiful Hospitals in America" list. In 2014, SCVMC and its onsite Birch Patrick Convalescent Center became the first co-located hospital and skilled nursing facility in the nation to be designated as a Planetree Patient-Centered Organization. SCVMC joins both SMH and SCHHC in Planetree distinction. In 2012, SMH was designated as a Planetree Patient-Centered Hospital, and is the largest hospital-only designated facility in the U.S. SCHHC was originally designated in 2007 and is the only hospital in the state to be re-designated twice, occurring in both 2010 and 2013. Additionally, SCHHC was named a Planetree Hospital with Distinction for its leadership and innovation in patient-centered care. Planetree is a coalition of more than 100 hospitals worldwide that is committed to improving medical care from the patient's perspective. In 2010, Sharp received the Morehead Apex Workplace of Excellence Award. Morehead awards the health care industry's top achiever by objectively identifying the highest performer and acknowledging their contributions to health care. With this singular award, Morehead annually recognizes a client who has</p>

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Form 990, Part III, Line 4a (continued)		<p>reached and sustained the 90th percentile on their employee engagement surveys Sharp reached the 98th percentile in 2010 and the 99th percentile in 2011 In 2013, both SCHHC and SCVMC received Energy Star (ES) designation from the U S Environmental Protection Agency ( EPA) for outstanding energy efficiency Buildings that are awarded use an average of 40 percent less energy than other buildings and release 35 percent less carbon dioxide into the atmosphere SCHHC first earned the ES certification in 2007, and then again each year from 2010 through 2013, while SCVMC received ES certification in 2009, 2010, 2011 and 2013 San Diego Gas &amp; Electric (SDG&amp;E) recognized Sharp HealthCare for outstanding results in energy efficiency and conservation Sharp was named San Diego's "Healthcare 2014 Energy Champion" for its successes in energy conservation In 2013, Sharp HealthCare was named a "Recycler of the Year" at the City of San Diego's annual Waste Reduction and Recycling Awards for a successful and extensive recycling program SMH and SMBHWN were honored for their comprehensive waste reduction programs Sharp HealthCare was named the Crystal Winner of the 2011 Workplace Excellence Awards from the San Diego Society for Human Resource Management This designation recognizes Sharp's Human Resources Department as an innovative and valuable asset to overall company performance In 2013, multiple SHC entities were recognized by the Press Ganey organization for achievement of the Guardian of Excellence Awards in Employee Engagement (recipients were SCVMC, SCHHC, SMBHWN, SMV, SRS and SHC), Patient Satisfaction (SMH - Sharp Senior Health Centers), and Physician Engagement (SCHHC and SMV) This designation is based on one year of data and recognizes recipients for having reached the 95th percentile for patient satisfaction, employee engagement, physician engagement surveys or clinical quality In 2013, multiple SHC entities were recognized by the Press Ganey organization for achievement of the Beacon of Excellence Awards in Employee Engagement ( SHC), Patient Satisfaction (SMH), and Physician Engagement (SCHHC and SMV) This designation recognizes awardees for maintaining consistently high levels of excellence in patient satisfaction (based on a three-year period), employee engagement, or physician engagement ( the latter two based on the two most recent survey periods) Sharp Health Plan was ranked a top 100 U S health plan and a top 3 California health plan based on the National Committee for Quality Assurance's (NCQA) Private Health Insurance Rankings 2014-2015 Sharp Health Plan is the largest locally based commercial health plan in San Diego Patient Access to Care Programs Uninsured patients with no ability to pay, and insured patients with inadequate coverage receive financial assistance for medically necessary services through Sharp's Financial Assistance Program Sharp does not refuse any patient requiring emergency medical care</p>



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<p>Form 990, Part III, Line 4a (continued)</p>		<p>Sharp provides services to help every unfunded patient received in the Emergency Department (ED) find opportunities for health coverage through PointCare - a team of health coverage experts whose main product is a quick, web-based screening, enrollment and reporting technology designed to provide community members with health coverage and financial assistance options. At Sharp, patients use a simple online questionnaire through PointCare to generate personalized coverage options that are filed in their account for future reference and accessibility. The results of the questionnaire allow SHC staff to have an informed and supportive discussion about health care coverage with the patient, empowering them with options. From the inception of the program in FY 2010 through September 2014, Sharp helped guide approximately 70,200 self-pay patients through the maze of government health coverage programs while maintaining the patient's dignity throughout the process. In January, 2014 Sharp hospitals implemented an onsite process for real-time Medi-Cal eligibility determinations (Presumptive Eligibility). Sharp was the first hospital system in San Diego County to provide these services, and secured this benefit for 9,500 unfunded patients in the ED during FY 2014. In anticipation of Covered California's roll out, 28 members of Sharp's registration staff completed the State's Certified Enrollment Counselor Certification to better assist both patients and the general community navigate the Covered California website (CoveredCA.com) and plan enrollment. In addition, three Sharp hospitals - SCVMC, SGH, and SMH - qualify as covered entities for the 340B Drug Pricing Program administered by the Health Resources and Services Administration (HRSA). Hospital participation in the 340B Drug Pricing Program permits the purchase of outpatient drugs at reduced prices. The savings from this program are used to offset patient care costs for Sharp's most vulnerable patient populations, as well as to assist patient access to medications through the Patient Assistance Team. The Patient Assistance Team works hard to help those in need of assistance gain access to free or low-cost medications. Patients are identified through usage reports, or referred through case management, nursing, physicians or even other patients. If eligible, uninsured patients are offered assistance, which can help decrease readmissions resulting from lack of medication access. The team members research all options available, including programs offered by drug manufacturers, grant-based programs offered by foundations, copay assistance and other low-cost alternatives. Sharp also continues to offer ClearBalance - a specialized loan program for patients facing high medical bills. Through this collaboration with San Diego-based CSI Financial Services, both insured and uninsured patients have the opportunity to secure small bank loans in order to pay off their medical bills in low monthly payments - as low as \$25 per month - preventing unpaid accounts from going to collections. Through this program, Sharp provides a more affordable alternative for patients struggling to resolve their hospital bills. In addition, Sharp provides post-acute care facilitation for high-risk patients, including the homeless and patients lacking a safe home environment. Patients receive assistance with transportation and placement, connections to community resources, and financial support for medical equipment and medications, as well as outpatient dialysis and nursing home stays. Through collaboration with the San Diego Rescue Mission, SCHC, SGH and SMH discharge their chronically homeless patients to the Rescue Mission's Recuperative Care Unit, where patients not only receive follow-up medical care through Sharp in a safe environment, but also receive psychiatric care, substance abuse counseling and guidance to help get them off the street. Community Health Screenings Sharp's dedication to improving community health extends beyond the walls of its health care facilities, and Sharp continues to demonstrate this commitment with its community-wide health screening program. These complimentary health screenings provide community members with information on their current health status to help determine their risk for common diseases including diabetes, heart disease and other health conditions. The screenings include body mass index (BMI), blood sugar, cholesterol, blood pressure and an attestation of tobacco use. From May 1, 2013 to April 30, 2014, a cross-disciplinary team of Sharp HealthCare professionals organized, promoted and hosted nearly 100 community health screening events across San Diego - ultimately screening more than 7,400 San Diegans and positively changing countless lives. Participants were not asked to provide personal information, nor were they required to show proof of insurance or have any relationship with Sharp to be eligible for the screening. All participants received t</p>

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Form 990, Part III, Line 4a (continued)		<p>their results and an informational brochure that outlined strategies to improve health and well-being. Participants were then encouraged to share the results with their primary care physician to determine an appropriate, customized follow-up plan. Since its inception, the community screening effort has conducted events at more than 40 locations across San Diego, including vulnerable communities. Sharp team members devoted nearly 1,900 hours actively screening community members, not including time spent on administrative support and logistics. Twenty-eight team members provided screenings and 37 team members served as concierge personnel. In addition, Spanish-speaking team members were available to provide participants with health information in Spanish. But the biggest indicator of success cannot be measured numerically. In response to the community screenings, Sharp received countless emails and letters expressing heartfelt gratitude from community members, many of whom were inspired to take control of their health after their screening. Through these efforts, Sharp's community health screenings brought helpful, and at times, life-changing, health information to the people of San Diego - truly exemplifying Sharp's commitment to the health of its community. Health Professions Training Students and recent health care graduates are a valuable asset to the community. Sharp demonstrates a deep investment in these potential and newest members of the health care workforce through internships, financial aid and career pipeline programs. In FY 2014, there were more than 4,500 student interns within the Sharp system, providing nearly 618,000 hours in disciplines including nursing, allied health and professional educational programs. Sharp provided education and training programs for nursing students (e.g., critical care, medical/surgical, behavioral health, women's services and wound care) and allied health professions such as rehabilitation therapies (speech, physical, occupational and recreational therapy), pharmacy, respiratory therapy, exercise physiology, cardiovascular, dietetics, lab, radiology, social work, psychology, business, health information management and public health. Students from local community colleges such as Grossmont College (GC), San Diego Mesa College (MC), San Diego City College, and Southwestern College (SWC), local and national university campuses such as San Diego State University (SDSU), University of California, San Diego (UCSD), University of San Diego (USD), and Point Loma Nazarene University (PLNU), and vocational schools such as Kaplan College (KC) participated in Sharp's health professions education and training. Table 1 presents the number students and student hours at each of the Sharp entities in FY 2014.</p> <p>Table 1 Sharp HealthCare Internships - FY 2014</p> <p>Sharp Chula Vista Medical Center Nursing Students - 920 Nursing Group Hours - 60,905 Nursing Precepted Hours - 20,616 Ancillary Students - 193 Ancillary Hours - 34,884 Total Students - 1,113 Total Hours - 116,405</p> <p>Sharp Coronado Hospital and Healthcare Center Nursing Students - 487 Nursing Group Hours - 83,781 Nursing Precepted Hours - 2,088 Ancillary Students - 106 Ancillary Hours - 22,544 Total Students - 593 Total Hours - 108,333</p> <p>Sharp Grossmont Hospital Nursing Students - 581 Nursing Group Hours - 44,428 Nursing Precepted Hours - 13,472 Ancillary Students - 226 Ancillary Hours - 51,324 Total Students - 807 Total Hours - 109,224</p> <p>Sharp Mary Birch Hospital for Women &amp; Newborns Nursing Students - 194 Nursing Group Hours - 14,035 Nursing Precepted Hours - 4,991 Ancillary Students - 30 Ancillary Hours - 7,200 Total Students - 224 Total Hours - 26,226</p> <p>Sharp Memorial Hospital Nursing Students - 442 Nursing Group Hours - 30,680 Nursing Precepted Hours - 20,386 Ancillary Students - 318 Ancillary Hours - 62,074 Total Students - 760 Total Hours - 113,140</p>

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	Form 990, Part III, Line 4a (continued)	<p>Sharp Mesa Vista Hospital Nursing Students - 330 Nursing Group Hours - 25,457 Nursing Precepted Hours - 3,128 Ancillary Students - 34 Ancillary Hours - 16,524 Total Students - 364 Total Hours - 45,109 Sharp HospiceCare Nursing Students - 96 Nursing Group Hours - 0 Nursing Precepted Hours - 768 Ancillary Students - 1 Ancillary Hours - 80 Total Students - 97 Total Hours - 848 Sharp HealthCare Nursing Students - 368 Nursing Group Hours - 0 Nursing Precepted Hours - 55,730 Ancillary Students - 197 Ancillary Hours - 42,531 Total Students - 565 Total Hours - 98,261</p> <p>Health Sciences High and Middle College Since 2007, Sharp has been an industry partner with charter school Health Sciences High and Middle College (HSHMC) to provide students broad exposure to health care careers. Through this partnership, HSHMC students connect with Sharp team members through job shadowing to explore real world application of their school-based knowledge and skills. This collaboration prepares high school students to enter health, science and medical technology careers in the following five career pathways: biotechnology research and development, diagnostic services, health informatics, support services and therapeutic services. The HSHMC program began in 2007 with students on the campuses of SGH and SMH, and expanded to include SMV and SMBHWN in 2009, SCHHC in 2010, and SCVMC in 2011. HSHMC students also devote time to various SRS sites in San Diego. New in FY 2014, HSHMC students began their experience with a systemwide orientation to Sharp HealthCare and their upcoming job-shadowing activities. Throughout FY 2014, nearly 400 HSHMC students were supervised for thousands of hours on various Sharp campuses, where they rotated through instructional pods in specialty areas such as nursing, obstetrics and gynecology (OB/GYN), occupational therapy, physical therapy, behavioral health, surgical intensive care unit (SICU), medical intensive care unit (MICU), imaging, rehabilitation, laboratory services, pharmacy, engineering, pulmonary services, cardiac services and operations. The students not only had the opportunity to observe patient care, but also received guidance from Sharp staff on career ladder development as well as job and education requirements. HSHMC students earn high school diplomas, complete college entrance requirements and have opportunities to earn community college credits, degrees or vocational certificates. Even with many of HSHMC students facing financial hardship -the free and reduced price meal (FRPM) eligibility rate is higher than the averages for SDC and California - the charter school excels in preparing students for high school graduation, college entrance and a future career. In 2014, 91 percent of the HSHMC graduating class went on to attend two- or four-year colleges, while 82 percent of students said they wanted to pursue careers in health care. In addition, HSHMC has a 99 percent graduation rate, higher than California's 80 percent state average, as well as an Academic Performance Index score of 827, exceeding the state's goal of 800. In addition, HSHMC is a U.S. News &amp; World Report "Best High Schools" bronze award winner, a National School Safety Advocacy Council award-winning school and is recognized by the California Department of Education as a Title I Academic Achievement Award winner and a California Distinguished School. Each year, Sharp HealthCare reviews and evaluates the collaboration with HSHMC to promote long-term sustainability. Lectures and Continuing Education Sharp contributes to the academic environment of many colleges and universities in San Diego. In FY 2014, Sharp staff provided hundreds of academic hours in lectures, courses and presentations on numerous college and university campuses throughout San Diego. Through the delivery of a variety of guest lectures, including pharmacy practice lectures, health information technology lectures at MC and USD, nutrition lectures at PLNU, and a variety of health administration lectures to public health graduate students at SDSU, Sharp staff remains active and engaged with San Diego's academic health care community. To better serve the health care needs of the San Diego community, Sharp's Continuing Medical Education (CME) department assesses, designs, implements and evaluates educational initiatives for Sharp's affiliated physicians, pharmacists and other non-Sharp health care professionals. In FY 2014, the professionals at Sharp HealthCare CME invested more than 1,850 hours in numerous CME activities open to San Diego health care providers, ranging from conferences around primary care, atrial fibrillation, kidney transplant, compassion cultivation training, binational breast and cervical cancer and presentations on the Kenyan perspective of spine surgery and the power of mindfulness. Research Innovation is critical to the future of health care. Sharp HealthCare Center for Research (Center for Research) supports innovation through its commitment.</p>

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Form 990, Part III, Line 4a (continued)		<p>to quality research initiatives that are safe and effective, provide valuable knowledge to the San Diego health care community, and positively impact patients and community members. To date, Sharp HealthCare participates in more than 365 research studies. The Center for Research provides education and guidance for researchers across Sharp, and in the community. Nurses, pharmacy residents and other members of the health care community receive education on various study-specific requirements regarding the protection of human subjects and Health Insurance Portability and Accountability Act compliance. Additionally, the Center for Research hosts quarterly meetings on relevant educational topics to the research community within and outside of Sharp HealthCare. These meetings are open to physicians, psychologists, research nurses, study coordinators and students throughout San Diego. Recent presentations have covered topics such as "Taking the Mystery out of the IRB Process," "Research and the Sunshine Act" and "Riding the Big Data Wave in Health Care." The Center for Research also includes the Sharp HealthCare Institutional Review Board (IRB) and the Sharp HealthCare Outcomes Research Institute (ORI). Sharp HealthCare Institutional Review Board Sharp HealthCare's IRB seeks to promote a culture of safety and respect for those participating in research for the greater good of the community. All proposed entity research studies with human participants are required to be reviewed by the Sharp HealthCare IRB in order to protect participant safety and maintain responsible research conduct. In FY 2014, a dedicated IRB committee of 14 - including physicians, psychologists, research nurses and pharmacists - devoted hundreds of hours to the review and analysis of both ongoing and new research studies. Research is conducted on all phases of drug and device development, and spans from research with new borns to older adults with Alzheimer's disease. Current studies include regenerative medicine (stem cells), gene therapy and neonatal research. Sharp Outcomes Research Institute The Sharp ORI began in 2010 as a pilot initiative funded by Sharp HealthCare Foundation. The ORI is dedicated to facilitating interdisciplinary research on health care practices for generating the clinical knowledge necessary to improve overall patient-centered health outcomes, as well as promoting the importance of outcomes research and best practices to members of the professional health care community. With both inpatient and ambulatory locations and a diverse patient population, Sharp is well-positioned to study care processes and outcomes in a real world setting, reflecting an authentic picture of the health care environment. The ORI collaborates with all Sharp team members interested in optimizing patient care by facilitating the creation and design of patient-centered outcomes research projects, assisting in database development as well as data collection and analysis, assisting with grant writing and exploring funding mechanisms for research projects, and facilitating IRB application submissions. The ORI has made it a priority to seek guidance and expertise from the local and national academic community on how to effectively conduct outcomes research, with the aim of improving patient and community health. This networking has resulted in collaborative research partnerships with investigators at National University (NU) and SDSU. In addition, the ORI Student Research Intern Program offers advanced nursing and public health students an opportunity to learn about and become involved in outcomes research. Since its inception in 2011, the ORI has successfully graduated nine interns. Interns have presented ORI-sponsored posters throughout San Diego to educate students on the importance of research to develop evidence-based practice.</p>

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	<p>Form 990, Part III, Line 4a (continued)</p>	<p>In order to develop and promote best practices across the health care community, the ORI has conducted numerous research studies to identify the benefit and outcomes of quality patient care. This includes recently completed feasibility studies examining:</p> <ul style="list-style-type: none"> <li>* The association of perfect adherence to heart failure quality care measures for hospitalized patients with readmission and mortality rates</li> <li>* Sharp HospiceCare's Transitions chronic disease management program influence on advanced heart failure patient care patterns, including regular and acute care utilization (ED use, overall hospitalization rates) and costs</li> <li>* The association of a 90-day remote-monitoring program with acute care utilization (including readmission rates and use of ED) for underserved heart failure and Chronic Obstructive Pulmonary Disease (COPD) patients compared to a similar but untreated patient sample</li> <li>* The predictive capacity of evidence-based and Sharp physician-identified clinical factors for identifying patients at risk for poor blood sugar control when hospitalized</li> </ul> <p>The ORI has developed educational presentations that foster awareness of the importance of research for improving health outcomes, provide information on ORI study results, and provide practical information about research designs and methods to the greater health care research community. The ORI has also presented peer-reviewed abstracts of its research results and provided lectures to the health care community on innovative research designs. ORI presentations have been delivered at the Heart Failure Society of America, the Council for Advancement of Nursing Science, the Society for Obstetric Anesthesia and Perinatology, the Association of California Nurse Leaders and the American Association of Colleges of Nursing.</p> <p>Evidence-Based Practice Institute Sharp participates in the Evidence-Based Practice Institute (EBPI), which prepares teams of staff fellows (interprofessional staff) and mentors to change and improve clinical practice and patient care. This evolution in practice and care occurs through identifying a care problem, developing a plan to solve it and then incorporating this new knowledge into practice. The EBPI is part of the Consortium of Nursing Excellence, San Diego, which promotes evidence-based practice in the nursing community. The consortium is a partnership between SCVMC, SGH, SMBHWN, SMH, Scripps Health, Palomar Health, Rady Children's Hospital - San Diego, UC San Diego Health System, VA San Diego Healthcare System and Elizabeth Hospice, as well as PLNU, SDSU, Azusa Pacific University (APU) and USD. Sharp actively supports the EBPI by providing instructors and mentors, as well as administrative coordination. The San Diego EBPI includes six full-day class sessions featuring group activities, self-directed learning programs outside of the classroom and structured mentorship provided throughout the program. The EBPI fellows partner with their mentors and participate in a variety of learning strategies. Mentors facilitate the process of conducting an evidence-based practice change and navigating the hospital system to support the fellows through the process of evidence-based practice. Mentors also assist the fellows in working collaboratively with other key hospital leadership personnel.</p> <p>In FY 2014, the EBPI consisted of a nine-month program culminating with a community conference and graduation ceremony in November, where the project results of all EBPI fellows were shared. Forty-one fellows graduated from the EBPI program in FY 2014, and completed projects that addressed the following issues in clinical practice and patient care: managing electrocardiographic nuisance alarms, bedside shift reports, the effect of teach-back on patient satisfaction, reducing catheter-associated urinary tract infections, hand massage in older adults to reduce pain and anxiety, and strategies for clinicians to combat fatigue on the night shift.</p> <p>Volunteer Service Sharp Lends a Hand In FY 2014, Sharp continued its systemwide community service program, Sharp Lends a Hand (SLAH). In October, Sharp team members suggested project ideas that would improve the health and well-being of San Diego in a broad, positive way, rely on Sharp for volunteer labor only, support existing nonprofit initiatives, community activities or other programs that serve SDC, and could be completed by September 30, 2014. Eleven projects were selected: Stand Down for Homeless Veterans, San Diego Food Bank, San Diego Half Marathon, San Diego Center for Children - Spring Garden Project, Life Rolls On - They Will Surf Again, San Diego River Park Foundation - Point Loma Native Plant Garden, San Diego River Park Foundation - Creek Cleanup at Forester Creek in Santee, Habitat for Humanity, USS Midway Foreign Object Damage Walk-Down, Special Olympics and Electronic and Pharmaceutical Waste Collection. More than 1,770 Sharp employees, family members and friends volunteered nearly 6,200 hours in support of these projects.</p>

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	Form 990, Part III, Line 4a (continued)	<p>jects During ten days in June and July, more than 500 volunteers joined the Veterans Vill age of San Diego in Stand Down for Homeless Veterans, a community-based intervention progr am designed to help the nation's estimated 200,000 homeless veterans endure life on the st reets Volunteers sorted and organized clothing donations and provided onsite support, med ical services and companionship to hundreds of San Diego's homeless veterans The San Dieg o Food Bank feeds people in need and advocates and educates the public about hunger-relate d issues Across 14 days in January, February, March, April, May, August and September, mo re than 840 SLAH volunteers inspected and sorted donated food, assembled boxes and cleaned the San Diego Food Bank warehouse In March, 75 SLAH volunteers provided registration and finish line support at the San Diego Half Marathon, a premier race that raises money for vulnerable communities With all net proceeds going towards service projects and select ch aritable causes in San Diego, the race inspires volunteerism as a way to help struggling c ommunities throughout the city The San Diego Center for Children provides behavioral heal th care services for the county's most vulnerable children suffering from behavioral and e motional health issues In April, 12 volunteers dedicated their time to the San Diego Cent er for Children Spring Garden Project by weeding, planting, spreading mulch and other ligh t gardening work to beautify the garden for children in the community The Life Rolls On F oundation is dedicated to improving the quality of life for young people affected by spina l cord injury through action sports With support from adaptive equipment and volunteers, the aw ard-winning series of bicoastal events empowers paraplegics and quadriplegics to exp erience mobility through surfing In July, approximately 100 SLAH volunteers assisted Life Rolls On - They Will Surf Again with event set-up and breakdow n, registration, equipment distribution, lunch service and helping surfers on land and in shallow water Founded in 2 001, the San Diego River Park Foundation is a grassroots nonprofit organization that works to protect the greenbelt from the mountains to the ocean along the 52-mile San Diego Rive r The Foundation works with community groups and other organizations dedicated to the wil dlife, recreation, water, and cultural and community values of the San Diego River and the River Park In November and December, 40 SLAH volunteers assisted the San Diego River Par k Foundation with cleaning up Forester Creek in Santee and caring for the Point Loma Nativ e Plant Garden Habitat for Humanity believes that every man, woman and child should have a decent, safe and affordable place to live From January through May, nearly 100 SLAH vol unteers joined this volunteer labor organization dedicated to building and repairing house s all over the world During the effort, volunteers worked alongside construction professi onals to complete a home for a selected family in need In April, 20 SLAH volunteers helpe d keep the decks of the legendary USS Midway aircraft carrier clean during the USS Midway Foreign Object Damage (FOD) Walk-Dow n Walking in the footsteps of sailors who have served our country, volunteers used hand tools and vacuums to clear the carrier decks and preven t debris from getting sucked into and damaging the aircraft engines</p>

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Form 990, Part III, Line 4a (continued)		<p>The Special Olympics program provides free, year-round sports training and competitions for children and adults with intellectual disabilities. It uses sports as an opportunity for physical fitness, social interaction, community involvement and empowerment. In April, nearly 30 SLAH volunteers attended the Special Olympics, providing competition assistance in running and long jump events and serving the athletes lunch. In support of waste reduction for a healthier environment, approximately 50 SLAH volunteers participated in Sharp HealthCare's Community Waste Collection Events in October and April. Through the events, community members and employees recycled 330 pounds of pharmaceutical waste, nearly 12 bins of electronic waste and more than 530 gallons of shredded paper documents. Volunteers assisted the attending collection agencies with set-up, clean-up, traffic control, and guiding event visitors.</p> <p>Sharp Humanitarian Service Program In FY 2014, the Sharp Humanitarian Service Program funded 52 Sharp employees in service programs that provide health care or other supportive services to underserved or adversely affected populations including Haiti, Guatemala, Peru, West Africa and other vulnerable areas. Sharp employees volunteered with humanitarian organizations, including Project Compassion. This nonprofit, multi-denominational medical mission organization is dedicated to the physical and spiritual needs of people and provides free medical care in communities with little to no care available. In addition, the organization builds clinics and churches, and provides assistance to orphanages. In July 2014, Sharp team members participated in Project Compassion's medical mission trip to Cameroon, West Africa, where they provided education and physical therapy care to approximately 1,500 impoverished community members. In May 2014, a Sharp team member led a three-week medical mission trip to Haiti. The team included 12 nursing and pre-med students with PLNU's LoveWorks program, which conducts mission trips across the world. The team also collaborated with Heart to Heart International, a nonprofit organization committed to improving global health with initiatives that connect people and resources to communities in need. The team worked in mobile clinics in 11 different rural mountain villages in Southeast Haiti, as well as a downtown Port-au-Prince clinic, where clinic visits are typically twice per month. Over the three weeks, the team triaged thousands of community members ranging from infants to the elderly. The team assessed patients for health conditions, dispensed prescribed medication and provided education regarding medication management and diet. The experience was not only special and rewarding for the Sharp team member, but also for the students, as it further enhanced their skills, confidence and passion for the health care field.</p> <p>Through Sharp's Humanitarian Service Program, another Sharp team member took a medical mission trip to Peru serving as a nurse in several of the shanty towns outside of Lima. Health care providers set up tents to treat people of all ages who were without access to health care. Because several community members were treated for parasites, the team also provided significant amounts of education on hand hygiene. The team consisted of three medical providers and six college students, and treated approximately 175 patients each day. The medical team also mentored the attending students, teaching them to perform health assessments, obtain vital signs and perform blood glucose tests. In December 2013, another Sharp team member traveled to India, treating wounded patients and teaching wound care to students. The trip was organized by Health Volunteers Overseas, a nonprofit organization that sends health care workers all over the globe. At a 300-bed hospital in Raxaul - near the border of Nepal - the Sharp team member joined with other foreign medical staff and learned how local health care workers treated wound care patients. In addition, Sharp donated medical supplies to the hospital, including much-needed suture material. Over nine days, the medical team taught local health care professionals and students various types of wound dressings, performed student rounds and provided lectures on wound care. In FY 2014, Sharp team members once again participated in multiple weeklong medical/surgical mission trips to the northwest mountains of Guatemala. This included teams of 60 to 100 Sharp-affiliated physicians, surgeons, anesthesiologists, nurses, technical staff, therapists, students, chaplains, and many others. Teams participated in partnership with the local Medical Ministries and Help International. Over the course of each 10-day trip the teams provided surgeries under different specialties including general surgery, OB/GYN, plastics, otolaryngology, cleft palate repair, and urology. Basic clinic and dentistry services were also available. A team also built stoves in rural houses.</p>

Return Reference	Explanation	
	<p>Form 990, Part III, Line 4a (continued)</p>	<p>o keep fires off the floor and reduce burns and smoke inhalation exposure, while other teams provided a water purification unit. In the time provided as a functioning temporary hospital, teams performed an average of 100 surgeries and treated approximately 1,500 patients in clinic. The teams served rural and urban populations surrounding the sites at no cost, and in some cases, members of the impoverished mountain community traveled many hours to receive care. Sharp also donated numerous supplies and equipment to this life-changing experience for both patients and participants.</p> <p>Community Walks For the past 19 years, Sharp has proudly supported the American Heart Association (AHA) annual San Diego Heart &amp; Stroke Walk. In September 2014, more than 800 walkers represented Sharp at the 2014 San Diego Heart &amp; Stroke Walk held at Balboa Park. Sharp was the No. 1 team in San Diego and the No. 3 team in the AHA Western Region Affiliates, raising nearly \$180,000.</p> <p>Sharp Volunteers Sharp volunteers are a critical component of Sharp's dedication to the San Diego community. Sharp provides many volunteer opportunities for individuals to serve the community, meet new people and assist in programs ranging from pediatrics to Sharp's Senior Resource Centers. Volunteers devote their time and compassion to patients as well as to the general public, and are an essential element to many of Sharp's programs, events and initiatives. In FY 2014, more than 3,300 individuals volunteered for various programs across the Sharp system, contributing more than 302,500 hours of service time to Sharp and its initiatives. This includes more than 800 auxiliary members and thousands of individual volunteers from the San Diego community. More than 10,600 of these hours were provided externally through activities such as delivering meals to homebound seniors and assisting with health fairs and events.</p> <p>Table 2 details the number of individual volunteers and the hours provided in service to each of Sharp's entities, specifically for patient and community support.</p> <p>Table 2 Sharp Individual Volunteers and Volunteer Hours - FY 2014</p> <p>Sharp Chula Vista Medical Center Individual Volunteers - 369 Volunteer Hours - 56,597</p> <p>Sharp Coronado Hospital and Healthcare Center Individual Volunteers - 184 Volunteer Hours - 8,627</p> <p>Sharp Grossmont Hospital Individual Volunteers - 724 Volunteer Hours - 115,756</p> <p>Sharp HospiceCare Individual Volunteers - 142 Volunteer Hours - 10,325</p> <p>Sharp Metropolitan Medical Campus Individual Volunteers - 1,748 Volunteer Hours - 101,565</p> <p>TOTAL Individual Volunteers - 3,167 Volunteer Hours - 292,870</p> <p>Sharp volunteers spend their time within hospitals, in the community, and in support of the Sharp HealthCare Foundation, Grossmont Hospital Foundation and Coronado Hospital Foundation. Sharp employees also donate time as volunteers for the Sharp organization. Sharp employees also volunteer their time for the Cabrillo Credit Union Sharp Division Board, the Sharp and Children's MRI Board, the UCSD Medical Center/Sharp Bone Marrow Transplant Program Board, and the Grossmont Imaging LLC Board. Volunteers on Sharp's auxiliary boards and the various Sharp entity boards volunteer to provide program oversight, administration and decision making regarding financial resources. In FY 2014, 125 community members contributed their time to Sharp's boards. This section describes various Sharp volunteer programs, as well as their achievements in FY 2014.</p>



Return Reference	Explanation
Form 990, Part III, Line 4a (continued)	<p>Sharp HospiceCare Volunteer Programs In FY 2014, Sharp HospiceCare provided extensive training for nearly 70 new volunteers. Because volunteers are often considering a career in the medical field, they gain important knowledge and experience. They learn how to provide valuable services to the hospice organizations, including companionship to those near the end-of-life, support for families and caregivers and help with community outreach. Before being with patients and providing administrative support activities, hospice volunteers go through an extensive, 32-hour training program to confirm their understanding of and commitment to hospice care. In FY 2014, Sharp HospiceCare also trained five teenagers through its Teen Volunteer Program. Through the program, teens are assigned special projects in the office or patient assignments at Sharp HospiceCare's LakeView and ParkView homes. The teens provide simple acts of kindness such as sitting with patients, listening to their stories, providing grooming and hygiene tasks and being a comforting presence by just holding their hand. Three nursing students from PLNU also volunteered at Sharp HospiceCare in FY 2014, offering assistance to family caregivers in private homes. The Sharp HospiceCare Memory Bear Program supports community members who have lost a loved one. Through the program, volunteers created teddy bears out of the garments from those who have passed on. The bears serve as special keepsakes and permanent reminders of the grieving family member's loved one. In FY 2014, Sharp HospiceCare volunteers devoted approximately 3,200 hours to handcraft more than 800 bears for approximately 400 families. Sharp HospiceCare recognized its volunteers by providing a monthly support group to enhance their education and training as volunteers, and by acknowledging their valuable contribution during National Volunteer Month and National Hospice Month. Sharp HospiceCare furthers its volunteer efforts through the 11th Hour Program, a special program to ensure that no patient dies alone. Through this program, patients at the end-of-life without family members by their side are accompanied by a Sharp HospiceCare volunteer. During their final moments, the volunteer sits with and comforts the patient by holding their hand, reading softly to them and simply being present. In addition, families who are present with their dying loved one may prefer the company of a volunteer to help them feel comfortable as their loved one passes away. Sharp Metropolitan Medical Campus (SMH, SMBHWN, SMV) Volunteer Programs To help serve and comfort patients without family or friends to support them during their hospital stay, SMH created the Community Care Partner (CCP) program. This unique program hand-selects and trains hospital volunteers to become Community Care Partners (CCPs). The CCPs act as companions to provide comfort and help keep patients safe by notifying medical staff as needed - a task that is usually performed by a family member or friend, but often overlooked for patients who lack a companion. The CCPs provide patients with company and support, share common interests, spend time together in conversation, read to patients, write letters, take walks and play games. Since February 2010, the Cushman Wellness Center Community Health Library and the SMH Volunteer Department have provided the Health Information Ambassador Program for patients and family members during their stay at SMH and the Perinatal Special Care Unit at SMBHWN. The Health Information Ambassador Program brings the library's services directly to patients and their families, and empowers them to become involved in their own health care. The Health Information Ambassadors are volunteers who receive special training through the Community Health Library. The volunteers visit patients in their rooms and ask if they or their family members would like to receive any further information on their diagnosis, and then bring any requests to the consumer health librarian. The librarian prints out consumer-oriented information from quality websites and sends the information back with the volunteers to the patients' rooms. After they've been discharged, patients are also welcome to keep in touch with the library to ensure they have reliable health information at home. In FY 2014, the volunteers visited nearly 3,400 patients and approximately 900 information requests were filled. At Sharp Metropolitan Medical Campus (SMMC), the volunteer-run Arts for Healing Program was established to improve the spiritual and emotional health of patients facing significant medical challenges. Through art, music and creative writing at the patient's bedside or in group activities, Arts for Healing helps reduce a patient or loved one's feelings of fear, stress, pain and isolation, improving emotional and spiritual health and facilitating faster recovery. Arts for Healing is led by Sharp's Spiritual Care Program chaplain, and is implemented with help from</p>

Return Reference	Explanation	
	<p>Form 990, Part III, Line 4a (continued)</p>	<p>om licensed music and art therapists, as well as a team of trained volunteers serving as t he primary providers of the program The program is offered at SMH, SMH Outpatient Pavilio n (OPP), SMBHWN, SMV and SMC, as well as at events throughout the San Diego community At SMH, Arts for Healing typically serves patients recovering from stroke, receiving treatmen t for cancer, facing life with newly acquired disabilities following catastrophic events, recovering from surgery, waiting for organ transplant or receiving palliative care In Dec ember, Arts for Healing provided art activities for children at Saturday With Santa, a pub lic event hosted by the SMH Auxiliary for children to have their picture taken with Santa, and attended by approximately 500 community members In February, the program celebrated Valentine's Day by providing more than 130 patients, visitors and staff with a card-making activity in the SMH lobby In May, nearly 50 staff members participated in a craft activi ty to celebrate Hospital Week and in June, 60 patients, guests and staff at the OPP made a craft to celebrate Cancer Aw areness Week At SMBHWN, Arts for Healing supports mothers w ith high-risk pregnancies who stay at SMBHWN from several days to up to four months awa tin g childbirth These mothers are susceptible to stress and loneliness over the separation f rom their families In February 2014, Arts for Healing began providing music therapy in th e SMBHWN neonatal intensive care unit (NICU) to help promote development in premature babi es SMBHWN staff, patients and guests also participated in special Arts for Healing activi ties celebrating Valentine's Day and National Hospital Week in FY 2014 At SMV and SMC, Ar ts for Healing provided several therapy groups They included art and music therapy group s at SMV for patients recovering from drug addiction and receiving treatment for mood and anxiety disorders, a music therapy group at SMV for older adults receiving treatment for d ementia and depression, and an art group for patients recovering from drug addiction at SMC In collaboration with social workers and palliative care nurses, Arts for Healing also facilitated the donation of nearly 180 blankets and quilts to patients receiving end-of-li fe care at SMH Eighteen of the blankets were knitted and crocheted by patients at SMV's E ast County Outpatient Program, an activity that could also help reduce anxiety and depress ion from the patients making and donating the blankets In FY 2014, 50 volunteers, includi ng several students from PLNU and MC, supported Arts for Healing by facilitating art activi ties for patients and their loved ones Arts for Healing also provided music at several h ospital and systemw ide events, including Sharp's Disaster Preparedness Expo at the Spectru m corporate office in September Since the inception of the program in 2007, more than 50, 000 patients, guests and staff have benefitted from the time and talent provided by the Ar ts for Healing group</p>

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<p>Form 990, Part III, Line 4a (continued)</p>		<p>In FY 2014, SMH and SMBHWN brought the Junior Volunteer Program to high school students interested in future health care careers. The program is open to 10th through 12th grade students, ages 15 years or older who maintain a minimum grade point average (GPA) of 3.25 for two full semesters. New volunteers are placed either as guest ambassadors at the concierge desk or in the upscale gift shop or boutiques. The junior volunteers enhance the patient-centered services of staff by greeting and escorting patients and families, answering visitors' questions and baking cookies to create aromatherapy and a relaxing environment for patients and visitors. Through volunteering in the gift shop or boutiques, junior volunteers learn about merchandizing and retail sales while also helping to raise funds for the SMH Auxiliary. After completing a six-month, 100-hour commitment, 11th and 12th grade volunteers have the opportunity to earn promotions into clinical units based on their good attendance, professional communication and high level of productivity. In FY 2014, 110 junior volunteers provided more than 7,800 hours of service to the program. In FY 2015, SMH and SMBHWN plan to continue expanding opportunities for the Junior Volunteer Program.</p> <p>Other Sharp Volunteer Efforts In FY 2014, Sharp staff donated their time and passion to a number of unique initiatives, underscoring Sharp's commitment to the health and welfare of San Diegoans. Below are just a few examples of how Sharp employees participated in the community.</p> <p>SGH's Engineering Department volunteered in a number of initiatives in FY 2014, including This Bud's for You, a program that delivers flowers hand-picked from the campus' abundant gardens to unsuspecting patients and their loved ones. The SGH landscape team grows, cuts, bundles and delivers colorful bouquets each week, bringing an element of natural beauty to patients and visitors of both the hospital and Sharp's hospice homes. The team also regularly offers single-stem roses in a small bud vase to passers-by. In FY 2014, the team delivered a daily average of eight to 10 vases of flowers to patient rooms, with as many as 20 vases or more during peak flower season and upon additional requests. In its fourth year, This Bud's for You has become a natural part of the landscape team's day, an act that is simply part of what they do to enhance the experience of visitors to the hospital. The Engineering Department further extends the spirit of caring through Sodexo Cares Cheers Bouquets. During their work day, the engineers keep an eye out for patients or visitors that appear to need encouragement or cheer. With help from Sodexo, the hospital's food service, housekeeping and engineering vendor, a bouquet of balloons, ribbon, a teddy bear or Sodexo football, plus an inspirational quote are quickly assembled. The gift is delivered to bring the patient or visitor comfort and joy while at the hospital. The SGH Engineering Department, landscape team, SGH Auxiliary and local businesses collaborated to bring The Shirt Off Our Backs program to San Diego's needy population during the 2013 holiday season. During the holidays, this program collects, prepares and donates a variety of items to homeless or low-income community members - ranging from small children to adults - helping to meet their basic needs and bring them holiday joy. Volunteers for The Shirt Off Our Backs program personally collected and filled three trucks with food and other essential items, including hand-made sandwiches, water bottles, clothing, socks, shoes, toiletries, pet food, children's toys, towels, blankets and other household items. In its fourth year, The Shirt Off Our Backs program is committed to bringing comfort and hope to all who express need. The hospital furthers its efforts to provide for those in need during the holidays through its annual Santa's Korner giving event. For more than 30 years, various hospital departments have adopted a family referred by local service agencies, and dedicated personal time to making the holidays the best they can be for each family. Special holiday gifts - including grocery gift cards, clothing, toiletries, household items, movie tickets, bicycles, children's toys, and a holiday meal - are purchased for the families by hospital staff using primarily their personal resources, and through occasional fundraisers. The SGH Engineering Department also participated in the Food Bank's Food 4 Kids Backpack program in FY 2014. The program provides a backpack full of child-friendly, shelf-stable food for elementary school children who receive a free meal at school, but are suffering from hunger over the weekends when little or no food is available. Food 4 Kids strives to alleviate hunger, improve school performance, improve health and provide additional information to parents about available local community services. Through hospital-wide support at SGH, approximately 2,000 pounds of food were collected, filling more</p>

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	<p>Form 990, Part III, Line 4a (continued)</p>	<p>than 200 backpacks for chronically hungry elementary school students in FY 2014. Similarly, the Labor and Delivery Department at SMBHWN is committed to the fight to end hunger through participation in the International Relief Team's (IRT) Feeding San Diego's Kids project. Based in San Diego, IRT is a relief organization providing worldwide support that combines both short-term relief efforts and long-term programs to save and change lives. Through Feeding San Diego's Kids, nutritious food is provided to children from kindergarten through 5th grade in the Linda Vista Elementary School nutrition club, a group specifically for children who have been identified as homeless by the school nurse. Every week, Labor and Delivery staff volunteer their time to stuff backpacks with non-perishable, nutritious food that can feed a family of four for the weekend. The backpacks are also stuffed with weekly nutrition-related prizes to encourage students and families to learn and participate in their own nutrition, as well as with occasional holiday-related gifts. Since the start of the program in May 2013, the SMBHWN Labor and Delivery Department has dedicated over 70 weeks of service to filling 1,800 backpacks for approximately 25 children and their families per school year.</p> <p>All Ways Green Initiative Maintaining a healthy environment is central to the health of our community. By improving environmental health, Sharp HealthCare is helping fulfill its mission to improve the health of the communities it serves. As San Diego's largest private employer, Sharp promotes a culture of environmental responsibility through education and outreach. Sharp created the All Ways Green logo to brand its environmental activities and communicate sustainability throughout Sharp and the San Diego community. Sharp's systemwide All Ways Green Committee is charged with identifying, creating and evaluating opportunities and best practices in seven distinct areas: (1) energy efficiency, (2) alternative energy generation, (3) water conservation, (4) waste minimization, (5) commuter solutions, (6) green building design and (7) sustainable food practices. Established Green Teams at each entity are responsible for developing new programs that educate and motivate Sharp employees to conserve natural resources and reduce, reuse and recycle. Sharp has also partnered with key vendors and community organizations to identify and develop new programs and initiatives to help achieve its environmental goals. Sharp also participates in San Diego's Gathering of Green Teams, a group of teams from a variety of local businesses who meet quarterly to share innovative sustainability solutions. Sharp's Environmental Policy serves to affirm its commitment to improving the health of the environment and therefore the communities it serves.</p>

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Form 990, Part III, Line 4a (continued)		<p>According to the U.S. EPA, health care ranks as the country's second most energy intensive industry. Furthermore, the U.S. Department of Energy Information Agency states that hospitals and health care facilities account for more than eight percent of the nation's annual energy consumption and generate nearly eight percent of the country's carbon dioxide (CO<sub>2</sub>) emissions. Unlike other industries, hospitals must operate 24 hours a day, seven days a week, and must provide service during power outages, natural disasters and other emergencies. The EPA estimates that 30 percent of the health care sector's current energy use could be reduced without sacrificing quality of care through a shift toward energy efficiency and use of renewable energy sources. Sharp has responded to the need for hospitals to conserve energy and reduce carbon emissions by implementing numerous green initiatives. Some of those include retro-commissioning of heating, ventilation and air conditioning (HVAC) systems, lighting retrofits, pipe insulations, infrastructure control initiatives, occupancy sensor installation, energy audits, and energy-efficient motor and pump replacements. In addition, in 2013 Sharp implemented a computer power management program which enables computers and monitors to go into a low-power sleep mode after a period of inactivity. Since its implementation, the program has been installed on 14,500 computers and has resulted in annual energy savings of 1.2 million kilowatt-hours (kWh). The initiative earned Sharp a Certificate of Recognition from the EPA in 2013. Sharp's energy-saving initiatives are driven by its Energy Conservation Guideline to help manage energy utilization practices throughout the system. Since 2009, these initiatives have reduced the system's energy consumption by more than 17 million kWh and 200,440 natural gas therms (unit of heat energy). As a result of its lighting retrofits alone, Sharp has saved approximately 3.9 million kWh, resulting in annual energy costs savings of more than \$500,000. In total, Sharp's energy initiatives have reduced the system's carbon footprint equal to the removal of almost 17,000 metric tons of CO<sub>2</sub> each year. In May, Sharp was named as San Diego's HealthCare 2014 Energy Champion by SDG&amp;E in recognition of its commitment to the innovative programs it has implemented to reduce its carbon footprint. Furthering its dedication to energy efficiency, Sharp HealthCare participates in SDG&amp;E's Major Customer Advisory Panel, a group of SDG&amp;E's largest customers who meet quarterly to receive energy updates from SDG&amp;E and provide feedback on important regional energy issues. All Sharp entities participate in the EPA's ES database and monitor their ES scores on a monthly basis. ES is an international standard for energy efficiency created by the EPA. Buildings that are certified by ES must earn a 75 or higher on the EPA's energy performance scale, indicating that the building performs better than at least 75 percent of similar buildings nationwide without sacrifices in comfort or quality. According to the EPA, buildings that qualify for the ES typically use 35 percent or less energy than buildings of similar size and function. As a result of Sharp's commitment to superior energy performance and responsible use of natural resources, SCHHC first earned the ES certification in 2007, and then again each year from 2010 through 2013, while SCVMC received ES certification in 2009, 2010, 2011 and 2013. In addition, Sharp's SRS Downtown medical office building was built to Leadership in Energy and Environmental Design (LEED) gold-certification specifications, one of the first medical office buildings in San Diego of its kind. According to the EPA, hospital water use constitutes seven percent of the total water used in commercial and institutional buildings in the U.S. On any given day, Sharp uses an average of 575,000 gallons of water. Of this, approximately 25 percent is used for domestic purposes such as sinks, toilets and showers, while the remaining 75 percent is used to cool Sharp's buildings, sterilize equipment, prepare food and water the landscape. In an effort to conserve water, Sharp has researched and implemented numerous infrastructure changes and best practices to ensure its facilities are optimally operated while monitoring and measuring water consumption. These changes include installation of motion-sensing faucets and toilets in public restrooms, low-flow showerheads and toilets in patient and locker rooms, mist eliminators, micro-fiber mops, water-saving devices and equipment, installation of water-efficient chillers, water monitoring and control systems, water practice and utilization evaluations, regular rounding to identify leaks, and landscape improvements including reduced watering times, drip irrigation systems, hardscaping and planting succulents and other drought tolerant plants. According to the Healthier Hospital Initiative (HHI), hospitals generate an average</p>

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Form 990, Part III, Line 4a (continued)		<p>of 26 pounds of waste per staffed bed each day Sharp has implemented a comprehensive waste minimization program to significantly reduce waste at each entity and extend the lifespan of local landfills A systemwide, multi-disciplinary Waste Minimization Team has been established to oversee system waste minimization initiatives, including single-stream recycling, reprocessing of surgical instruments, use of reusable sharps and pharmaceutical waste containers, hard-sided surgical cases to reduce blue wrap used during the instrument sterilization process, blue wrap and exam paper recycling, use of recyclable paper for printing brochures, newsletters and other marketing materials, electronic patient bills, paperless payroll, repurposing of supplies, equipment and furniture, encouragement of reduced paper use at meetings through electronic correspondence, laptops and double-sided paper, and use of one-at-a-time paper napkin and plastic cutlery dispensers In FY 2014, Sharp contracted with a vendor to help create an Integrated Waste Stream Solution Program, by separating waste into wet and dry categories The effort can reduce waste stream disposal costs by an estimated ten percent primarily through increased recycling, thus extending the life of the local landfill To further reduce Sharp's carbon footprint, Office Depot (Sharp's primary office supply vendor) created the GreenerOffice Delivery Service Small and mid-sized cardboard boxes have been replaced with paper bags composed of 40 percent post-consumer recycled material and then returned to Office Depot for reuse Sharp became an early adopter of the program in 2013 in an effort to make supply delivery more environmentally friendly Sharp's participation in this program results in an estimated annual reduction of 22,000 pounds of wood, 24,000 pounds of CO2, 82,000 gallons of wastewater and 8,000 pounds of solid waste Office Depot and Sharp have also arranged for 30 percent recycled copy paper to be used at all Sharp entities Sharp furthered its recycling efforts in FY 2014 through continued participation in the Lion's Club Recycle Sight program, through which employees and hospital visitors donated approximately 175 pairs of eyewear to people in need both locally and globally Sharp also hosted a complimentary community workshop on pharmaceutical waste management in partnership with the County of San Diego The workshop was designed to educate participants, including hospitals, pharmacy personnel and medical providers who handle pharmaceuticals, about the proper disposal of pharmaceutical waste Information included pharmaceutical waste liability, regulatory compliance and cost effective disposal strategies Sharp also recognizes Earth Day and America Recycles Day Each year emails are sent out that highlight Sharp's recycling efforts and accomplishments, and offer reminders for proper workplace recycling, carpooling and energy and water conservation In April 2014, Sharp held its fifth annual systemwide All Ways Green Earth Week event, including All Ways Green fairs at each Sharp entity During the fairs, employees learned how they can contribute to recycling, waste minimization, healthy eating practices and other sustainability efforts Many of Sharp's key vendor partners participated in the fairs to help raise awareness of green initiatives and how Sharp HealthCare is involved in those programs In October 2013 and April 2014, Sharp hosted two free Community Waste Collection Events where community members and employees recycled 330 pounds of pharmaceutical waste, nearly 12 bins of electronic waste and more than 530 gallons of shredded paper documents</p>

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Form 990, Part III, Line 4a (continued)	<p>The impact of Sharp's waste reduction programs has been significant. In FY 2014, Sharp facilities diverted over 7.5 million pounds of waste from local landfills, which equates to an overall recycling rate of 37 percent. This included, but was not limited to 111,608 pounds of waste diverted through utilization of reusable sharps and pharmaceutical waste containers at SCHHC and SMMC, as well as systemwide recycling of 270,464 pounds of hazardous and universal waste (e.g., batteries, solvents and fluorescent light bulbs), and 39,784 pounds of waste diverted through surgical device reprocessing. In the coming year, Sharp has a system goal of diverting 7.6 million pounds of waste from local landfills. Table 3 presents the waste diversion rates at Sharp HealthCare in FY 2014.</p> <table><tr><th colspan="4">Table 3: Sharp HealthCare Waste Diversion - FY 2014</th></tr><tr><th>Entity</th><th>Recycled Waste Per Year (lbs)</th><th>Total Waste Per Year (lbs)</th><th>Percent Recycled</th></tr><tr><td>Sharp Chula Vista Medical Center</td><td>773,131</td><td>2,665,343</td><td>29%</td></tr><tr><td>Sharp Coronado Hospital and Healthcare Center</td><td>252,848</td><td>1,335,244</td><td>18%</td></tr><tr><td>Sharp Grossmont Hospital</td><td>1,761,515</td><td>4,703,949</td><td>37%</td></tr><tr><td>Sharp Memorial Hospital and Sharp Mary Birch Hospital for Women and Newborns</td><td>2,006,597</td><td>6,450,334</td><td>34%</td></tr><tr><td>Sharp Mesa Vista Hospital</td><td>257,739</td><td>555,811</td><td>46%</td></tr><tr><td>Sharp Rees-Stealy Medical Centers</td><td>1,158,209</td><td>2,743,139</td><td>42%</td></tr><tr><td>Sharp Corporate Sites</td><td>1,329,075</td><td>2,154,748</td><td>92%</td></tr><tr><td>Total Sharp HealthCare</td><td>7,539,114</td><td>20,608,568</td><td>37%</td></tr></table> <p>According to the Intergovernmental Panel on Climate Change, agriculture is responsible for 13.5 percent of greenhouse gas emissions worldwide. Sharp is committed to making eco-friendly food choices to minimize its environmental footprint. This includes a systemwide focus on its sustainable Mindful food program to provide education and healthy food options designed to improve the health of Sharp's patients, staff, community and environment. In collaboration with Sodexo, Sharp's food service vendor, Sharp's Mindful program includes Meatless Mondays, Wellness Menus, Community Supported Agriculture (CSA) fresh produce, food composting, increased recycling activities, the promotion of sugarless beverages, the use of post-consumer recycled packaging solutions and increased local and organic food purchases which are approaching 65 percent at some entities. In addition, SMH, SMV, and SCHHC created the first county-approved organic gardens and use the produce from these gardens in the meals served at the hospital cafes. Sharp has implemented many other sustainable food practices including the use of green-label kitchen soaps and cleansers, electronic cafe menus, recycling of all cardboard, cans and grease from cafes, organic markets at each hospital and corporate office, purchasing of hormone-free milk, and partnering with vendors who are committed to reducing product packaging. In April 2014, Sodexo began replacing the traditional foam, plastic and aluminum packaging commonly used in food service, and expanded purchases of paper products made from recycled, compostable and chlorine-free renewable materials. If recycled, these paper napkins, cups, bowls and take-out containers will divert 3,220 pounds of waste from the local landfill each month. In 2012, Sharp partnered with the City of San Diego to implement a Food Waste Composting Program in the kitchen that services SMH and SMBHWN, making Sharp the first San Diego health care organization to join the city's initiative. In FY 2014, SMV joined this effort and SCHHC plans to participate in 2015. Through the program, food waste is picked up weekly by EDCO, a solid waste vendor, and transported to the Miramar Greenery, a 74-acre facility located at the Miramar Landfill in Kearny Mesa. The food waste is processed into a rich compost product and sold to commercial landscapers and non-city residents, and to city residents at no charge at volumes of up to two cubic yards. The compost offers several benefits including improving the health and fertility of soil, reducing the need to purchase commercial fertilizers, increasing the soil's ability to retain water, and helping the environment by recycling valuable organic materials. According to the City of San Diego, such waste diversion programs contribute to the landfill's life span being extended from 2012 to at least 2022. Sharp continues to work with the City to expand food waste composting to other Sharp entities. Sharp's waste minimization initiatives have been recognized by several publications, in</p>	Table 3: Sharp HealthCare Waste Diversion - FY 2014				Entity	Recycled Waste Per Year (lbs)	Total Waste Per Year (lbs)	Percent Recycled	Sharp Chula Vista Medical Center	773,131	2,665,343	29%	Sharp Coronado Hospital and Healthcare Center	252,848	1,335,244	18%	Sharp Grossmont Hospital	1,761,515	4,703,949	37%	Sharp Memorial Hospital and Sharp Mary Birch Hospital for Women and Newborns	2,006,597	6,450,334	34%	Sharp Mesa Vista Hospital	257,739	555,811	46%	Sharp Rees-Stealy Medical Centers	1,158,209	2,743,139	42%	Sharp Corporate Sites	1,329,075	2,154,748	92%	Total Sharp HealthCare	7,539,114	20,608,568	37%	
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Total Sharp HealthCare	7,539,114	20,608,568	37%																																							

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Form 990, Part III, Line 4a (continued)		<p>cluding BioCycle, a national magazine about composting, renewable energy and sustainability, San Diego Business Journal, and by the California State CalRecycle website, which cited Sharp as one California's models for health care industry food scraps management. According to the Journal of the American Medical Association (JAMA), the U.S. health care industry produces eight percent of the country's total carbon dioxide emissions. Ride sharing, public transit programs and other transportation efforts contribute to the reduction of Sharp's transportation emissions. Sharp uses centralized patient scheduling to improve patient vanpools, and has replaced higher fuel-consuming cargo vans with economy Ford transit vehicles, saving approximately five miles per gallon. Sharp's employee parking lots offer car pool parking spaces, designated bike racks and motorcycle spaces. Employees can also purchase discounted monthly bus passes. In addition, as part of the nationwide Electric Vehicle Project, Sharp has installed 17 electric vehicle chargers (EVCs) at its corporate office location and SMMC. Sharp was the first health care system in San Diego to offer EVCs, supporting the creation of a national infrastructure required for the promotion of EVCs to reduce carbon emissions and dependence on foreign oil. Sharp will continue its efforts to expand EVCs at other entities. In partnership with the San Diego Association of Governments (SANDAG), Sharp offers a vanpool and carpool match-up to help employees find convenient ride share partners. Sharp employees also utilize SANDAG's online iCommute TripTracker tool to monitor the cost and carbon savings of their alternate methods of commuting. In 2014, for the second year in a row and for the third time in four years, Sharp was awarded the top spot in the Mega Employer Category in the iCommute Rideshare Corporate Challenge. Throughout the month of October, 51 organizations representing more than 102,000 employees participated in the challenge in which employees earned points for replacing their solo drive with a sustainable commute choice, such as biking, walking, carpooling, vanpooling and public transit. Through the challenge, more than 750 Sharp employees reported nearly 25,000 alternative commute trips, saving more than 16,600 gallons of gasoline and approximately 341,000 pounds of carbon dioxide. To further reduce the number of cars on the road, Sharp's Commuter Solutions Sub-Committee continuously works to develop new programs and marketing campaigns to educate employees on the benefits of ride sharing. The committee has overseen the implementation of bike racks and designated car pool spots, as well as adding a Bicycle Commuter Benefit, which each year gives employees who bike to work up to \$20 per month to use for qualified costs associated with bicycle purchase, improvement, repair and storage. Sharp furthered its support of green transportation through several bike to work initiatives in FY 2014. This included two Bike to Work Day events during which Sharp employees opted to ride their bike to work in place of driving. Sharp also participated in the fifth annual iCommute Bike to Work 2014 Corporate Challenge for the entire month of May (National Bike Month), competing with similar-sized organizations for the highest percentage of bike ridership for the month. In June, Sharp promoted National Dump the Pump Day to employees by sharing special promotions from iCommute, such as vanpool discounts and gift card drawings, for individuals who pledged to "Dump the Pump" and make greener transportation choices.</p>



Return Reference	Explanation	
	<p>Form 990, Part III, Line 4a (continued)</p>	<p>Furthering the commitment to better commuting solutions for its employees, Sharp supplies and supports the hardware and software for more than 200 employees so that they are able to efficiently and effectively telecommute to work. These employees work in areas that do not require an onsite presence, such as information technology support, transcription and human resources. Table 4 highlights the All Ways Green efforts at Sharp entities. Going forward, Sharp remains committed to the All Ways Green initiative and will continue to investigate opportunities to reduce its carbon footprint. Sharp's All Ways Green Committee continues to work with system employees, physicians and corporate partners to develop new and creative ways to reduce its impact on the environment and meet the goal of being an outstanding community citizen through environmental responsibility. Table 4. All Ways Green Initiatives by Sharp Entity - FY 2014 SCHHC</p> <ul style="list-style-type: none"> <li>*Energy Efficiency - Update elevators/ chillers - Energy audits - Energy-efficient chillers/motors - ES Award HVAC projects - Lighting retrofits</li> <li>*Water Conservation - Drip irrigation - Drought-tolerant plants and bark-covered ground - Electronic faucets - Evaluation of water utilization practices - Hardscaping - Landscape water reduction systems - Mist eliminators</li> <li>*Waste Minimization - Single-serve paper napkin and plastic cutlery dispensers - Reusable sharps containers - Single-stream recycling - Surgical instrument reprocessing</li> <li>*Education and Outreach - Earth Week activities - Environmental policy - Green Team - No smoking policy - Organic farmer's market - Organic gardens - Recycling education - Ride share promotion SCVMC</li> <li>*Energy Efficiency - Energy audits - Energy-efficient chillers/motors - ES participation and award eligible - HVAC projects - Lighting retrofits</li> <li>*Water Conservation - Drip irrigation - Drought-tolerant plants and bark-covered ground - Electronic faucets - Evaluation of water utilization practices - Hardscaping - Landscape water reduction systems - Mist eliminators</li> <li>*Waste Minimization - Compact or renovation - Electronic cafe menus - Single-stream recycling - Surgical instrument reprocessing</li> <li>*Education and Outreach - Earth Week activities - Environmental policy - Green Team - No smoking policy - Organic farmer's market - Recycling education - Ride share promotion SGH</li> <li>*Energy Efficiency - Energy audits - ES participation - HVAC projects - Lighting retrofits - Retro-commissioning</li> <li>*Water Conservation - Drip irrigation - Drought-tolerant plants and bark-covered ground - Electronic faucets - Evaluation of water utilization practices - Hardscaping - Landscape water reduction systems - Mist eliminators</li> <li>*Waste Minimization - Electronic cafe menus - Single-serve paper napkin and plastic cutlery dispensers - Single-stream recycling - Surgical instrument reprocessing</li> <li>*Education and Outreach - Earth Week activities - Environmental policy - Green Team - No smoking policy - Organic farmer's market - Recycling education - Ride share promotion Sharp System Services</li> <li>*Energy Efficiency - EVCs - Energy audits - Energy efficient chillers/motors - ES participation - HVAC projects - Lighting retrofits - Occupancy sensors - Thermostat control software</li> <li>*Water Conservation - Drip irrigation - Drought-tolerant plants and bark-covered ground - Electronic faucets - Evaluation of water utilization practices - Hardscaping - Landscape water reduction systems - Mist eliminators</li> <li>*Waste Minimization - Electronic patient bills and paperless payroll - Electronic and pharmaceutical waste recycling events - Green Grocer's market - Single-serve paper napkin and plastic cutlery dispensers - Single-stream recycling</li> <li>*Education and Outreach - Earth Week activities - Environmental policy - Green Team - No smoking policy - Recycling education - Ride share promotion SHP</li> <li>*Energy Efficiency - Energy audits - HVAC projects - Lighting retrofits - Occupancy sensors</li> <li>*Water Conservation - Drip irrigation - Drought-tolerant plants and bark-covered ground - Electronic faucets - Evaluation of water utilization practices - Hardscaping - Landscape water reduction systems - Mist eliminators</li> <li>*Waste Minimization - Single-serve paper napkin and plastic cutlery dispensers - Single-stream recycling - Spring cleaning events</li> <li>*Education and Outreach - Earth Week activities - Environmental policy - Green Team - No smoking policy - Recycling education - Ride share promotion SMH/SMBHWN</li> <li>*Energy Efficiency - EVCs - Energy audits - Energy-efficient chillers/motors - ES participation - HVAC projects - Lighting retrofits - Occupancy sensors - Pipe insulations</li> <li>*Water Conservation - Drip irrigation - Drought-tolerant plants and bark-covered ground - Electronic faucets - Evaluation of water utilization practices - Hardscaping - Landscape water reduction systems - Mist eliminators</li> <li>*Waste Minimization - Electronic cafe menus - Food waste composting - Single-serve paper napkin and plastic cutlery dispensers - Reusable sharp waste containers - Sing</li> </ul>

Return Reference	Explanation	
	Form 990, Part III, Line 4a (continued)	<p>le-stream recycling - Surgical instrument reprocessing *Education and Outreach - Drought t olerant rooftop garden - Earth Week activities - Environmental policy - Green Team - No sm oking policy - Organic farmer's market - Organic gardens - Recycling education - Ride shar e promotion SMV/SMC *Energy Efficiency - Energy audits - ES participation - HVAC projects - Lighting retrofits - Motor and pump replacements *Water Conservation - Drip irrigation - Drought-tolerant plants and bark-covered ground - Electronic faucets - Evaluation of wate r utilization practices - Hardscaping - Landscape water reduction systems - Mist eliminato rs *Waste Minimization - Single-serve paper napkin and plastic cutlery dispensers - Single -stream recycling - Styrofoam elimination - Surgical instrument reprocessing *Education an d Outreach - Earth Week activities - Environmental policy - Green Team - No smoking policy - Organic farmer's market - Recycling education - Ride share promotion SRS *Energy Efficiency - Energy audits - ES participation - Lighting retrofits *Water Conservation - Drip ir rigation - Drought-tolerant plants and bark-covered ground - Electronic faucets - Evaluati on of water utilization practices - Hardscaping - Landscape water reduction systems - Low - flow systems - Mist eliminators *Waste Minimization - Single-serve paper napkin and plasti c cutlery dispensers - Recycling of exam paper - Single-stream recycling - Styrofoam elimi nation *Education and Outreach - Contractor education - Earth Week activities - Environmen tal policy - Green Team - No smoking policy - Recycling education - Ride share promotion Emergency and Disaster Preparedness Sharp protects the San Diego community through essential emergency and disaster planning activities and services Throughout FY 2014, Sharp provi ded education and training to community members, staff and other health care professionals on emergency and disaster preparedness Sharp's disaster preparedness team offered disast er trainings to first responder and health care providers across SDC This included a stan dardized, on-scene federal emergency management training for hospital management entitled, NIMS (National Incident Management System)/ ICS (Incident Command System)/ HICS (Hospital Incident Command System), and a START (Simple Triage and Rapid Treatment) Triage/ Jump ST ART Triage class to train emergency responders at all levels to triage a large volume of t rauma victims within a short period of time In March, Sharp's disaster team participated in the 2014 Mass Rescue Operations Exercise (MRO) at the San Diego Mission Bay Lifeguard H eadquarters During the exercise, the San Diego Lifeguards, U S Coast Guard, American Red Cross (ARC), multiple response agencies, UC San Diego Health System, Palomar Health and S harp HealthCare engaged in a maritime emergency simulation designed to practice and improv e communication, water rescue, helicopter support and Emergency Medical Services (EMS) han doff of victims In July, Sharp hosted the 5th Annual Disaster Partnership Conference at i ts Spectrum office location The conference w as attended by approximately 100 health care providers, county emergency personnel, Sharp HealthCare employees and community members an d included speakers from SDC hospitals plus a review of lessons learned during an active s hooter response exercise</p>

Return Reference	Explanation	
	Form 990, Part III, Line 4a (continued)	<p>In September, Sharp's disaster leadership presented to more than 900 California hospital s taff, state and local officials, and key preparedness and response partners at the Califor nia Hospital Association's (CHA) 9th annual Disaster Planning for California Hospitals Con ference in Sacramento, California Presentations aimed at helping hospitals strengthen the ir disaster planning efforts, including how to develop a perinatal evacuation plan Sharp' s disaster leadership donated their time to multiple state and local organizations and com mittees in FY 2014 This included the Southern California Earthquake Alliance, the County of San Diego Emergency Medical Care Committee (EMCC) Disaster Operations and the County of San Diego Healthcare Disaster Council, a group of representatives from SDC hospitals, oth er health care delivery agencies, county officials, fire agencies, law enforcement, ARC an d others who meet monthly to share best practices for emergency preparedness Sharp's disa ster leadership also served on the Statewide Medical Health Exercise work group that desig ned training materials for the 2014 California Statewide Medical Health Training and Exerc ise Program through the California Department of Public Health (CDPH) and the Emergency Me dical Services Authority (EMSA) The program is designed to guide local emergency outlets in developing, planning and conducting emergency responses Furthermore, Sharp disaster le adership is part of the San Diego Patient Tracking Committee, which is in the process of d esigning a countywide Family Assistance Center (FAC) to aid community members in finding t heir loved ones during a disaster event Sharp supports safety efforts of the state and th e city through maintenance and storage of a county decontamination trailer at SGH, to be u sed in response to a mass decontamination event Sharp has also arranged for the prospecti ve storage of 24 state hospital ventilators at three Sharp hospitals Additionally, all Sh arp hospitals are prepared for an emergency with backup water supplies that last up to 96 hours in the event that the system's normal water supply is interrupted As part of its pa rticipation in the U S Department of Health &amp; Human Services (DHHS) Public Health Emergen cy Hospital Preparedness Program (HPP) grant, Sharp continued its involvement in the Sharp HealthCare HPP Disaster Preparedness Partnership (the Partnership) The Partnership inclu des SCVMC, SCHHC, SGH, SMH, SRS Urgent Care Centers and Clinics, San Diego's Ronald McDona ld House, Rady Children's Hospital, Scripps Mercy Hospital, Kaiser Foundation Hospital, Al varado Hospital, Paradise Valley Hospital, the Council of Community Clinics, Naval Air Sta tion North Island/Naval Medical Services, San Diego County Sheriffs, Marine Corps Air Stat ion (MCAS) Miramar Fire Department and Fresenius Medical Centers The Partnership seeks to continually identify and develop relationships with health care entities, nonprofit organ izations, law enforcement, military installations and other organizations that serve SDC a nd are located near partner health care facilities Through network ing, planning, and the sharing of resources, training and information, the partners will be better prepared for a collaborative response to an emergency or disaster affecting SDC In September, Sharp hos ted its 3rd annual Disaster Preparedness Expo to educate San Diego community members on pr eparing their household for an earthquake, wildfire, power outage or other emergency This free, interactive event featured disaster preparedness vendors, special appearances by lo cal emergency service units and first responders, demonstrations by the San Diego Search &amp; Rescue Dog Team, education on caring for pets during a disaster, opportunity draw ings, an d the Quake Cottage - an 8 0 magnitude earthquake simulator Sharp plans to collaborate w ith other SDC hospitals to create regional teams of health care personnel trained to respon d to a community decontamination event Internally, Sharp plans to develop employee disast er teams who will be trained to provide leadership, order and safety during an emergency o r disaster Employee Wellness Sharp Best Health Recognizing the importance of improving t he health of its team members as part of impacting the health of the broader community, Sh arp HealthCare established the Sharp Best Health employee wellness program in 2010 With a goal to improve the overall health, happiness and productivity of Sharp's workforce, Shar p Best Health encourages team members to incorporate healthy habits into their lifestyles and supports them on their journey to attain their personal health goals Sharp Best Healt h provides team members with the tools, information and resources for them to get fit and stay healthy The program includes a comprehensive and interactive website - the Sharp Bes t Health Web Portal - that Sharp team members can access any time of day to support their health improvement efforts The Sharp Best Health</p>

Return Reference	Explanation	
Form 990, Part III, Line 4a (continued)		<p>Web Portal offers team members a variety of digital health tools, including a personal health assessment, meal and exercise planners, food and physical activity logs, healthy recipes and tips, a progress tracker and health library. The web portal also provides information and resources on available support groups, classes and events, wellness workshops, health coaching, and discounts on thousands of health and wellness products including dinner delivery, gym memberships, wellness centers, training clubs, footwear, weight management, golf packages, yoga, massage and more. Through Sharp Best Health, employees can participate in a variety of health and wellness events throughout the year. Sharp team members are encouraged to take advantage of onsite fitness classes, walking and running clubs and events such as bike to work days, wellness days and take the stairs days. In May, Sharp Best Health collaborated with SANDAG to recognize National Bike to Work Day and promote a healthier alternative for commuting to work. Sharp Best Health also participated in community health events throughout the year, including the American Cancer Society (ACS) Great American Smoke Out, the AHA Go Red for Women, National Nutrition Month, the American Diabetes Association (ADA) Tour de Cure Bike Ride, National Walking Day, Fit for the Holidays and "Caught in the Act" of being healthy at work (i.e. taking the stairs, walking outside, etc.). In addition, each Sharp hospital as well as SRS has a dedicated Best Health committee, which works to promote employee wellness in different ways for their team members. For instance, in FY 2014, more than 700 Sharp team members attended the annual Wellness Fair at SCVMC. Organized by SCVMC's Best Health committee, the event provided an inviting atmosphere for employees to improve wellness of the mind, body and spirit. Educational resources included employee safety, cancer awareness, physical therapy and weight management, as well as bone density screenings and a nutrition booth that offered healthy food samples. At SMH, the Best Health committee provided a Best Health wellness cart, led by members of the committee and a physical therapist. The cart navigated throughout the SMH campus and provided team members with healthy food and wellness tips, such as how to perform stretch breaks and other healthy ideas. Sharp Best Health added healthy vending machine options on all hospital campuses, as well as healthy food items in each cafeteria and retail area. Sharp Best Health also conducts a semi-annual food and nutrition survey at each Sharp hospital and corporate office location to assess employee satisfaction of the organization's cafeteria food and customer service, including requests for feedback and suggestions for improvement. Additionally, in September, Sharp Best Health supported Fresh Fruit and Vegetable Month through the Five-A-Day Challenge, a 21-day initiative designed to motivate Sharp team members to increase their daily consumption of fruits and vegetables. In collaboration with Sodexo and Specialty Produce, Sharp Best Health offers the Green Grocers - Delivered to You program at more than 15 Sharp sites. Through the Green Grocers program, seasonally available, locally grown and organic produce can be selected online and delivered to the workplace twice a month. The program provides a convenient method for employees and their families to incorporate more fruits and vegetables into their diet. Along with supporting employee health, the purchase of locally grown produce helps support local farmers and the San Diego community. Since January 2014, Sharp team members have ordered approximately 17,024 pounds of produce through the Green Grocers program.</p>

Return Reference	Explanation	
Form 990, Part III, Line 4a (continued)		<p>Sharp Best Health also provides a free Nutrition Education Series to employees and family members designed to help Sharp team members develop healthier eating habits. The program includes live workshops with cooking demonstrations from registered dietitians, educational videos and blog posts. More than 30 nutrition classes were offered to Sharp employees and their families by Sharp Best Health in FY 2014. Offsite activities like hiking and walking clubs are also available to Sharp team members, family and friends. In FY 2014, Sharp Best Health organized 12 systemwide hikes with more than 80 attendees. Beginning in FY 2013, Sharp Best Health has offered annual health screenings to Sharp employees in order to raise awareness of important biometric health measures and help team members understand how to reduce their risk of related health issues. Screenings are completed in less than 15 minutes and include indicators for blood pressure, body mass index (BMI), blood sugar, tobacco use and cholesterol. In FY 2014, more than 9,400 Sharp employees participated in the screening effort, and more than 2,300 employees reduced their risk levels in at least one screening metric when compared to FY 2013 screening results. A variety of post-screening resources and tools are available for Sharp employees and their family members, including a free health coach and classes on diabetes, heart disease, smoking cessation, healthy weight and eating, physical activity and stress management. As a fun incentive for completing their health screening, Sharp Best Health provided employees with a Fitbit Zip wireless pedometer that tracks steps, distance and calories, and syncs these statistics to computers or smartphones. Sharp Best Health highly encourages its team members to utilize the Fitbit Zip to track their physical activity and achieve their personal fitness goals. On a monthly basis, Sharp Best Health provides a systemwide update on each entity's Fitbit Zip activity levels to inform team members of their progress, and encourage them to continue working toward the recommended goal of 10,000 steps per day. Since January 2014, Sharp's Fitbit Zip users have achieved a daily average of 8,260 steps. The success of Sharp Best Health's employee health screenings prompted the design and implementation of a free health screening program for the broader San Diego community (non-Sharp employees). Checking for the same health indicators included in the employee health screenings, as well as follow-up resources, Sharp team members conducted screening events at community sites throughout San Diego. Through these different programs, Sharp connects with both its employees and community members and encourages them to achieve healthy lifestyles. Sharp Best Health also offers community members free fitness and stretch break activities. Looking forward, Sharp Best Health remains committed to an environment that promotes healthy and sustainable lifestyle choices for Sharp team members and the San Diego community. Sharp Best Health plans to provide highly nutritious food options in Sharp's cafeterias that balance nutrition with appealing flavors. Future plans of implementing a new color coding system in cafeterias and vending machines will make it easier for team members, visitors and guests to quickly discern the nutritional value of items based on the item's color categorization. Sharp Best Health continues to search for creative ways to support a healthier lifestyle. Sharp Best Health was awarded the 2014 and 2013 American Heart Association Fit-Friendly Worksites Honor Roll award (Gold Category). The Fit-Friendly program recognizes employers that promote a culture of health and physical activity in the workplace or the community.</p> <p>Section 2 Executive Summary. This Executive Summary provides an overview of community benefit planning at Sharp HealthCare (Sharp), a listing of community needs addressed in this Community Benefit Report, and a summary of community benefit programs and services provided by Sharp in Fiscal Year (FY) 2014 (October 1, 2013, through September 30, 2014). In addition, the summary reports the economic value of community benefit provided by Sharp, according to the framework specifically identified in SB 697, for the following entities: * Sharp Chula Vista Medical Center * Sharp Coronado Hospital and Healthcare Center * Sharp Grossmont Hospital * Sharp Mary Birch Hospital for Women &amp; Newborns * Sharp Memorial Hospital * Sharp Mesa Vista Hospital and Sharp McDonald Center * Sharp Health Plan Community Benefit Planning at Sharp HealthCare. Sharp bases its community benefit planning on its triennial community health needs assessments (CHNA) combined with the expertise in programs and services of each Sharp hospital.</p> <p>Listing of Community Needs Addressed in the Sharp HealthCare Community Benefit Plan and Report, FY 2014. The following community needs are addressed by one or more Sharp hospitals in this Community Benefit Report: * Access</p>

Return Reference	Explanation	
Form 990, Part III, Line 4a (continued)		<p>to care for individuals without a medical provider, and support for high-risk, underserved and underfunded patients * Education and screening programs on health conditions such as heart and vascular disease, stroke, cancer, diabetes, preterm delivery, unintentional injuries and behavioral health * Health education, support and screening activities for seniors * Welfare of seniors and disabled people * Special support services for hospice patients and their loved ones, and for the community * Support of community nonprofit health organizations * Education and training of community health care professionals * Student and intern supervision and support * Collaboration with local schools to promote interest in health care careers * Cancer education, patient navigator services, and participation in clinical trials * Women's and prenatal health services and education * Meeting the needs of new mothers and their loved ones * Mental health and substance abuse education for the community</p> <p>Highlights of Community Benefit Provided by Sharp in FY 2014 The following are examples of community benefit programs and services provided by Sharp hospitals and entities in FY 2014</p> <ul style="list-style-type: none"> <li>* Unreimbursed Medical Care Services included uncompensated care for patients who are unable to pay for services, and the unreimbursed costs of public programs such as Medi-Cal, Medicare, San Diego County Indigent Medical Services, Civilian Health and Medical Program of the Department of Veterans Affairs (CHAMPVA), and TRICARE - the regionally managed health care program for active-duty and service members, National Guard and Reserve members, retirees, their loved ones and survivors, and unreimbursed costs of workers' compensation programs This also included financial support for on-site workers to process Medi-Cal eligibility forms</li> <li>* Other Benefits for Vulnerable Populations included van transportation for patients to and from medical appointments, flu vaccinations and services for seniors, financial and other support to community clinics to assist in providing and improving access to health services, Project HELP, Project CARE, Meals on Wheels, contribution of time to Stand Down for Homeless Veterans, the San Diego Food Bank and Habitat for Humanity, financial and other support to the Sharp Humanitarian Service Program, and other assistance for vulnerable and high-risk community members</li> <li>* Other Benefits for the Broader Community included health education and information, and participation in community health fairs and events addressing the unique needs of the community, as well as providing flu vaccinations, health screenings and support groups to the community</li> </ul> <p>Sharp collaborated with local schools to promote interest in health care careers, made Sharp facilities available for use by community groups at no charge, and executive leadership and staff actively participated in numerous community organizations, committees and coalitions to improve the health of the community See Appendix A for a listing of Sharp's involvement in community organizations In addition, the category included costs associated with planning and operating community benefit programs, such as community health needs assessments and administration</p>

Return Reference	Explanation	
Form 990, Part III, Line 4a (continued)		<p>* Health Research, Education and Training Programs included education and training programs for medical, nursing and other health care professionals, as well as supervision and support for students and interns, and time devoted to generalizable, health-related research projects that were made available to the broader health care community Economic Value of Community Benefit Provided in FY 2014 In FY 2014, Sharp provided a total of \$354,271,459 in community benefit programs and services that were unreimbursed Table 1 displays a summary of unreimbursed costs based on the categories specifically identified in SB 697 Table 1 Total Economic Value of Community Benefit Provided Sharp HealthCare Overall - FY 2014 * Medical Care Services Shortfall in Medi-Cal - \$129,446,653 Shortfall in Medicare - \$160,841,853 Shortfall in San Diego County Indigent Medical Services - \$10,547,826 Shortfall in CHAMPVA/TRICARE - \$2,664,033 Shortfall in Workers' Compensation - \$167,061 Charity Care and Bad Debt - \$41,362,966 *Other Benefits for Vulnerable Populations Patient transportation and other assistance for the needy - \$2,340,135 *Other Benefits for the Broader Community Health education and information, support groups, health fairs, meeting room space, donations of time to community organizations and cost of fundraising for community events - \$2,090,478 *Health Research, Education and Training Programs Education and training programs for students, interns and health care professionals - \$4,810,454 TOTAL - \$354,271,459 Table 2 shows a listing of these unreimbursed costs provided by each Sharp entity Table 2 Total Economic Value of Community Benefit Provided By Sharp HealthCare Entities - FY 2014 Estimated FY 2014 Unreimbursed Costs Sharp Chula Vista Medical Center - \$66,364,211 Sharp Coronado Hospital and Healthcare Center - \$15,755,637 Sharp Grossmont Hospital - \$116,587,353 Sharp Mary Birch Hospital for Women &amp; Newborns - \$17,069,286 Sharp Memorial Hospital - \$126,648,487 Sharp Mesa Vista Hospital and Sharp McDonald Center - \$11,714,311 Sharp Health Plan - \$132,174 TOTAL FOR ALL ENTITIES - \$354,271,459 Table 3 includes a summary of unreimbursed costs for each Sharp entity based on the categories specifically identified in SB 697 In FY 2013, Sharp led the community in unreimbursed medical care services among San Diego County's SB 697 hospitals and health care systems Table 3 FY 2014 Detailed Economic Value of Community Benefit at Sharp HealthCare Entities Based on Senate Bill 697 Categories Sharp Chula Vista Medical Center *Medical Care Services - \$64,918,400 *Other Benefits for Vulnerable Populations - \$310,178 *Other Benefits for the Broader Community - \$225,236 *Health Research, Education and Training Programs - \$910,397 *Estimated FY 2014 Unreimbursed Costs - \$66,364,211 Sharp Coronado Hospital and Healthcare Center *Medical Care Services - \$14,858,765 *Other Benefits for Vulnerable Populations - \$22,021 *Other Benefits for the Broader Community - \$160,405 *Health Research, Education and Training Programs - \$714,446 *Estimated FY 2014 Unreimbursed Costs - \$15,755,637 Sharp Grossmont Hospital *Medical Care Services - \$114,172,426 *Other Benefits for Vulnerable Populations - \$721,474 *Other Benefits for the Broader Community - \$590,239 *Health Research, Education and Training Programs - \$1,103,214 *Estimated FY 2014 Unreimbursed Costs - \$116,587,353 Sharp Mary Birch Hospital for Women &amp; Newborns *Medical Care Services - \$16,613,741 *Other Benefits for Vulnerable Populations - \$45,880 *Other Benefits for the Broader Community - \$162,516 *Health Research, Education and Training Programs - \$247,149 *Estimated FY 2014 Unreimbursed Costs - \$17,069,286 Sharp Memorial Hospital *Medical Care Services - \$123,785,739 *Other Benefits for Vulnerable Populations - \$711,595 *Other Benefits for the Broader Community - \$530,820 *Health Research, Education and Training Programs - \$1,620,333 *Estimated FY 2014 Unreimbursed Costs - \$126,648,487 Sharp Mesa Vista Hospital and Sharp McDonald Center *Medical Care Services - \$10,681,321 *Other Benefits for Vulnerable Populations - \$511,787 *Other Benefits for the Broader Community - \$311,288 *Health Research, Education and Training Programs - \$209,915 *Estimated FY 2014 Unreimbursed Costs - \$11,714,311 Sharp Health Plan *Medical Care Services - \$0 *Other Benefits for Vulnerable Populations - \$17,200 *Other Benefits for the Broader Community - \$109,974 *Health Research, Education and Training Programs - \$5,000 *Estimated FY 2014 Unreimbursed Costs - \$132,174 ALL ENTITIES *Medical Care Services - \$345,030,392 *Other Benefits for Vulnerable Populations - \$2,340,135 *Other Benefits for the Broader Community - \$2,090,478 *Health Research, Education and Training Programs - \$4,810,454 *Estimated FY 2014 Unreimbursed Costs - \$354,271,459 Section 3 Community Benefit Planning Process For the past 18 years, Sharp HealthCare has based its community benefit planning on findings from a triennial Community</p>

Return Reference	Explanation	
	<p>Form 990, Part III, Line 4a (continued)</p>	<p>Health Needs Assessment (CHNA) process, as well as from the combination of expertise in programs and services of each Sharp hospital and knowledge of the populations and communities served by those hospitals. Methodology to Conduct the 2013 Sharp HealthCare Community Health Needs Assessments. Since 1995, Sharp has participated in a countywide collaboration that includes a broad range of hospitals, health care organizations, and community agencies to conduct a triennial CHNA. Findings from the CHNA, the program and services expertise of each Sharp hospital, and knowledge of the populations and communities served by those hospitals combine to provide a foundation for community benefit planning and program implementation. To address the new requirements under Section 501(r) within Section 9007 of the Affordable Care Act, and IRS Form 990, Schedule H for not-for-profit hospitals, San Diego County hospitals engaged in a new, collaborative CHNA process. This process gathered both salient hospital data and the perspectives of health leaders and residents in order to identify and prioritize health needs for community members across the county, with a particular focus on vulnerable populations. Additionally, the process aimed to highlight health issues that hospitals could impact through programs, services and collaboration. In this endeavor, Sharp collaborated with the Hospital Association of San Diego and Imperial Counties (HASD&amp;IC), the Institute for Public Health (IPH) at San Diego State University (SDSU) and SDC hospital systems including Kaiser Foundation Hospital, San Diego, Palomar Health, Rady Children's Hospital, Scripps Health, Tri-City Medical Center and UC San Diego Health System. The complete report of this collaborative process - the HASD&amp;IC 2013 CHNA - is available for public viewing at <a href="http://www.hasdic.org">http://www.hasdic.org</a>. The results of this collaborative process significantly informed the 2013 CHNAs for each Sharp hospital, and individual hospital assessments were further supported by additional data collection and analysis and community outreach specific to the primary communities served by each Sharp hospital. Additionally, in accordance with federal regulations, the Sharp Memorial Hospital (SMH) 2013 CHNA also includes needs identified for communities served by Sharp Mary Birch Hospital for Women &amp; Newborns (SMBHWN), as the two hospitals share a license, and report all utilization and financial data as a single entity to the Office of Statewide Health Planning and Development (OSHPD). As such, the SMH 2013 CHNA summarizes the processes and findings for communities served by both hospital entities. The 2013 CHNAs for each Sharp hospital help inform current and future community benefit programs and services, especially for high-need community members. This section describes the general methodology employed for Sharp HealthCare's 2013 CHNAs: Data Collection and Analysis. As the study area for both the collaborative HASD&amp;IC 2013 CHNA and the Sharp 2013 CHNAs cover SDC, the HASD&amp;IC 2013 CHNA process and findings significantly informed Sharp's CHNA process and as such, are described as applicable throughout the various CHNA reports. For complete details on the HASD&amp;IC 2013 CHNA process, please visit the HASD&amp;IC website at <a href="http://www.hasdic.org">http://www.hasdic.org</a>. For the HASD&amp;IC 2013 CHNA process, the IPH employed a rigorous methodology using both community input (primary data sources) and quantitative analysis (secondary data sources) to identify and prioritize the top health conditions in SDC. These health needs were prioritized based on the following criteria:</p>



Return Reference	Explanation	
Form 990, Part III, Line 4a (continued)	<p>* Has a significant prevalence in the community * Contributes significantly to the morbidity and mortality in SDC * Disproportionately impacts vulnerable communities * Reflects a need that exists throughout SDC * Can be addressed through evidence-based practices by hospitals and health care systems</p> <p>Quantitative data (secondary sources) for both the HASD&amp;IC 2013 CHNA and the individual Sharp hospital CHNAs included 2011 calendar year hospital discharge data at the ZIP code level, health statistics from the San Diego County Health and Human Services Agency (HHSA), the U.S. Census Bureau, the Centers for Disease Control and Prevention and others. The variables analyzed are included in Table 1 below, and were analyzed at the ZIP code level wherever possible.</p> <p>Table 1 Variables Analyzed in the HASD&amp;IC and Sharp HealthCare 2013 CHNAs</p> <p>*Secondary Data Variables - Inpatient Hospitalizations by Cause - Emergency Department Visits by Cause - Demographic Data (socio-economic indicators) - Mortality Data - Regional Disease-Specific Health Data (County HHSA) - Self-Reported Health Data (California Health Interview Survey) - Specialized Health Data /Reports (various)</p> <p>Recognizing that health needs differ across the region and that socioeconomic factors impact health outcomes, both HASD&amp;IC's 2013 CHNA and Sharp's 2013 CHNA processes utilized the Dignity Health/Truven Community Need Index (CNI) to identify communities in SDC with the highest level of health disparities and needs. Residents in five of these high-need neighborhoods across SDC were asked to provide input in a community forum setting. For the HASD&amp;IC 2013 CHNA, IPH conducted primary data collection through three methods: an online community health leader/health expert survey, key informant interviews and community forums. The community health leader/health expert survey was completed by 89 members of the health care community, including health care and social service providers, academics, community-based organizations assisting the underserved and other public health experts. Over the winter and spring of 2013, five community forums were held in communities of high need across SDC, reaching a total of 106 community residents. In addition, IPH conducted five key informant interviews with individuals chosen by virtue of their professional discipline and knowledge of health issues in SDC. Key informants included county public health officers, health care and social service providers and members of community-based organizations. Following consultation with the CHNA Planning Teams at each Sharp hospital, additional, specific feedback from additional key informants and community residents was also collected. Community members were asked for open-ended feedback on the health issues of greatest importance to them, as well as any significant barriers they face in maintaining health and well-being. Findings</p> <p>Through the combined analyses of the results for all of the data and information gathered, the following conditions were identified as priority health needs for the primary communities served by Sharp hospitals (listed in alphabetical order):</p> <ul style="list-style-type: none"><li>* Behavioral Health (Mental Health)</li><li>* Cancer</li><li>* Cardiovascular Disease</li><li>* Diabetes, Type 2</li><li>* High-Risk Pregnancy</li><li>* Obesity</li><li>* Orthopedics</li><li>* Senior Health (including end-of-life care)</li></ul> <p>As the CHNAs were hospital-specific, not all of Sharp's hospitals identified all of the above priority health needs through their CHNA process, given the specific services the individual hospitals provide to the community. For instance, Sharp Mesa Vista Hospital, the largest provider of mental health, chemical dependency and substance abuse treatment in SDC, identified behavioral health as a priority health need for the community members it serves, however it did not identify other needs such as cancer, high-risk pregnancy, etc. In addition, as part of the collaborative CHNA process, the IPH conducted a content analysis of all qualitative feedback collected through the HASD&amp;IC 2013 CHNA process - key informants, online survey respondents and community members - and found that the input fell into one of the following five categories:</p> <ul style="list-style-type: none"><li>* Access to Care or Insurance</li><li>* Care Management</li><li>* Education</li><li>* Screening Services</li><li>* Collaboration</li></ul> <p>Sharp is committed to the health and well-being of the community, and the findings of Sharp's 2013 CHNAs will help to inform the activities and services provided by Sharp to improve the health of the community members it serves. The 2013 CHNA process also generated a list of currently existing resources in SDC, an asset map, that address the health needs identified through the CHNA process. While not an exhaustive list of the available resources in San Diego, this map will serve as a resource for Sharp to help continue, refine and create programs that meet the needs of their most vulnerable community members. With the challenging and uncertain future of health care, there are many factors to consider in the development of programs.</p>	

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	Form 990, Part III, Line 4a (continued)	<p>to best serve members of the San Diego community. The health conditions and health issues identified in this CHNA, including, but not limited to health care and insurance access and education and information for all community members, will not be resolved with a quick fix. On the contrary, these resolutions will be a journey requiring time, persistence, collaboration and innovation. It is a journey that the entire Sharp system is committed to making, and Sharp remains steadfastly dedicated to the care and improvement of health and well-being for all San Diegans. The 2013 CHNAs for each Sharp hospital are available online at <a href="http://www.sharp.com/about/community/community-health-needs-assessments">http://www.sharp.com/about/community/community-health-needs-assessments</a> or by contacting Sharp HealthCare Community Benefit at <a href="mailto:communitybenefits@sharp.com">communitybenefits@sharp.com</a>.</p> <p><b>Determination of Priority Community Needs</b>  Sharp HealthCare Sharp entities reviewed their 2013 CHNAs and used these assessments to help determine priority needs for the communities served by their hospitals. In identifying these priorities, Sharp entities also considered the expertise and mission of its programs and services, in addition to the needs of the unique, ever-changing demographics and health topics that comprise Sharp's service area and region.</p> <p><b>Steps Completed to Prepare an Annual Community Benefit Report</b>  On an annual basis, each Sharp hospital performs the following steps in preparation of its Community Benefit Report:</p> <ul style="list-style-type: none"> <li>* Establishes and/or reviews hospital-specific objectives taking into account results of the entity CHNA and evaluation of the entity's service area and expertise/services provided to the community</li> <li>* Verifies the need for an ongoing focus on identified community needs and/or adds new identified community needs</li> <li>* Reports on activities conducted in the prior fiscal year - FY 2014 Report of Activities</li> <li>* Develops a plan for the upcoming fiscal year, including specific steps to be undertaken - FY 2015 Plan</li> <li>* Reports and categorizes the economic value of community benefit provided in FY 2014, according to the framework specifically identified in SB 697</li> <li>* Reviews and approves a Community Benefit Plan</li> <li>* Distributes the Community Benefit Plan and Report to members of the Sharp Board of Directors and each of the Sharp hospital boards of directors, highlighting activities provided in the prior fiscal year as well as specific action steps to be undertaken in the upcoming fiscal year.</li> </ul> <p><b>Ongoing Commitment to Collaboration</b>  In support of its ongoing commitment to working with others on addressing community health priorities to improve the health status of SDC residents, Sharp executive leadership, operational experts and other staff are actively engaged in the national American Hospital Association, statewide California Hospital Association, HASD&amp;IC, and other local collaboratives such as Combined Health Agencies and the Community Health Improvement Partners Behavioral Health Work Team.</p> <p><b>Section 4 Sharp Grossmont Hospital FY 2014 Community Benefit Program Highlights</b>  Sharp Grossmont Hospital (SGH) provided \$116,587,353 in community benefit in FY 2014. See Table 1 for a summary of unreimbursed costs based on the categories identified in SB 697.</p> <p><b>Table 1 Economic Value of Community Benefit Provided Sharp Grossmont Hospital - FY 2014 Senate Bill 697 Category</b></p>

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Form 990, Part III, Line 4a (continued)	<p>and Services Included in Senate Bill 697 Category Estimated FY 2014 Unreimbursed Costs *Me dical Care Services Shortfall in Medi-Cal, financial support for on-site workers to proces s Medi-Cal eligibility forms - \$52,367,776 Shortfall in Medicare - \$42,986,793 Shortfall i n San Diego County Indigent Medical Services - \$4,287,441 Shortfall in CHAMPVA/TRICARE - \$ 455,553 Charity Care and Bad Debt - \$14,074,863 *Other Benefits for Vulnerable Populations Patient transportation, Project HELP and other assistance for the needy - \$721,474 *Other Benefits for the Broader Community Health education and information, health screenings, h ealth fairs, flu vaccinations, support groups, meeting room space, donations of time to co mmunity organizations and cost of fundraising for community events - \$590,239 *Health Rese arch, Education and Training Programs Education and training programs for students, intern s and health care professionals - \$1,103,214 TOTAL - \$116,587,353 Key highlights</p> <p>* Unreim bursed Medical Care Services included uncompensated care for patients who were unable to p ay for services, the unreimbursed costs of public programs such as Medi-Cal, Medicare and San Diego County Indigent Medical Services, and financial support for on-site workers to p rocess Medi-Cal eligibility forms * Other Benefits for Vulnerable Populations included va n transportation for patients to and from medical appointments, comprehensive prenatal cli nical and social services to low -income, low -literacy w omen w th Medi-Cal benefits, financ ial and other support to Neighborhood Healthcare, Project HELP, Project CARE, flu vaccinat ion clinics for high-risk adults including seniors, contribution of time to Stand Down for Homeless Veterans, San Diego Habitat for Humanity and the San Diego Food Bank, the Sharp Humanitarian Service Program, support for Meals-on-Wheels Greater San Diego, and other ass istance for vulnerable and high-risk community members * Other Benefits for the Broader C ommunity included health education and information on a variety of topics, support groups, participation in community health fairs and events, health screenings for stroke, blood p ressure, blood sugar, fall prevention, hand, depression, lung function, peripheral artery disease, vascular disease and carotid artery disease, the SGH Cancer Patient Navigator Pro gram - including breast, head, neck and lung cancers, and specialized education and inform ation and flu vaccinations offered through the SGH Senior Resource Center SGH also collab orated w th local schools to promote interest in health care careers, and donated meeting room space to community groups In addition, SGH staff actively participated in community boards, committees, and civic organizations, such as Association of California Nurse Leade rs (ACNL), Aging and Independence Services (AIS), East County Chamber of Commerce Health C ommittee, Neighborhood Healthcare Community Clinics, Santee Chamber of Commerce, Meals-on- Wheels Greater San Diego East County Advisory Board, San Diego County Social Services Advi sory Board, YMCA, Caregiver Coalition of San Diego Caregiver Education Committee and East County Senior Service Providers (ECSSP) See Appendix A for a listing of Sharp's community involvement In addition, the category included costs associated w th planning and operat ing community benefit programs, such as community health needs assessments and administrat ion * Health Research, Education and Training Programs included education and training of health care professionals, student and intern supervision, and time devoted to generaliza ble, health-related research projects that were made available to the broader health care community</p> <p>Definition of Community Sharp Grossmont Hospital is located at 5555 Grossmont C enter Drive, in La Mesa, ZIP code 91942 The community served by SGH includes the entire e ast region of San Diego County (SDC), including the sub-regional areas of Jamul, Spring Va lley, Lemon Grove, La Mesa, El Cajon, Santee, Lakeside, Harbison Canyon, Crest, Alpine, La guna-Pne Valley and Mountain Empire Approximately five percent of the population lives i n remote or rural areas of this region For SGH's 2013 Community Health Needs Assessment ( CHNA) process, the Dignity Health/Truven Health Community Need Index (CNI) was utilized to identify vulnerable communities w th in the county The CNI identifies the severity of hea lth disparity for every ZIP code in the United States (U S ) based on specific barriers to health care access including education, income, culture/language, insurance and housing As such, the CNI demonstrates the link betw een community need, access to care and preventa ble hospitalizations According to Dignity Health's CNI, communities served by SGH w th es pecially high need include but are not limited to Lemon Grove, Spring Valley and El Cajon Description of Community Health In SDC's east region in 2011, 93 6 percent of children a ges 0 to 11, 95 7 percent of children ages 12 to 1</p>	

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	Form 990, Part III, Line 4a (continued)	<p>7 and 82.7 percent of adults ages 18 and older had health insurance - failing to meet the Healthy People (HP) 2020 national targets for health insurance coverage. See Table 2 for a summary of key indicators of access to care, and Table 3 for data regarding eligibility for Medi-Cal Healthy Families. In SDC overall, during 2012, 16.3 percent of adults ages 18 to 64 did not have a usual source of care. In addition, 72.2 percent of these adults had health insurance, and 7.3 percent utilized Medi-Cal Healthy Families. Further, 15.9 percent of SDC adults ages 18 to 64 reported fair or poor health outcomes and 12.7 percent reported as food insecure. Table 2: Health Care Access in SDC's East Region, 2011. Description: Rate Year 2020 Target. *Current Health Insurance Coverage: Children 0 to 11 Years 93.6 100%; Children 12 to 17 Years 95.7 100%; Adults 18 + Years 82.7 100%. *Regular Source of Medical Care: Children 0 to 11 Years 98.8% 100%; Children 12 to 17 Years 89.3% 100%; Adults 18 + Years 87.1% 89.4%. *Not Currently Insured: Adults 18 to 64 Years 15.7%. Source: 2011-2012 California Health Interview Survey (CHIS). Table 3: Medi-Cal (Medicaid)/Healthy Families Eligibility, Among Uninsured in SDC's East Region (Adults ages 18- 64 yrs), 2011. Description/Rate: Medi-Cal Eligible - 7.5%; Healthy Families Eligible - 1.3%; Not Eligible - 91.2%. Source: 2011-2012 CHIS. Cancer and heart disease were the top two leading causes of death in SDC's east region. See Table 4 for a summary of leading causes of death in the east region. For additional demographic and health data for communities served by SGH, please refer to the SGH 2013 CHNA at <a href="http://www.sharp.com/about/community/community-health-needs-assessments">http://www.sharp.com/about/community/community-health-needs-assessments</a>. Table 4: Leading Causes of Death in SDC's East Region, 2012. Cause of Death: Number of Deaths; Percent of Total Deaths. Malignant neoplasms 885 24.0%; Diseases of heart 868 23.6%; Chronic lower respiratory diseases 225 6.1%; Accidents (unintentional injuries) 208 5.6%; Alzheimer's disease 187 5.1%; Cerebrovascular diseases 180 4.9%; Diabetes mellitus 126 3.4%; Essential (primary) hypertension and hypertensive renal disease 67 1.8%; Intentional self-harm (suicide) 61 1.7%; Chronic liver disease and cirrhosis 57 1.5%; All other causes 820 22.3%. Total Deaths 3,684 100.0%. Source: County of San Diego Health and Human Services Agency (HHSA), Public Health Services, Epidemiology &amp; Immunization Services Branch. Community Benefit Planning Process. In addition to the steps outlined in Section 3 regarding community benefit planning, SGH:</p> <ul style="list-style-type: none"> <li>* Incorporates community priorities and community input into its strategic plan and develops service line-specific goals.</li> <li>* Estimates an annual budget for community programs and services based on community needs, previous years' experience and current funding levels.</li> <li>* Prepares and distributes a monthly report of community activities to its board of directors, describing community benefit programs provided such as education, screenings and flu vaccinations.</li> <li>* Prepares and distributes information on community benefit programs and services through its foundation and community newsletters.</li> <li>* Consults with representatives from a variety of departments to discuss, plan and implement community activities.</li> </ul> <p>Priority Community Needs Addressed in Community Benefit Report - SGH 2013 CHNA. Through the SGH 2013 CHNA, the following priority health needs were identified for the communities served by SGH (in alphabetical order):</p> <ul style="list-style-type: none"> <li>* Behavioral Health (Mental Health)</li> </ul>

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Form 990, Part III, Line 4a (continued)		<p>* Cardiovascular Disease * Diabetes, Type 2 * Obesity * Senior Health (including end-of-life care) In alignment with these identified needs, the following pages detail programs that specifically address cardiovascular disease, diabetes and senior health SGH provides behavioral health services to SDC's east region through clinical programs for adults and older adults, including individuals living with psychosis, depression, grief, anxiety, traumatic stress and other disorders SGH also provides a dedicated psychiatric assessment team in the Emergency Department (ED) and acute care, as well as hospital-based outpatient programs that serve individuals dealing with a variety of behavioral health issues Beyond the clinical services, SGH lacks the resources to comprehensively meet the need for community education and support in behavioral health Consequently, the community education and support elements of behavioral health care are addressed through the programs and services provided through Sharp Mesa Vista Hospital and Sharp McDonald Center, which are the major providers of behavioral health and chemical dependency services in SDC Obesity is addressed through general nutrition and exercise education and resources provided at SGH There are also programs that address a healthy lifestyle as part of care for heart disease, diabetes and other health issues influenced by healthy weight and exercise In addition, Sharp Rees-Stealy clinics throughout SDC provide structured weight management and health education programs to community members, such as smoking cessation and stress management, long-term support for weight management and fat loss, and personalized weight-loss programs Through further analysis of SGH's community programs and in consultation with SGH's community relations team, this section also addresses the following priority health needs for community members served by SGH</p> <ul style="list-style-type: none"> <li>* Cancer education and support, and participation in clinical trials</li> <li>* Bone Health - orthopedic / osteoporosis education and screening</li> <li>* Women's and prenatal health services and education</li> <li>* Prevention of unintentional injuries</li> <li>* Support during the transition of care process for high-risk, underserved, and underfunded patients</li> <li>* Collaboration with local schools to promote interest in health care careers</li> </ul> <p>For each priority community need identified above, subsequent pages include a summary of the rationale and importance of the need, objective(s), FY 2014 Report of Activities conducted in support of the objective(s), and FY 2015 Plan of Activities</p> <p>Identified Community Need Stroke Education and Screening Rationale references the findings of the SGH 2013 Community Health Needs Assessment or the most recent SDC community health statistics unless otherwise indicated</p> <p>Rationale</p> <ul style="list-style-type: none"> <li>* The SGH 2013 CHNA identified cardiovascular disease (including cerebrovascular disease/stroke) as one of five priority health issues affecting members of the communities served by SGH</li> <li>* The Hospital Association of San Diego and Imperial Counties (HASD&amp;IC) 2013 CHNA identified cardiovascular disease (including cerebrovascular disease/stroke) as one of the top four priority health issues for community members in SDC</li> <li>* Feedback from key informant interviews conducted during the HASD&amp;IC 2013 CHNA process aligned access to care and insurance coverage closely with care for cardiovascular disease</li> <li>* In 2012, heart disease was the second leading cause of death for the east region of SDC Cerebrovascular disease was the sixth leading cause of death for the east region</li> <li>* In 2012, there were 180 deaths due to cerebrovascular diseases (stroke) in SDC's east region The east regions' age-adjusted rate due to cerebrovascular disease was 38.3 per 100,000 population This age-adjusted death rate was the highest in all of SDC and higher than the overall SDC age-adjusted death rate due to cerebrovascular disease of 30.3 per 100,000 population</li> <li>* In 2012, there were 1,226 hospitalizations due to stroke in SDC's east region The rate of hospitalizations in the east region was 260.9 per 100,000 population, also higher than the 2012 SDC overall age-adjusted rate of 212.3 per 100,000 population The stroke hospitalization rate in the east region was the highest in comparison to all SDC regions</li> <li>* In 2012, there were 262 stroke-related ED visits in SDC's east region The rate of visits was 55.7 per 100,000 population</li> <li>* According to the 3-4-50 Chronic Disease in San Diego County 2010 report, if no changes are made in risk behavior, based on current disease rates, it is projected that by the year 2020 the total number of deaths from heart disease and stroke will both increase by 38 percent</li> <li>* According to the 3-4-50 Chronic Disease in San Diego County 2010 report, the most common risk factors associated with stroke include physical inactivity, obesity, hypertension, cigarette smoking, high cholesterol and diabetes</li> <li>* According to the Centers for Disease Control and Prevention (CD</li> </ul>

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	Form 990, Part III, Line 4a (continued)	<p>C), stroke is the fourth leading cause of death in the U.S. and a major cause of adult disability. About 800,000 people in the U.S. have a stroke each year. Some stroke risk factors cannot be controlled, such as heredity, age, gender, and ethnicity. Others are able to be controlled, such as avoiding smoking and drinking too much alcohol, eating a balanced diet, and exercising (CDC, 2014). Objective * Provide stroke education, support and screening services for the east region of SDC.</p> <p>FY 2014 Report of Activities Note: SGH is recognized with advanced certification by The Joint Commission as a Primary Stroke Center and was re-certified in June 2014. The program is nationally recognized for its outreach, education and thorough screening procedures, as well as documentation of its success rate. SGH is a recipient of the American Heart Association's (AHA) Get With the Guidelines (GWTG) Gold Plus Achievement Awards for Stroke as well as the Target Stroke Honor Roll Quality Achievement Award. The AHA's GWTG is a national effort focused on ensuring that evidence-based therapies are used with stroke patients. The AHA's Target Stroke Honor Roll Quality Achievement Award focuses on improving the timeliness of intravenous tissue plasminogen activator (IV t-PA) administration to eligible patients. SGH's Stroke Center conducted screening and educational events to educate the public on stroke risk factors, warning signs and appropriate interventions, including arrival at hospitals within early onset of symptoms. In FY 2014, the hospital conducted 12 community stroke screenings and educational events in SDC's east region, serving more than 900 attendees. The events were held at various community sites, including but not limited to St. Michael's Parish, Lakeside Fire Station, La Mesa Fire Station, Farragut Circle Health &amp; Safety Fair, Dr. William C. Herrick Community Health Care Library, John A. Davis Family YMCA Health Fair, Women's World Gym, Kimball Elementary School, Spring Valley Library and the 15th Annual East County Senior Health Fair at the Santee Trolley Square. In addition to offering stroke screenings at these events, SGH provided education and advised behavior modification, including smoking cessation, weight and stress reduction for community members with health risk factors identified during the stroke screenings. In FY 2014, SGH's Stroke Center also provided lectures in both English and Spanish on stroke recognition and prevention and provided stroke education to approximately 65 community members at the Center for the Blind and Visually Impaired. In May, SGH's Stroke Center presented to nearly 20 community members at a Meet the Physician lecture titled Stroke Is a Brain Attack, organized through the SGH Senior Resource Center. Also in May, Sharp's systemwide stroke program participated in Strike Out Stroke Night at the Padres. This annual event organized by the San Diego County Stroke Consortium, San Diego County Health and Human Services Agency, the San Diego Padres and other key partners, promotes an evening of stroke awareness and survivor celebration during the baseball game. Stroke education was displayed on the JumboTron throughout the evening to the entire stadium of more than 27,700 community members. In November, Sharp provided stroke screening and risk education to more than 200 attendees at the Sharp Women's Health Conference held at the Sheraton San Diego Hotel and Marina. Topics discussed included different types of strokes and the importance of using the window of opportunity to call 911.</p>

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<p>Form 990, Part III, Line 4a (continued)</p>		<p>In FY 2014, the SGH Outpatient Rehabilitation Department offered a free support group for stroke survivors and their family members. SGH also actively participated in the quarterly San Diego County Stroke Consortium, a collaborative effort to improve stroke care and discuss issues impacting stroke care in SDC. Additionally, SGH collaborated with the County of San Diego Emergency Medical Services to provide data for the SDC stroke registry. FY 2015 Plan SGH Stroke Center will do the following:</p> <ul style="list-style-type: none"> <li>* Participate in stroke screening and education events in the east region of SDC</li> <li>* Provide education for individuals with identified stroke risk factors</li> <li>* Offer a stroke support group in conjunction with the hospital's Outpatient Rehabilitation Department</li> <li>* Participate with other SDC hospitals in the San Diego County Stroke Consortium</li> <li>* Continue to provide data to the SDC stroke registry</li> <li>* Continue to collaborate with the state of California to develop a stroke registry</li> <li>* Provide at least one physician speaking event around stroke care and prevention</li> <li>* Provide stroke education and screenings at the Sharp Women's Health Conference</li> </ul> <p>Identified Community Need: Heart and Vascular Disease Education and Screening</p> <p>Rationale: references the findings of the SGH 2013 Community Health Needs Assessment or the most recent SDC community health statistics unless otherwise indicated.</p> <p>Rationale:</p> <ul style="list-style-type: none"> <li>* The SGH 2013 CHNA identified cardiovascular disease as one of five priority health issues affecting members of the communities served by SGH</li> <li>* The HASD&amp;IC 2013 CHNA identified cardiovascular disease as one of the top four priority health issues for community members in SDC</li> <li>* In general, data presented in the HASD&amp;IC 2013 CHNA revealed a higher rate of hospital discharges due to cardiovascular disease in more vulnerable communities within SDC's east region</li> <li>* Feedback from key informant interviews conducted during the HASD&amp;IC 2013 CHNA process aligned access to care and insurance coverage closely with care for cardiovascular disease</li> <li>* According to the SGH 2013 CHNA, high blood pressure, high cholesterol and smoking are all risk factors that could lead to cardiovascular disease and stroke. Additional risk factors include alcohol use, obesity, diabetes, and genetic factors. About 49 percent of Americans have at least one of these three risk factors</li> <li>* In 2012, heart disease was the second leading cause of death for the east region of SDC. Cerebrovascular disease was the sixth leading cause of death for the east region</li> <li>* In 2012, there were 627 deaths due to coronary heart disease in SDC's east region. The region's age-adjusted death rate due to heart disease was 133.4 per 100,000 population. This was highest of all SDC regions, and well above the SDC overall age-adjusted death rate of 99.3 deaths per 100,000 population and the HP 2020 target of 108.2 deaths per 100,000 population</li> <li>* In 2012, there were 1,399 hospitalizations due to coronary heart disease in SDC's east region. The rate of hospitalizations for heart disease was 297.7 per 100,000 population. The hospitalization rate in the region was the highest in SDC overall, and well above the SDC overall age-adjusted rate of 238.3 per 100,000 population</li> <li>* In 2012, there were 242 coronary heart disease ED discharges in SDC's east region. The rate of discharges was 51.5 per 100,000 population, higher than SDC's age-adjusted average of 35.4 per 100,000 population</li> <li>* According to the 3-4-50 Chronic Disease in San Diego County 2010 report, if no changes are made in risk behavior, based on current disease rates, it is projected that by the year 2020 the total of both the number of deaths from heart disease and stroke will both increase by 38 percent.</li> </ul> <p>Objectives:</p> <ul style="list-style-type: none"> <li>* Provide heart and vascular education and screening services for the community, with an emphasis on adults, women and seniors</li> <li>* Participate in programs to improve the care and outcomes of individuals with heart and vascular disease</li> </ul> <p>FY 2014 Report of Activities: SGH is recognized as a Blue Distinction Center for Cardiac Care by Blue Cross Blue Shield for demonstrated expertise in delivering quality cardiac health care. In FY 2014, SGH provided two free congestive heart failure (CHF) classes to individuals with CHF and their family members covering topics such as exercise, nutrition, treatment plans and symptoms. SGH's Cardiac Rehabilitation Department served more than 280 individuals through Heart and Vascular Risk Factor Education classes, which were offered twice per month to patients and community members at no charge. Throughout FY 2014, SGH's Cardiac Training and Cardiac Rehabilitation Departments provided free cardiovascular screenings at various community events throughout San Diego. The events included cardiopulmonary resuscitation (CPR) demonstrations and education and resources on critical issues of cardiac health, including prevention, evaluation and treatment. This included the Summer Healthcare Saturday Health Fair at Grossmont C.</p>

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Form 990, Part III, Line 4a (continued)		<p>enter, the SGH Women's Heart Health Expo, Celebrando Latinas Conference at the Hilton San Diego Bayfront, December Nights, the Sharp Women's Health Conference, and the American Heart Association (AHA) Heart &amp; Stroke Walk. A class on cardiac disease and healthy eating was also provided to 35 senior community members at La Vida Real senior living community, as well as a cardiac health lecture to 20 seniors at the Dr. William C. Herrick Community Health Care Library. Throughout the year, SGH provided expert speakers on heart disease and heart failure for various professional events, including SGH's annual Heart and Vascular Conference. At this conference, cardiac team members provided lectures on patient management. In May, SGH participated in the Southern California VOICe (Vascular Outcomes Improvement Collaborative) semi-annual meeting, which included approximately 40 regional vascular physicians, nurses, epidemiologists, scientists and research personnel. The goal was to collect common vascular datasets in order to pool information that will improve patient care. SGH shared its expertise during the meeting through a presentation on carotid endarterectomy technique, a type of surgery performed to prevent stroke. SGH participated in several programs in FY 2014 to improve the care and outcomes of individuals with heart and vascular disease. To assist in improving care for acutely ill patients in the County, SGH provided data on STEMI (ST elevation myocardial infarction or acute heart attack) to San Diego County Emergency Medical Services (EMS). Sharp HealthCare also continues to host the quarterly San Diego County Emergency Medical Services County Advisory Council for STEMI at Sharp's corporate office (Spectrum). In 2014, SGH continued its Peripheral Arterial Disease Rehabilitation program. This program provides education and coaching on exercise, diet and medication management and is designed to keep patients - particularly low-income patients - at the highest functional level. The program is funded in part by donations contributed to the SGH Foundation, to help defray cost for patients with limited resources. SGH's cardiac team is committed to supporting future health care leaders through active participation in student training and internship programs. The SGH cardiac catheterization lab hosted four Grossmont College (GC) cardiovascular technologist students for three months, totaling more than 380 hours. The catheterization lab RN and staff worked with six nursing students from GC, Azusa Pacific University (APU) and National University (NU) for approximately 300 hours during the school year. The Noninvasive Cardiology Department also hosted students in echocardiography, electrocardiography and vascular laboratory two days per week during the school year, while the Cardiac Rehabilitation Department hosted 11 nursing students from APU, and provided a question and answer session for Exercise Physiology students from GC. FY 2015 Plan: SGH will do the following:</p> <ul style="list-style-type: none"> <li>* Provide free bimonthly cardiac education classes by the Cardiac Rehabilitation Department.</li> <li>* Provide free monthly CHF education classes.</li> </ul>



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<p>Form 990, Part III, Line 4a (continued)</p>		<p>* Provide cardiac or vascular risk factor education and screening through participation in community events * Provide one cardiac health lecture to community members * Offer educational speakers to the professional community on topics such as performance improvements in CHF and acute myocardial infarction, and cardiovascular treatment options, as invited * Provide data on STEMI patients to San Diego County EMS * Continue to participate in the Open Versus Endovascular Repair of Popliteal Artery Aneurysm (OVERPAR) trial for popliteal aneurysm patients * Pursue additional research opportunities to benefit patients and community members * Provide a conference on heart and vascular disease for community nurses and physicians in fall 2015 * Continue to provide student learning opportunities</p> <p>Identified Community Need Diabetes Education and Screening Rationale references the findings of the SGH 2013 Community Health Needs Assessment or the most recent SDC community health statistics unless otherwise indicated Rationale * The SGH 2013 CHNA identified diabetes as one of five priority health issues for community members served by SGH * The HASD&amp;IC 2013 CHNA identified diabetes as one of the top four priority health issues for community members in SDC * In general, data in the HASD&amp;IC 2013 CHNA revealed a higher rate of hospital discharges due to diabetes in more vulnerable communities within SDC's east region (e.g., El Cajon, Jacumba, etc.) * Input collected from San Diego community health leaders and experts in the HASD&amp;IC 2013 CHNA strongly aligned access to care, care management, education and screening with care for Type 2 diabetes * In 2012, diabetes was the seventh leading cause of death for residents of SDC's east region * In 2012, there were 126 deaths due to diabetes in SDC's east region The region's age-adjusted death rate due to diabetes was 26.8 per 100,000 population, tied for first as the highest rate among all of the regions and higher than the overall SDC age-adjusted rate of 20.3 deaths per 100,000 population * In 2012, there were 862 hospitalizations due to diabetes in SDC's east region The rate of hospitalizations for diabetes was 183.4 per 100,000 population This rate was the third highest in SDC overall, and higher than the county age-adjusted average of 133.2 hospitalizations due to diabetes per 100,000 population * In 2012, there were 764 diabetes-related ED discharges in SDC's east region The rate of visits was 162.6 per 100,000 population The diabetes-related ED discharge rate in the east region was among the highest in SDC and higher than the age-adjusted average of 142.6 ED discharges per 100,000 population for SDC overall * According to the California Health Interview Survey (CHIS), in 2011, 15.3 percent of adults living in SDC's east region indicated that they were ever diagnosed with diabetes, higher than SDC at 13.7 percent * According to the 3-4-50 Chronic Disease in San Diego County 2010 report from the County's HHSA, the most common risk factors associated with Type 2 diabetes include overweight and obesity, physical inactivity, smoking, hypertension and abnormal cholesterol * The 2014 National Diabetes Statistics Report from the CDC reports that there are 21.0 million people in the U.S. diagnosed with diabetes * According to the American Diabetes Association (ADA), in 2012 the prevalence of diabetes in the U.S. was 29.1 million, or 9.3 percent of the population The incidence of diabetes in 2012 was 1.7 million new diagnoses * According to the ADA, in 2012 the total cost of diagnosed diabetes in the U.S. was \$245 billion, with \$176 billion in direct medical costs and \$69 billion in reduced productivity * According to the CDC, diabetes is a major cause of heart disease and stroke as well as the leading cause of kidney failure, non-traumatic lower-limb amputations and new cases of blindness among adults in the U.S. (CDC, 2011) Objective * Provide diabetes education and screening in the east region of SDC FY 2014 Report of Activities The SGH Diabetes Education Program is recognized by the American Diabetes Association (ADA) and meets national standards for excellence and quality in diabetes education In FY 2014, the SGH Diabetes Education Program provided several community educational lectures and blood glucose screenings at hospital and off-site locations, reaching more than 1,100 community members Educational lectures on diabetes were held at libraries, community centers, educational institutions and national conferences Blood glucose screenings were provided at five community events including the Grossmont Healthcare District Library, Summer Healthcare Saturday at the Grossmont Center mall, the Cuyamaca College Health Fair, the 15th Annual Senior Health Fair at the Santee Trolley Square and the John A. Davis Family YMCA More than 200 community members were screened during these events and as a result, more than 50 community members were identified with elevated</p>

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Form 990, Part III, Line 4a (continued)		<p>ed blood glucose levels and were provided with follow-up resources. Of these individuals, nearly 40 did not have a pre-existing diagnosis of diabetes. At the SGH Women's Heart Health Expo, the SGH Diabetes Education Program provided resources on healthy eating and risk factors for gestational and Type 2 diabetes. The SGH Diabetes Education Program also provided a lecture on healthy living, including tips for exercise and healthy food choices, at the Dr. William C. Herrick Community Health Care Library in the Grossmont Healthcare District. At the Sharp Women's Health Conference, the SHC Diabetes Education Program provided resources on diabetes management and nutrition. In October, the SHC Diabetes Education Program continued to support the ADA's Step Out Walk to Stop Diabetes at Mission Bay through fundraising and team participation. In FY 2014, the SGH Diabetes Education Program continued to provide targeted outreach to San Diego's newly immigrated Iraqi Chaldean population. The program facilitated translation, as well as provided materials and resources to better understand the Chaldean cultural needs. Materials included a binder with various educational resources such as How to Live Healthy With Diabetes, What You Need to Know About Diabetes, All About Blood Glucose for People With Type 2 Diabetes, All About Carbohydrate Counting, Getting the Very Best Care for Your Diabetes, All About Insulin Resistance, All About Physical Activity With Diabetes, Gestational Diabetes Mellitus 7 Day Menu Plan, and Food Groups. Food diaries and log books were also given out to the community. Handouts were provided in Arabic as well as Somali, Tagalog, Vietnamese and Spanish. Education was also provided to staff members regarding the different cultural needs of these communities. In addition, in 2014, the SHC Diabetes Education Program submitted abstracts and poster presentations to national conferences on various topics, including the safe and effective use of insulin, designing and implementing Glucometrics (measures that assess the success of inpatient glucose management), and predictors of poor blood glucose control for hospitalized diabetic patients.</p> <p>FY 2015 Plan The SGH Diabetes Education Program will do the following:</p> <ul style="list-style-type: none"> <li>* Provide diabetes education at various community venues in SDC's east region</li> <li>* Continue to support ADA's Step Out Walk to Stop Diabetes</li> <li>* Continue to provide resources for culturally competent diabetes education or outreach to newly immigrated populations</li> <li>* Keep current on resources to provide community members support of diabetes treatment and prevention</li> <li>* Develop relationships with community clinics to provide education and resources to community members</li> <li>* Develop partnerships with YMCAs in SDC's east region to provide screenings, education and resources to community members</li> <li>* Explore opportunities for further collaboration with community organizations to provide diabetes education to refugee communities and other high-risk populations</li> </ul> <p>Identified Community Need Health Education, Screening and Support for Seniors Rationale references the findings of the SGH 2013 Community Health Needs Assessment or the most recent SDC community health statistics unless otherwise indicated Rationale * The SGH 2013 CHNA identified senior health as one of five priority health issues for community members served by SGH</p>

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Form 990, Part III, Line 4a (continued)		<p>* In the HASD&amp;IC 2013 CHNA, dementia and Alzheimer's disease were identified among the top 15 priority health conditions seen in SDC hospitals * Attendees of community forums held during the HASD&amp;IC 2013 CHNA process identified Alzheimer's disease and dementia as priority health needs for SDC * In SDC's east region, there were 61,275 residents, or 13 percent of the total population, ages 65 years or older in 2012 By the year 2020, the region expects a 51 percent growth among the 65 and older population * In 2012, the leading causes of death among senior adults ages 65 years and older in SDC were cancer, heart disease, chronic lower respiratory diseases, diabetes, stroke, unintentional injuries, chronic liver disease and cirrhosis, Alzheimer's disease, Parkinson's disease, hypertension and hypertensive renal disease, influenza, pneumonia and septicemia * In 2012, influenza ranked as the eleventh leading cause of death in all regions of SDC * In 2011, 108,853 seniors were treated and discharged from SDC EDs, representing nearly one out of every three senior residents Additionally, seniors in SDC's east region experience higher ED visit rates for falls, coronary heart disease, Alzheimer's disease and influenza in comparison to SDC overall * In 2011, 97,647 seniors ages 65 and over were hospitalized in SDC Seniors in SDC's east region experienced higher rates of hospitalization for falls, coronary heart disease, stroke, pneumonia, Chronic Obstructive Pulmonary Disease, diabetes and influenza, when compared to SDC overall * According to the San Diego County Senior Health Report Update and Leading Indicators, significant health issues for seniors include obesity, diabetes, stroke, chronic lower respiratory diseases, influenza and pneumonia, mental health issues including dementia and Alzheimer's disease, cancer and heart disease In addition, seniors are at high risk for falls, which is the leading cause of death due to unintentional injury (HHSA, 2013) * According to the San Diego County Senior Falls Report, adults ages 65 and older are the largest consumers of health care services, as the process of aging brings up on the need for more frequent care (HHSA, 2012) * In 2011, 68,817 calls were made to 911 for seniors ages 65 years and older in need of pre-hospital (ambulance) care in SDC, representing a call for one out of every five seniors Seniors in SDC use the 911 system at higher rates than any other age group * Among the populations that the CDC recommends annual vaccination against influenza are people ages 50 years and older, adults with a chronic health condition, people who live in nursing homes and other long-term care facilities, and people who live with or care for those at high risk for complications from flu, including household contacts of persons at high risk for complications from the flu Flu clinics offered in community settings at no or low cost improve access for those who may experience transportation, cost or other barriers * While researchers have long known that caregiving can have harmful mental health effects for caregivers, research shows that caregiving can have serious physical health consequences as well Seventeen percent of caregivers feel their health in general has gotten worse as a result of their caregiving responsibilities (American Association of Retired Persons (AARP) Public Policy Institute, Valuing the Invaluable, Updated November 2012) * One in five caregivers report having had training, but seek additional resources Nearly 78 percent report needing more help and information with at least 14 specific topics related to caregiving, and caregivers in high burden situations are more likely to seek help The top four topics of concern to caregivers are keeping their loved one safe, managing their own stress, finding easy activities to do with their care recipient, and finding time for themselves (The National Alliance for Caregiving and AARP (2009), Caregiving in the U.S., Bethesda, MD National Alliance for Caregiving Washington, D.C., 2012) Objectives * Provide a variety of senior health education and screening programs * Produce and mail quarterly activity calendars to community members * Act as the lead agency for East County Project CARE, ensuring the safety of homebound seniors and disabled adults in SDC's east region * In collaboration with community partners, offer seasonal flu vaccination clinics at convenient locations for seniors and high-risk adults in the community * Provide health education materials at seasonal flu clinics as well as information about additional Sharp Senior Resource Center programs * Serve as a referral resource to additional support services in the community for senior residents in SDC's east region * Provide education and community resources to caregivers FY 2014 Report of Activities Sharp Senior Resource Centers meet the unique needs of seniors and their caregivers by connecting them - through phone and in-person consu</p>

Return Reference	Explanation	
	<p>Form 990, Part III, Line 4a (continued)</p>	<p>ltations - to a variety of free and low -cost programs and services The Sharp Senior Resou rce Centers' compassionate staff and volunteers provide personalized support and clear, ac curate information regarding health education and screenings, community referrals and care giver resources In addition, the SGH Senior Resource Center develops and mails quarterly calendars that highlight its programs and services to more than 7,500 households in SDC's east region In FY 2014, the SGH Senior Resource Center provided approximately 50 free hea lth education programs to nearly 1,150 community members Programs were presented by vario us professionals including physical therapists, speech therapists, a psychologist, an audi ologist and an attorney, as well as by experts from community organizations Health educat ion topics included hearing, stroke, balance and fall prevention, the power of touch, fitn ess, diabetes, senior services, patient-provider communication, Project CARE, Vials of Lif e, financial issues, memory loss, caregiver resources, end-of-life issues, bereavement, ad vance care planning, Medicare, depression, chronic pain management, Parkinson's disease, A lzheimer's disease and maintaining a healthy voice Educational programs were offered at t he SGH campus, the Grossmont HealthCare District Conference Center and at community sites in SDC's east region As part of their educational offerings, the SGH Senior Resource Cent er also provided a series of physician lectures in FY 2014, covering topics such as chroni c pain management, stroke and hearing loss In total, more than 90 community members atten ded these lectures In FY 2014, the SGH Senior Resource Center provided 10 health screenin g events at various sites in SDC's east region, reaching more than 160 members of the seni or community This included four balance and fall prevention screenings and four hand scre enings, as well as screenings for lung function, diabetes and stroke The SGH Senior Resou rce Center also offered more than 30 free monthly blood pressure screenings at the SGH campus, tw o local senior centers, health fairs and special events, screening more than 550 co mmunity members The SGH Senior Resource Center is the lead agency for Project CARE in SDC 's east region Project CARE is a community program that includes the County of San Diego' s Aging and Independence Services (AIS), Jewish Family Services, San Diego Gas and Electri c (SDG&amp;E), local senior centers, sheriff and police, and many others Through its componen t services, Project CARE helps people live independently in their homes As part of Projec t CARE, the SGH Senior Resource Center distributed approximately 4,000 Vials of Life in FY 2014, whi ch provide critical medical information to emergency personnel for seniors and d isabled people living in their homes Also through Project CARE, the SGH Senior Resource C enter provided daily Are You OK? phone calls to approximately 25 isolated or homebound sen iors in SDC's east region Are You OK? program participants select regularly scheduled tim es to receive computerized phone calls at their home In the event that staff members - su pported by the SGH Senior Resource Center and volunteers - do not connect w ith participant s through these phone calls, the participants' family or friends are contacted to ensure t he participants' safety In FY 2014, more than 7,250 Are You OK? calls were placed to seni ors or disabled community members, and 105 follow -up phone calls were placed to their fami ly or friends</p>

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Form 990, Part III, Line 4a (continued)	<p>In collaboration with the Caregiver Coalition of San Diego, the SGH Senior Resource Center provided two conferences to more than 110 family caregivers, titled Finding the Balance in Caregiving, at the Meridian Baptist Church in El Cajon and College Avenue Baptist Church in San Diego. These conferences provided education on emotional issues and physical aspects of caregiving, as well as community resources. At these conferences, the Senior Resource Center coordinator spoke on Caring for Yourself as the Family Caregiver. In addition, the SGH Senior Resource Center participated in the AIS 2014 Aging Summit: Creating a Safe and Caring Community, which focused on safety and caregiving, specifically regarding Alzheimer's disease and other dementias. Other topics included, but were not limited to, self-defense, financial planning, disaster preparedness, helping the caregiver, finding the best long-term care, how technology can keep you safe and easing the burden of Alzheimer's disease. The SGH Senior Resource Center provided a resource booth at the event with information on Vials of Life, screening events and other SRC programs for seniors and caregivers. In April, the SGH Senior Resource Center partnered with Sharp HospiceCare to provide a conference for seniors and their families on how to approach aging from a healthy perspective. The conference, titled Aging: Planning and Coping, was held at the La Mesa Community Center and reached more than 100 community members. The conference provided education on a variety of topics, including chronic care management, geriatric frailty and warning signs for specific chronic diseases, when to access care, advance care planning, understanding available resources, coping with life's transitions, and healing touch for self-care. The conference included educational presentations by a physician, psychologist and advance care planning specialist, as well as education from other experts in the field of aging and health care to help seniors effectively navigate their later years. The conference also offered free health and mental health screenings, advance care planning consultations and resource tables. Throughout FY 2014, the SGH Senior Resource Center also participated in health fairs in El Cajon, Rancho San Diego, Lakeside, Santee, La Mesa, Dulzura, the College Area and San Diego. Populations served at these fairs included seniors and caregivers in rural areas, Lesbian, Gay, Bisexual and Transgender (LGBT) seniors, and In Home Supportive Services (IHSS) employees who provide in-home non-medical care for frail and at-risk seniors. In addition, the SGH Senior Resource Center participated in the Sharp HospiceCare Resource and Education Expo at the College Avenue Baptist Church, serving 75 community health care professionals. The SGH Senior Resource Center event provided blood pressure screenings as well as educational resources on senior and caregiver services. Through participation in these events, the SGH Senior Resource Center provided education and resources to more than 1,760 community members. Also in FY 2014, SGH's Senior Resource Center coordinated the notification of availability and provision of seasonal flu vaccines in selected community settings. Seniors were alerted through activity reminders, collaborative outreach conducted by the flu clinic site, Sharp.com and both paper and electronic newspaper notices. The SGH Senior Resource Center provided more than 900 seasonal flu vaccinations at 16 community sites to high-risk adults with limited access to health care resources, including seniors without transportation and those with chronic illnesses. Sites included senior centers, community centers, churches, senior nutrition sites, the Salvation Army, food banks and the SGH campus. At the community sites, the SGH Senior Resource Center also provided its activity calendars detailing upcoming community events and programs, including blood pressure and flu clinics, Vials of Life, community senior programs and Project CARE. At the food banks, the SGH Senior Resource Center provided vaccines not only to seniors, but also to high-risk community members, many of whom were uninsured or had limited access to transportation. In FY 2014, the SGH Senior Resource Center maintained active relationships with organizations serving seniors, enhancing networking among professionals in SDC's east region and providing quality programming for seniors. These organizations included the Caregiver Coalition of San Diego (the Caregiver Education Committee), the Aging Disability Resource Connection, Project CARE, ECSSP and Meals-on-Wheels Greater San Diego East County Advisory Board. FY 2015 Plan SGH Senior Resource Center will do the following:</p> <ul style="list-style-type: none"><li>* Provide resources and support to address relevant concerns of seniors and caregivers in the community through in-person and phone consultations.</li><li>* Provide community health information and resources through educational programs, monthly blood pressure clinic.</li></ul>	

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	Form 990, Part III, Line 4a (continued)	<p>ics and at least five types of health screenings annually * Utilize Sharp experts and community partners to provide approximately 35 seminars per year that focus on issues of concern to seniors * Participate in 20 community health fairs and special events targeting seniors * Collaborate with East County YMCA, AIS and East County Action Network on a healthy living for seniors conference * Coordinate two conferences - one dedicated to family caregiver issues in collaboration with the Caregiver Coalition of San Diego and one in collaboration with Sharp HospiceCare * Continue as the lead agency for Project CARE in SDC's east region through the Are You Okay? program and provision of approximately 4,000 Vials of Life to senior community members * Produce and distribute quarterly calendars highlighting events of interest to seniors and family caregivers * In collaboration with Sharp's Advance Care Planning Program, present an Advanced Directives and Health Care Decisions program to inform seniors about advance directives and other necessary documents available to communicate their end-of-life wishes * As funding allows, provide seasonal flu vaccinations to the community * Maintain active relationships with other organizations serving seniors in SDC's east region</p> <p>Identified Community Need Cancer Education and Support, and Participation in Clinical Trials Rationale references the findings of the SGH 2013 Community Health Needs Assessment or the most recent SDC community health statistics unless otherwise indicated Rationale * In the HASD&amp;IC 2013 CHNA, various types of cancer were identified among the top priority health conditions seen in SDC hospitals * In 2012, cancer was the leading cause of death in SDC's east region * In 2012, there were 885 deaths due to cancer in SDC's east region The east region's age-adjusted death rate due to cancer was 188.3 deaths per 100,000 population, higher than the overall SDC age-adjusted rate due to cancer of 157.5 per 100,000 population and higher than the HP 2020 target of 160.6 deaths per 100,000 population * In 2011, 25 percent of all cancer deaths in SDC's east region were due to lung cancer, nine percent to colorectal cancer, eight percent to female breast cancer, five percent to prostate cancer, and less than one percent to cervical cancer * In 2012, the death rates for colorectal, female breast cancer, lung cancer, cervical cancer, and prostate cancer in SDC's east region were all higher when compared to the age-adjusted death rates for these specific cancers in SDC overall * According to the California Cancer Registry (CCR) 2014 report, California Cancer Facts &amp; Figures, in 2014 the predicted number of new cancer cases for all sites in SDC is 13,455 Expected cancer deaths in SDC for 2014 are predicted to be 4,815 * According to the 2011 Susan G Komen for the Cure San Diego Affiliate Community Profile Report, San Diego had the highest incidence rate for breast cancer (163.95 per 100,000) compared to the neighboring counties of Imperial, Los Angeles, Orange and Riverside San Diego's incidence rate for breast cancer is also above that of the state (151.82 per 100,000) * According to the 2011 Susan G Komen for the Cure San Diego Affiliate Community Profile Report, SDC's minority women had high breast cancer mortality rates and were less likely to have breast cancer detected at an early stage In addition, Latinos were least likely to receive a mammogram compared to other ethnic groups, with 37.3 percent reporting never having had the screening</p>

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Form 990, Part III, Line 4a (continued)		<p>* The same report states that the most common barriers to receiving effective breast health care included lack of awareness and knowledge, financial barriers, cultural barriers and emotional factors. The most common challenges in the current breast health care system included cost of care, quality of providers, lack of communication and education and language barriers. Increased advocacy, education, funding and partnerships were among the suggestions for improving programs, services and the breast health care system overall.</p> <p>* According to a 2014 report from the American Cancer Society (ACS), the estimated number of new cases of breast cancer in California is 26,130. This is far higher than any other type of new cancer cases in the state.</p> <p>* According to a 2012 report from the CCR, breast cancer is the most common cancer among women in California, with an estimated 292,400 existing cases (42 percent of all cancers).</p> <p>* According to the CDC, cancer survivors face many physical, psychological, social, spiritual and financial issues at diagnosis, during treatment and for the remainder of their lives. Breast cancer patient navigation is an intervention that addresses barriers to quality standard care by providing individualized assistance to patients, cancer survivors and their families.</p> <p>* According to the ACS, a total of 1,665,540 new cancer cases and 585,720 cancer deaths are projected to occur in the US in 2014. California is projected to have the most new cancer cases (171,730) and the highest number of deaths (57,950) (ACS, 2014).</p> <p>* According to a 2014 report from the ACS, California Cancer Facts &amp; Figures, screening offers the ability for secondary prevention by detecting cancer early. Regular screening that allows for the early detection and removal of precancerous growth is known to reduce mortality for cancers of the cervix, colon, and rectum. Five year relative survival rates for common cancers are 93 percent to 100 percent if they are discovered before having spread beyond the organ where the cancer began.</p> <p>* According to the CDC, observational studies have shown that patient navigation in complex health systems leads to more complete, timely breast cancer care and earlier stage at diagnosis. Emerging evidence from randomized controlled trials supports this intervention in high risk populations.</p> <p>* According to the National Institutes of Health (NIH), clinical trials are part of clinical research and are at the heart of all medical advances. Clinical trials look at new ways to prevent, detect, or treat disease, with the goal to determine if a new test or treatment works and is safe. Clinical trials can also look at other aspects of care, such as improving the quality of life for people with chronic illnesses. If clinical trials are to be successful, it is critical that more people are involved.</p> <p>Objectives</p> <ul style="list-style-type: none"> <li>* Provide cancer education and support services to the community</li> <li>* Participate in cancer clinical trials, including screening and enrolling patients</li> </ul> <p>FY 2014 Report of Activities Note: The SGH Cancer Center is accredited by the National Accreditation Program for Breast Centers (NAPBC). The NAPBC grants accreditation only to those centers that voluntarily commit to providing the best possible care to patients with diseases of the breast. The SGH Cancer Center is also accredited by the American College of Surgeons Commission on Cancer Program (CoC). CoC accreditation standards promote comprehensive cancer services, including consultation among surgeons, medical and radiation oncologists, diagnostic radiologists, pathologists, and other cancer specialists, resulting in improved patient care. As part of its journey in comprehensive cancer care, the SGH Cancer Center provides patients with nutritional and genetic counseling. In FY 2014, the SGH Cancer Center participated in a variety of community cancer educational events. These events served more than 1,300 community members and included the East County Senior Health Fair at Santee Trolley Station, Learn and Live Events for Colon and Prostate Cancer, the Summer Healthcare Saturday Event at Grossmont Center, health fairs at Waterford Terrace retirement community, Jewish Family Service Senior Health Fair, Sharp's annual Women's Health Conference, the Sharp HospiceCare Resource and Education Expo, the SGH Cancer Awareness Expo, and breast cancer awareness talks for Sister Connection for Breast Cancer and Jewish Family Service. SGH Cancer Center staff also supported the ACS Making Strides Against Breast Cancer Walk, as well as served as health and science project judges for approximately 30 junior high and high school students at the San Diego Science Fair held in Balboa Park. Throughout FY 2014, SGH provided educational sessions to more than 40 community members whose lives are impacted by cancer through two Learn and Live Events, one for Colon Cancer and one for Prostate Cancer. The educational seminars covered critical issues around cancer, including treatment.</p>

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	Form 990, Part III, Line 4a (continued)	<p>ent options with radiation In September, the SGH Cancer Center held a Cancer Awareness Ex po that included a panel of physicians to answer questions from the community on topics su ch as preventative measures, screening, detection, diagnosis and treatment The seminar in cluded educational information from different hospital departments and featured a breast c ancer survivor who shared her story w ith seminar attendees In addition, through the provi sion of skin cancer screenings, two community members were identified as at-risk and were referred to their general practitioner for follow-up Also in FY 2014, SGH attended two he alth fairs at Waterford Terrace retirement community, providing more than 120 senior resid ents with a variety of cancer education and resources, including prevention and healthy li festyle choices and instruction on self-breast exams The SGH Cancer Center continued to o ffer free support programs for cancer patients in FY 2014, including biweekly breast cance r support groups with an average attendance of 15 community members In FY 2014, the Look Good Feel Better program - offered through the ACS - provided six classes to approximate ly 40 women in the community The program boosts women's self-confidence by teaching techniq ues to help manage the side effects of cancer treatment, such as using cosmetic and skin care products, wigs, scarves and other accessories to manage skin changes and hair loss In FY 2014, the SGH Cancer Center provided professional social work services to patients a nd families through its licensed clinical social worker (LCSW), including psychosocial ser vices (assessments, crisis intervention, counseling and stress management), support group leadership, and advocacy and resources for transportation, palliative care and hospice, fo od and financial assistance This included improving patient and family connections to com munity services such as Mama's Kitchen, 2-1-1 San Diego, Jewish Family Service of San Dieg o Food Pantry, On-the-Go Transportation for Seniors, Foodmobile, ACS, San Diego Brain Tumo r Foundation, Leukemia and Lymphoma Society, and Lung Cancer Alliance In August, two new monthly support groups, one for lung cancer and one for brain tumors, were offered to pati ents and their family members They were also offered to non-Sharp patients and community members in order to meet the educational and emotional needs of those living w ith or carin g for someone w ith these diseases Since the end of March, 75 patients and family members received oncology social work services at SGH In addition, 15 community members in need o f assistance contacted the LCSW and received consultation regarding support groups and oth er Cancer Center services and community resources</p>



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Form 990, Part III, Line 4a (continued)	<p>Throughout FY 2014, SGH continued its Cancer Patient Navigator (CPN) program for breast cancer, where an RN certified in breast health personally assists breast cancer patients in their navigation of the health care system. The Breast CPN offers support, guidance, financial assistance referrals and connection to community resources. Through collaboration with community clinics - including Family Health Centers of San Diego (FHCS), Neighborhood Healthcare and Centro Medico - the Breast CPN refers unfunded or underfunded women to local community clinics for a covered diagnostic mammogram, or immediate Medi-Cal insurance should their biopsy prove positive and require treatment. Patients needing psychosocial support are referred to a breast cancer case management program through Jewish Family Service of San Diego or to the SGH Oncology Department's LCSW. The Breast CPN also plays an active role in community education, providing presentations and educational resources about breast cancer, mammography guidelines and early detection at no charge to the community. In addition, the Breast CPN facilitated access to care for nearly 180 breast cancer patients in need - many with late-stage cancer diagnoses - through the provision of referrals to various community and national organizations. In April, SGH started its CPN program for patients with cancers other than breast with a current focus on patients with head and neck cancers and lung cancer. Since the start of the program, the CPN has assisted 54 patients and their families. It has connected them to resources for transportation and translation needs, financial assistance, speech therapy, nutritional support, and social work services. In August, the CPN provided information about healthy lifestyle behaviors at the Waterford Terrace retirement community health fair. In the future, the CPN plans to increase its role in providing free community education related to cancer screenings, self-care techniques and survivorship topics. In FY 2014, the SGH Cancer Center screened more than 50 patients for participation in cancer clinical trials. As a result, 23 patients were enrolled in cancer research studies while 75 patients continued to receive follow-up care through the studies. In addition, the SGH Cancer Center trained four Pima Medical Institute X-ray students who observed and participated in clinical rotations in radiology, as well as trained two students from the National University (NU) Radiation Therapy Program. FY 2015 Plan SGH Cancer Center will do the following:</p> <ul style="list-style-type: none"> <li>* Provide biweekly breast cancer support groups to community members at no charge</li> <li>* Provide free monthly lung cancer and brain tumor/brain cancer support groups to community members</li> <li>* Provide six Look Good - Feel Better classes</li> <li>* Continue to provide education and resources to the community with a patient navigator for breast cancer and a patient navigator for head and neck and lung cancers</li> <li>* Provide ongoing personalized education and information, support and guidance to cancer patients and their loved ones as they move through the continuum of care</li> <li>* Continue to connect individuals with services and community resources to assist them in managing their illness</li> <li>* Screen and enroll oncology patients in clinical trials for research studies</li> <li>* Provide educational information on cancers and available treatments through community residents and community physician lectures, and participation in health fairs and events with demonstrations on breast self-exams</li> <li>* Continue to provide internships to NU Radiation Therapy students</li> </ul> <p>Identified Community Need: Bone Health - Orthopedic / Osteoporosis Education and Screening Rationale: references the findings of the SGH 2013 Community Health Needs Assessment or the most recent SDC community health statistics unless otherwise indicated. Rationale: * In the HASD&amp;IC 2013 CHNA, back pain was identified among the top 15 priority health conditions seen in SDC hospitals. * In SDC's east region in 2012, the number of arthritis-related hospitalizations totaled 1,977, a rate of 420.7 per 100,000 population. This is the highest in the county and above the county overall age-adjusted average of 323.2 per 100,000 population. * In SDC's east region in 2012, the number of arthritis ED discharges totaled 3,275, which is a rate of 696.8 per 100,000 population. This was the second highest rate in SDC and above the overall age-adjusted average of 515.8 per 100,000 population. * In SDC's east region in 2012, females had higher arthritis-related ED discharges than males (777.7 and 613.6 per 100,000 population, respectively). Blacks had higher arthritis-related ED discharges than other race/ethnicity groups, and persons aged 65 and older had higher arthritis-related ED discharges than those in other age groups. * According to the CDC, arthritis is the nation's most common cause of disability. An estimated 52.5 million U.S. adults (more than one in five) report doctor-diagnosed arthritis. As the U</p>	

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	Form 990, Part III, Line 4a (continued)	<p>S population ages, these numbers are expected to increase to 67 million by 2030, and more than one-third of these adults will report arthritis-attributable activity limitations. In addition, a recent study indicated that some form of arthritis or other rheumatic condition affects one in every 250 children under the age of 18 (CDC, 2012). *</p> <p>According to the NIH, more than 52 million people in the U.S. either already have osteoporosis or are at high risk due to low bone mass. Along with the financial costs, osteoporosis can reduce quality of life for many people who suffer fractures. It can also affect the lives of family members and friends who serve as caregivers (NIH, 2014). *</p> <p>According to the NIH, osteoporosis is the most common type of bone disease. The NIH reveals that about half of all women over age 50 will experience a fracture of the spine, wrist or hip during their lifetime (NIH, 2012). *</p> <p>Some of the risk factors for developing osteoporosis include body size, family history, age, sex hormone deficiencies, diet low in calcium and vitamin D, certain medications, physical inactivity, smoking, and excessive alcohol use (NIH, 2014). *</p> <p>Fifty percent of people who fracture a hip will be unable to walk without assistance and about one in five hip fracture patients over age 50 die in the year following their fracture as a result of associated medical complications. Vertebral fractures can also have serious consequences, including chronic back pain and disability. These fractures have also been linked to increased mortality in older people (NIH, 2014). *</p> <p>According to the CDC, there were 258,000 hospital admissions for hip fractures among people ages 65 and older. By 2030, the number of hip fractures is projected to increase by 12 percent (CDC, 2013). *</p> <p>According to HP 2020, approximately 80 percent of Americans experience low back pain (LBP) in their lifetime. Each year, it is estimated that 15 to 20 percent of the population develops protracted back pain, two to eight percent have chronic back pain (pain that lasts more than three months), three to four percent of the population is temporarily disabled due to back pain, and one percent of the working-age population is disabled completely and permanently due to LBP. Objective *</p> <p>Provide education on orthopedics and osteoporosis to the community. FY 2014 Report of Activities Note: SGH was re-certified in June 2014 by The Joint Commission in Disease-Specific Care for its Total Knee and Total Hip Replacement Programs. The programs are nationally recognized for their outreach, education and utilization of evidence-based practices, as well as documentation of their performance measures and success rates.</p>

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	Form 990, Part III, Line 4a (continued)	<p>In FY 2014, SGH offered quarterly educational sessions on hip, knee and shoulder problems to more than 500 community members. Topics included management of arthritis, as well as hip and knee repair and treatment covering non-surgical options to minimally-invasive surgery using the latest technology. Sessions were held at the Grossmont Healthcare District Conference Center, and attendance ranged from 30 to 70 individuals at each event. SGH provided two seminars on the treatment of shoulder pain, reaching approximately 150 community members, including education on arthritis, torn rotator cuff, bursitis and frozen shoulder, as well as treatment options. In July, SGH provided education to 80 community members at a seminar titled Osteoporosis Prevention and Women's Bone Health. Topics included risk factors such as diet, lifestyle, age, family history, treatments and physical activity to help maintain bone health. In April 2014, SGH hosted a webinar about treating shoulder pain, in which participants had the opportunity to ask the presenters questions. More than 70 community members participated in the webinar, which was led by a physician and a senior orthopedic specialist. Topics included common shoulder problems and treatment options. Additionally, Sharp offered specialized education on osteoporosis prevention and treatment, as well as osteoporosis heel scan screenings to the community during the Sharp Women's Health Conference held at the Sheraton San Diego Hotel and Marina in October. Approximately 850 community members attended the event and an estimated 100 attendees received education regarding osteoporosis, calcium and vitamin D requirements as well as exercise tips for osteoporosis treatment and prevention. FY 2015 Plan SGH will do the following:</p> <ul style="list-style-type: none"><li>* Continue to offer orthopedic, arthritis, joint health and osteoporosis educational presentations to the community</li><li>* Provide a physician-led session on osteoporosis prevention and education at the Sharp Women's Health Conference</li></ul> <p>Identified Community Need: Women's and Prenatal Health Services and Education. Rationale references the findings of the SGH 2013 Community Health Needs Assessment or the most recent SDC community health statistics unless otherwise indicated.</p> <p>Rationale:</p> <ul style="list-style-type: none"><li>* In the HASD&amp;IC 2013 CHNA, high-risk pregnancy was identified as one of the top 15 priority health conditions seen in SDC hospitals.</li><li>* In 2012, SDC's east region had 3.83 low birth weight (LBW) births, six percent of total births for the region. LBW births were higher among female infants than male infants. Infants of black mothers had an 11.1 percent LBW, the highest percentage when compared to mothers of other races and ethnicities.</li><li>* In 2012, 22 infants died before their first birthday in SDC's east region. The infant mortality rate was 3.4 infant deaths per 1,000 live births, lower than the infant mortality rate for SDC overall.</li><li>* There were 730 hospitalizations due to maternal complications in SDC's east region in 2012. The east region's age-adjusted rate was 306.2 per 100,000 population, which was lower than the actual rate for SDC overall (319.9 per 100,000 population).</li><li>* In 2012, there were 5,140 live births with early prenatal care in SDC's east region, which translates to 80.6 percent of live births for the region. This was slightly lower than the percentage of live births receiving early prenatal care in SDC overall (84.3 percent).</li><li>* In 2011, 87.6 percent of women in SDC initiated prenatal care in the first trimester.</li><li>* According to 2011 CHIS data, 22.6 percent of women (ages 18 to 65 years) were obese (BMI &gt; 30). This statistic increases to 30.9 percent for women in SDC's east region.</li><li>* According to HP 2020, the risk of maternal and infant mortality and pregnancy-related complications can be reduced by increasing access to quality preconception and inter-conception care.</li><li>* According to a recent study in the Journal of the American Medical Association (JAMA), one in seven women have depression in the year after they give birth (JAMA, 2013).</li><li>* According to the CDC's 2014 Breastfeeding Report Card, breastfeeding provides many known benefits for infants, children, and mothers. Professional lactation support can help mothers initiate and continue breastfeeding.</li><li>* The American Academy of Pediatrics (AAP) recommends that babies be exclusively breastfed for approximately the first six months of life, followed by continued breastfeeding with complementary foods for one year or longer (AAP, 2012).</li><li>* According to the CDC's 2014 Breastfeeding Report Card, 63.1 percent of mothers in California were breastfeeding at six months, while only 25.4 percent were exclusively breastfeeding at six months (CDC, 2014).</li><li>* In California, SDC is ranked 22nd out of 50 counties for exclusive breastfeeding (California WIC Association and UC Davis Human Lactation Center, A Policy Update on California Breastfeeding and Hospital Performance, 2013).</li><li>* Nearly two-thirds of California women plan to breastfeed exclusively.</li></ul>

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Form 990, Part III, Line 4a (continued)		<p>usively, but less than 40 percent are doing so at one month postpartum Hospitals, health care providers, public health agencies, and support groups must work together to ensure all mothers have the needed resources to breastfeed in the hospital and at home (California WIC Association and UC Davis Human Lactation Center, A Policy Update on California Breastfeeding and Hospital Performance, 2013) * According to the CDC, maternal health conditions that are not addressed before pregnancy can lead to complications for the mother and the infant Several health-related factors known to cause adverse pregnancy outcomes include uncontrolled diabetes around the time of conception, maternal obesity, maternal smoking during pregnancy and maternal deficiency of folic acid * Each year, preterm birth affects nearly 500,000 babies, or, one of every eight infants born in the US Preterm birth is the birth of an infant prior to 37 weeks of pregnancy Preterm-related causes of death together accounted for 35 percent of all infant deaths in 2009, more than any other single cause Preterm birth is also a leading cause of long-term neurological disabilities in children Preterm birth cost the US health care system more than \$26 billion in 2005 (CDC) Objectives * Conduct outreach and education activities for women on a variety of health topics, including prenatal care and parenting skills * Collaborate with community organizations to help raise awareness of women's health issues and services, as well as to provide low-income and underserved women in the San Diego community with critical prenatal services * Participate in professional associations related to women's services and prenatal health and disseminate research * Demonstrate best practices in breastfeeding and maternity care, and provide education and support to new mothers on the importance of breastfeeding FY 2014 Report of Activities In FY 2014, the SGH Women's Health Center participated in the Sharp Women's Health Conference and the SGH Women's Heart Expo At the Sharp Women's Health Conference, the SGH Women's Health Center provided resources for elevated BMI levels, while the SGH Women's Heart Expo included a series of experts that discussed methods to improve heart health, eating habits and emotional and mental well-being The SGH Women's Heart Expo provided attendees free health screenings for blood pressure, BMI, cholesterol and glucose levels, as well as the opportunity to ask health care professionals their personal health questions Throughout FY 2014, SGH provided free community breastfeeding support groups twice per week. Facilitated by RN lactation consultants, the breastfeeding support group is designed to help mothers learn about and share their successes and challenges with breastfeeding The support group served approximately 15 attendees per session in FY 2014 SGH provided a Breastfeeding Beyond the Basics class twice a week to teach mothers basic skills for successful breastfeeding, including understanding the advantages of breastfeeding, positioning, the use of breast pumps and more The class served approximately 30 mothers per session in FY 2014 The hospital also offered weekly postpartum support groups for women and families, serving approximately 10 attendees per session The support groups are led by the SGH Women's Health Center's social workers, and provide support to women and families struggling with the challenges and adaptations of having a new born New In FY 2014, the SGH Women's Health Center also offered the Little Wonders support group, dedicated to helping new parents share their experiences and responsibilities with other new parents The Little Wonders support group served approximately 10 community members per session</p>

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Form 990, Part III, Line 4a (continued)		<p>SGH participated in and partnered with a number of community organizations and advisory boards for maternal and child health in FY 2014, including the local chapter of the Association of Women's Health, Obstetric and Neonatal Nurses (AWHONN), Women, Infants, and Children (WIC), California Teratogen Information Service (CTIS), Partnership for Smoke-Free Families, San Diego County Breastfeeding Coalition Advisory Board, the Beacon Council's Patient Safety Collaborative, Association of California Nurse Leaders (ACNL), the regional Perinatal Care Network (PCN), Perinatal Safety Collaborative, and the Public Health Nurse Advisory Board. SGH shared its expertise in neonatal care with the health care community through presentations at local and national conferences. This included three podium presentations - Exclusive Breastfeeding, NICU Bed Huddle, and Organizing Patient Outreach - at the San Diego Evidence-Based Practice Institute (EBPI) Conference. There was also a poster presentation at the annual AWHONN Conference titled Exclusive Breastfeeding Including Newborn and NICU. Poster presentations were completed and shared with attendees of the community and patient education classes provided by the SGH Women's Health Center in recognition of August 2014's World Breastfeeding Week. SGH has implemented several critical process improvements to increase breastfeeding rates among new mothers, and continues to explore and participate in opportunities to share these best practices with the broader health care community. This included implementation of the Ten Steps to Successful Breastfeeding in 2012, as well as various other quality strategies to promote exclusive breastfeeding and exclusive breast milk in the neonatal intensive care unit (NICU) in 2013. The strategies included but were not limited to: facilitating skin-to-skin contact with the newborn immediately after delivery, implementing early intervention strategies for women identified as having difficulty with breastfeeding, and standardizing an interdisciplinary plan of care to identify mothers having difficulty with breastfeeding. These strategies promote the nutritional health of high-risk infants and prevent inflammatory disease processes that can cause serious bacterial infection in the intestine of sick premature infants, which can result in death of intestinal tissue and even progression to blood poisoning or septicemia. The SGH Women's Health Center also updated all of the breastfeeding educational resources provided at community clinics and the hospital's childbirth education classes to reflect best practices in breastfeeding for mothers and their families. In the NICU, nurses encouraged mothers to use a pump log to document and increase accountability of their 24-hour breast milk volumes totals. The daily totals of exclusive breast milk volumes were documented by an RN, and nurses tracked the percentage of infants exclusively provided breast milk or some breast milk until discharge, incorporating early intervention strategies to promote the establishment of breast milk in the first couple of weeks. Additionally, the SGH Women's Health Center tracked the mothers of premature infants 28 to 34 weeks who established breast milk supply at two weeks. As a result of these comprehensive efforts, the SGH Women's Health Center was successful in raising the exclusive breastfeeding rate at discharge for newborns from 49 percent in 2011 to 68.4 percent in 2014. In addition, the documentation for 24-hour breast milk production by mothers with premature infants in the NICU progressed from 85 percent in 2012 to 97 percent in 2013, with current rates still high. The results of these efforts were developed into an abstract and used by AWHONN for poster presentation in June 2014. SGH is currently in the dissemination phase for Baby-Friendly USA Designation through the implementation of evidence-based maternity care practices. Established by the United Nations Children's Fund (UNICEF) and the World Health Organization (WHO) in 1991, the Baby-Friendly Hospital Initiative (BFHI) recognizes and encourages hospitals and birthing centers that offer high-quality breastfeeding care. The BFHI has been implemented in more than 170 countries, resulting in the designation of more than 20,000 birthing facilities. SGH has completed requirements for Baby-Friendly USA Designation including training health care staff to properly implement a breastfeeding policy, providing education to pregnant women on the benefits of breastfeeding, demonstrating how to breastfeed and maintain lactation to new mothers, encouraging breastfeeding on demand, allowing mothers and infants to remain together 24 hours a day, and establishing breastfeeding support groups and referring mothers to these resources following discharge from the hospital or clinic. Throughout FY 2014, SGH continued to incorporate the requirements of a Baby-Friendly hospital along with its other process improvement efforts to improve</p>

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Form 990, Part III, Line 4a (continued)		<p>exclusive breastfeeding at discharge SGH anticipates Baby-Friendly USA Designation by December 2015 The SGH Women's Health Center's Prenatal Clinic (SGH Prenatal Clinic) midwives continued to provide in-kind help at Neighborhood Health Centers in El Cajon and Lakeside, and FHCS D throughout FY 2014 The midwives provide care for pregnant women five days per week - approximately 1,780 hours at the El Cajon and Lakeside sites - to support the underserved population in SDC's east region The hospital delivers more than 700 babies from community clinics each year The SGH Prenatal Clinic participated in the California Department of Public Health (CDPH) Comprehensive Perinatal Services Program (CPSP) to offer comprehensive prenatal clinical and social services to low-income, low-literacy women with Medi-Cal benefits Services included health education, nutritional guidance and psychological and social issue support, as well as translation services for non-English speaking women As part of this effort, and in order to reduce the number of women that reach gestational diabetic criteria, women were offered nutrition classes Those with nutrition issues were referred to an SGH registered dietitian (RD) or the SGH Diabetes Education Program as appropriate At-risk women with elevated BMIs received education and glucometers in order to measure their blood sugar and help prevent the development of gestational diabetes Women with a current diabetes diagnosis were referred to the SGH Diabetes Education Program Free education on gestational diabetes was also provided to pregnant members of the community The SGH Prenatal Clinic also provided educational resources tailored specifically to the increasing Chaldean population in SDC's east region In addition, the SGH Women's Health Center continued its partnership with Vista Hill ParentCare to assist drug-addicted patients with psychological and social issues during pregnancy These approaches have been shown to reduce both LBW rates and health care costs in women and infants The SGH Women's Health Center also provided women with referrals to a variety of community resources including but not limited to CTIS, WIC, and the SDC Public Health Nurse FY 2015 Plan SGH will do the following</p> <ul style="list-style-type: none"> <li>* Participate in wellness and prevention events for women that focus on life style tips to enhance overall health</li> <li>* Provide free breastfeeding, postpartum and new parent support groups</li> <li>* Provide parenting education classes</li> <li>* Participate in community events targeting women in the community, such as the Sharp Women's Health Conference</li> <li>* Provide medical services to low-income patients through the SGH Prenatal Clinic</li> <li>* Share evidence-based practices regarding improvements in elective deliveries less than 39 weeks as well as breastfeeding rates at discharge through presentations at national conferences and research publications</li> </ul> <p>Identified Community Need Health Education and Wellness Rationale references the findings of the SGH 2013 Community Health Needs Assessment or the most recent SDC community health statistics unless otherwise indicated</p> <ul style="list-style-type: none"> <li>* The SGH 2013 CHNA identified cardiovascular disease and obesity among its six priority health issues affecting members of the communities served by SGH</li> <li>* Senior community resident feedback in the SGH 2013 CHNA identified the following, priority health issues and topics, including the need for additional education in each area through in-person lectures and screenings Alzheimer's, dementia, diabetes, cardiovascular health, cancer, falls, vaccines, diet and exercise, care options and resources, and preventative care</li> </ul>

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<p>Form 990, Part III, Line 4a (continued)</p>		<p>* The HASD&amp;IC 2013 CHNA process identified the following as top priority health conditions for SDC hospitals: diabetes, obesity, cardiovascular disease and stroke, mental health and mental disorders, unintentional injury, high-risk pregnancy, asthma, cancer, back pain, infectious disease, and respiratory diseases. * Participants in the HASD&amp;IC 2013 CHNA community forums recommended increased health information and community health education as the most important factor in maintaining health. Health education was also specifically recommended by participants in the community forums held in El Cajon. * Data in the HASD&amp;IC 2013 CHNA revealed a higher rate of hospital discharges due to cardiovascular disease and obesity within SDC's more vulnerable communities (El Cajon, etc.). * According to data presented in the SGH 2013 CHNA, high blood pressure, high cholesterol and smoking are all risk factors that could lead to cardiovascular disease and stroke. Additional risk factors include alcohol use, obesity, diabetes, and genetic factors. About half of Americans (49 percent) have at least one of these three risk factors. * According to 2011 data from the CHIS, the self-reported obesity rate for adults ages 18 and older in SDC's east region was 26.8 percent, higher than the county rate of 22.1 percent. * In 2011, 12.4 percent of the population in SDC's east region self-reported eating at fast-food restaurants four or more times each week, higher than the county rate of 11.0 percent (CHIS, 2011). * According to the CDC, obesity increases the risk of many health conditions, including the following: coronary heart disease, stroke, high blood pressure, Type 2 diabetes, various cancers, high total cholesterol, high levels of triglycerides, liver and gallbladder disease, sleep apnea and respiratory problems, osteoarthritis, mental health conditions and reproductive health complications such as infertility (CDC, 2011). * According to the CDC, obesity-related conditions include heart disease, stroke, Type 2 diabetes, and certain types of cancer. These are some of the leading causes of preventable death. The CDC reports that approximately 35 percent of U.S. adults are obese. Objectives: * Provide a variety of health and wellness education and services at events and sites throughout the community. * Provide health and wellness education to the community through a variety of media outlets. FY 2014 Report of Activities: In FY 2014, SGH provided a variety of health and wellness offerings to the community through participation in events, presentations at neighborhood sites, and education through local media sources. In November, SGH staff from a range of hospital departments participated in Sharp's annual Women's Health Conference. Community members received a variety of health education and services, including acupuncture, balance screenings, fall prevention education, nutrition education and healthy food samples. In September, SGH participated in the Kids Care Fest, a free family event at La Mesa's Briercrest Park, hosted by the Grossmont Healthcare District and the City of La Mesa. The event featured interactive health education for children and families, including screenings for vision, hearing and BMI from SGH staff. In addition, education on nutrition for aging gracefully was provided to 25 senior residents at La Vida Real senior living community, as well as a lecture on eating disorders to a nutrition class at Point Loma Nazarene University (PLNU). Throughout FY 2014, medical and health professionals from SGH educated the community on healthy lifestyle topics to increase knowledge and awareness about current news and trends impacting their health and safety. Education was delivered through television interviews on KUSI News, Channel 10 News, KPBS and KGTV, as well as through various radio stations and printed articles in U-T San Diego and local magazines. Hospital physicians from a variety of specialties, including internal and emergency medicine, infectious disease, obstetrics and gynecology (OB/GYN), cardiology, urology, psychology, gastroenterology, neurology and oncology, shared information with these outlets. The topics included but were not limited to: understanding types of flu vaccinations, risk-factors for pregnancy at a later age, second trimester pregnancy and gestational diabetes, curbing the drug overdose epidemic, risk factors for the shingles virus, preventing congestive heart failure, managing Type 1 diabetes, staying safe and healthy through the holidays, tips for how men can live longer and healthier, avoiding stress during the holidays, stress and hair loss, colonoscopy for detecting colon cancer and Crohn's disease, treatment options for sexually transmitted disease, long-term effects of hepatitis infection, the increase of heart attacks among young adults due to poor eating habits, everyday health issues and when to see a doctor, warning signs of sleep apnea, recognizing symptoms of stroke, gallstones in w</p>

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	<p>Form 990, Part III, Line 4a (continued)</p>	<p>omen, and probability of the Ebola virus spreading Senior and end-of-life care profession als from SGH also provided community education through these media outlets, including tips on how family caregivers can take care of themselves, and how new Medicare programs can impact hospice care Similarly, a hospital physical therapist discussed women's unique health issues and the importance of staying fit SGH RDs provided additional education on topics including consuming trans fats and healthy alternatives to processed foods, healthy grocery shopping, how to meet daily nutritional needs without supplements, eating healthy on Thanksgiving, eating disorders among men, and how to read nutrition labels FY 2015 Plan SGH will do the following</p> <ul style="list-style-type: none"> <li>* Continue to provide health and wellness offerings to community members at a variety of community events and other sites</li> <li>* Continue to provide health and wellness education through local news sources</li> </ul> <p>Identified Community Need</p> <p>Prevention of Unintentional Injuries Rationale references the findings of the SGH 2013 Community Health Needs Assessment or the most recent SDC community health statistics unless otherwise indicated Rationale</p> <ul style="list-style-type: none"> <li>* In the HASD&amp;IC 2013 CHNA, unintentional injury was identified as one of the top priority health conditions seen in SDC hospitals</li> <li>* In 2012, accidents (unintentional injuries) were the fourth leading cause of death for SDC's east region</li> <li>* In 2012, accidents (unintentional injuries) were the sixth leading cause of death overall in SDC</li> <li>* Unintentional injuries - motor vehicle accidents, falls, pedestrian-related, firearms, fire/burns, drowning, explosion, poisoning (including drugs and alcohol, gas, cleaners and caustic substances), choking/suffocation, cut/pierce, exposure to electric current/radiation/fire/smoke, natural disasters and injuries at work - are one of the leading causes of death for SDC residents of all ages, regardless of gender, race or region</li> <li>* Between 2010 and 2012, nearly 3,000 San Diegans died as a result of unintentional injuries</li> <li>* In 2012, there were 208 deaths due to unintentional injury in SDC's east region The region's age-adjusted death rate due to unintentional injuries was 44.3 deaths per 100,000 population, the highest of all regions in SDC and above the SDC age-adjusted rate of 30.3 deaths per 100,000 population</li> <li>* In 2012, there were 4,098 hospitalizations related to unintentional injury in SDC's east region The age-adjusted rate of hospitalizations was 871.9 per 100,000 population, the highest of all regions in SDC and above the county age-adjusted average of 692.8 per 100,000 population</li> <li>* In 2012, there were 28,512 ED visits related to unintentional injury in SDC's east region The age-adjusted rate for the east region was 6,066.6 per 100,000 population, the highest of all regions and above the SDC age-adjusted average of 5,097.2 ED visits per 100,000 population</li> <li>* Injury, including both intentional and unintentional, is the number one killer and disabler of persons ages one to 44 in California (California Department of Public Health, 2010)</li> <li>* According to HP 2020, most events resulting in injury, disability or death are predictable and preventable There are many risk factors for unintentional injury and violence, including individual behaviors and choices, such as alcohol use or risk-taking, the physical environment both at home and in the community, access to health services and systems created for injury-related care, and the social environment, including individual social experiences (social norms, education, victimization history), social relationships (parental monitoring and supervision of youth, peer group associations, family interactions), the community environment (cohesion in schools, neighborhood s and communities) and societal-level factors (cultural beliefs, attitudes, incentives and disincentives, laws and regulations)</li> </ul>



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<p>Form 990, Part III, Line 4a (continued)</p>		<p>Objective * Offer an injury and violence prevention program for children, adolescents and young adults in SDC's east region FY 2014 Report of Activities In FY 2014, ThinkFirst/Sharp on Survival participated in more than 30 programs that served more than 3,300 elementary , middle and high school students in SDC's east region The programs consisted of one- to two-hour classes that covered the following topics the modes of injury, disability awareness, and the anatomy and physiology of the brain and spinal cord During these programs, students also received personal testimonies from individuals, known as Voices for Injury Prevention (VIPs), with traumatic brain or spinal cord injuries (SCI) In addition, ThinkFirst/Sharp on Survival offered schools multiple opportunities for learning through a variety of lesson plans, including information on physical rehabilitation, careers in health care and disability awareness panels to meet the needs of specific class curricula ThinkFirst /Sharp on Survival also provided education to at-risk youth about the consequences of reckless driving, violence and poor decision making ThinkFirst/Sharp on Survival participated in a variety of community events throughout FY 2014, including presentations for youth and their parents, health and safety fairs, and community groups These community-based events and presentations served more than 1,000 participants Among these events, Think First/ Sharp on Survival participated in the annual Kids Care Fest event sponsored by the Grossmont Healthcare District in La Mesa, providing injury prevention education to children and their parents Education provided to nearly 500 community members focused on proper helmet- fitting, booster and car seat use and state laws In October, ThinkFirst/Sharp on Survival also provided proper helmet-fitting information and booster and car seat education to 500 people at the El Cajon Fire Department's Safety Expo With the partnership and financial support of the Health and Science Pipeline Initiative (HASPI), a dozen schools throughout SDC had the opportunity to provide ThinkFirst/Sharp on Survival speakers to their students These students have an interest in pursuing careers in health care, and were provided with classroom presentations and the opportunity to participate in a half-day tour of the SMH Rehabilitation Center Also in 2014, several high school seniors from Granite Hills High School and El Cajon Valley High School toured the SMH Rehabilitation Center and received an in-depth look at occupational, physical, speech, recreation therapy and nursing careers Students also rotated through several stations run by VIP speakers to practice their wheelchair mobility, lower body dressing and driving skills using the driving simulator Additionally, students participated in the provision of small group patient therapy activities to test memory, organization and a variety of executive cognitive skills In total, more than 1,300 HASPI students from schools in SDC's east region benefitted from ThinkFirst/Sharp on Survival education in FY 2014 In addition, the ThinkFirst/Sharp on Survival program presented to more than 200 college students enrolled in San Diego State University's (SDSU's) Disability in Society course and received education on injury prevention, brain injury, SCI and disability awareness FY 2015 Plan ThinkFirst/Sharp on Survival will do the following * With funding support from grants, provide educational programming and presentations for local schools and organizations * Using grant funding, increase community awareness of ThinkFirst/Sharp on Survival through attendance and participation at community events and health fairs * As part of the HASPI partnership, continue to evolve program curricula to meet the needs of health career pathway classes * Grow partnership with HASPI through participation in conferences and round table events * Continue to address the needs of elementary school children and their parents by providing booster seat education with funding support from grants * Continue to provide college students with injury prevention education through SDSU's Disability in Society course * Explore further opportunities to provide education to health care professionals and college students interested in health care careers * As appropriate and with funding, provide a new ThinkFirst about Concussion program to schools in SDC's east region Identified Community Need Support During the Transition of Care Process for High-Risk, Underserved and Underfunded Patients Rationale references the findings of the SGH 2013 Community Health Needs Assessment or the most recent SDC community health statistics unless otherwise indicated Rationale * Community health leaders participating in the HASD&amp;IC 2013 CHNA process strongly aligned and recommended further work in access to care, health insurance and care management with each of the priority health issues identified for SDC (cardiovascular disease, T</p>

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Form 990, Part III, Line 4a (continued)		<p>type 2 diabetes, mental/behavioral health, and obesity) * Participants in the HASD&amp;IC 2013 CHNA community forums (throughout SDC) also strongly aligned access to care and care management with maintaining health * In 2012, SDC's east region presented a higher rate of unemployment (10.68 percent in 2012) when compared to SDC overall (9.16 percent in 2012) * According to CHIS data, 20.1 percent of those 18 to 64 years of age in SDC's east region were uninsured in 2011 * The same data indicates that in SDC's east region for those 18 to 65 years of age, the most common sources of health insurance coverage included employment-based coverage (62.9 percent) and public programs (13.7 percent) In 2011, 13.1 percent of the population in SDC's east region was living below the poverty level, with more than 2.2 percent of those being families * In 2012, 6.2 percent of families with children in SDC received food stamps/SNAP/CalFresh benefits and 19.5 percent of the population was equal to or below 130 percent Federal Poverty Level (FPL) In the east region, both of these numbers are higher, with 8.8 percent of families with children receiving food stamps/SNAP/CalFresh benefits and 19.7 percent of the population at or below 130 percent FPL * According to 2011 CHIS data, 86 percent of adults in SDC's east region have a usual source of care Among these adults, 22 percent utilize a community clinic, government clinic or community hospital as their usual source of care * As of March 2012, the average unemployment rate in the cities of El Cajon, La Mesa, Lakeside, Lemon Grove, Santee, and Spring Valley was 10.4 percent (Labor Market Information, State of California Employment Development Department, <a href="http://www.labormarketinfo.edd.ca.gov">http://www.labormarketinfo.edd.ca.gov</a>) * According to the Bureau of Labor Statistics (BLS), the seasonally-adjusted September 2014 rate of persons unemployed for 27 weeks or longer was 31.9 percent * The cost of living in California is 35 percent above the U.S. average, with health spending per capita in California growing by 5.9 percent between 1994 to 2004 (California Hospital Association Special Report, October 2011) * According to Community Health Improvement Partners (CHIP), between 2006 and 2009, demand for ED services in SDC increased by 11.9 percent, from 582,129 to 651,595 visits (CHIP, 2010) * In 2014, the health insurance benefits available under the Consolidated Omnibus Budget Reconciliation Act (COBRA) cost a single person in California between \$487 and \$585 per month, for three or more participants on the plan in California, COBRA costs ranged from \$1,594.29 to \$1,856.77 per month (2014 COBRA Self-Pay Rates, Motion Picture Industry Pension &amp; Health Plans) * Community clinics in California have experienced rising rates of primary care clinic utilization, the number of persons utilizing the clinics increased by 27.3 percent between 2007 and 2011 (OSHPD, 2011) Objectives * Connect high-risk, underfunded patients and community members to local resources and organizations for low-cost medical equipment, housing options, and follow-up care * Assist economically disadvantaged individuals through transportation and financial assistance for pharmaceuticals * Collaborate with community organizations to provide follow-up medical care, financial assistance, psychiatric and social services to chronically homeless individuals * Through the Care Transitions Intervention pilot, provide high-risk, under and unfunded patients with health coaching, support and resources to ensure safe transition home and maintained health and safety</p>

Return Reference	Explanation	
<p>Form 990, Part III, Line 4a (continued)</p>		<p>FY 2014 Report of Activities In FY 2014 SGH continued to provide post-acute care facilitat ion for high-risk patients, including individuals who were homeless or without a safe home environment Individuals received referrals to and assistance from a variety of local res ources and organizations These groups provided support with transportation, placement, me dical equipment, medications, outpatient dialysis and nursing home stays SGH referred hig h-risk patients, families, and community members to churches, shelters and other community resources for food, safe shelter and other resources For unemployed and underfunded pati ents, or for those who simply cannot afford the expense of a wheelchair, walker or cane du e to a fixed income, SGH has committed to improving access to Durable Medical Equipment (D ME) for high-risk patients upon discharge SGH case managers actively recruit DME donation s from the community in order to provide for patients in need, and in 2014, SGH provided more than 100 DME items SGH case managers and social workers continue to provide DME items to patients who are uninsured, underinsured, or who are otherwise unable to afford the eq uipment required to keep them safe and healthy To assist economically disadvantaged indiv iduals, SGH provided more than \$133,500 in free medications, transportation, lodging, and financial assistance through its Project HELP funds These funds assisted nearly 4,500 ind ividuals in FY 2014 In addition, SGH pharmacists assisted more than 340 economically disa dvantaged patients with more than 600 outpatient prescriptions valued at approximately \$27 8,000 New in FY 2014, SGH piloted a Care Transitions Intervention (CTI) program for its h igh-risk, Medi-Cal and unfunded patients The program provides 30-day coaching by an RN at no cost to Medi-Cal or unfunded patients that are identified as highly vulnerable through a comprehensive risk assessment tool The assessment tool evaluates patients for multiple factors, including isolation, co-occurring health issues, food insecurity (lack of access to healthy food), behavioral health issues, and other conditions that impact the health a nd safety of vulnerable patients The project team is a collaborative effort betw een vario us team members across Sharp - including nurses, case managers, disease specialists, SGH's Senior Resource Center and others The team makes sure that vulnerable patients are conne cted with resources and support to ensure their safe transition home, and to keep them saf e and healthy In addition, partnership with community organizations connects these patien ts to critical social services upon discharge A new partnership with the San Diego Food B ank helps provide access to nutritious food for patients identified with food insecurity, which is an area of particular concern in the first few days of discharge Since its incep tion in May, the CTI pilot has demonstrated a pow erful impact The program has enrolled 29 1 patients, and of those patients, 187 accepted services from a CTI coach The readmission rate for this cohort was 19 percent in comparison to a readmission rate of 33 percent for those individuals that refused CTI coaching services In these efforts, SGH coaches devot ed more than 420 hours of time directly with these vulnerable patients In addition, 49 pa tients - about 36 percent of those enrolled- were identified with food insecurity Of thos e 49 patients, three were referred to the San Diego Food Bank for CalFresh enrollment, 28 were referred to the Emergency Food Assistance Program and 12 were connected to the Senior Food Program, also provided through the San Diego Food Bank Further, in an effort to pro vide food directly to those in need during the first few days after discharge, the pilot i s exploring the development and provision of emergency food boxes for CTI patients without food in their homes Food items will be selected under the guidance of an SGH dietician, and through partnership with Sodexo, Sharp's food service vendor The pilot intends to pro vide patients without food with nutritious items specifically designed for their complex h ealth conditions and nutritional needs, in order to sustain their health until they are en rolled in a food assistance program This program is slated to start in early 2015 after f inal approval and a process established for referrals Looking ahead, SGH's CTI pilot is a lso exploring partnerships with Walmart to provide these highly vulnerable patients with medical equipment for diabetes treatment - including glucometers, strips and lancets In FY 2014 SGH continued to collaborate with community organizations to provide services to chr onically homeless patients Through its collaboration with the San Diego Rescue Mission, S GH discharged chronically homeless patients to the Rescue Mission's Recuperative Care Unit This program allow s chronically homeless patients to receive follow-up care through SGH in a safe space, and also provides psychiatric car</p>

Return Reference	Explanation	
Form 990, Part III, Line 4a (continued)		<p>e, substance abuse counseling and guidance from the Rescue Mission's programs in order to help these patients get back on their feet FY 2015 Plan SGH will do the following</p> <ul style="list-style-type: none"> <li>* Continue to provide post-acute care facilitation to high-risk patients</li> <li>* Continue and expand the DME donations project to improve access to necessary medical equipment for high-risk patients who cannot afford DME</li> <li>* Continue to administer Project HELP funds to those in need</li> <li>* Continue to collaborate with community organizations to provide medical care, financial assistance, psychiatric and social services to chronically homeless patients</li> <li>* Continue to provide high-risk, Medi-Cal and unfunded patients with CTI health coaches and connection to resources, including resources to combat food insecurity</li> <li>* Establish partnership with Walmart to provide diabetes medical equipment to unfunded patients enrolled in the CTI project</li> <li>* Introduce collaboration between SGH health coaches and complex case managers from Molina, Care First, Community Medical Group (CMG) and Health Net</li> <li>* Explore opportunities to improve communication with community clinics</li> </ul> <p>Identified Community Need Health Professions Education and Training, and Collaboration with Local Schools to Promote Interest in Health Care Careers Rationale references the findings of the SGH 2013 Community Health Needs Assessment or the most recent SDC community health statistics unless otherwise indicated Rationale</p> <ul style="list-style-type: none"> <li>* According to the 2013 Healthcare Shortage Areas Atlas from the County of San Diego Health and Human Services Agency (HHSA), SDC is one of 28 counties in California listed as a Registered Nurse (RN) Shortage Area</li> <li>* The demand for RNs and other health care personnel in the US will increase due to the aging population</li> <li>Nurses will also be needed to educate and care for patients with various chronic conditions, such as arthritis, dementia, diabetes and obesity</li> <li>The number of individuals who have access to health care services will increase as a result of federal health insurance reform</li> <li>More nurses will be needed to care for these patients (BLS, 2012)</li> <li>* The BLS projects an employment of more than 3.2 million RNs in 2022, an increase of 19 percent from 2012</li> <li>RNs are projected to have the most new jobs in 2020, when compared to other health care practitioners and technical occupations in health care</li> <li>* The BLS projects that home health aide demand will grow 48 percent from 2012 to 2022</li> <li>As the US population ages, the demand for home health aides to provide assistance and companionship will continue to increase</li> <li>The older population often has health problems and will need help with daily activities</li> <li>* Total employment is projected to increase by 10.8 percent, or 15.6 million, from 2012 to 2022</li> <li>Occupations and industries related to health care are projected to add the most new jobs during the decade</li> <li>* Of the 30 occupations projected to have the largest percentage increase between 2012 and 2022, 14 are related to health care</li> </ul>

Return Reference	Explanation	
	Form 990, Part III, Line 4a (continued)	<p>* According to the San Diego Workforce Partnership 2011 report titled, Healthcare Workforce Development in SDC Recommendations for Changing Times, health care occupations that will be in highest demand in the next three to five years include physical therapists, medical assistants, occupational therapists, RNs, medical record and health information technicians, radiology technologists and technicians, pharmacists and medical and clinical laboratory technologists</p> <p>* According to the San Diego Workforce Partnership, there's a growing demand for health care workers, but employers express a challenge to fill open position because of an "experience gap" among recent graduates. While new graduates often possess the requisite academic knowledge to be hired, they lack professional experience.</p> <p>* The San Diego Workforce Partnership recommends programs that provide volunteer experiences to high school and post-secondary students. On-the-job training could provide real world experience for workers. Programs that target underrepresented groups and disadvantaged students could help increase the number of culturally competent health care workers.</p> <p>* According to the San Diego Workforce Partnership 2013 report titled, In-Demand Jobs: A Study of the Occupational Outlook in San Diego, health care has been one of the few industries in San Diego that has experienced strong employment growth the last three to four years. The health care specialty occupations expected to grow considerably are radiological technologists and technicians, dental assistants and RNs.</p> <p>* According to the California Hospital Association (CHA) 2014 report titled, Critical Roles: California's Allied Health Workforce Follow-up Report, in the coming decades health professionals will be required to have a more complex set of skills. Education and training programs will need to evolve and innovate in order to meet the current skill demands of health employers.</p> <p>* According to the same report, programs supported by local hospitals make tremendous impacts on the lives of individuals, families and communities. This includes contributions of time and resources dedicated to the thousands of interns and high school students that spend time in hospitals in California each year, gaining valuable work experience and career exposure.</p> <p>Objectives</p> <ul style="list-style-type: none"><li>* In collaboration with local schools, offer opportunities for students to explore health care professions</li><li>* Collaborate with local colleges and universities to provide professional development lectures to students from local colleges and universities</li></ul> <p>FY 2014 Report of Activities</p> <p>In collaboration with the Grossmont Union High School District (GUHSD), SGH participated in the Health-careers Exploration Summer Institute (HESI), providing 12 students with opportunities for classroom instruction, job shadowing, observations and limited hands-on experiences. Students shadowed staff in a variety of hospital specialties, including women's health, laboratory, pulmonary, interventional radiology, pre-and post-operative surgery, sterile processing, radio room, endoscopy, occupational and physical therapy, and the catheterization, hyperbaric and electroencephalography (EEG) laboratories. At the conclusion of the program, students presented their experiences as case studies to family members, educators and hospital staff. Those completing the program received high school credits equal to two summer school sessions.</p> <p>SGH also continued its participation in the Health Sciences High and Middle College (HSHMC) program in FY 2014, providing early professional development for 155 students from a broad array of backgrounds in 9th through 12th grades. Students shadowed more than 50 health professionals in various areas throughout the hospital, including but not limited to nursing, engineering, occupational and physical therapy, endoscopy, women's health, cardiology, pharmacy, rehab nursing, medical intensive care unit (MICU), surgical intensive care unit (SICU), volunteer office and emergency department (ED) radio room, as well as Sharp Rees-Stealy (SRS) OB/GYN, neurology, pediatrics, family practice and orthopedics. In addition, SGH staff provided students instruction on educational requirements, career ladder development and job requirements.</p> <p>Level I of the HSHMC program is the entry level for all students and is conducted over an eight-week period. In FY 2014, 52 ninth-graders shadowed primarily non-nursing areas of the hospital, spending a greater length of time within each department in order to more fully experience different clinical areas of the hospital. Level I students completed additional coursework in Infection Control and Mental Health Matters at San Diego Mesa College (MC). Level II of the HSHMC program offers patient interaction, where students are trained in Tender Loving Care (TLC) functions by a Certified Nursing Assistant (CNA) on nursing floors. In FY 2014, 59 10th-graders, 19 11th-graders and 17 12th-graders participated in the</p>

Return Reference	Explanation	
Form 990, Part III, Line 4a (continued)		<p>e Level II TLC program, experiencing college-level clinical rotations, hands-on experience , TLC function patient care and mentoring Students were placed in a new assignment each semester for a variety of patient care experiences Students also took additional health-related coursework at MC, including Anatomy, Physiology, Medical Terminology, Health 101, Psychology and Abnormal Psychology In May 2014, the HSHMC program graduated its fourth full class of students At the end of the academic year, SGH staff provided the students, their loved ones, community leaders and hospital mentors a symposium that showcased the lessons learned throughout the program In FY 2014, SGH provided more than 800 students from colleges and universities throughout San Diego with various placement and professional development opportunities Throughout the academic year, approximately 580 nursing students spent more than 44,400 hours at SGH, including time spent both in clinical rotations and individual preceptor training More than 220 allied health students spent more than 51,000 hours on the SGH campus Among the nursing and allied health programs, academic partners included but were not limited to SDSU, MC, Point Loma Nazarene University (PLNU), University of San Diego (USD), National University (NU), California State University San Marcos (CSUSM), Southwestern College (SWC), Kaplan College (KC), Grossmont College (GC), EMSTA College, Alliant University, San Diego City College, University of Southern California (USC), Concord Career College, Touro University, University of Phoenix and Western University among others In addition, SGH leadership supported the professional development of students in SDSU's Masters of Public Health and Masters of Nursing programs through a variety of educational lectures, including hospital fundraising, nursing statistics, hospital delivery systems, and the role of hospital leadership in quality and changing culture and the American Nurses Credentialing Center (ANCC) Magnet Recognition Program FY 2015 Plan SGH will do the following</p> <ul style="list-style-type: none"> <li>* In collaboration with Grossmont Union High School District, participate in the Health-careers Exploration Summer Institute</li> <li>* Continue to report outcomes of HSHMC students and graduates to promote long-term program sustainability</li> <li>* Continue to provide internship and professional development opportunities to college and university students throughout San Diego</li> <li>* Continue to collaborate with local universities to provide professional development lectures for students SGH Program and Service Highlights</li> <li>* 24-hour emergency services with heliport and paramedic base station - designated STEMI Center</li> <li>* Acute care</li> <li>* Ambulatory care services, including infusion therapy</li> <li>* Behavioral Health Unit</li> <li>* Breast Health Center, including mammography</li> <li>* Cardiac services, recognized by the American Heart Association - GWTG</li> <li>* Cardiac Training Center</li> <li>* Computed Tomography (CT) scan</li> <li>* David and Donna Long Center for Cancer Treatment</li> <li>* Electrocardiogram (EKG)</li> <li>* Electroencephalography (EEG)</li> <li>* Endoscopy unit</li> <li>* Grossmont Plaza Outpatient Surgery Center</li> <li>* Group and art therapies</li> <li>* Home health</li> <li>* Home infusion therapy</li> <li>* Hospice</li> <li>* Hyperbaric treatment</li> <li>* Intensive Care Unit (ICU)</li> <li>* LakeView Home</li> <li>* Neonatal Intensive Care Unit (NICU)</li> <li>* Orthopedics</li> <li>* Outpatient diabetes services, recognized by the American Diabetes Association</li> <li>* Outpatient Imaging Centers</li> <li>* Laboratory services (inpatient and outpatient)</li> <li>* ParkView Home</li> <li>* Pathology services</li> <li>* Pediatric services</li> </ul>

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Form 990, Part III, Line 4a (continued)	<p>* Pulmonary services * Radiology services * Rehabilitation Center * Robotic surgery * Senior Resource Center * Sleep Disorders Center * Spiritual care services * Stroke Center * Surgical services * Transitional Care Unit * Van services * Vascular services * Women's Health Center * Wound Care Center</p> <p>Section 5 Sharp HospiceCare As a systemwide program, Sharp HospiceCare provides programs and services to all of Sharp HealthCare's (Sharp's or SHC's) hospital entities. However, Sharp HospiceCare is licensed under Sharp Grossmont Hospital (SGH) and as such, the financial value of its community benefit programs and services are included in the Sharp Grossmont Hospital section of this report. The following description highlights the variety of community benefit programs and services provided by Sharp HospiceCare to San Diego County (SDC) in FY 2014.</p> <p>* Other Benefits for Vulnerable Populations included contribution of time to Stand Down for Homeless Veterans, San Diego Habitat for Humanity and the San Diego Food Bank.</p> <p>* Other Benefits for the Broader Community included a variety of end-of-life support for seniors, families, caregivers and veterans in the San Diego community, including education, support groups, and outreach at community health fairs and events. Sharp HospiceCare also provided volunteer training opportunities for community members, including both adults and teens. In addition, Sharp HospiceCare staff actively participated in community boards, committees and civic organizations, such as San Diego County Coalition for Improving End-of-Life Care (SDCCEOL), Caregiver Coalition of San Diego, Hospice-Veteran Partnership (HVP) in San Diego, California Hospice and Palliative Care Association (CHAPCA), National Hospice and Palliative Care Organization (NHPCO), Coalition to Transform Advanced Care (C-TAC), Southern Caregiver Resource Center (SCRC), San Diego Regional Home Care Council (SDRHCC), San Diego Community Action Network (SanDi-CAN), East County Senior Service Providers (ECSSP), and South County Action Network (SoCAN). See Appendix A for a listing of Sharp's community involvement.</p> <p>The category included costs associated with planning and operating community benefit programs, such as community health needs assessments and administration.</p> <p>* Health Research, Education and Training Programs included education and training of health care professionals, student and intern supervision and time devoted to generalizable health-related research projects that were made available to the broader health care community.</p> <p>Definition of Community Sharp HospiceCare is located at 8881 Fletcher Parkway in La Mesa, ZIP code 91942. Sharp HospiceCare provides comprehensive end-of-life hospice care, specialized palliative care and compassionate support to patients and families throughout SDC.</p> <p>For SHC's 2013 Community Health Needs Assessment (CHNA) process, the Dignity Health/Truven Health Community Need Index (CNI) was utilized to identify vulnerable communities within the county. The CNI identifies the severity of health disparity for every ZIP code in the United States (U.S.) based on specific barriers to health care access including education, income, culture/language, insurance and housing. As such, the CNI demonstrates the link between community need, access to care, and preventable hospitalizations. According to Dignity Health's CNI, communities served by Sharp HospiceCare with especially high-need include but are not limited to East San Diego, City Heights, North Park, the College Area, and Downtown San Diego.</p> <p>Description of Community Health in SDC, 93.8 percent of children ages 0 to 11, 93.5 percent of children ages 12 to 17, and 81.3 percent of adults were insured in 2011- failing to meet the Healthy People (HP) 2020 national targets for health insurance coverage. See Table 2 for a summary of key indicators of access to care, and Table 3 for data regarding eligibility for Medi-Cal Healthy Families.</p> <p>In SDC overall, during 2012, 16.3 percent of adults ages 18 to 64 did not have a usual source of care. In addition, 72.2 percent of these adults had health insurance, and 7.3 percent utilized Medi-Cal Healthy Families. Further, 15.9 percent of SDC adults ages 18 to 64 reported fair or poor health outcomes and 12.7 percent reported as food insecure.</p> <p>Table 2 Health Care Access in SDC, 2011</p> <table><tr><th>Description</th><th>Rate</th><th>Year</th><th>2020 Target</th></tr><tr><td>*Current Health Insurance Coverage</td><td></td><td></td><td></td></tr><tr><td>Children 0 to 11 Years</td><td>93.8%</td><td></td><td>100%</td></tr><tr><td>Children 12 to 17 Years</td><td>93.5%</td><td></td><td>100%</td></tr><tr><td>Adults 18 + Years</td><td>81.3%</td><td></td><td>100%</td></tr><tr><td>*Regular Source of Medical Care</td><td></td><td></td><td></td></tr><tr><td>Children 0 to 11 Years</td><td>98.1%</td><td></td><td>100%</td></tr><tr><td>Children 12 to 17 Years</td><td>82.2%</td><td></td><td>100%</td></tr><tr><td>Adults 18 + Years</td><td>85.6%</td><td></td><td>89.4%</td></tr><tr><td>*Not Currently Insured</td><td></td><td></td><td></td></tr><tr><td>Adults 18 to 64 Years</td><td>17.7%</td><td></td><td>Source: 2011-2012 California Health Interview Survey (CHIS)</td></tr></table> <p>Table 3 Medi-Cal (Medicaid)/Healthy Families Eligibility, Among Uninsured in SDC (Adults Ages 18 to 64 Years), 2011</p> <table><tr><th>Description/Rate</th><th>Medi-Cal Eligible - 6.9%</th><th>Healthy Families Eligible - 0.4%</th><th>Not Eligible - 92.6%</th></tr><tr><td>Source</td><td colspan="3">2011-2012 CHIS</td></tr></table> <p>Table 3 Ta</p>		Description	Rate	Year	2020 Target	*Current Health Insurance Coverage				Children 0 to 11 Years	93.8%		100%	Children 12 to 17 Years	93.5%		100%	Adults 18 + Years	81.3%		100%	*Regular Source of Medical Care				Children 0 to 11 Years	98.1%		100%	Children 12 to 17 Years	82.2%		100%	Adults 18 + Years	85.6%		89.4%	*Not Currently Insured				Adults 18 to 64 Years	17.7%		Source: 2011-2012 California Health Interview Survey (CHIS)	Description/Rate	Medi-Cal Eligible - 6.9%	Healthy Families Eligible - 0.4%	Not Eligible - 92.6%	Source	2011-2012 CHIS		
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Form 990, Part III, Line 4a (continued)		<p>ble 4 summarizes the leading causes of death in SDC For additional demographic and health data for communities served by Sharp HospiceCare please refer to the Sharp Memorial Hospital (SMH) 2013 CHNA at <a href="http://www.sharp.com/about/community/community-health-needs-assessments">http://www.sharp.com/about/community/community-health-needs-assessments</a> which includes data for the primary communities served by Sharp HospiceCare Table 4 Leading Causes of Death in SDC, 2012 Cause of Death Number of Deaths Percent of Total Deaths Malignant neoplasms 4,958 24.8% Disease of heart 4,626 23.1% Alzheimer's disease 1,163 5.8% Chronic lower respiratory diseases 1,029 5.1% Cerebrovascular diseases 1,003 5.0% Accidents (unintentional injuries) 989 4.9% Diabetes mellitus 652 3.3% Intentional self-harm (suicide) 408 2.0% Chronic liver disease and cirrhosis 354 1.8% Essential (primary) hypertension and hypertensive renal disease 332 1.7% Influenza and pneumonia 303 1.5% Parkinson's disease 264 1.3% Pneumonitis due to solids and liquids 147 0.7% Septicemia 129 0.6% Neoplasms - in situ, benign or unknown behavior 124 0.6% All other causes 3,537 17.7% Total Deaths 20,018 100.0% Source County of San Diego Health and Human Services Agency (HHSA), Public Health Services, Epidemiology &amp; Immunization Services Branch Community Benefit Planning Process In addition to the steps outlined in Section 3 regarding community benefit planning, Sharp HospiceCare</p> <ul style="list-style-type: none"> <li>* Consults with representatives from a variety of internal departments and other community organizations to discuss, plan and implement community activities</li> <li>* Participates in programs and workgroups to review and implement services that improve palliative and end-of-life care for the San Diego community</li> <li>* Incorporates end-of-life community needs into its goal development</li> </ul> <p>Priority Community Needs Addressed by Sharp HospiceCare The 2013 CHNAs for each SHC acute care hospital (Sharp Chula Vista Medical Center, Sharp Coronado Hospital and Healthcare Center, SGH, SMH) identify senior health as a priority health need for the community Sharp HospiceCare provides hospice and palliative care services across the SHC care continuum, and helps to address senior health issues through the following community programs and services</p> <ul style="list-style-type: none"> <li>* End-of-life and chronic illness management education for community members</li> <li>* Advance care planning education and outreach for community members, students and health care professionals</li> <li>* Hospice and palliative care education and training programs for health care professionals, students and volunteers</li> <li>* Bereavement counseling and support</li> </ul> <p>For each of the community programs and services described above, subsequent pages include a summary of the rationale and importance of the service(s), objective(s), FY 2014 Report of Activities conducted in support of the objective(s), and FY 2015 Plan of Activities Identified Community Need End-of-Life and Chronic Illness Management Education for Community Members Rationale references the findings of the SHC 2013 Community Health Needs Assessments or the most recent SDC community health statistics unless otherwise indicated</p> <ul style="list-style-type: none"> <li>* In SHC's 2013 CHNAs, senior health was identified as one of the priority health issues for community members served by SHC</li> <li>* Research presented in the SHC 2013 CHNAs revealed that seniors are at high risk for developing chronic illnesses and related disabilities, and chronic conditions are the leading cause of death among older adults</li> </ul>



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	<p>Form 990, Part III, Line 4a (continued)</p>	<p>* Nationwide, about 80 percent of older adults have one chronic condition, and 50 percent have at least two chronic conditions. Efforts to identify preventable strategies or reduce the risk of disease and injury and to widely apply effective interventions must be pursued (Centers for Disease Control and Prevention, 2011). * Findings presented in the SHC 2013 CHNAs revealed the following health conditions as chief concerns for seniors in SDC: cardiovascular disease, Alzheimer's disease, pain management, hearing loss (many seniors cannot afford treatment), and mobility issues (falls and resulting immobility). Health issues such as medication management, social planning for the future (including housing, advance care planning, etc.), and lack of education, management and support for behavioral changes were identified. * According to research presented in the SHC 2013 CHNAs, older adults are among the fastest growing age groups in the U.S. In 2011, the first of more than 70 million baby boomers (adults born between 1946 and 1964) turned 65. By the year 2050, this age group is projected to more than double in size, from 40.3 million to 88.5 million. The increasing number of older adults, combined with the increasing rates of obesity, diabetes, and other chronic disease, are on track to overwhelm the health care system (America's Health Ranking Senior Report, 2013). * There are an estimated four million family caregivers in California, according to the California Caregiver Resource Center (CRC). * Although caregivers report some positive feelings about caregiving, including family togetherness and the satisfaction of helping others, they also report high levels of stress over the course of providing care. Sixty-one percent of family caregivers of people with Alzheimer's and other dementias rated the emotional stress of caregiving as high or very high (National Alzheimer's Association, Alzheimer's Disease Facts and Figures, 2013). * While researchers have long known that caregiving can have harmful mental health effects for caregivers, research shows that caregiving can have serious physical health consequences as well. Seventeen percent of caregivers feel their health in general has gotten worse as a result of their caregiving responsibilities. Furthermore, an estimated 17 to 35 percent of family caregivers view their health as fair to poor (American Association of Retired Persons (AARP) Public Policy Institute, 2011, AARP Public Policy 2012). * The demand for information by caregivers increased from 67 percent to 77 percent over the five year period from 2004 to 2009 (The National Alliance for Caregiving and AARP, 2009). * Families provide 80 percent of the long-term care in the U.S., and the need for information is great and continues to grow (Family Caregiver Alliance). * Caregivers responded positively to interventions such as individual/group therapy, educational/training support, home-based visits, or technology, depending on how they are delivered (National Alzheimer's Association, 2012). * According to a 2011 article in the American Family Physician Journal (AFPJ), the demand for family caregivers is expected to rise by 85 percent in the next few decades. Furthermore, family caregiving has been affected in several important ways over the past five years: caregivers and care recipients are older and have higher levels of disability than in years past, the duration, intensity and burden of care has increased, the financial cost associated with informal caregiving has risen, and the use of paid formal care has declined significantly.</p> <p><b>Objectives</b></p> <ul style="list-style-type: none"> <li>* Provide education and outreach to the San Diego community concerning advanced illness management and end-of-life care.</li> <li>* Collaborate with community organizations to provide education and outreach to community members and their loved ones.</li> <li>* Support the unique end-of-life care needs of military veterans and their families.</li> </ul> <p><b>FY 2014 Report of Activities</b></p> <p>In an effort to support the San Diego community in the areas of end-of-life care, aging and caregiving, Sharp HospiceCare is a member of a variety of organizations including SDCC EOL, San Diego Physician Orders for Life-Sustaining Treatment (POLST) Coalition, SDRHCC, HVP in San Diego, Caregiver Coalition of San Diego, SanDiego-CAN, North County Community Action Network (NorCAN), SoCAN and ECSSP. In FY 2014, Sharp HospiceCare collaborated with these organizations to provide nearly 4,000 community members with end-of-life education and outreach at a variety of churches, senior living centers, and community health agencies and organizations throughout SDC, as well as through participation in community health fairs and events. Educational presentations covered end-of-life issues and advanced illness management, including advance care planning (ACP), introduction to hospice, eligibility and other key facts about hospice. Presentations were provided at the San Diego Caregiver Coalition's Recognizing and Responding to Elder Abuse Con.</p>

Return Reference	Explanation	
	<p>Form 990, Part III, Line 4a (continued)</p>	<p>ference, Q-Living Lunch and Learns for Qualcomm employee caregivers, the SCRC Workshop at Foothills Christian Church, The Rock Church, the Caregiver Coalition's Make the Best of Your Options event for family caregivers at First United Methodist Church, SDCCEOL Physician Panels at the Ramona Library and Bonita-Sunnyside Branch Library, and the Aging Planning and Coping Conferences at First United Methodist Church, Point Loma Community Presbyterian Church and the La Mesa Community Center. Participation in community health fairs and events included but were not limited to the College Avenue Senior Center Health Fair, the 3rd annual La Mesa Senior Expo at the La Mesa Community Center, the San Diego Gas &amp; Electric (SDG&amp;E) Employee Wellness Fair, St. Paul's Senior Homes Resource Fair, Norman Park Senior Health Fair, Spring Into Healthy Living at the Davis Family YMCA, the SanDi-CAN Live Well, Age Well Community Wellness &amp; Resource Fair, Retired and Senior Volunteer Program (RSVP) appreciation luncheon, and the Mana de San Diego Family Health Fair at Sweetwater High School in National City. In honor of California Health Care Decisions Week, Sharp HospiceCare partnered with SanDi-CAN and other community organizations in October to co-host a large community event at the Balboa Park Club titled Navigating End-of-Life Decisions: Planning Ahead: Crucial Conversations. This free conference provided approximately 200 seniors and families with tools to help them identify their values and goals, as well as communication tips to make educated and informed health care decisions. The event included resources from 36 community exhibitors, as well as presentations from a variety of community experts, including Five Important Documents Everyone Should Have, Palliative Care: Living with Chronic Illness, Care Options: Knowing When, Grief vs. Depression: How to Recognize the Difference, Final Arrangements: All You Need to Know and Plan for, Essential Documents &amp; Conversations: Community Physicians Share Their Thoughts on Their Own Advance Directives. Sharp HospiceCare and the Sharp Senior Resource Centers collaborated to provide two free community conferences titled Aging: Planning and Coping in honor of the Third Annual National Healthcare Decisions Day (NHDD), a national effort held every April to motivate and educate community members and health care providers about the importance of ACP. The conferences were held at the La Mesa Community Center and Point Loma Community Presbyterian Church, and were attended by approximately 100 seniors and caregivers. They received educational presentations from Sharp HospiceCare leadership and community health experts on how to approach aging from a healthier perspective, including coping with the challenges of aging, understanding geriatric frailty, ACP, and integrative therapy. In addition, Sharp team members provided free health screenings, and local health and senior service agencies offered information on a variety of community resources. In June, an Aging: Planning and Coping Conference was also held at the First United Methodist Church in Mission Valley, reaching approximately 100 community members. This conference featured similar education and services as the conferences in April, with an additional presentation on optimizing longevity with a healthy diet.</p>

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Form 990, Part III, Line 4a (continued)	<p>In further support of NHDD, Sharp HospiceCare played a lead role in the planning, organization and delivery of a countywide event titled Planning Ahead for Your Future Healthcare Needs, hosted by SDCCEOL. Held at the First United Methodist Church in Mission Valley, this dynamic, free conference was a collaboration of various community hospice agencies and mortuaries that provided approximately 120 community members with valuable tools on communicating one's health care preferences to family, friends and physicians. Education covered ACP tools and resources, including the advance directive and POLST documents. Community physicians also shared their personal experiences with completing an advance directive, including crucial conversations with their loved ones, and how they selected their health care agent. In FY 2014, the Sharp HospiceCare integrative therapies team continued to provide a monthly stress management class called Relaxation for the Family Caregiver. Through an educational lecture, hands-on demonstrations and self-practice, more than 120 family caregivers learned simple techniques for self-care and relaxation, such as yoga, tai chi and meditation to prevent caregiver burnout and promote healing. Sharp HospiceCare continued its wig donation program in FY 2014, providing more than 30 free wigs to community members who suffer from hair loss due to cancer treatment and other illnesses. Through the program, Sharp HospiceCare receives new, unused wigs from manufacturers, cleans and styles the wigs and donates them to individuals in need. Understanding that hair loss can be difficult, Sharp HospiceCare team members offer private wig appointments for community members to select their wig, and receive personalized wig fitting, styling and maintenance instructions. In addition, surplus wigs are donated to patients at the Douglas and Nancy Barnhart Cancer Center at SCVMC, and to other community organizations interested in supporting those with medical-related hair loss. Sharp HospiceCare supports the needs of military veterans and their families through participation in veteran-oriented community events, and collaboration with local and national organizations advocating for quality end-of-life care for veterans. In October, Sharp HospiceCare provided education and resources on hospice, ACP and advanced illness management at the Veterans, Military and Families Expo at the War Memorial Building at Balboa Park. This free event was sponsored by the City of San Diego Parks and Recreation Department, Senior Citizen Services, SanDi-CAN, San Diego Veterans Coalition and the Caregiver Coalition of San Diego. The event included presentations, workshops, resource tables and assistance applying for veterans' benefits from a variety of non-profit organizations and federal, county, and municipal entities that support veterans and military families. In November, Sharp HospiceCare provided ACP education at a health fair for veterans and their family members at the Veterans Affairs (VA) San Diego Healthcare System in La Jolla, in collaboration with other community hospice organizations and the Hospice-Veteran Partnerships (HVP) in San Diego. Since 2010, Sharp HospiceCare has been a member of the HVP in San Diego, a coalition of the Department of Veterans Affairs facilities and community hospices working together to ensure excellent end-of-life care for veterans and their families. Through the partnership, the VA San Diego Healthcare System and San Diego's community hospice organizations continually collaborate to promote and advocate for quality care for veterans experiencing a life-limiting illness, and serve as a voice and resource for veterans and their families. Sharp HospiceCare also participates on the advisory board for the SCRC's Operation Family Caregiver (OFC), a comprehensive program that helps all family caregivers of veterans, including those of post-911 conflicts, as well as service members with Traumatic Brain Injury (TBI), Post-Traumatic Stress Disorder (PTSD), or other physical disabilities. In addition, Sharp HospiceCare is a partner in We Honor Veterans (WHV), a national project developed by the NHPCO in collaboration with the Department of Veterans Affairs to empower hospice professionals to meet the unique needs of veterans and their families at the end-of-life. As WHV partners, hospice organizations can achieve up to four levels of commitment in serving veterans. Sharp HospiceCare is currently a Level One Partner, indicating it is equipped to provide veteran-centric education to its staff and volunteers, including training them to identify patients with military experience. FY 2015 Plan Sharp HospiceCare will do the following:</p> <ul style="list-style-type: none"><li>* Continue to collaborate with a variety of local networking groups and community-oriented agencies to provide education and resources for community seniors and their loved ones on advanced illness management and end-of-life care.</li><li>* In collaboration with SCHHC and the Sharp Senior</li></ul>	

Return Reference	Explanation	
	Form 990, Part III, Line 4a (continued)	<p>r Resource Centers, host three free aging conferences, reaching 100 community members per conference *</p> <p>Continue to provide a wig donation program *</p> <p>Continue to support the needs of military veterans and their families through the provision of education and resources at veteran-oriented community events, and collaboration with local and national organizations advocating for quality end-of-life care for veterans *</p> <p>Achieve WHV Level Two Partners to build the organizational capacity needed to provide quality care for veterans and their families *</p> <p>Begin working towards WHV Level Three Partners to develop and strengthen relationships with VA medical centers and other veteran organizations and community hospices</p> <p>Identified Community Need Advance Care Planning Education and Outreach to Community Members, Students and Health Care Professionals</p> <p>Rationale references the findings of the SHC 2013 Community Health Needs Assessments or the most recent SDC community health statistics unless otherwise indicated</p> <p>Rationale *</p> <p>Participants in the HASD&amp;IC 2013 CHNA community forums recommended increased educational resources on advance directives to help address the health concerns of seniors in SDC *</p> <p>Key informant interviews from the SHC 2013 CHNAs identified social planning for the future, including education on ACP, among chief concerns for seniors in SDC *</p> <p>Greater community education regarding care options and care management to ensure a positive experience as seniors approach the later stages of life were identified as areas of improvement for seniors in the SHC 2013 CHNAs *</p> <p>Advance directives should be filled out while people are healthy, because doing so gives them time to think about the end-of-life care they would choose if they were unable to communicate their own wishes</p> <p>It also allows time to discuss these wishes with loved ones (National Cancer Institute, 2013) *</p> <p>A 2013 report, Completion of Advance Directives Among U.S. Consumers, published in The American Journal of Preventive Medicine in January 2014, shows that of more than 7,900 respondents only 26.3 percent had an advance directive, with lack of awareness cited as the primary barrier for not having one</p> <p>This study also indicates racial and educational disparities in the completion of an advance directive and highlights the need for additional education about end-of-life decisions *</p> <p>Only 28 percent of home health care patients, 65 percent of nursing home residents and 88 percent of hospice care patients have an advance directive on record (National Center for Health Statistics, 2011) *</p> <p>According to the CDC, barriers to ACP include lack of awareness, denial of death and dying, denial of being in a circumstance in which we are unable to make our own decisions and speak for ourselves, confusion between whether to choose palliative care and doing whatever it takes to extend life, and cultural differences (CDC, 2012) *</p> <p>According to the CDC, planning for the end of life is increasingly being viewed as a public health issue, given its potential to prevent unnecessary suffering and to support an individual's decisions and preferences related to the end of life</p> <p>In addition, the CDC recognizes the public health opportunity to educate Americans, and especially older adults, about ACP and to improve their quality of care at the end of life (CDC, 2010)</p>

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<p>Form 990, Part III, Line 4a (continued)</p>		<p>* Although making decisions on end-of-life care can be traumatic, providing information to family members, involving them in discussions and using advance directives has shown to reduce their symptoms of post-traumatic stress, anxiety, and depression (Detering et al, 2010, The Impact of Advance Care Planning on End of Life Care In Elderly Patient Randomized Controlled Trial, British Medical Journal) Objectives * Provide ACP education, engagement and consultation for community members * Provide education to community health care professionals and students on ACP and important ACP components FY 2014 Report of Activities S HC offers a free and confidential ACP program Facilitated by Sharp HospiceCare, the program is designed to empower adults of any age and health status in the community to explore and document their beliefs, values and goals as they relate to health care The program consists of three stages Stage one, community engagement, focuses on bringing awareness to healthy community members about the importance of ACP This stage includes basic education and resources, identification of an appropriate health care agent, and completion of an advance directive The next stage, disease-specific outreach, focuses on education for community members with a progressive chronic illness, including decline in functional status, co-morbidities, potential for hospitalization and caregiver issues With a goal of anticipating future needs as health declines, this stage focuses on developing a written plan that identifies goals of care, and involves the health care agent and loved ones The third stage, late life illness outreach, targets those with a disease prognosis of one year or less Under these circumstances, specific or urgent decisions must be made and converted into medical orders that will guide the health care provider's actions and be consistent with goals of care The focus of this stage is to assist the individual or appointed health care agent with navigating complex medical decisions related to immediate life sustaining or prolonging measures, including completion of the POLST form In FY 2014, the Sharp ACP team provided printed educational resources, as well as nearly 130 phone and in-person consultations to community members seeking guidance with identifying their personal goals of care and health care preferences, appointing an appropriate health care agent, and completing an advance directive The program engaged more than 2,550 community members in free ACP education at a variety of community sites, including health fairs, senior centers, homecare agencies, churches and seminars Locations included but were not limited to Collwood Terrace Retirement Community, the Rock Church, the Sharp Women's Health Conference, the Sharp HospiceCare and Sharp Senior Resource Centers Aging Planning and Coping Conferences, and the SCRC Workshop at Foothills Christian Church The team also provided ACP lectures to nearly 550 students and health care professionals in the community, including attendees of the Aging and Independence Services (AIS) Vital Aging Conference, County of San Diego Emergency Medical Service (EMS) providers, local fire departments, the CVCC, South Bay Senior Providers, SDCCEOL, SanDi-CAN, San Diego County Council on Aging (SDCCOA), United Health Group, C-TAC, case managers from the San Diego Care Transitions Partnership (SDCTP), the Caregiver Coalition of San Diego, the Sharp HospiceCare Resource and Education Expo, and a visiting physician from Mexico City In FY 2014, Sharp HealthCare developed the Sharp HealthCare Advance Directive to guide the public in outlining their health care decisions It was made publicly available on its website Using easy-to-read language, the document describes what an advance directive is and how and why to complete one It also provides an opportunity for individuals to put their health care wishes into writing, and appropriately sign the advance directive making it a legal document that can be used as a tool for health care decision making Additional contact information is also provided for community members who are interested in speaking with a Sharp ACP facilitator FY 2015 Plan Sharp HospiceCare will do the following * Continue to provide free ACP education and outreach to community members through phone and in-person consultations * Continue to provide free ACP education and outreach to health care professionals * Continue to collaborate with community organizations to provide more than 50 educational classes and events to raise awareness of ACP * Host a variety of community events to promote the importance of ACP in honor of National Healthcare Decisions Day * Provide education to health care clinicians on how to discuss and distribute the new Sharp HealthCare Advance Directive Identified Community Need Health Professions and Student Education and Training, and Volunteer Training Rationale references the findings of the SHC 2013 Community Health</p>

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	<p>Form 990, Part III, Line 4a (continued)</p>	<p>alth Needs Assessments or the most recent SDC community health statistics unless otherwise indicated</p> <p>Rationale * According to the 2013 SDC Healthcare Shortage Areas Atlas from the County of San Diego's HHSA, SDC is one of 28 counties in California listed as a Registered Nurse (RN) Shortage Area * The demand for RNs and other health care personnel in the U S will increase due to the aging population Nurses will be needed to educate and care for patients with various chronic conditions, such as arthritis, dementia, diabetes, and obesity The number of individuals who have access to health care services will increase as a result of federal health insurance reform More nurses will be needed to care for these patients (Bureau of Labor Statistics, 2012) * The Bureau of Labor Statistics (BLS) projects employment of more than 3.2 million RNs in 2022, an increase of 19 percent from 2012 RNs are projected to have the most new jobs in 2020, when compared to other health care practitioners and technical occupations in health care * The BLS projects that home health aide demand will grow 48 percent from 2012 to 2022 As the U S population ages, the demand for home health aides to provide assistance and companionship will continue to increase The older population often has health problems and will need help with daily activities * Overall employment is projected to increase 10.8 percent, or 15.6 million, from 2012 to 2022 Occupations and industries related to health care are projected to add the most new jobs during this decade and jobs requiring postsecondary education for entry are expected, on average, to grow faster than occupations that require a high school diploma or less * The number of Americans over age 65 is expected to increase 71 percent by 2030 Geriatrics health professions training programs are critical to ensuring there is a skilled eldercare workforce and knowledgeable, well-supported family caregivers available to meet the complex and unique needs of older adults (Eldercare Workforce Alliance, 2014) * An estimated 3.5 million additional health care professionals will be needed by 2030 to care for older adults, while current levels of workforce are already stretched (Eldercare Workforce Alliance, 2011) * Due to the expanding populations of older adults, and the growing desire to live independently and remain at home, the demand for the direct-care workforce is projected to reach 4.3 million by 2018 Furthermore, direct-care workers are responsible for providing 70 to 80 percent of the paid hands-on long-term care for older adults, but their preparation and training is underfunded and inconsistent (Paraprofessional Healthcare Institute, 2011) * The San Diego Workforce Partnership recommends programs that provide volunteer experiences to high school and post-secondary students, as on-the-job training could provide real world experience for workers Programs that target underrepresented groups and disadvantaged students could help increase the number of culturally competent health care workers Objectives * Provide education and training opportunities for students and interns</p>

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Form 990, Part III, Line 4a (continued)	<p>* Provide a Sharp HospiceCare Resource and Education Expo for community health care professionals * Through education, training and outreach, guide local, state and national health care organizations in the development and implementation of appropriate services for the needs of the aging population, including individuals in need of advanced illness management * Maintain active relationships and leadership roles with local and national organizations * Provide volunteer opportunities for adults and teens in the San Diego community</p> <p>FY 2014 Report of Activities Between the fall 2013 and spring 2014 semesters, Sharp HospiceCare provided 30 San Diego State University (SDSU) nursing students with opportunities to shadow case managers out in the field. Sharp HospiceCare's LakeView and ParkView homes served as training sites for 30 SDSU nursing students who spent an eight-hour day shadowing and learning from the highly skilled and compassionate nursing staff at each of the homes. Sharp HospiceCare also trained and supervised a medical student from Touro University in a two-week intensive program overseen by a board-certified hospice medical director. In addition, 160 hours of training, supervision and shadowing was provided to a physician visiting from Mexico City, including education about hospice care and ACP through patient visits and classroom presentations. In April, June and July, Sharp HospiceCare delivered lectures on ACP and bioethics to 100 nursing and medical students from Azusa Pacific University (APU). Furthermore, education on end-of-life care and comprehensive care for the terminally ill was provided to more than 40 advanced psychology students at Valhalla High School. In June 2014, Sharp HospiceCare hosted its fifth annual Resource and Education Expo, reaching approximately 300 community health care professionals. The theme of the expo was Law, Ethics and Advocacy in Health Care, featuring education from local professionals on bioethical issues surrounding ACP and decision making, the legal aspects of elder abuse and mandated reporting in California, and the value of extending palliative care into the health care continuum. The expo featured 35 resource exhibits representing a variety of community agencies supporting end-of-life needs. Education was provided by various community agencies including the San Diego District Attorney and California State University San Marcos (CSUSM), as well as by Sharp's ACP facilitator. In FY 2014, Sharp HospiceCare leadership provided education, training and outreach to local, state and national health care professionals. These efforts sought to guide industry professionals in achieving person-centered, coordinated care through the advancement of innovative hospice and palliative care initiatives. Educational outreach to local organizations included the San Diego Rotary, SDRHCC, San Diego Hospice and Palliative Nurses Association (HPNA), SDCCOA and San Diego POLST Coalition. State and national education included the Iowa Hospital Association Palliative Care Conference, Generations HealthCare, HealthSperien, Wellspan Health, Atlanticare, Front Porch Retirement Communities administration, the U.S. News &amp; World Report Conference, the California HealthCare Foundation (CHCF) Improvement Network and Palliative Care Action Committee, NHP CO, CHAPCA, the Coalition for Compassionate Care of California (CCCC) Conference, California Physicians Medical Group, and Scott and White Medical Group of Central, Texas. Presentation topics included advanced illness management, hospice economics, prognostication, ACP and geriatric frailty. Throughout the year, Sharp HospiceCare also provided print, radio and television interviews with KPBS, Fox 5 San Diego and Union-Tribune San Diego, discussing issues pertaining to end-of-life care. Sharp HospiceCare leadership continued to serve as a part of the CHCF Palliative Care Action Community in FY 2014, to help health care organizations implement community-based palliative care services, including a site visit for Long Beach Memorial Medical Center. Sharp HospiceCare leadership also continued to serve on the board, and as a state hospice representative, for NHPCO and CHAPCA. The Sharp HospiceCare interdisciplinary team is trained in ELNEC (End-of-Life Nursing Education Consortium) for Veterans. Administered by the American Association of Colleges of Nursing (AACN), the ELNEC project is a national education initiative to improve palliative care. Through Train-the-Trainer courses, the ELNEC for Veterans project trains a core of expert nursing educators on how to provide better palliative care for veterans with life-threatening illness, so that they can continue to teach this essential information to practicing nurses and other health care professionals. Since completing the Train-the-Trainer course in 2012, Sharp HospiceCare has been working with its community partners to locally expand training in ELNEC for Veterans, including sharing the curriculum.</p>	

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Form 990, Part III, Line 4a (continued)		<p>with fellow members of the HVP, and with staff from the VA San Diego Healthcare System. In FY 2014, Sharp HospiceCare provided training for nearly 70 new volunteers. Hospice volunteers are often working towards a career in the medical field, and can gain valuable knowledge and experience volunteering for a hospice organization. In addition, hospice volunteers provide important services to hospice organizations and those they serve, including providing companionship to those near the end of life, caregiver and family support, and help with community outreach. Prior to providing patient care and administrative support activities, Sharp HospiceCare volunteers participated in an extensive 32-hour training program to confirm their understanding of and commitment to hospice care. Sharp HospiceCare also trained five teenagers through its Teen Volunteer Program, and provided volunteer opportunities for three nursing students from Point Loma Nazarene University (PLNU). The teen volunteers devoted their time to special projects in the office or at Sharp HospiceCare's hospice homes, while the nursing students provided assistance and care to family caregivers in private homes. In addition, Sharp HospiceCare offers a unique volunteer opportunity through its 11th Hour Program. Through the program, a Sharp HospiceCare volunteer accompanies end-of-life patients without family members present, providing comfort in their final moments. These volunteers also provide company to family members who are present as their loved one passes away. FY 2015 Plan Sharp HospiceCare will do the following:</p> <ul style="list-style-type: none"> <li>* Continue to provide education and training opportunities for nursing and premedical students and interns</li> <li>* Provide an end-of-life learning environment in community-based hospice homes</li> <li>* Continue to provide education, training and outreach to local, state and national health care organizations to support the development and implementation of appropriate services for the needs of the aging population, including individuals in need of advanced illness management</li> <li>* Maintain active relationships and leadership roles with local and national organizations</li> <li>* Continue to provide ELNEC education to community health care professionals</li> <li>* Provide volunteer training programs for at least 100 adults and teens</li> <li>* Provide training to hospice volunteers on integrative therapies for family caregivers</li> </ul> <p>Identified Community Need: Bereavement Counseling and Support. Rationale references the findings of the SHC 2013 Community Health Needs Assessments or the most recent SDC community health statistics unless otherwise indicated. Rationale:</p> <ul style="list-style-type: none"> <li>* According to the Institute of Medicine (IOM) 2014 report, <i>Dying in America: Improving Quality and Honoring Individual Preferences Near the End of Life</i>, clinical care is not a person's sole priority near the end of life. Patients and families may be deeply concerned with existential or spiritual issues, including bereavement, and with practical matters of coping. Appropriate support in these areas is an essential component of good care.</li> <li>* According to the same report, risk factors for complicated grief among bereaved caregivers include fewer years of education, younger age of the deceased, and lower satisfaction with social support. The care provided by hospices may lead to positive health outcomes, including survival, among the bereaved and may help some people avoid long-term depression and other consequences of complicated grief.</li> <li>* According to the NHPCO, grief may be experienced in response to physical losses, such as death, or in response to symbolic or social losses such as divorce or loss of a job. The grief experience can be affected by one's history and support system. Taking care of one's self and accessing counseling and support services can be a guide through some of the challenges of grieving as a person adjusts to their loss.</li> </ul>



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Form 990, Part III, Line 4a (continued)	<p>* According to a 2010 article in Journal of the American Medical Association (JAMA), when compared with nursing homes or home health nursing services, bereaved family members report fewer unmet needs for pain and emotional support when the last place of care was hospice. In addition, lower spousal mortality at 18 months was found among bereaved wives of decedents who used hospice care versus those who did not. * A 2004 JAMA study titled, Quality of End-of-Life Care and Last Place of Care, examined 1,578 family members of people who died in the year 2000 of non-traumatic causes. Families were asked about the quality of patients' experiences at the last place where they spent more than 48 hours. Significant findings of the study include more than one-third of those cared for by nursing homes, hospitals and home health agencies reported either insufficient or problematic emotional support for the patient and/or family, compared to one-fifth of those in hospice (JAMA, January 7, 2004).</p> <p>Objectives</p> <ul style="list-style-type: none"><li>* Provide bereavement education, resources, counseling and support to community members with life-limiting illness and their loved ones</li><li>* Provide individuals and their families referrals to needed community services</li><li>* Provide support to loved ones of those who have passed away through the Memory Bear Program</li></ul> <p>FY 2014 Report of Activities</p> <p>Throughout FY 2014, Sharp HospiceCare offered a variety of bereavement service options to help grieving community members learn effective ways to cope with the loss of a loved one. Services were provided in both Spanish and English, and included professional bereavement counseling for individuals and families, as well as community education, support groups and monthly newsletter mailings. In FY 2014, Sharp HospiceCare devoted more than 2,200 hours to home and office counseling and phone contacts with patients and their loved ones, providing them with bereavement counseling services from Master's-level social workers with specific training in grief and loss. Free quarterly bereavement support groups facilitated by skilled mental health care professionals specializing in the needs of the bereaved reached more than 180 participants in FY 2014. Groups included Straight Talk about Grief and Loss and the Widow's/Widower's group. Straight Talk about Grief and Loss consisted of eight weekly sessions each quarter, including Introduction to the Grief Process, Strategies for Coping with Grief, Communicating with Family and Friends, Experiencing Anger in Grief, Guilt, Regret and Forgiveness, Differentiating Natural Grief and Depression, Use of Ceremony and Ritual to Promote Healing, and What Does Healing Look Like?/Who Am I Now? The Widow's/ Widower's group welcomed community members who lost a spouse, and provided them with an opportunity to share their emotional challenges and receive support and coping skills from other group members. Additionally, a support group titled Support During the Holiday Season was offered on two days in December, while a special event titled Healing Through the Holidays was offered on two days in November. More than 80 adults attended the groups, receiving presentations and support around understanding grief, improving coping skills, exploring the spiritual meaning of the holidays in the face of grief, remembering loved ones and reviving hope. A similar group was provided in the spring titled Remembering Our Parents, which focused on coping with grief around Mother's and Father's Day, and served more than 15 community members. In May, the Sharp HospiceCare Spiritual Care Department offered its annual memorial service for family members of hospice patients who have died in the past year. Through music, readings, and sharing memories with other attendees, the service provided family members a time for healing during their grief, and keeping the memory of their loved ones alive. In addition, approximately 1,250 community members received a monthly bereavement support newsletter titled Healing Through Grief for 13 months after the loss of a loved one, in order to help them cope with the changes associated with this experience. Sharp HospiceCare bereavement counselors provided referrals to community counselors, mental health services, other bereavement support services and community resources as needed. Sharp HospiceCare volunteers supported grieving community members through the Memory Bear program, in which they used garments of loved ones who have passed on to sew teddy bears as keepsakes for surviving family members. In FY 2014, approximately 3,200 hours were dedicated to sewing more than 800 bears for approximately 400 families.</p> <p>FY 2015 Plan</p> <p>Sharp HospiceCare will do the following</p> <ul style="list-style-type: none"><li>* Continue to offer individual and family bereavement education, counseling and support groups</li><li>* Continue to provide referrals to needed community services</li><li>* Provide Healing Through the Holidays events and support services</li><li>* Provide 13 mailings of bereavement support newsletters</li><li>* Continue</li></ul>	

Return Reference	Explanation	
Form 990, Part III, Line 4a (continued)		<p>to provide a Memory Bear program to serve 400 families Sharp HospiceCare Program and Service Highlights *</p> <p>Advance care planning * Bereavement care services * Homes for Hospice program * Hospice nursing services * Integrative therapies * Spiritual care services * Volunteer program * Management for various hospice patient conditions, including *</p> <p>* Alzheimer's disease * Cancer * Debility * Dementia * Heart disease * Human Immunodeficiency Virus (HIV) * Kidney disease * Liver disease * Pulmonary disease * Stroke Appendix A Sharp HealthCare Involvement in Community Organizations The list below shows the involvement of Sharp executive leadership and other staff in community organizations and coalitions in Fiscal Year 2014 Community organizations are listed alphabetically *</p> <p>* 2-1-1 San Diego Board * A New PATH (Parents for Addiction, Treatment and Healing) * Adult Protective Services * Aging and Independence Services (AIS) * Alzheimer's Association * American Association of Colleges of Nursing (AACN) * American Association of Critical Care Nurses, San Diego Chapter (AACCN) * American Cancer Society (ACS) * American College of Healthcare Executives (ACHE) * American Diabetes Association (ADA) * American Foundation for Suicide Prevention * American Health Information Management Association * American Heart Association (AHA) * American Hospital Association (AHA) * American Psychiatric Nurses Association * American Red Cross of San Diego (ARC) * Arc of San Diego * Asian Business Association * Association for Ambulatory Behavioral Healthcare * Association for Clinical Pastoral Education (ACPE) * Association of California Nurse Leaders (ACNL) * Association of periOperative Registered Nurses (AORN) * Association of Women's Health, Obstetric and Neonatal Nurses (AWHONN) * Azusa Pacific University (APU) * Beacon Council's Patient Safety Collaborative * Boys and Girls Club of San Diego * Bonita Business and Professional Organization * California Association of Health Plans * California Association of Hospitals and Health Systems * California Association of Marriage and Family Therapists * California Association of Physician Groups * California Board of Behavioral Health Sciences * California College, San Diego * California Council for Excellence * California Department of Public Health * California Dietetic Association, Executive Board * California HealthCare Foundation * California Health Information Association * California Hospice and Palliative Care Association (CHAPCA) * California Hospital Association Center for Behavioral Health * California Library Association * California State University San Marcos (CSUSM) * California Teratogen Information Service * Caregiver Coalition of San Diego * Caregiver Coalition of San Diego - Caregiver Education Committee * Caring Hearts Medical Clinic * Centers for Community Solutions * Chelsea's Light Foundation * Chicano Federation of San Diego County * Community Health Improvement Partners (CHIP) Behavioral Health Work Team * CHIP Board * CHIP Health Literacy Task Force * CHIP Suicide Prevention Work Team * CHIP Independent Living Association (ILA) Advisory Board and Peer Review Advisory Team</p>

Return Reference	Explanation	
Form 990, Part III, Line 4a (continued)	<p>* Chula Vista Chamber of Commerce * Chula Vista Community Collaborative * Chula Vista Family Health Center * Chula Vista Rotary * City of Chula Vista Wellness Program * Coalition to Transform Advanced Care (CTAC) * Combined Health Agencies * Community Emergency Response Team (CERT) * Consortium for Nursing Excellence, San Diego * Coronado Chapter of Rotary International * Coronado Fire Department * Council of Women's and Infants' Specialty Hospitals (CWISH) * Cycle EastLake * Downtown San Diego Partnership * East County Senior Service Providers (ECSSP) * El Cajon Fire Department * Emergency Nurses Association, San Diego Chapter * Employee Assistance Professionals Association * EMSTA College * Family Health Centers of San Diego (FHCS) * Gardner Group * Gary and Mary West Senior Wellness Center * Girl Scouts of San Diego Imperial Council, Inc. * Grossmont College (GC) * Grossmont Healthcare District * Grossmont Union High School District (GUHD) * Health Care Communicators Board * Health Insurance Counseling and Advocacy Program (HICAP) * Health Volunteers Overseas * Heart to Heart International * Helen Woodward Animal Center * Helix Charter High School * Helps International * Home of Guiding Hands * Hospice-Veteran Partnership (HVP) * Hospital Association of San Diego and Imperial Counties (HASD&amp;IC) * HASD&amp;IC Community Health Needs Assessment Advisory Group * Health Sciences High and Middle College (HSHMC) Board * I Love a Clean San Diego * International Association of Eating Disorders Professionals (IAEDP) * International Lactation Consultants Association (ILCA) * International Relief Team (IRT) * Ioama Medical Ministries * Jewish Family Service of San Diego * Jewish Federation of San Diego County - Jewish Senior Services Council * John Brockington Foundation * Journal for Nursing Care Quality Editorial Board * Kaplan College Advisory Board * Kiwanis Club of Chula Vista * Komen Latina Advisory Council * Komen Race for the Cure Committee * La Mesa Family Clinics * La Mesa Lion's Club * La Mesa Park and Recreation Foundation Board * Las Patronas * Las Primeras * March of Dimes * Meals-on-Wheels * Medical Library Group of Southern California and Arizona * Mended Hearts * Mental Health America (MHA) * Mental Health Coalition * Miracle Babies * MRI Joint Venture Board * National Alliance on Mental Illness (NAMI) * National Association of Neonatal Nurses (NANN) * National Association of Hispanic Nurses (NAHN), San Diego Chapter * National Hospice and Palliative Care Organization (NHPCO) * National Initiative for Children's Healthcare Quality (NICHQ) * National Kidney Foundation * National University (NU) * Neighborhood Healthcare Community Clinic * North County Health Project * NurseWeek * Pacific Arts Movement (Pac-Arts, formerly the San Diego Asian Film Foundation) * Partnership for Smoke-Free Families * Peninsula Shepherd Senior Center * Perinatal Safety Collaborative * Perinatal Social Work Cluster * Planetree Board of Directors * Professional Oncology Network (PON) * Project CARE * Project Compassion * Public Health Nurse Advisory Board * Recovery Innovations - California * Regional Perinatal System (RPS) * Residential Care Council * Safety Net Connect * San Diego Community Action Network (SanDi-CAN) * San Diegans for Healthcare Coverage * San Diego Association of Diabetes Educators * San Diego Association of Directors of Volunteer Services * San Diego Black Nurses Association * San Diego Blood Bank * San Diego Brain Injury Foundation * San Diego Community Care Transitions Partnership (SDCCTP) * San Diego Center for Children * San Diego City College * San Diego City Parks and Recreation * San Diego Council on Suicide Prevention * San Diego County Breastfeeding Coalition * San Diego County Coalition for Improving End-of-Life Care (SDCCEOL) * San Diego County Council on Aging (SDCCOA) * San Diego County Emergency Medical Care Committee * San Diego County Health and Human Services Agency (HHSA) * San Diego County Perinatal Care Network * San Diego County Social Services Advisory Board * San Diego County Stroke Consortium * San Diego County Taxpayers Association * San Diego Dietetic Association Board * San Diego East County Chamber of Commerce Board * San Diego Emergency Medical Care Committee (EMCC) * San Diego Eye Bank Nurses Advisory Board * San Diego Food Bank * San Diego Half Marathon * San Diego Health Information Association * San Diego Healthcare Disaster Council * San Diego Hospice and Palliative Nurses Association (HPNA) * San Diego Housing Commission (SDHC) * San Diego Imperial Council of Hospital Volunteers * San Diego Lesbian, Gay, Bisexual, and Transgender Community Center, Inc. (The Center) * San Diego Mental Health Coalition * San Diego Mesa College (MC) * San Diego Military Family Collaborative * San Diego North Chamber of Commerce * San Diego Older Adult Council * San Diego Organization of Healthcare Leaders (SOHL), a local ACHE Chapter * San Diego Patient Safety Consortium * San Diego Phys</p>	

Return Reference	Explanation	
	Form 990, Part III, Line 4a (continued)	<p>ician Orders for Life-Sustaining Treatment (POLST) Coalition * San Diego Regional Energy Office * San Diego Regional Home Care Council (SDRHHC) * San Diego Rescue Mission * San Diego River Park Foundation * San Diego-Imperial Council of Hospital Volunteers * San Diego Regional Chamber of Commerce * San Diego Science Alliance * San Diego State University (SDSU) * San Ysidro High School * Santee Chamber of Commerce * SAY San Diego * Second Chance * Serving Seniors (formerly known as Senior Community Centers of San Diego) * Sigma Theta Tau International Honor Society of Nursing * Society of Trauma Nurses * South Bay Community Services * South County Economic Development Council * Southern California Association of Neonatal Nurses * Southern Caregiver Resource Center (SCRC) * Special Olympics * St Paul's Retirement Homes Foundation * St Vincent de Paul Village * Susan G. Komen Breast Cancer Foundation * Sweetwater Union High School District (SUHSD) * The Meeting Place * Third Avenue Charitable Organization (TACO) * Trauma Center Association of America * United Service Organizations Council of San Diego * University of California, San Diego (UCSD) * University of San Diego (USD) * VA San Diego Healthcare System * Veterans Home of California, Chula Vista * Veterans Village of San Diego * Vista Hill ParentCare * Walk San Diego * Women, Infants and Children Program (WIC) * YMCA * YWCA Becky's House * YWCA Board of Directors * YWCA Executive Committee * YWCA In the Company of Women Event</p>

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](http://www.irs.gov/form990).

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization  
Grossmont Hospital Corporation

Employer identification number  
33-0449527

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
(1) Sharp HealthCare (SHC)  8695 Spectrum Center Blvd  San Diego, CA 921231489 95-6077327	Healthcare Organization	CA	501 (c)(3)	3	N/A		No
(2) Sharp Memorial Hospital (SMH)  8695 Spectrum Center Blvd  San Diego, CA 921231489 95-3782169	Hospital	CA	501 (c)(3)	3	Sharp HealthCare	Yes	
(3) Sharp Chula Vista Medical Center (SCVMC)  8695 Spectrum Center Blvd  San Diego, CA 921231489 95-2367304	Hospital	CA	501 (c)(3)	3	Sharp HealthCare	Yes	
(4) Sharp HealthCare Foundation (SHF)  8695 Spectrum Center Blvd  San Diego, CA 921231489 95-3492461	Healthcare Foundation	CA	501 (c)(3)	7	Sharp HealthCare	Yes	
(5) Grossmont Hospital Foundation  8695 Spectrum Center Blvd  San Diego, CA 921231489 33-0124488	Hospital Foundation	CA	501 (c)(3)	7	Grossmont Hospital Corporation	Yes	
(6) Sharp Health Plan (SHP)  8695 Spectrum Center Blvd  San Diego, CA 921231489 33-0519730	Health Plan	CA	501 (c)(4)	N/A	Sharp HealthCare	Yes	
(7) Sharp Coronado Hospital and Healthcare Center  8695 Spectrum Center Blvd  San Diego, CA 921231489 95-0651579	Hospital	CA	501 (c)(3)	3	Sharp HealthCare	Yes	

Part III

Identification of Related Organizations Taxable as a Partnership

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end- of-year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) Grossmont Imaging LLC  7777 Alvarado Road Suite 108 La Mesa, CA 91941 20-2655131	Diagnostic Imaging	CA	N/A	Related	523,081	1,587,316		No		Yes		50 000 %

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
(1) Continuous Quality Insurance SPC  23 Lime Tree Bay Avenue PO Box 1 Grand Cayman CJ	Captive Insurance Company	CJ	N/A	C					No

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

No

1b

Yes

1c

Yes

1d

No

1e

No

1f

No

1g

No

1h

No

1i

No

1j

Yes

1k

No

1l

Yes

1m

Yes

1n

Yes

1o

Yes

1p

Yes

1q

Yes

1r

Yes

1s

Yes

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

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

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

[illegible]



Part VII

Supplemental Information

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

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

Additional Data

Software ID:  
Software Version:  
EIN: 33-0449527  
Name: Grossmont Hospital Corporation

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) Sharp HealthCare (SHC)  8695 Spectrum Center Blvd San Diego, CA 921231489 95-6077327	Healthcare Organization	CA	501 (c)(3)	3	N/A		No
(1) Sharp Memorial Hospital (SMH)  8695 Spectrum Center Blvd San Diego, CA 921231489 95-3782169	Hospital	CA	501 (c)(3)	3	Sharp HealthCare	Yes	
(2) Sharp Chula Vista Medical Center (SCVMC)  8695 Spectrum Center Blvd San Diego, CA 921231489 95-2367304	Hospital	CA	501 (c)(3)	3	Sharp HealthCare	Yes	
(3) Sharp HealthCare Foundation (SHF)  8695 Spectrum Center Blvd San Diego, CA 921231489 95-3492461	Healthcare Foundation	CA	501 (c)(3)	7	Sharp HealthCare	Yes	
(4) Grossmont Hospital Foundation  8695 Spectrum Center Blvd San Diego, CA 921231489 33-0124488	Hospital Foundation	CA	501 (c)(3)	7	Grossmont Hospital Corporation	Yes	
(5) Sharp Health Plan (SHP)  8695 Spectrum Center Blvd San Diego, CA 921231489 33-0519730	Health Plan	CA	501 (c)(4)	N/A	Sharp HealthCare	Yes	
(6) Sharp Coronado Hospital and Healthcare Center  8695 Spectrum Center Blvd San Diego, CA 921231489 95-0651579	Hospital	CA	501 (c)(3)	3	Sharp HealthCare	Yes	

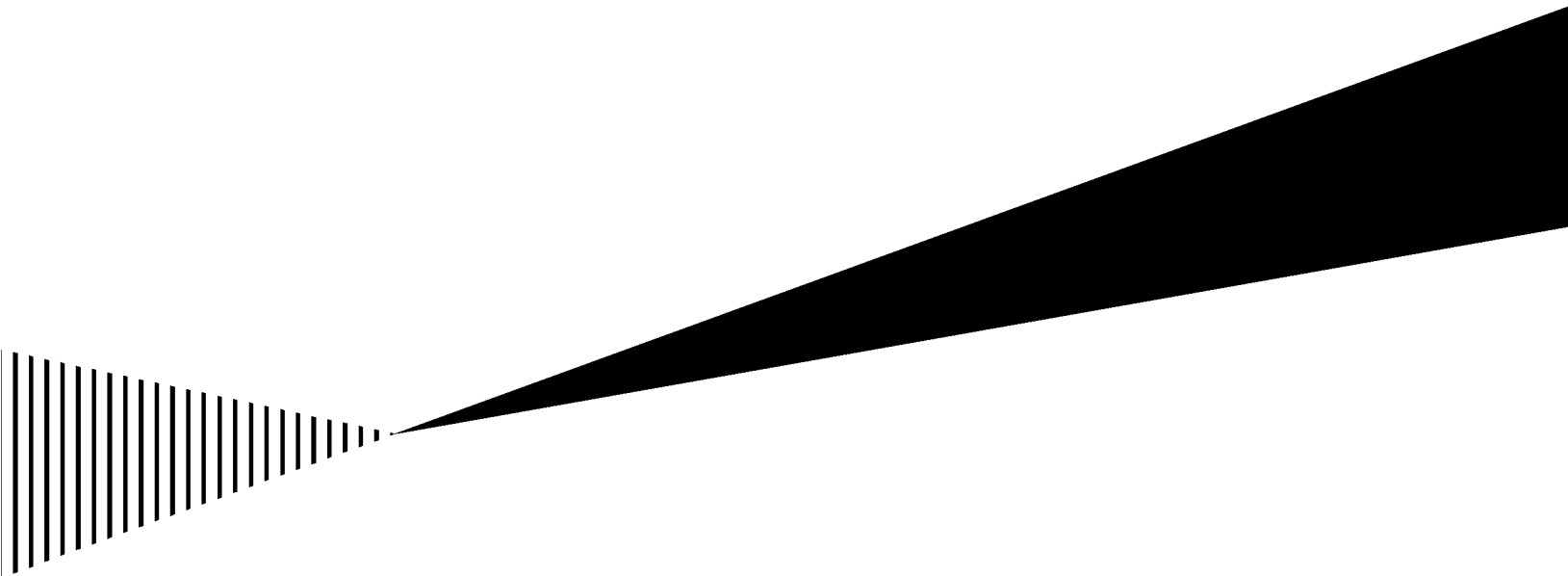
Form 990, Schedule R, Part V - Transactions With Related Organizations

(a) Name of other organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
Sharp Memorial Hospital	L	3,077,881	Accrual
Sharp Memorial Hospital	M	4,708,803	Accrual
Sharp Memorial Hospital	P	71,646	Accrual
Sharp Memorial Hospital	Q	77,582	Accrual
Sharp Memorial Hospital	R	233,709	Accrual
Sharp Memorial Hospital	S	146,104	Accrual
Sharp Chula Vista Medical Center	L	958,260	Accrual
Sharp Chula Vista Medical Center	M	173,047	Accrual
Sharp Coronado Hospital and Healthcare Center	O	163,333	Accrual
Sharp Coronado Hospital and Healthcare Center	M	187,134	Accrual
Sharp Coronado Hospital and Healthcare Center	Q	74,774	Accrual
Sharp Coronado Hospital and Healthcare Center	R	236,371	Accrual
Grossmont Hospital Foundation	Q	918,380	Accrual
Grossmont Hospital Foundation	C	2,253,821	Accrual
Grossmont Hospital Foundation	B	1,141,627	Accrual
Grossmont Hospital Foundation	N	61,042	Accrual
Sharp Health Plan	L	633,370	Accrual
Sharp HealthCare Foundation	C	154,890	Accrual

COMBINED FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION

Sharp HealthCare  
Years Ended September 30, 2014 and 2013  
With Report of Independent Auditors

Ernst & Young LLP



Building a better  
working world

Sharp HealthCare

Combined Financial Statements  
and Supplementary Information

Years Ended September 30, 2014 and 2013

**Contents**

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## Report of Independent Auditors

The Board of Directors  
Sharp HealthCare

We have audited the accompanying combined financial statements of Sharp HealthCare, which comprise the combined balance sheets as of September 30, 2014 and 2013, and the related combined statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the combined 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 combined financial position of Sharp HealthCare at September 30, 2014 and 2013, and the combined results of its operations and its cash flows for the years then ended in conformity with U S generally accepted accounting principles

## **Supplementary Information**

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

*Ernst & Young LLP*

December 16, 2014

# Sharp HealthCare

## Combined Balance Sheets

	September 30	
	2014	2013
	<i>(In Thousands)</i>	
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 244,881	\$ 175,334
Short-term investments	46,650	59,520
Accounts receivable, net of allowance for doubtful accounts of \$85,295 in 2014 and \$152,922 in 2013	268,219	295,870
Estimated settlements receivable from government programs, net	21,372	5,058
Inventories	43,229	40,049
Prepaid expenses and other	50,563	42,579
Total current assets	674,914	618,410
Long-term investments	252,766	195,740
Assets limited as to use		
Designated for property	1,222,315	979,366
Under bond indentures	107,363	16,535
Other restricted investments	48,527	43,142
Under self-insurance programs	10,925	11,869
Total assets limited as to use	1,389,130	1,050,912
Property and equipment, net	1,049,546	991,584
Unamortized financing costs	7,213	6,335
Other assets	77,789	73,762
Total assets	<u>\$ 3,451,358</u>	<u>\$ 2,936,743</u>
<b>Liabilities and net assets</b>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 222,561	\$ 184,474
Accrued compensation and benefits	145,143	139,129
Current portion of long-term debt	12,884	19,458
Accrued interest	4,055	3,296
Total current liabilities	384,643	346,357
Long-term liabilities	126,147	105,831
Reserves for professional and general liabilities <i>(Note 12)</i>	11,537	16,106
Long-term debt	684,009	577,665
Total liabilities	1,206,336	1,045,959
Net assets		
Unrestricted	2,185,453	1,835,619
Temporarily restricted	53,316	49,122
Permanently restricted	6,253	6,043
Total net assets	2,245,022	1,890,784
Total liabilities and net assets	<u>\$ 3,451,358</u>	<u>\$ 2,936,743</u>

*See accompanying notes*



# Sharp HealthCare

## Combined Statements of Operations

	<b>Year Ended September 30</b>	
	<b>2014</b>	<b>2013</b>
	<i>(In Thousands)</i>	
Revenues.		
Patient service	\$ 1,805,547	\$ 1,664,809
Provider tax revenue	25,704	145,329
Provision for doubtful accounts	(24,975)	(28,114)
Net patient service	1,806,276	1,782,024
Premium	1,024,647	953,194
Other	97,650	94,585
Total revenues	2,928,573	2,829,803
Expenses		
Salaries and wages	1,060,873	1,008,827
Employee benefits	261,268	246,810
Medical fees	417,224	387,566
Purchased services	293,227	259,301
Supplies	346,359	318,658
Provider tax	18,158	106,087
Maintenance, utilities, and rentals	119,830	113,374
Depreciation and amortization	97,492	98,550
Business insurance	9,334	11,331
Interest	26,447	23,250
Other	44,007	30,610
Total expenses	2,694,219	2,604,364
Income from operations	234,354	225,439
Other nonoperating loss	(4,049)	(65)
Investment income	84,678	80,407
Excess of revenues over expenses	314,983	305,781
Net assets transferred from related-party	49,963	31,174
Net assets released from restrictions used for purchase of property, plant, and equipment	5,659	5,560
Pension-related changes other than net periodic pension cost	(24,145)	24,662
Other changes in net assets	3,374	368
Increase in unrestricted net assets	\$ 349,834	\$ 367,545

*See accompanying notes.*

# Sharp HealthCare

## Combined Statements of Changes in Net Assets

	<b>Year Ended September 30</b>	
	<b>2014</b>	<b>2013</b>
	<i>(In Thousands)</i>	
Unrestricted net assets.		
Excess of revenues over expenses	\$ 314,983	\$ 305,781
Net assets transferred from related-party	49,963	31,174
Net assets released from restrictions used for purchase of property and equipment	5,659	5,560
Pension-related changes other than net periodic pension cost	(24,145)	24,662
Other changes in net assets	3,374	368
Increase in unrestricted net assets	349,834	367,545
Temporarily restricted net assets		
Contributions	13,697	8,740
Investment income	1,269	1,323
Change in net unrealized (losses) gains on investments	(114)	559
Net assets released from restrictions	(9,490)	(9,587)
Other changes in net assets	(1,168)	919
Increase in temporarily restricted net assets	4,194	1,954
Permanently restricted net assets.		
Contributions	197	481
Other changes in net assets	13	—
Increase in permanently restricted net assets	210	481
Increase in net assets	354,238	369,980
Net assets, beginning of the year	1,890,784	1,520,804
Net assets, end of the year	<u>\$ 2,245,022</u>	<u>\$ 1,890,784</u>

*See accompanying notes.*

# Sharp HealthCare

## Combined Statements of Cash Flows

	<b>Year Ended September 30</b>	
	<b>2014</b>	<b>2013</b>
	<i>(In Thousands)</i>	
<b>Operating activities</b>		
Increase in net assets	\$ 354,238	\$ 369,980
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Net assets transferred from related-party	(49,963)	(31,174)
Noncash losses (gains)	144	(531)
Depreciation of operating and nonoperating facilities	97,496	98,560
Amortization, including deferred financing costs	505	184
Change in fair value of interest and basis rate swaps	1,750	(3,081)
Restricted contributions and investment income, net	(15,163)	(10,544)
Pension-related changes other than net periodic pension cost	24,145	(24,662)
Changes in assets and liabilities		
(Increase) decrease in		
Accounts receivable	27,651	1,963
Inventories	(3,180)	(2,936)
Short-term investments	12,870	24,318
Assets limited to use and long-term investments	(395,244)	(282,090)
Prepaid expenses and other	(7,984)	(2,513)
Estimated settlements receivable from government programs, net	(16,314)	6,900
Increase (decrease) in		
Accounts payable and accrued liabilities, long-term liabilities and other liabilities	23,238	(40,209)
Accrued compensation and benefits	6,014	11,156
Net cash provided by operating activities	<u>60,203</u>	<u>115,321</u>
<b>Investing activities</b>		
Acquisition of property and equipment, net of retirements	(92,510)	(112,113)
Increase in other assets	(4,028)	(4,607)
Net cash used in investing activities	<u>(96,538)</u>	<u>(116,720)</u>
<b>Financing activities</b>		
Payments on long-term debt	(71,692)	(6,311)
Payments under capital lease obligations	(1,885)	(1,627)
Proceeds from the issuance of long-term debt	164,296	—
Restricted contributions and investment income, net	15,163	10,544
Net cash provided by financing activities	<u>105,882</u>	<u>2,606</u>
Net increase in cash and cash equivalents	69,547	1,207
Cash and cash equivalents, beginning of year	175,334	174,127
Cash and cash equivalents, end of year	<u>\$ 244,881</u>	<u>\$ 175,334</u>

# Sharp HealthCare

## Combined Statements of Cash Flows (continued)

	<b>Year Ended September 30</b>	
	<b>2014</b>	<b>2013</b>
	<i>(In Thousands)</i>	
<b>Supplemental disclosures of cash flow information</b>		
Capital lease obligations for building and equipment	\$ <b>5,918</b>	\$ 5,529
Cash paid for interest	\$ <b>27,552</b>	\$ 25,273
Net assets transferred from related-party	\$ <b>49,963</b>	\$ 31,174

*See accompanying notes*

# Sharp HealthCare

## Notes to Combined Financial Statements

September 30, 2014

### 1. Summary of Significant Accounting Policies

#### Organization

Sharp HealthCare (SHC) is a California nonprofit public benefit corporation with corporate offices in San Diego, California. SHC, together with its affiliated entities (collectively Sharp), constitute a regional integrated health care delivery system which does business as Sharp HealthCare, primarily serving the residents of San Diego County. The combined financial statements of Sharp include the accounts of the following:

- Sharp Memorial Hospital (SMH), including Stephen Birch Healthcare Center, Sharp Mary Birch Hospital for Women & Newborns, Sharp Outpatient Pavilion, Sharp Mesa Vista Hospital, and Sharp McDonald Center (formerly Sharp Vista Pacifica)
- Sharp Chula Vista Medical Center (SCVMC)
- Sharp Grossmont Hospital (SGH)
- Sharp Coronado Hospital and HealthCare Center (SCHHC)
- Sharp Health Plan (SHP)
- Continuous Quality Insurance SPC (CQI SPC)
- Sharp HealthCare Foundation (SHF)
- Grossmont Hospital Foundation (GHF)

SHC, SMH, SCVMC, and SGH are collectively the “Obligated Group” under certain bond indentures (see Note 6).

On January 1, 2012, SHC, together with its affiliated medical groups, Sharp Community Medical Group (SCMG), and Sharp Rees-Stealy Medical Group (SRSMG) formed the Sharp HealthCare ACO, a limited liability company (Sharp ACO). Sharp ACO was awarded a contract with the Centers for Medicare and Medicaid Services (CMS) as a Pioneer Accountable Care Organization (Pioneer ACO). SHC holds a one third percentage interest in Sharp ACO. The Pioneer ACO is a shared-savings model in which participating organizations are eligible for shared savings payments from CMS if they achieve medical cost savings while providing high quality, coordinated patient care for an assigned group of beneficiaries. Participating organizations also share risk in the form of increased cost payments with CMS for any increase in medical cost. Despite meaningful reductions in readmission rates and hospital and skilled nursing utilization, for 2012 and 2013, Sharp ACO’s performance was under a defined 2.0% and 1.9% minimum threshold, respectively, so no shared savings payments were earned and no increased cost payments were due.

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### **1. Summary of Significant Accounting Policies (continued)**

The Pioneer ACO agreement provided Sharp ACO with the right to terminate at any time and if the termination was made during the first six months of any annual period, Sharp ACO would not be responsible for an increased cost payment for that annual period. In June 2014, Sharp ACO notified CMS that it would not continue in the Pioneer ACO Agreement for 2014. As such, Sharp ACO has no responsibility for increased cost payments nor potential for shared savings payments for 2014.

Pursuant to the Pioneer Agreement, Sharp ACO was obligated to guarantee its ability to pay CMS for twenty five percent of the total increased cost payments for which it could be potentially liable in a given year. Sharp ACO borrowed \$4,296,000 from SHC for the year ended September 30, 2013, to fund an escrow account to cover a portion of any potential medical cost increases of Sharp ACO. Sharp recorded the loan in accounts receivable, net on the combined balance sheets. Due to the termination of the Pioneer ACO agreement in June 2014, the escrow requirement was released and Sharp ACO refunded Sharp in full with no amounts due for the year ended September 30, 2014.

Sharp ACO owed Sharp \$275,000 as of September 30, 2014 and \$170,000 as of September 30, 2013 for operating expenses of the Sharp ACO.

SHC has certain contractual obligations with its affiliates that govern its operations and the use of certain assets. All significant transactions among Sharp's combined entities have been eliminated in the accompanying combined financial statements.

### **Use of Estimates**

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

### **Reclassifications**

Certain 2013 amounts in the combined financial statements have been reclassified to conform to the 2014 presentation.

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### **1. Summary of Significant Accounting Policies (continued)**

#### **Cash and Cash Equivalents**

Cash and cash equivalents include investments in highly liquid debt instruments with original maturities of three months or less. Sharp routinely invests its surplus operating funds in money market mutual funds. These funds generally invest in highly liquid U.S. government and agency obligations.

#### **Inventories**

Inventories, consisting principally of supplies, are stated at the lower of cost or market value.

#### **Short-Term Investments**

Short-term investments are classified as trading and include corporate and government obligation securities, which are included in professionally managed portfolios, and are measured at fair value in the balance sheet. The maturities of these securities do not exceed one year. Investment income or loss (including unrealized and realized gains and losses) is included in the combined excess of revenues over expenses.

#### **Long-Term Investments**

Long-term investments are classified as trading, which are included in professionally managed portfolios, and are measured at fair value in the balance sheet. The maturities of these securities are in excess of one year or are investments in equities not expected to be liquidated over the next year. Investment income or loss (including unrealized and realized gains and losses) is included in the combined excess of revenues over expenses.

#### **Assets Limited as to Use**

Assets limited as to use invested in debt and equity securities with readily determined fair values are measured at fair value in the balance sheet and are classified as trading. Investment income or loss (including unrealized and realized gains and losses) is included in the combined excess of revenues over expenses unless the income or loss is restricted by donor or law.

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 1. Summary of Significant Accounting Policies (continued)

Assets limited as to use primarily include assets set aside by Sharp's Board of Directors (the Board) for future capital improvements, over which the Board retains control and may at its discretion subsequently use for other purposes, and amounts held by trustees under indenture agreements. Assets limited as to use consist of the following.

***Designated for property*** – Cash resources not required for operations have been designated as funded depreciation to be used for future capital improvements. This designation may be changed and such funds used for other purposes – \$28,337,000 at September 30, 2014, and \$28,766,000 at September 30, 2013, of such assets are pledged as collateral for notes payable and other liabilities.

***Under bond indentures*** – In accordance with the terms of Sharp's various bond indentures, certain bond proceeds and principal and interest payments have been deposited with a trustee and are limited as to use in accordance with the related indentures.

***Other restricted investments*** – Certain cash and investments are limited as to use for future community benefit and for other purposes.

***Under self-insurance programs*** – Certain cash and investments are restricted under Sharp's professional liability self-insurance program.

### Derivative and Hedging Instruments

Sharp recognizes all derivatives on its combined balance sheets at fair value. Derivatives that are not effective hedges are adjusted to fair value through the combined statements of operations (see Note 6). At September 30, 2014 and 2013, the outstanding hedging instruments were not considered effective hedges.

### Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable asset from 3 to 40 years and is computed using the straight-line method. Property and equipment under capital lease obligations is amortized on the straight-line method over the shorter of the lease term or the estimated useful life of the equipment. Such amortization is included in depreciation and amortization in the combined financial statements. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.



# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### **1. Summary of Significant Accounting Policies (continued)**

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service

#### **Unamortized Financing Costs**

Costs incurred in obtaining long-term financing are amortized over the terms of the related obligations using the effective interest method

#### **Temporarily and Permanently Restricted Net Assets**

Temporarily restricted net assets are those whose use by Sharp has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by Sharp in perpetuity.

#### **Impairment or Disposal of Long-Lived Assets**

Sharp accounts for the impairment or disposal of long-lived assets using a future cash flow model to determine whether assets have been impaired. Sharp regularly reviews long-lived assets for circumstances which could indicate carrying values may not be recoverable. No impairments were recorded in 2014 or 2013.

#### **Income From Operations**

Sharp's primary purpose is to provide diversified health care services to the community served by its affiliates. Only those activities directly associated with the furtherance of this purpose are considered operating activities and classified as operating revenues and expenses. Items excluded from income from operations consist of investment income, gains and losses on disposition of property and equipment, changes in the fair value of interest rate swaps, and net income from SHF and GHF (Foundations).

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 1. Summary of Significant Accounting Policies (continued)

#### Excess of Revenues Over Expenses

The accompanying combined statements of operations include excess of revenues over expenses and other changes in unrestricted net assets. Changes in unrestricted net assets which are excluded from excess of revenues over expenses, consistent with industry practice, include permanent transfers of assets to and from affiliates for other than goods and services, long-lived assets acquired using contributions which by donor restriction were to be used for the purposes of acquiring such assets, and pension-related changes other than net periodic pension cost.

#### Net Patient Service Revenues

Sharp has agreements with third-party payors that provide for payments to Sharp at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined. In the opinion of management, adequate provision has been made for such adjustments.

Accounts receivable are reduced by an allowance for doubtful accounts. In evaluating the collectability of accounts receivable, Sharp analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts. For receivables associated with services provided to patients who have third-party coverage, Sharp analyzes contractually due amounts and provides an allowance for doubtful accounts, if necessary. For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), Sharp records a provision for doubtful accounts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### **1. Summary of Significant Accounting Policies (continued)**

Sharp's allowance for doubtful accounts for self-pay patients was 91% and 94% of self-pay accounts receivable at September 30, 2014 and 2013, respectively. In addition, Sharp's self-pay write-offs decreased \$4,261,000 from \$37,470,000 for fiscal year 2013 to \$33,209,000 for fiscal year 2014. The decrease was the result of decreased revenues from self-pay patients in fiscal year 2014 as a result of the Accountable Care Act (ACA) which provided insurance coverage to a large number of previously uninsured individuals and due to Medi-Cal expansion in the state of California. Sharp has not changed its charity care or uninsured discount policies during fiscal years 2013 or 2014. Sharp does not maintain a material allowance for doubtful accounts from third-party payors, nor did it have significant write-offs from third-party payors.

### **Premium Revenues**

Sharp has agreements with various employers and health maintenance organizations to provide medical services to subscribing participants. Under these agreements, Sharp receives monthly capitation payments based on the number of participants who have selected Sharp, regardless of services actually performed by Sharp.

### **Other Revenues**

Other revenues include unrestricted donations, retail pharmacy gross profits, management services, and joint venture income.

### **Health Care Service Costs**

Sharp contracts with certain health care providers for the provision of medical services to eligible members. These services include primary care and specialty physician services, inpatient and outpatient facility services, pharmacy, and other medical services. Providers are paid on capitated, per diem, and structured fee-for-service bases.

Health care service costs (included in medical fees and purchased services in the accompanying combined statements of operations) are accrued in the period in which the services are provided to enrollees, based in part on estimates, including estimates of medical services provided but not yet reported to Sharp.

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 1. Summary of Significant Accounting Policies (continued)

#### Charity Care

Sharp's policy is to accept all patients regardless of their ability to pay. In assessing a patient's ability to pay, Sharp utilizes financial eligibility requirements or criteria. Sharp provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because Sharp does not pursue collection of amounts determined to qualify as charity care, such amounts are not reported as revenue.

Charity care costs are calculated using a ratio of cost to gross charge methodology by department. Direct revenues and costs of each department were included in the calculation, in addition to a step down of overhead costs.

The cost of charity care is summarized for 2014 and 2013, as follows:

	<b>Year Ended September 30</b>	
	<b>2014</b>	<b>2013</b>
	<i>(In Thousands)</i>	
Charity care, at cost	<u><b>\$ 35,927</b></u>	<u><b>\$ 47,642</b></u>

#### Donor-Restricted Gifts

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

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 1. Summary of Significant Accounting Policies (continued)

#### Income Taxes

The principal operations of Sharp are exempt from taxation pursuant to Section 501(c)(3) of the Internal Revenue Code and related California provisions

Sharp recognizes tax benefits from any uncertain tax positions only if it is more likely than not the tax position will be sustained, based solely on its technical merits, with the taxing authority having full knowledge of all relevant information. Sharp records a liability for unrecognized tax benefits from uncertain tax positions as discrete tax adjustments in the first interim period that the more likely than not threshold is not met. Sharp recognizes deferred tax assets and liabilities for temporary differences between the financial reporting basis and the tax basis of its assets and liabilities along with net operating loss and tax credit carryovers only for tax positions that meet the more likely than not recognition criteria. At September 30, 2014 and 2013, no such assets or liabilities were recorded.

#### Adoption of New Accounting Pronouncements

In December 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2011-11, *Disclosures About Offsetting Assets and Liabilities*, which requires additional disclosures relating to the offsetting of financial instruments. Sharp adopted ASU 2011-11 as of October 1, 2013 and applied its disclosure requirements retrospectively.

#### Recent Accounting Pronouncements

In April 2013, the FASB issued ASU 2013-06, *Services Received from Personnel of an Affiliate*, which requires a recipient not-for-profit entity to recognize all contributed services received from personnel of an affiliate that directly benefit the recipient not-for-profit entity. The adoption of ASU 2013-06 is required for Sharp on October 1, 2014, and is not expected to have a material impact on Sharp's combined financial statements.

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 1. Summary of Significant Accounting Policies (continued)

In April 2014, the FASB issued ASU 2014-08, *Reporting Discontinued Operations and Disclosures of Disposals of Components of an Entity*, which requires that a disposal of a component of an entity or a group of components of an entity be reported in discontinued operations if the disposal represents a strategic shift that has (or will have) a major effect on an entity's operations and financial results when it meets the criteria to be classified as held for sale, or is disposed of by sale or other than by sale. It also requires an entity to present, for each comparative period, the assets and liabilities of a disposal group that includes a discontinued operation separately in the asset and liability sections, respectively, of the statement of financial position. The adoption of ASU 2014-08 is required for Sharp on October 1, 2015, and is not expected to have a material impact on Sharp's combined financial statements.

In May 2014, the FASB issued ASU 2014-09, which created Accounting Standards Codification (ASC) 606, which requires an entity to recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The adoption of ASU 2014-09 is required for Sharp on October 1, 2017, and management is current evaluating the effect of this guidance, if any, on its combined financial statements.

In June 2014, the FASB issued ASU 2014-11, *Repurchase-to-Maturity Transactions, Repurchase Financings, and Disclosures*, which requires a repurchase to maturity transaction to be accounted for as secured borrowing and certain repurchase agreements to follow secured borrowing accounting. The adoption of ASU 2014-09 is required for Sharp on October 1, 2015, and management is current evaluating the effect of this guidance, if any, on its combined financial statements.

In August 2014, the FASB issued ASU 2014-15, *Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*, which requires an entity's management to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern within one year after the date that the financial statements are issued (or within one year after the date that the financial statements are available to be issued when applicable). The adoption of ASU 2014-15 is required for Sharp on October 1, 2017, and management is current evaluating the effect of this guidance, if any, on its combined financial statements.

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 2. Fair Value Measurements

FASB ASC 820 clarifies that 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 that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, FASB ASC 820 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1 – Pricing is based on observable inputs such as quoted prices in active markets. Financial assets in Level 1 include U.S. Treasury securities and listed equities.

Level 2 – Pricing inputs are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities. Financial assets and liabilities in this category generally include corporate bonds, U.S. government agency securities, commercial paper, fixed income funds, mortgage-backed securities, interest rate swaps, and commingled plan trust funds.

Level 3 – Pricing inputs are generally unobservable and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require management's judgment or estimation of assumptions that market participants would use in pricing the assets or liabilities. The fair values are therefore determined using factors that involve considerable judgment and interpretations, including but not limited to private and public comparables, third-party appraisals, discounted cash flow models, and fund manager estimates. Sharp does not hold any financial assets that would be included in this category.

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 2. Fair Value Measurements (continued)

Assets and liabilities measured at fair value are based on one or more of three valuation techniques noted in FASB ASC 820 as identified below. The valuation techniques are as follows.

- (a) **Market approach** Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. This technique was utilized for all Level 1 investments.
- (b) **Cost approach** Amount that would be required to replace the service capacity of an asset (replacement cost). This technique was utilized for all Level 2 investments except for the interest rate swaps.
- (c) **Income approach** Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques, option-pricing, and excess earnings model). This technique was utilized for the interest rate swaps.

Sharp's investments in partnerships, limited liability companies, and similarly structured entities amounting to approximately \$9,909,000 and \$10,687,000 as of September 30, 2014 and 2013, respectively, are accounted for using the equity method of accounting, which is not a fair value measurement.

The following table provides the composition of certain investment assets as of September 30, 2014. Only assets and liabilities measured at fair value on a recurring basis are shown in the three-tier fair value hierarchy.

	September 30, 2014	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	<i>(In Thousands)</i>			
Short-term investments				
U.S. Treasury obligations	\$ 8,491	\$ 8,491	\$ —	\$ —
Corporate bonds	24,409	—	24,409	—
U.S. government agencies	3,634	—	3,634	—
Commercial paper	9,904	—	9,904	—
Interest receivable	212	—	212	—
	<b>\$ 46,650</b>	<b>\$ 8,491</b>	<b>\$ 38,159</b>	<b>\$ —</b>



# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 2. Fair Value Measurements (continued)

	September 30, 2014	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	<i>(In Thousands)</i>			
Long-term investments				
Equities	\$ 17,292	\$ 17,292	\$ —	\$ —
U S Treasury obligations	85,019	85,019	—	—
Corporate bonds	80,288	—	80,288	—
U S government agencies	50,066	—	50,066	—
Mortgage-backed securities and collateralized mortgage obligations	1,481	—	1,481	—
Asset-backed securities	17,800	—	17,800	—
Interest receivable	820	—	820	—
	<u>\$ 252,766</u>	<u>\$ 102,311</u>	<u>\$ 150,455</u>	<u>\$ —</u>
Assets limited as to use				
Designated for property				
Cash and cash equivalents	\$ 4,891	\$ 4,891	\$ —	\$ —
Equities	628,963	628,963	—	—
U S Treasury obligations	218,478	218,478	—	—
Corporate bonds	193,503	—	193,503	—
U S government agencies	79,489	—	79,489	—
Mortgage-backed securities and collateralized mortgage obligations	42,726	—	42,726	—
Commercial paper	23,559	—	23,559	—
Asset-backed securities	27,985	—	27,985	—
Interest receivable	2,721	—	2,721	—
	<u>\$ 1,222,315</u>	<u>\$ 852,332</u>	<u>\$ 369,983</u>	<u>\$ —</u>
Under bond indentures				
Cash and cash equivalents	\$ 2,364	\$ 2,364	\$ —	\$ —
U S Treasury obligations	15,091	15,091	—	—
Corporate bonds	39,779	—	39,779	—
U S government agencies	40,854	—	40,854	—
Commercial paper	8,983	—	8,983	—
Interest receivable	292	—	292	—
	<u>\$ 107,363</u>	<u>\$ 17,455</u>	<u>\$ 89,908</u>	<u>\$ —</u>

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 2. Fair Value Measurements (continued)

	September 30, 2014	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	<i>(In Thousands)</i>			
Assets limited as to use (continued)				
Other restricted investments				
Cash and cash equivalents	\$ 2,206	\$ 2,206	\$ —	\$ —
Equities	24,819	24,819	—	—
U S Treasury obligations	6,663	6,663	—	—
Fixed income funds	3,578	3,216	362	—
Corporate bonds	6,442	—	6,442	—
U S government agencies	1,986	—	1,986	—
Mortgage-backed securities and collateralized mortgage obligations	2,002	—	2,002	—
Commercial paper	269	—	269	—
Asset-backed securities	435	—	435	—
Commodities	35	—	35	—
Interest receivable	92	—	92	—
	<u>\$ 48,527</u>	<u>\$ 36,904</u>	<u>\$ 11,623</u>	<u>\$ —</u>
Under self-insurance programs				
Cash and cash equivalents	\$ 1,493	\$ 1,493	\$ —	\$ —
Equities	2,010	2,010	—	—
U S Treasury obligations	2,243	2,243	—	—
Corporate bonds	2,798	—	2,798	—
U S government agencies	1,316	—	1,316	—
Mortgage-backed securities and collateralized mortgage obligations	401	—	401	—
Commercial paper	250	—	250	—
Asset-backed securities	374	—	374	—
Interest receivable	40	—	40	—
	<u>\$ 10,925</u>	<u>\$ 5,746</u>	<u>\$ 5,179</u>	<u>\$ —</u>
Interest rate swap liabilities	\$ 1,883	\$ —	\$ 1,883	\$ —
	<u>\$ 1,883</u>	<u>\$ —</u>	<u>\$ 1,883</u>	<u>\$ —</u>

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 2. Fair Value Measurements (continued)

The following table provides the composition of certain investment assets as of September 30, 2013. Only assets and liabilities measured at fair value on a recurring basis are shown in the three-tier fair value hierarchy

	September 30, 2013	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<i>(In Thousands)</i>				
Short-term investments				
U S Treasury obligations	\$ 12.515	\$ 12.515	\$ —	\$ —
Corporate bonds	29.088	—	29.088	—
U S government agencies	5.546	—	5.546	—
Commercial paper	12.037	—	12.037	—
Interest receivable	334	—	334	—
	<u>\$ 59.520</u>	<u>\$ 12.515</u>	<u>\$ 47.005</u>	<u>\$ —</u>
Long-term investments				
Equities	\$ 16.248	\$ 16.248	\$ —	\$ —
U S Treasury obligations	61.691	61.691	—	—
Corporate bonds	63.007	—	63.007	—
U S government agencies	51.673	—	51.673	—
Mortgage-backed securities and collateralized mortgage obligations	1.612	—	1.612	—
Asset-backed securities	750	—	750	—
Interest receivable	759	—	759	—
	<u>\$ 195.740</u>	<u>\$ 77.939</u>	<u>\$ 117.801</u>	<u>\$ —</u>
Assets limited as to use				
Designated for property				
Cash and cash equivalents	\$ 4.627	\$ 4.627	\$ —	\$ —
Equities	509.882	509.882	—	—
U S Treasury obligations	165.511	165.511	—	—
Corporate bonds	158.454	—	158.454	—
U S government agencies	72.867	—	72.867	—
Mortgage-backed securities and collateralized mortgage obligations	46.376	—	46.376	—
Commercial paper	18.899	—	18.899	—
Interest receivable	2.750	—	2.750	—
	<u>\$ 979.366</u>	<u>\$ 680.020</u>	<u>\$ 299.346</u>	<u>\$ —</u>

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 2. Fair Value Measurements (continued)

	September 30, 2013	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	<i>(In Thousands)</i>			
Assets limited as to use (continued)				
Under bond indentures				
Cash and cash equivalents	\$ 1,229	\$ 1,229	\$ —	\$ —
U S Treasury obligations	3,141	3,141	—	—
Corporate bonds	961	—	961	—
U S government agencies	11,147	—	11,147	—
Interest receivable	57	—	57	—
	<u>\$ 16,535</u>	<u>\$ 4,370</u>	<u>\$ 12,165</u>	<u>\$ —</u>
Other restricted investments				
Cash and cash equivalents	\$ 1,383	\$ 1,383	\$ —	\$ —
Equities	23,179	23,179	—	—
U S Treasury obligations	3,723	3,723	—	—
Fixed income funds	4,933	4,368	565	—
Corporate bonds	5,531	—	5,531	—
U S government agencies	1,886	—	1,886	—
Mortgage-backed securities and collateralized mortgage obligations	2,270	—	2,270	—
Commodities	144	—	144	—
Interest receivable	93	—	93	—
	<u>\$ 43,142</u>	<u>\$ 32,653</u>	<u>\$ 10,489</u>	<u>\$ —</u>
Under self-insurance programs				
Cash and cash equivalents	\$ 3,003	\$ 3,003	\$ —	\$ —
Equities	1,889	1,889	—	—
U S Treasury obligations	2,165	2,165	—	—
Corporate bonds	2,648	—	2,648	—
U S government agencies	1,355	—	1,355	—
Mortgage-backed securities and collateralized mortgage obligations	429	—	429	—
Commercial paper	380	—	380	—
	<u>\$ 11,869</u>	<u>\$ 7,057</u>	<u>\$ 4,812</u>	<u>\$ —</u>
Interest rate swap liabilities	\$ 133	\$ —	\$ 133	\$ —
	<u>\$ 133</u>	<u>\$ —</u>	<u>\$ 133</u>	<u>\$ —</u>

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### **3. Net Patient Service Revenue**

##### **Patient Service Revenues**

Sharp has agreements with third-party payors that provide for payments to Sharp at amounts different from its established rates

The Medicare program reimburses Sharp at prospectively determined rates for the major portion of inpatient and outpatient services rendered to patients, primarily on the basis of Medicare Severity Diagnosis Related Groups (MS-DRGs) and Ambulatory Payment Classification Groups (APCs), respectively. Nonacute inpatient services, defined capital costs, and certain outpatient costs are paid based on a cost reimbursement methodology. When paid under cost reimbursement, Sharp is reimbursed at the interim rate with final settlement determined after submission of annual cost reports and audits by the fiscal intermediaries.

The Medi-Cal program reimburses Sharp primarily on prospectively determined rates for inpatient and outpatient services. Effective July 1, 2013, the Medi-Cal program began reimbursing Sharp on the basis of All Patient Refined Diagnosis Related Groups (APR-DRGs) for inpatient services.

Revenue from the Medicare and Medi-Cal programs accounted for approximately 30% and 24%, respectively, of Sharp's gross patient charges for the year ended September 30, 2014, and 31% and 19%, respectively, of Sharp's gross patient charges for the year ended September 30, 2013.

Laws and regulations governing Medicare and Medi-Cal programs are 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.

Net patient service revenue includes changes in estimate, which increased revenue by \$11,988,000 in 2014 and \$5,388,000 in 2013 and includes the impact of settlements of prior years' reimbursement from Medicare, Medi-Cal, and TRICARE programs.

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

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 3. Net Patient Service Revenue (continued)

Patient service revenues are reported at the estimated net realizable amounts from patients, third party payors, and others for services rendered.

The mix of net patient service revenues, net of contractual allowances, discounts and provision for doubtful accounts was as follows

	<b>September 30</b>	
	<b>2014</b>	<b>2013</b>
Government	<b>44%</b>	44%
Contracted	<b>56</b>	56
Self pay and other	—	—

#### Provider Tax Revenue

California legislation established a program that imposes a Quality Assurance Fee (QA Fee) on certain general acute care hospitals in order to make supplemental and grant payments (Supplemental Payments) to hospitals up to the aggregate upper payment limit for various periods. There have been three such programs since inception. The first two programs were the 21-month program (21-Month Program) covering the period April 1, 2009 to December 31, 2010, and the six-month program (Six-Month Program) covering the period January 1, 2011 to June 30, 2011 (the Original Programs). The third program is the 30-month program (30-Month Program) covering the period from July 1, 2011 to December 31, 2013.

The programs are designed to make supplemental inpatient and outpatient Medi-Cal payments to private hospitals, including additional payments for certain facilities that provide high acuity care, sub-acute and trauma services to the Medi-Cal population. This hospital QA Fee program provides a mechanism for increasing payments to hospitals that serve Medi-Cal patients, with no impact on the state's General Fund (GF). Some of these payments will be made directly by the state, while others will be made by the Medi-Cal managed care plans, which will receive increased rates from the state in amounts equal to the Supplemental Payments. Outside of this legislation, the California Hospital Association (CHA) has created a private program, operated by the California Health Foundation and Trust (CHFT), which was established to alleviate disparities potentially resulting from the implementation of the Programs.

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### **3. Net Patient Service Revenue (continued)**

The Original Programs required full federal approval by the Centers for Medicare and Medicaid Services (CMS) in order for them to be fully enacted. If final federal approval was not ultimately obtained, provisions in the underlying legislation allowed for the QA Fee, previously assessed, and Supplemental Payments, previously received, to be returned and recouped, respectively. As such, revenue and expense recognition was not allowed until full CMS approval was obtained. Full CMS approvals for the 21-Month Program and Six-Month Program were obtained in December 2010 and December 2011, respectively.

During the year ended September 30, 2013, Sharp recognized the final remaining Supplemental Payments on the Six-Month Program of \$3,000 as Provider Tax revenue.

The 30-Month Program was signed into law by the Governor of California in September 2011. In June 2012, the legislation governing the 30-Month Program was amended to allow for the fee-for-service portion of the 30-Month Program to be administered separately from the managed care portion. CMS approved the fee-for-service portion of the 30-Month Program in June 2012 and approved the first twenty-four months of the managed care portion of the 30-Month Program in June 2013. Approval of the final six months of the managed care portion is still pending.

Sharp recognized payments to the California Department of Health Care Services (DHCS) for the QA Fee in the amount of \$17,660,000 in 2014 and \$65,912,000 in 2013 related to the fee-for-service portion of the 30-Month Program. Additionally, Sharp recognized pledge amounts to CHFT of \$498,000 in 2014 and \$1,995,000 in 2013 as Provider Tax expense related to the fee-for-service portion of the 30-Month Program.

Sharp recognized Supplemental Payment revenue of \$25,704,000 in 2014 and \$94,528,000 in 2013 as Provider Tax revenue related to the fee-for-service portion of the 30-Month Program.

Sharp recognized payments to DHCS for the QA Fee in the amount of \$37,214,000 and pledge amounts to CHFT of \$966,000 as Provider Tax expense related to the July 1, 2011 through June 30, 2013, managed care portion of the 30-Month Program during the year ended September 30, 2013. Sharp recognized Supplemental Payment revenue of \$50,798,000 as Provider Tax revenue related to the July 1, 2011 through June 30, 2013, managed care portion of the 30-Month Program during the year ended September 30, 2013. As the final six months of the managed care portion of the 30-Month Program is still pending approval, no amounts were recorded for the year ended September 30, 2014.

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### **3. Net Patient Service Revenue (continued)**

Sharp has paid more than owed on the QA Fee and pledge payments for the 30-month program as of September 30, 2014 resulting in a prepaid of \$2,805,000 in the combined balance sheet as of September 30, 2014. Sharp recorded \$10,000,000 in accounts payable and accrued liabilities for the 30-Month Program QA Fee and pledge payments owed that was not paid as of September 30, 2013, in the combined balance sheet as of September 30, 2013. Additionally, Sharp recorded \$5,002,000 in accounts receivable for the fee-for-service portion of the 30-Month Program Supplemental Payment revenue and \$12,089,000 of deferred revenue for the managed care portion of the 30-Month Program Supplemental Payment revenue in the combined balance sheet as of September 30, 2014. Sharp recorded \$46,018,000 in accounts receivable for the 30-Month Program Supplemental Payment revenue of the 30-Month Program, in the combined balance sheet as of September 30, 2013.

#### **Electronic Health Records 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 (HITECH). The provisions were designed to increase the use of electronic health record (EHR) technology and establish the requirements for a Medi-Cal and Medicare incentive payment program beginning in 2012 for eligible providers that adopt and demonstrate meaningful use of certified EHR technology as defined by the regulations. 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 Medi-Cal incentive payments are available to providers that adopt, implement or upgrade certified EHR technology. Providers must continue to demonstrate meaningful use of such technology in subsequent years to qualify for additional Medicaid and Medicare incentive payments and to avoid potential penalties.

Sharp accounts for Medi-Cal and Medicare EHR incentive payments as a gain contingency. For the years ended September 30, 2014 and 2013, Medicare incentives of \$4,916,000 and \$7,392,000, respectively, were recognized in other revenues upon demonstration of compliance with the meaningful use criteria over the entire applicable compliance period and the end of the 12-month cost report period that will be used to determine the final incentive payment. Sharp also recognized Medi-Cal incentives of \$1,365,000 and \$5,900,000 for the years ended September 30, 2014 and 2013, respectively, in other revenues, upon demonstration of compliance with the criteria. Income from incentive payments is subject to retrospective adjustment as the incentive payments are calculated using Medicare cost report data that is subject to audit. Additionally, Sharp's compliance with meaningful use criteria is subject to audit by the federal government.



## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 4. Investment Income

Investment income for cash equivalents, short-term investments, long-term investments, and assets limited as to use are comprised of the following.

	<b>Year Ended September 30</b>	
	<b>2014</b>	<b>2013</b>
	<i>(In Thousands)</i>	
Interest income	\$ 28,316	\$ 24,269
Unrealized gains, net	39,020	44,690
Realized gains, net	17,342	11,448
	<u>\$ 84,678</u>	<u>\$ 80,407</u>

#### 5. Property and Equipment

Property and equipment consists of the following

	<b>September 30</b>	
	<b>2014</b>	<b>2013</b>
	<i>(In Thousands)</i>	
Land and improvements	\$ 74,209	\$ 57,906
Buildings and improvements	1,217,206	1,166,753
Equipment and furniture	738,818	703,836
Software cost	152,882	146,121
Construction-in-progress	141,213	105,212
	<u>2,324,328</u>	<u>2,179,828</u>
Less accumulated depreciation and amortization	(1,274,782)	(1,188,244)
	<u>\$ 1,049,546</u>	<u>\$ 991,584</u>

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 5. Property and Equipment (continued)

Accumulated amortization related to software costs amounted to \$142,548,000 and \$131,460,000 at September 30, 2014 and 2013, respectively.

	<b>September 30</b>	
	<b>2014</b>	<b>2013</b>
	<i>(In Thousands)</i>	
Software cost	\$ <b>152,882</b>	\$ 146,121
Current year amortization	<b>10,830</b>	11,452
Accumulated amortization	<b>142,548</b>	131,460

Depreciation and amortization expense for the years ended September 30, 2014 and 2013, amounted to approximately \$97,496,000 and \$98,560,000, respectively. Included in these amounts is amortization for buildings and equipment under capital lease obligations. Sharp has approximately \$64,582,000 and \$64,690,000 at September 30, 2014 and 2013, respectively, of buildings and equipment under capital lease, at cost. Sharp has outstanding commitments to complete construction-in-progress totaling approximately \$44,233,000 at September 30, 2014. On May 29, 1991, Sharp leased the Grossmont Hospital (the Hospital) existing campus land, buildings, and equipment from the Grossmont Healthcare District (the District). The lease provided for an original 30-year term ending May 29, 2021, at \$1 per year. In 2014, the lease was extended for an additional 30-year term ending on May 29, 2051. The buildings, improvements, and equipment acquired by the Hospital since the inception of the lease will revert to the District at the end of the lease term.

The Hospital and the District initiated, in 2006, a project for the construction of three shelled floors in the Emergency and Critical Care Center, central plant upgrades, infrastructure improvements, and facility renovations (the Project). The Project is being funded using the proceeds of general obligation (GO) bonds. In July 2007 and February 2011, \$85,500,000 and \$136,860,000, respectively, in GO bonds were issued by the District. The next offering of the GO bonds is expected in fiscal year 2015. Sharp considers the District to be a related party based upon these relationships between Sharp and the District.

The Hospital is not required to make any payments to the District with respect to the contribution to the Project of assets constructed using the GO bond proceeds. Therefore, the GO bonds have not been included in the combined financial statements as a liability of Sharp. The portion of the

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 5. Property and Equipment (continued)

Project funded with the GO bonds is being recognized as a transfer of net assets from the District as the Project is completed. In fiscal 2014 and 2013, the Hospital recorded \$49,963,000 and \$31,174,000, respectively, of construction in progress and a related transfer of net assets for the portion of the Project completed during the year with proceeds of the GO bonds

### 6. Long-Term Debt

Long-term debt consists of the following

	September 30	
	2014	2013
	<i>(In Thousands)</i>	
Series 2014A Revenue Bonds (Series 2014A Bonds) collateralized by revenues of the Obligated Group Principal due in annual amounts ranging from \$2,050,000 in 2016 to \$32,300,000 in 2043. Interest payable semiannually at rates ranging from 3.00% to 5.00%. The borrowing amount is net of the unamortized original issue premium of \$6,497,000 at September 30, 2014. The bonds include issuer call features totaling \$140,120,000 in 2023	\$ 165,982	\$ —
Series 2009B Revenue Bonds (Series 2009B Bonds) collateralized by revenues of the Obligated Group Principal due in annual amounts ranging from \$1,640,000 in 2022 to \$24,900,000 in 2039. Interest payable semiannually at rates ranging from 6.00% to 6.25%. The borrowing amount is net of the unamortized original issue discount of \$1,990,000 at September 30, 2014. The bonds include issuer call features totaling \$30,025,000 and \$109,975,000 in 2014 and 2019, respectively. In 2014, \$30,025,000 of bonds were redeemed	107,985	137,694
Series 2009C and Series D Variable Rate Revenue Bonds (Series 2009C and D Bonds), collateralized by a three-year direct-pay letter of credit reimbursement agreement between Obligated Group and a bank. Principal is due in annual amounts ranging from \$145,000 in 2022 to \$11,805,000 in 2035. Letter of Credit is renewable in 2016. Interest is payable monthly at a variable rate (0.5% at September 30, 2014)	99,880	\$ 99,880

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 6. Long-Term Debt (continued)

	September 30	
	2014	2013
	<i>(In Thousands)</i>	
Series 2011A Revenue Bonds (Series 2011A Bonds) collateralized by revenues of the Obligated Group Principal due in annual amounts ranging from \$4,655,000 in 2015 to \$8,180,000 in 2030 Interest payable semiannually at rates ranging from 3 50% to 6 00% The borrowing amount is net of the unamortized original issue premium of \$316,000 at September 30, 2014 The bonds include issuer call features totaling \$54,490,000 in 2021	\$ 75,041	\$ 78,057
Series 2012A Revenue Bonds (Series 2012A Bonds) collateralized by revenues of the Obligated Group Principal due in annual amounts ranging from \$5,080,000 in 2019 to \$5,055,000 in 2028 Interest payable semiannually at rates ranging from 4 0% to 5 0% The borrowing amount is net of the unamortized original issue premium of \$4,079,000 at September 30, 2014 The bonds include issuer call features totaling \$30,735,000 in 2023	47,014	47,438
Series 2009A Variable Rate Revenue Bonds (Series 2009A Bonds) collateralized by a direct-pay letter of credit reimbursement agreement between Obligated Group and a bank Principal due in annual amounts ranging from \$3,580,000 in 2015 to \$5,360,000 in 2024 Letter of Credit is renewable in 2018 Interest is payable monthly at a variable rate (0 5% at September 30, 2014)	40,775	44,260
Series 2010A Variable Rate Revenue Bonds (Series 2010A Bonds) collateralized by revenues of the Obligated Group Principal due in quarterly amounts ranging from \$190,000 to \$450,000 through 2035 Interest payable quarterly at a variable rate (0 65% at September 30, 2014)	26,740	27,550

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 6. Long-Term Debt (continued)

	<b>September 30</b>	
	<b>2014</b>	<b>2013</b>
	<i>(In Thousands)</i>	
Series 2003C Revenue Bonds (Series 2003C Bonds) collateralized by revenues of the Obligated Group. The Series 2003C Bonds were refunded with proceeds from the Series 2014A Bonds	\$ —	\$ 24,846
Reverse Repurchase Agreement collateralized by U.S. Treasury securities. Principal due in April 2017. Interest payable quarterly at a variable rate (0.69% at September 30, 2014).	<b>15,500</b>	15,500
Series 1988A Insured Hospital Revenue Bonds collateralized by revenues of the Obligated Group. Principal due in annual amounts ranging from \$1,500,000 in 2015 to \$1,900,000 in 2018. Interest payable every 35 days at a variable rate (0.08% at September 30, 2014).	<b>6,900</b>	8,400
Construction loan agreement. Interest ranging from 90% to 126% payable quarterly. Principal due in quarterly installments beginning in 2018 to final maturity in 2041.	<b>39,315</b>	39,315
Medical office building mortgage collateralized by the building. Interest and principal paid in monthly amounts at a rate of 5.39% through 2014 when the final principal payment of \$7,735,000 was paid.	—	7,834
Capital lease obligations at imputed rates of interest ranging from 5.46% to 7.27%, collateralized by leased building or equipment	<b>57,623</b>	59,508
Other debt including the fair value of interest rate swaps	<b>14,138</b>	6,841
Total	<b>696,893</b>	597,123
Less current portion	<b>(12,884)</b>	(19,458)
	<b>\$ 684,009</b>	<b>\$ 577,665</b>

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### **6. Long-Term Debt (continued)**

In 2014, Sharp issued Series 2014A Bonds in the amount of \$159,485,000 that had a net original issue premium of \$6,625,000. The proceeds were utilized to refinance the Series 2003C Bonds in the amount of \$22,446,000 and to finance the acquisition, renovation, construction, equipping and improvement of facilities of the Obligated Group

In 2014, Sharp exercised the option to call and redeem \$30,025,000 of the Series 2009B Bonds that were scheduled to mature on August 1, 2034

In 2012, SGH entered into a Co-Generation and Energy Equipment Purchase Agreement (Co- Generation Agreement) with the District Under the Co-Generation agreement, the District is financing an \$18,000,000 loan through a separate lease agreement with a bank for the purchase and installation of a co-generation unit and replacement energy equipment at SGH The loan is repayable in monthly installments of principal and interest over nine years The interest rate is 2.09% and the monthly installments are \$182,977 The Co-Generation agreement requires SGH to pay the bank directly an amount equal to the principal and interest amount the District is obligated to pay on the loan. Upon payment of all amounts due, the co-generation and energy equipment will be transferred to SGH as part of leasehold improvements pursuant to the May 29, 1991 lease (see Note 5)

As of September 30, 2014, the co-generation unit and energy equipment is still under construction at SGH All lease payments paid by SGH on behalf of the District are recorded as prepaid rent and included in prepaid expenses and other on the combined balance sheet Construction in progress and notes payable is recorded as the project incurs costs. At completion of the project, the Co-Generation agreement will be treated as a capital lease

Under the terms of the Series 2009B Bonds, Sharp is required to maintain certain deposits with a trustee Such deposits are included with assets limited as to use Sharp's loan agreements include, among other things, certain financial covenants, limitations on additional indebtedness, and limitations on sales/leaseback transactions. Sharp was in compliance with such covenants and limitations at September 30, 2014 and 2013.

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 6. Long-Term Debt (continued)

Scheduled principal payments on long-term debt and payments on capital lease obligations for years ending September 30 are as follows.

	<b>Long-Term Debt</b>	<b>Capital Lease Obligations</b>
	<i>(In Thousands)</i>	
2015	\$ 10,767	\$ 2,117
2016	13,184	2,404
2017	29,015	2,713
2018	13,864	3,046
2019	14,217	3,404
Thereafter	535,484	34,925

Scheduled interest payments Sharp is obligated to make on capital lease obligations referenced in the table noted above total approximately \$25,285,000 at September 30, 2014

A summary of interest cost on borrowed funds follows.

	<b>Year Ended September 30</b>	
	<b>2014</b>	<b>2013</b>
	<i>(In Thousands)</i>	
Interest cost.		
Capitalized	\$ 989	\$ 1,270
Charged to operations	26,447	23,250
	<u>\$ 27,436</u>	<u>\$ 24,520</u>

#### Interest Rate Swaps

During 2003, Sharp entered into a floating-to-fixed interest rate swap on the Series 2003A and B Bonds which were refunded in 2009. The swap agreement hedges an initial notional amount of \$109,650,000 at a fixed payer rate of 3.01% for the entire swap term which expires on August 1, 2024, and will receive 59% of one-month London Interbank Offered Rate (LIBOR) plus 0.14%, for the remaining term of the swap. Settlements are made weekly. Cash paid on the interest rate swap was \$1,816,000 in 2014 and \$1,941,000 in 2013, which increased Sharp's overall cost of borrowing and was included in interest expense. The change in fair value of the swap increased

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 6. Long-Term Debt (continued)

nonoperating income by \$871,000 in 2014 and \$2,941,000 in 2013. The fair value of the swap liability at September 30, 2014 and 2013, is \$5,233,000 and \$6,104,000, respectively, and is included in long-term debt on the combined balance sheet.

During 2004, Sharp entered into a fixed-spread basis swap with a bank. The swap arrangement hedges an initial notional amount of \$80,000,000 at a fixed payer rate of one-month Bond Market Association (BMA) for the entire swap term which expires on February 3, 2024, and will receive 67% of one-month LIBOR plus 0.55%. Settlements are made quarterly. Cash received on the interest rate swap was \$479,000 in 2014 and \$489,000 in 2013, which reduced Sharp's overall cost of borrowing and was offset against interest expense. The change in fair value of the swap decreased nonoperating income by \$698,000 in 2014 and \$1,009,000 in 2013. The fair value of the swap asset at September 30, 2013 is \$698,000 and is included in long-term debt on the combined balance sheet. The 2004 basis swap was terminated in 2014 and a new basis swap was executed in 2014.

During 2006, Sharp entered into a fixed-spread yield curve swap with a bank. The swap arrangement hedges an initial notional amount of \$80,000,000 and entails Sharp paying 67% of one-month LIBOR and receiving 67% of ten-year International Swaps and Derivative Association (ISDA) less 0.423%. Under the terms of the agreement, Sharp may terminate the swap at any time. Cash received on the interest rate swap was \$1,089,000 in 2014 and \$647,000 in 2013, which reduced Sharp's overall cost of borrowing and was offset against interest expense. The change in fair value of the swap decreased nonoperating income by \$2,914,000 in 2014 and increased nonoperating income by \$1,149,000 in 2013. The fair value of the swap asset at September 30, 2014 and 2013, is \$2,359,000 and \$5,273,000, respectively, and is included in long-term debt on the combined balance sheet.

During 2014, Sharp entered into a fixed-spread basis swap with a bank. The swap arrangement hedges an initial notional amount of \$80,000,000 at a fixed payer rate of Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index for the entire swap term which expires on February 2, 2034, and will receive 67% of one-month LIBOR plus 0.733%. Settlements are made quarterly. Cash received on the interest rate swap was \$68,007 in 2014, which reduced Sharp's overall cost of borrowing and was offset against interest expense. The change in fair value of the swap increased nonoperating income by \$991,000 in 2014. The fair value of the swap asset at September 30, 2014 is \$991,000 and is included in long-term debt on the combined balance sheet.



# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 7. Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

	<b>September 30</b>	
	<b>2014</b>	<b>2013</b>
	<i>(In Thousands)</i>	
Purchase of equipment	\$ 15,840	\$ 14,718
Hospital departments	14,744	11,569
Hospital programs	12,185	12,506
Health education	5,717	5,346
Research	4,413	4,590
Indigent care	417	393
Total	<u>\$ 53,316</u>	<u>\$ 49,122</u>

Permanently restricted net assets of \$6,253,000 and \$6,043,000 at September 30, 2014 and 2013, respectively, represent investments to be held in perpetuity, the income from which is expendable to support health care services

### 8. Endowments

Sharp's endowments consist of 50 separate endowment funds included in assets limited as to use established for a variety of purposes. Its endowment includes both donor-restricted endowment funds and funds designated by the Board of Directors of Sharp's affiliated foundations to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

On September 30, 2008, California Senate Bill No. 1329 was signed into law which enacted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) for California. California also adopted one of the "optional" provisions of the act, creating a rebuttable presumption of imprudence for spending more than 7% of the value of an endowment fund in one year (based on a three-year rolling average). The Board has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, Sharp classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment and (c) accumulations to the permanent endowment made in accordance with the direction of the

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 8. Endowments (continued)

applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by Sharp in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, Sharp considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the fund, (2) the purposes of Sharp and the donor-restricted endowment fund, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of Sharp, and (7) the investment policies of Sharp.

The endowment net asset composition as of September 30, 2014, by fund type was as follows:

	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>Total</b>
	<i>(In Thousands)</i>			
Board-designated endowment funds	\$ 2,438	\$ 2,815	\$ —	\$ 5,253
Donor-restricted endowment funds	—	4,366	6,253	10,619
Total funds	<u>\$ 2,438</u>	<u>7,181</u>	<u>\$ 6,253</u>	<u>\$ 15,872</u>

The endowment net asset composition as of September 30, 2013, by fund type was as follows:

	<b>Unrestricted</b>	<b>Temporarily Restricted</b>	<b>Permanently Restricted</b>	<b>Total</b>
	<i>(In Thousands)</i>			
Board-designated endowment funds	\$ 1,121	\$ 2,299	\$ —	\$ 3,420
Donor-restricted endowment funds	—	3,822	6,043	9,865
Total funds	<u>\$ 1,121</u>	<u>\$ 6,121</u>	<u>\$ 6,043</u>	<u>\$ 13,285</u>

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 8. Endowments (continued)

Sharp has adopted investment and spending policies for endowment assets that attempt to provide a stream of funding to programs supported by its endowment while balancing the risk of investment loss with long-term preservation of purchasing power. Endowment assets include those assets of donor-restricted funds that Sharp must hold in perpetuity or for a donor-specified period as well as board-designated funds.

Sharp targets a diversified asset allocation that places greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints. Sharp's spending policy is to annually appropriate for distribution no more than 4% per year of each endowment fund's average fair value (based on a two-year rolling average).

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
	<i>(In Thousands)</i>			
Endowment net assets, October 1, 2012	\$ 874	\$ 5,363	\$ 5,562	\$ 11,799
Investment return				
Investment income	186	638	—	824
Net appreciation (realized and unrealized)	53	230	—	283
Total investment return	239	868	—	1,107
Contributions	8	—	481	489
Appropriation of endowment assets for expenditure	—	(110)	—	(110)
Endowment net assets, September 30, 2013	1,121	6,121	6,043	13,285
Investment return				
Investment income	252	555	—	807
Net appreciation (realized and unrealized)	88	138	—	226
Total investment return	340	693	—	1,033
Contributions	909	(10)	197	1,096
Other	68	491	13	572
Appropriation of endowment assets for expenditure	—	(114)	—	(114)
Endowment net assets, September 30, 2014	\$ 2,438	\$ 7,181	\$ 6,253	\$ 15,872

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 9. Functional Expenses

Sharp provides general health care services to residents within its geographic locations. Expenses related to providing these services are as follows.

	<b>Year Ended September 30</b>	
	<b>2014</b>	<b>2013</b>
	<i>(In Thousands)</i>	
Hospital patient services	<b>\$ 1,854,619</b>	\$ 1,835,281
Clinic patient services	<b>456,603</b>	418,118
General and administrative	<b>233,367</b>	223,090
Purchased services under capitated agreements	<b>149,630</b>	127,875
	<b><u>\$ 2,694,219</u></b>	<u>\$ 2,604,364</u>

#### 10. Pension Plans

Sharp sponsors a voluntary retirement plan (the Plan), which consists of a defined benefit cash balance plan and a defined contribution plan. Under the defined contribution element of the Plan, Sharp made matching contributions of \$17,218,000 in 2014 and \$16,219,000 in 2013.

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 10. Pension Plans (continued)

The following sets forth the funded status of the Sharp's defined benefit pension plans at September 30.

	<b>2014</b>	<b>2013</b>
	<i>(In Thousands)</i>	
Change in benefit obligation		
Benefit obligation at beginning of year	\$ 295,152	\$ 291,433
Service cost	14,104	14,895
Interest cost	14,916	12,557
Actuarial loss (gain)	41,473	(16,378)
Plan participant contributions	6,900	6,473
Benefits paid	(16,750)	(13,828)
Benefit obligation at end of year	<u>355,795</u>	<u>295,152</u>
Change in plan assets		
Fair value of plan assets at beginning of year.	253,169	228,580
Actual return on plan assets	28,676	15,830
Plan participants' contributions	6,900	6,473
Employer contributions	23,326	16,114
Benefits paid	(16,750)	(13,828)
Fair value of plan assets at end of year	<u>295,321</u>	<u>253,169</u>
Funded status	<u>\$ (60,474)</u>	<u>\$ (41,983)</u>

The net liability, recognized in the balance sheet in long-term liabilities, was \$60,474,000 and \$41,983,000 at September 30, 2014 and 2013, respectively

Included in unrestricted net assets at September 30 are the following amounts that have not yet been recognized in net periodic pension cost.

	<b>2014</b>	<b>2013</b>
	<i>(In Thousands)</i>	
Prior service cost	\$ 713	\$ 1,917
Net actuarial loss	89,070	63,721
	<u>\$ 89,783</u>	<u>\$ 65,638</u>

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 10. Pension Plans (continued)

Additional information for the plan

	<b>September 30</b>	
	<b>2014</b>	<b>2013</b>
	<i>(In Thousands)</i>	
Projected benefit obligation	\$ 355,795	\$ 295,152
Accumulated benefit obligation	336,443	277,738
Fair value of plan assets	295,321	253,169

Net periodic pension cost includes the following components for the years ended September 30.

	<b>2014</b>	<b>2013</b>
	<i>(In Thousands)</i>	
Service cost	\$ 14,104	\$ 14,895
Interest cost	14,916	12,557
Expected return on plan assets	(17,132)	(16,125)
Recognized net actuarial loss	4,585	7,369
Amortization of prior service cost	1,204	1,204
Net periodic pension cost	\$ 17,677	\$ 19,900

Weighted-average assumptions used to determine benefit obligations were.

	<b>September 30</b>	
	<b>2014</b>	<b>2013</b>
Discount rate	4.53%	5 11%
Rate of compensation increase	3.00%	3 50%

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 10. Pension Plans (continued)

Weighted-average assumptions used to determine net periodic pension cost were

	<b>September 30</b>	
	<b>2014</b>	<b>2013</b>
Discount rate	<b>5.11%</b>	4.33%
Expected return on plan assets	<b>6.75%</b>	7.00%
Rate of compensation increase	<b>3.50%</b>	3.50%

The expected rate of return on plan assets is updated annually, taking into consideration the plan's asset allocation, historical returns on the types of assets held in the pension trust, and the current economic environment.

The estimated net actuarial loss, prior service cost, and transition obligation for the defined benefit pension plans that will be amortized from net assets into net periodic pension cost during the 2015 fiscal year are \$6,423,000, \$713,000, and \$0, respectively.

### Plan Assets

The Plan's assets are invested in an institutional trust company commingled employee benefit plan trust (Commingled Plan Trust). The Plan's asset allocation utilizes a long range asset allocation strategy. The target asset allocation gradually shifts as the funded ratio increases from an initial mix of 65% equity securities and 35% fixed income when the Plan's funded ratio is less than 80% to an ultimate target of 40% equity securities and 60% fixed income when the Plan's funded ratio reaches 100%. As of September 30, 2014 and 2013, based on the Plan's funded ratio, the Plan's allocation of investments in the Commingled Plan Trust were as follows:

	<b>2014</b>	<b>2013</b>
Asset category		
Equity securities	<b>59%</b>	50%
Fixed income	<b>41</b>	50
Total	<b>100%</b>	100%

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 10. Pension Plans (continued)

Plan assets are managed according to an investment policy adopted by Sharp's Retirement Committee. Professional investment managers are retained to manage plan assets. The primary objective of the Plan is to generate a consistent total investment return sufficient to pay present and future Plan benefits to retirees. The investment policy includes an asset allocation that includes equities and fixed income instruments. The target mix represents a long-term asset allocation strategy for the Plan. Although the Retirement Committee will seek to maintain the target mix over the long term, short-term deviations may occur due to market impact and cash flow. The timing and degree of rebalancing of the actual portfolio will be determined by the Retirement Committee.

Financial assets measured at fair value are grouped in three levels, based on the markets in which the assets are traded and the reliability of the assumptions used to estimate fair value. These levels and associated valuation methodologies are described in Note 2. All of the Plan's investments in the Commingled Plan Trust are in the Level 2 fair value group at September 30, 2014 and 2013.

#### Contributions

Sharp expects to contribute \$11,444,000 to the Plan in 2015.

#### Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

2015	\$ 24,407
2016	24,180
2017	24,943
2018	24,477
2019	24,993
2020–2024	122,663



# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 11. Long-Term Liabilities

Long-term liabilities consist of the following

	<b>September 30</b>	
	<b>2014</b>	<b>2013</b>
	<i>(In Thousands)</i>	
Defined benefit pension plan unfunded liability	\$ 60,474	\$ 41,983
Workers' compensation	37,748	35,298
Deferred liabilities	21,573	20,012
Other	6,352	8,538
	<u>\$ 126,147</u>	<u>\$ 105,831</u>

### 12. Commitments and Contingencies

#### Leases

Sharp leases various equipment and facilities under operating leases expiring at various dates through 2032. Total rental expense in 2014 and 2013, for all operating leases was \$32,142,000 and \$31,795,000, respectively.

The following is a schedule by year of future minimum lease payments (in thousands) under operating leases as of September 30, 2014, that have initial or remaining lease terms in excess of one year:

2015	\$ 25,891
2016	22,871
2017	18,150
2018	16,124
2019	14,691
Thereafter	106,223
	<u>\$ 203,950</u>

# Sharp HealthCare

## Notes to Combined Financial Statements (continued)

### 12. Commitments and Contingencies (continued)

#### Legal Matters

The health care industry is subject to numerous laws and regulations of federal, state and local governments. These laws and regulations are subject to ongoing government review and interpretations, and include matters such as licensure, accreditation, and reimbursement for patient services. Compliance with these laws and regulations is required for participation in government health care programs. Government activity continues to increase with respect to investigations and allegations concerning possible violations of regulations by health care providers, which could result in the imposition of significant fines and penalties as well as significant repayment of previously billed and collected revenues for patient services. Sharp believes it is in compliance with current laws and regulations.

In the normal course of business, Sharp is involved in legal proceedings. Sharp accrues a liability for such matters when it is probable that a liability has been incurred and the amount can be reasonably estimated. The accrual for a litigation loss contingency might include, for example, estimates of potential damages, outside legal fees, interest penalties, and other directly related costs expected to be incurred.

#### Labor Matters

Not-for-profit health care providers and their employees are under the jurisdiction of the National Labor Relations Board. As of September 30, 2014, approximately 28% of Sharp employees are represented by unions. Such unionized employees are represented by Sharp Professional Nurses Network, United Nurses of California, National Union of Hospital and Health Care Employees, American Federation of State, County and Municipal Employees, and AFL-CIO. The collective bargaining agreement with the union expires in 2016.

#### Professional Liability and Stop-Loss Insurance

CQI SPC is a wholly owned captive insurance company which insures a portion of the medical malpractice (professional liability) claims of certain affiliates of Sharp. Malpractice losses are accrued based on estimates of the ultimate costs for both reported claims and claims incurred but not reported. Sharp's liability is limited to \$3,000,000 per individual claim and \$17,625,000 in the aggregate each year. Sharp has obtained excess loss insurance covering claims above these amounts up to \$40,000,000.

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 12. Commitments and Contingencies (continued)

Professional and general liability costs have been accrued based upon an actuarial determination. Accrued malpractice losses have been discounted at 3.0% at September 30, 2014 and 2013. In 2014, the current portion of professional liability costs were included in accounts payable and accrued liabilities.

Included in the combined balance sheets at September 30 are the following amounts related to professional and general liability:

	<b>2014</b>	<b>2013</b>
	<i>(In Thousands)</i>	
Reserves for professional and general liabilities	\$ 11,537	\$ 16,106
Accounts payable and accrued liabilities	6,391	—
	<b>\$ 17,928</b>	<b>\$ 16,106</b>

Claims, including alleged malpractice, have been asserted against Sharp and are currently in various stages of litigation. Additional claims may be asserted against Sharp arising from services provided to patients through September 30, 2014. In management's opinion, however, the estimated liability accrued at September 30, 2014, is adequate to provide for potential losses resulting from pending or threatened litigation. It is management's opinion that the ultimate disposition of such litigation will not have a material adverse effect on the combined financial position, results of operations, or cash flows of Sharp.

#### Sharp Health Plan

SHP is required to meet certain financial responsibility regulations of the California Department of Managed Healthcare (DMHC). Pursuant to these regulations, SHP maintains a reserve totaling \$500,000 on deposit with various financial institutions. In addition, SHP is required to maintain two times the normal requirement of tangible net equity, as defined in regulations of the DMHC. At September 30, 2014 and 2013, SHP was required to maintain tangible net equity totaling \$15,749,000 and \$10,525,000, respectively. SHP's tangible net equity was \$56,440,000 at September 30, 2014, and \$47,214,000 at September 30, 2013. Management believes they are in compliance with these requirements at September 30, 2014 and 2013.

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### **12. Commitments and Contingencies (continued)**

##### **Unemployment Claims and Workers' Compensation**

Sharp has elected to self-insure for unemployment claims through various group plans. Prior to January 1, 1996, Sharp was also self-insured for workers' compensation claims. Since 1996, Sharp has purchased high deductible insurance policies and has been responsible for workers' compensation claims up to amounts covered by these insurance policies (Sharp was responsible for individual claims up to \$1,000,000 in 2014 and 2013). For workers' compensation, Sharp accrues for the unpaid portion of claims that have been reported and estimates of claims that have been incurred but not reported, based on an actuarial study. Accrued workers' compensation losses have been discounted at 1.70% and 1.25% at September 30, 2014 and 2013, respectively. Workers' compensation liabilities of \$47,679,000 and \$44,710,000 at September 30, 2014 and 2013, respectively, are included in other current liabilities and long-term liabilities in the combined balance sheets.

##### **Seismic Standards (Unaudited)**

All of Sharp's major hospital buildings are in compliance with the earthquake retrofit requirements under a State of California law through 2030. Due to regulatory changes in the definition of buildings over the past year, three small corridors at SMH are now subject to the requirements. Two of the corridors are expected to be in compliance by December 2014 and the third is expected to be completely removed as part of renovations prior to the compliance requirement date.

##### **Credit Facilities**

Sharp has a \$50,000,000 line of credit with a bank, which expires on September 1, 2016, of which \$20,600,000 and \$17,600,000 was available at September 30, 2014 and 2013, respectively. As part of the workers' compensation insurance agreement, letters of credit have been provided as collateral. The total letters of credit used as collateral totaled \$29,400,000 and \$32,400,000 as of September 30, 2014 and 2013, respectively. These letters of credit are each considered a decrease in the available \$50,000,000 line of credit with the bank. There are no amounts outstanding as of September 30, 2014 and 2013.

Sharp has a bank liquidity facility to provide credit enhancement and liquidity support for the \$60,000,000 of Series 2009A Bonds. The bank liquidity facility was executed in February 2009 by a bank letter of credit that expires in May 2018. The letter of credit used as collateral totaled \$41,244,000 at September 30, 2014.

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 12. Commitments and Contingencies (continued)

Sharp has a bank liquidity facility to provide credit enhancement and liquidity support for the \$99,880,000 of Series 2009C and D Bonds. The bank liquidity facility was executed in September 2009 by a bank letter of credit that expires in September 2016. The total letters of credit used as collateral totaled \$101,391,000 at September 30, 2014.

SHP has a bank credit facility that provides for the issuance of up to an aggregate of \$550,000 at September 30, 2014 and 2013, under letters of credit. Such letters of credit are under irrevocable standby letters of credit. At September 30, 2014 and 2013, none of these letters have been drawn upon.

#### 13. Fair Value of Financial Instruments

The following methods and assumptions were used by Sharp in estimating fair value of its financial instruments:

*Cash and cash equivalents:* The carrying amount reported in the balance sheet for cash and cash equivalents approximates fair value.

*Short-term investments and assets limited as to use:* Fair values, which are the amounts reported in the balance sheet, are based on quoted market prices.

*Estimated settlements receivable from (payable to) government programs, net:* The carrying amount reported in the balance sheet for estimated third-party payor settlements approximates its fair value.

*Prepaid expenses and other:* The carrying amount reported in the balance sheet for prepaid expenses and other approximates its fair value.

*Accounts payable and accrued expenses:* The carrying amount reported in the balance sheet for accounts payable and accrued expenses approximates its fair value.

*Accrued compensation and benefits:* The carrying amount reported in the balance sheet for accrued compensation and benefits approximates its fair value.

*Long-term debt:* Fair values are computed using an estimated third party pricing analysis based on the individual bond terms. The fair value is considered Level 2 in the fair value hierarchy at September 30, 2014 and 2013.

## Sharp HealthCare

### Notes to Combined Financial Statements (continued)

#### 13. Fair Value of Financial Instruments (continued)

The carrying amounts and fair values of Sharp's financial instruments are as follows (in thousands).

	<u>September 30, 2014</u>		<u>September 30, 2013</u>	
	<u>Carrying Value</u>	<u>Fair Value</u>	<u>Carrying Value</u>	<u>Fair Value</u>
Cash and cash equivalents	\$ 244,881	\$ 244,881	\$ 175,334	\$ 175,334
Short-term investments	46,650	46,650	59,520	59,520
Estimated settlements receivable from government programs, net	21,372	21,372	5,058	5,058
Prepaid expenses and other	50,563	50,563	42,579	42,579
Long-term investments	252,766	252,766	195,740	195,740
Assets limited as to use	1,389,130	1,389,130	1,050,912	1,050,912
Accounts payable and accrued liabilities	222,561	222,561	184,474	184,474
Accrued compensation and benefits	145,143	145,143	139,129	139,129
Current and long-term debt	696,893	744,394	597,123	621,016

#### 14. Subsequent Events

In preparing these combined financial statements, management has evaluated and disclosed all material subsequent events up to December 16, 2014, which is the date that the combined financial statements were issued.

In November 2014, CMS approved the final six months of the managed care portion of the 30-Month Program covering the period July 1, 2013 to December 31, 2013. Sharp will recognize \$12.7 million as Provider Tax revenue, \$8.8 million as Provider Tax expense and \$242,000 of pledge payments related to this approval.

In December 2014, CMS approved the fee-for-service portion of a new 36-month Program to provide supplemental Medi-Cal payments and impose a QA fee for facilities that provide service to the Medi-Cal population. The 36-month Program covers the period January 1, 2014 through December 31, 2016. The impact to Sharp is still being determined.

## Supplementary Information

# Sharp HealthCare

## Combining Balance Sheet

September 30, 2014

	Sharp HealthCare	Sharp Memorial Hospital	Sharp Vista Medical Center	Sharp Chula Vista Medical Center	Grossmont Hospital Corporation	Sharp Coronado Hospital and Healthcare Center	Sharp Health Plan	Continuous Quality Insurance	Sharp HealthCare Foundation	Grossmont Hospital Foundation	Combined Totals	Combining Eliminations	Totals
<i>(In Thousands)</i>													
<b>Assets</b>													
Current assets													
Cash and cash equivalents	\$ 175,606	\$ 1,645	\$ 559	\$ 24,302	\$ 129	\$ 37,477	\$ 278	\$ 1,421	\$ 3,464	\$ 244,881	\$ -	\$ -	\$ 244,881
Short-term investments	31,364	-	-	10,601	-	4,685	-	-	-	46,650	-	-	46,650
Accounts receivable, net	24,343	134,156	357,39	66,504	6,119	3,487	-	2,478	608	274,034	(5,815)	-	268,219
Estimated settlements receivable from government programs, net	-	6784	50	13748	90	-	-	-	-	21,372	-	-	21,372
Intercompany receivables	-	1270509	133504	-	-	13,032	-	-	59	1,417104	(1,417104)	-	-
Intonones	288	16,435	5,931	11,499	2,076	-	-	-	-	43,229	-	-	43,229
Prepaid expenses and other	35795	3,404	3,152	8,686	435	534	4	38	4	52,052	(1,489)	-	50,563
Total current assets	274,396	1,432,933	179,635	135,340	22,481	46,183	282	3,937	4,135	2,099,322	(1,424,408)	-	674,914
Long-term investments	201,337	-	-	12,561	-	38,868	-	-	-	252,766	-	-	252,766
Assets limited as to use													
Designated for property	948739	-	-	273576	-	-	-	-	-	1,222,315	-	-	1,222,315
Under bond indentures	589	44,127	15,124	47523	-	-	-	-	-	107,363	-	-	107,363
Other restricted investments	-	-	-	-	-	-	552	-	36,014	11,961	-	-	48,527
Under self-insurance programs	-	-	-	-	-	-	-	10,925	-	10,925	-	-	10,925
Total assets limited as to use	949,328	44,127	15,124	321,099	-	552	10,925	-	36,014	11,961	1,389,130	-	1,389,130
Property and equipment, net	244,068	411751	71,900	304,877	15793	984	-	-	173	1,049,546	-	-	1,049,546
Unamortized financing costs	1,900	3,504	894	915	-	-	-	-	-	213	-	-	213
Other assets	31729	(17)	2377	1,501	2,908	158	19,051	-	51,632	5,105	114,534	(36745)	77,889
Beneficial interest in Foundations	52370	-	-	20,446	-	-	-	-	-	72,816	-	-	-
Total assets	\$ 175,128	\$ 1,892,298	\$ 269,930	\$ 796,829	\$ 41,182	\$ 86745	\$ 30,258	\$ 91756	\$ 21,201	\$ 4,985,327	\$ (1,533,969)	\$ (1,533,969)	\$ 3,451,358



# Sharp HealthCare

## Combining Balance Sheet (continued)

September 30, 2014

	Sharp HealthCare	Sharp Memorial Hospital	Sharp Chula Vista Medical Center	Grossmont Hospital Corporation	Sharp Coronado Hospital and Healthcare Center	Sharp Health Plan	Continuous Quality Insurance	Sharp HealthCare Foundation	Grossmont Hospital Foundation	Combined Totals	Combining Eliminations	Totals
<i>(In Thousands)</i>												
<b>Liabilities and net assets</b>												
<b>Current liabilities</b>												
Accounts payable and accrued liabilities	\$ 132,262	\$ 30,482	\$ 12,295	\$ 17,416	\$ 2,352	\$ 27,054	\$ 6,458	\$ 55	\$ 4	\$ 228,378	\$ (5,817)	\$ 222,561
Intercompany payables	1,372,003	—	—	14,119	—	951	22	29,971	—	1,417,066	(1,417,066)	—
Accrued compensation and benefits	43,945	46,266	17,044	31,323	4,314	1,869	—	341	76	145,178	(35)	145,143
Current portion of long-term debt	2,275	7,358	1,588	1,663	—	—	—	—	—	12,884	—	12,884
Accrued interest	458	2,528	581	488	—	—	—	—	—	4,055	—	4,055
Total current liabilities	1,550,943	86,634	31,508	65,009	6,666	29,874	6,480	30,367	80	1,807,561	(1,422,918)	384,643
<b>Long-term liabilities</b>												
Reserves for professional and general liabilities	85,093	21,163	6,564	23,778	1,592	431	13,447	9,019	676	161,763	(35,616)	126,147
Long-term debt	1,386	—	—	—	—	—	10,151	—	—	11,537	—	11,537
Total liabilities	1,764,282	487,631	113,419	190,755	8,258	30,305	30,078	39,386	756	2,004,870	(1,458,534)	1,206,336
<b>Net assets</b>												
Unrestricted	653,742	1,404,667	156,511	589,893	34,124	56,440	180	782	4,264	2,200,119	(14,666)	2,185,453
Temporarily restricted	39,430	—	—	15,086	(1,200)	—	—	39,430	15,086	107,832	(54,516)	53,316
Permanently restricted	5,158	—	—	1,095	—	—	—	5,158	1,095	12,506	(6,253)	6,253
Total net assets	798,330	1,404,667	156,511	606,074	32,924	56,440	180	52,370	20,445	2,320,457	(75,435)	2,245,022
Total liabilities and net assets	\$ 1,764,282	\$ 1,892,298	\$ 269,930	\$ 796,829	\$ 41,182	\$ 86,745	\$ 30,258	\$ 91,756	\$ 21,201	\$ 4,985,327	\$ (1,533,969)	\$ 3,451,358

# Sharp HealthCare

## Combining Statement of Operations

Year Ended September 30, 2014

	Sharp HealthCare	Sharp Memorial Hospital	Sharp Vista Medical Center	Sharp Chula Vista Medical Center	Grossmont Hospital Corporation	Sharp Coronado Hospital and Healthcare Center	Sharp Health Plan	Continuous Quality Insurance	Sharp HealthCare Foundation	Grossmont Hospital Foundation	Combined Totals	Combining Eliminations	Totals
	<i>(In Thousands)</i>												
Revenues													
Patient service revenue	\$ 146,922	\$ 1,042,171	\$ 296,410	\$ 594,885	\$ -	\$ 71,188	\$ -	\$ -	\$ -	\$ -	\$ 2,151,576	\$ (346,029)	\$ 1,805,547
Provider tax revenue	-	9,171	6,215	8,619	-	1,699	-	-	-	-	25,704	-	25,704
Provision for doubtful accounts	(5,383)	(8,504)	(4,131)	(6,605)	-	(2,621)	-	-	-	-	(24,975)	-	(24,975)
Net patient service	141,539	1,042,838	298,494	596,809	-	72,625	-	-	-	-	2,152,305	(346,029)	1,806,276
Premium	812,324	-	-	-	-	-	382,492	-	-	-	1,194,916	(170,269)	1,024,647
Other	245,425	13,683	8,989	12,426	-	3,370	366	8,664	-	-	292,923	(195,273)	97,650
Total revenues	1,199,288	1,056,521	307,483	609,235	-	75,995	382,958	8,664	-	-	3,640,144	(711,571)	2,928,573
Expenses													
Salaries and wages	282,412	357,432	130,624	245,688	-	34,897	9,820	-	-	-	1,060,873	-	1,060,873
Employee benefits	73,795	85,389	30,811	60,447	-	8,713	2,114	-	-	-	261,269	(1)	261,268
Medical fees	245,055	13,001	5,525	10,926	-	668	335,909	-	-	-	611,084	(193,860)	417,224
Purchased services	137,958	59,323	26,919	56,721	-	7,306	12,576	176	-	-	300,979	(7,552)	293,227
Supplies	49,680	150,943	44,917	88,949	-	11,664	206	-	-	-	346,359	-	346,359
Provider tax	-	7,326	4,039	6,377	-	416	-	-	-	-	18,158	-	18,158
Maintenance utilities and rentals	63,197	29,963	8,491	17,811	-	3,276	880	-	-	-	123,618	(37,880)	119,830
Depreciation and amortization	38,873	40,999	12,663	23,341	-	3,201	568	9	-	-	119,654	(22,162)	97,492
Business insurance	2,366	3,204	1,104	2,294	-	252	114	8,766	-	-	18,100	(8,766)	9,334
Interest	4,699	17,311	3,770	2,906	-	-	1	-	-	-	28,687	(2,240)	26,447
Purchased services from affiliate	327,414	89,545	32,410	59,609	-	6,980	37,999	87	-	-	519,844	(519,844)	-
Other	17,242	8,463	2,605	4,852	-	735	10,072	38	-	-	44,007	-	44,007
Total expenses	1,242,691	862,899	303,878	579,921	-	78,108	376,050	9,076	-	-	3,452,632	(758,413)	2,694,219
(Loss) income from operations	(43,403)	193,622	3,605	29,314	-	(2,113)	6,899	(412)	-	-	187,512	46,842	234,354
Other non-operating income (loss)	(4787)	(159)	29	(1,139)	-	70	38	-	1,484	291	(4,173)	124	(4,049)
Investment income	58,987	34,399	13,212	17,157	-	2,564	2,470	412	1,469	974	131,644	(46,966)	84,678
Excess (deficit) of revenues over expenses	107,977	227,862	16,846	45,332	-	521	9,407	-	2,953	1,265	314,983	-	314,983
Net assets transferred from related-party	-	-	-	49,963	-	-	-	-	-	-	49,963	-	49,963
Net assets released from restrictions used for purchase of property, plant and equipment	1,240	2,549	731	1,139	-	-	-	-	-	-	5,659	-	5,659
Pension related changes, other than net periodic pension cost	(6,565)	(8,319)	(2,873)	(5,561)	-	(647)	(180)	-	-	-	(24,145)	-	(24,145)
Other changes in net assets	4,506	-	-	2,518	-	1,570	-	-	552	1,166	10,312	(6,938)	3,374
Increase (decrease) in unrestricted net assets	9,978	222,092	14,701	93,301	-	1,444	9,227	-	3,505	2,431	356,772	-	349,833

# Sharp HealthCare

## Combining Statement of Changes in Net Assets

Year Ended September 30, 2014

	Sharp HealthCare	Sharp Memorial Hospital	Sharp Vista Medical Center	Grossmont Hospital Corporation	Sharp Coronado Hospital and Healthcare Center	Sharp Health Plan	Continuous Quality Insurance	Sharp HealthCare Foundation	Grossmont Hospital Foundation	Combined Totals	Combining Eliminations	Totals
	<i>(In Thousands)</i>											
Unrestricted net assets												
Excess (deficit) of revenues over expenses	\$ 10,797	\$ 227,862	\$ 16,846	\$ 45,332	\$ 521	\$ 9,407	\$ -	\$ 2,953	\$ 1,265	\$ 314,983	\$ -	\$ 314,983
Net assets transferred from related-party	-	-	-	49,963	-	-	-	-	-	49,963	-	49,963
Net assets released from restrictions used for purchase of property, plant, and equipment	1,240	2,549	731	1,139	-	-	-	-	-	5,659	-	5,659
Pension related changes other than net periodic pension cost	(6,565)	(8,319)	(2,873)	(5,561)	(647)	(180)	-	-	-	(24,145)	-	(24,145)
Other changes in net assets	4,506	-	-	2,518	1,570	-	-	552	1,166	10,312	(6,938)	3,374
Increase (decrease) in unrestricted net assets	9,978	222,092	14,704	93,391	1,444	9,227	-	3,505	2,431	356,772	(6,938)	349,834
Temporarily restricted net assets												
Contributions	-	-	-	-	-	-	-	9,610	4,087	13,697	-	13,697
Investment income	-	-	-	-	-	-	-	1,112	157	1,269	-	1,269
Change in net unrealized gains (losses) on other than trading securities	-	-	-	-	-	-	-	(1,499)	35	(1,144)	-	(1,144)
Net assets released from restrictions	-	-	-	-	-	-	-	(6,998)	(2,492)	(9,490)	-	(9,490)
Other	2,030	-	-	602	562	-	-	(545)	(1,185)	1,464	(2,632)	(1,168)
Increase (decrease) in temporarily restricted net assets	2,030	-	-	602	562	-	-	3,030	602	6,826	(2,632)	4,194
Permanently restricted net assets												
Contributions	-	-	-	-	-	-	-	196	1	197	-	197
Other	189	-	-	21	-	-	-	(7)	20	223	(210)	13
Increase (decrease) in permanently restricted net assets	189	-	-	21	-	-	-	189	21	420	(210)	210
Increase (decrease) in net assets	12,197	222,092	14,704	94,014	2,006	9,227	-	6,724	3,054	364,018	(9,780)	354,238
Net assets beginning of the year	(21,351)	1,182,575	141,807	512,060	30,918	47,213	180	45,646	17,391	1,956,439	(65,655)	1,890,784
Net assets end of the year	\$ (9,154)	\$ 1,404,667	\$ 156,511	\$ 606,074	\$ 32,924	\$ 56,440	\$ 180	\$ 52,370	\$ 20,445	\$ 2,320,457	\$ (75,435)	\$ 2,245,022

# Sharp HealthCare

## Combining Balance Sheet – Obligated Group

September 30, 2014

	Sharp HealthCare	Sharp Memorial Hospital	Sharp Chula Vista Medical Center	Grossmont Hospital Corporation	Combined Totals	Combining Eliminations	Totals
	<i>(In Thousands)</i>						
<b>Assets</b>							
Current assets							
Cash and cash equivalents	\$ 175,606	\$ 1,645	\$ 559	\$ 24,302	\$ 202,112	\$ –	\$ 202,112
Short-term investments	31,364	–	–	10,601	41,965	–	41,965
Accounts receivable, net	24,343	134,156	35,739	66,504	260,742	(682)	260,060
Estimated settlements receivable from government programs, net	–	6,784	750	13,748	21,282	–	21,282
Intercompany receivables	(1,371,708)	1,270,509	133,504	–	32,305	(14,119)	18,186
Inventories	7,288	16,435	5,931	11,499	41,153	–	41,153
Prepaid expenses and other	35,795	3,404	3,152	8,686	51,037	–	51,037
Total current assets	(1,097,312)	1,432,933	179,635	135,340	650,596	(14,801)	635,795
Long-term investments	201,337	–	–	12,561	213,898	–	213,898
Assets limited as to use							
Designated for property	948,739	–	–	273,576	1,222,315	–	1,222,315
Under bond indentures	589	44,127	15,124	47,523	107,363	–	107,363
Other restricted investments	–	–	–	–	–	–	–
Under self-insurance programs	–	–	–	–	–	–	–
Total assets limited as to use	949,328	44,127	15,124	321,099	1,329,678	–	1,329,678
Property and equipment, net	244,068	411,751	71,900	304,877	1,032,596	–	1,032,596
Unamortized financing costs	1,900	3,504	894	915	7,213	–	7,213
Other assets	31,729	(17)	2,377	1,591	35,680	–	35,680
Beneficial interest in Foundations	52,370	–	–	20,446	72,816	–	72,816
Total assets	\$ 383,420	\$ 1,892,298	\$ 269,930	\$ 796,829	\$ 3,342,477	\$ (14,801)	\$ 3,327,676

# Sharp HealthCare

## Combining Balance Sheet – Obligated Group (continued)

September 30, 2014

	Sharp HealthCare	Sharp Memorial Hospital	Sharp Chula Vista Medical Center	Grossmont Hospital Corporation	Combined Totals	Combining Eliminations	Totals
	<i>(In Thousands)</i>						
<b>Liabilities and net assets</b>							
Current liabilities							
Accounts payable and accrued liabilities	\$ 132,557	\$ 30,482	\$ 12,295	\$ 17,416	\$ 192,750	\$ (682)	\$ 192,068
Intercompany payable	–	–	–	14,119	14,119	(14,119)	–
Accrued compensation and benefits	43,945	46,266	17,044	31,323	138,578	–	138,578
Current portion of long-term debt	2,275	7,358	1,588	1,663	12,884	–	12,884
Accrued interest	458	2,528	581	488	4,055	–	4,055
Total current liabilities	179,235	86,634	31,508	65,009	362,386	(14,801)	347,585
Long-term liabilities							
Reserves for professional and general liabilities	85,093	21,163	6,564	23,778	136,598	–	136,598
Long-term debt	1,386	–	–	–	1,386	–	1,386
Total liabilities	126,860	379,834	75,347	101,968	684,009	–	684,009
	392,574	487,631	113,419	190,755	1,184,379	(14,801)	1,169,578
Net assets							
Unrestricted	(53,742)	1,404,667	156,511	589,893	2,097,329	–	2,097,329
Temporarily restricted	39,430	–	–	15,086	54,516	–	54,516
Permanently restricted	5,158	–	–	1,095	6,253	–	6,253
Total net assets	(9,154)	1,404,667	156,511	606,074	2,158,098	–	2,158,098
Total liabilities and net assets	\$ 383,420	\$ 1,892,298	\$ 269,930	\$ 796,829	\$ 3,342,477	\$ (14,801)	\$ 3,327,676

# Sharp HealthCare

## Combining Statement of Operations – Obligated Group

Year Ended September 30, 2014

	Sharp HealthCare	Sharp Memorial Hospital	Sharp Chula Vista Medical Center	Grossmont Hospital Corporation	Combined Totals	Combining Eliminations	Totals
	<i>(In Thousands)</i>						
Revenues							
Patient service revenue	\$ 146,922	\$ 1,042,171	\$ 296,410	\$ 594,885	\$ 2,080,388	\$ (332,894)	\$ 1,747,494
Provider tax revenue	–	9,171	6,215	8,619	24,005	–	24,005
Provision for doubtful accounts	(5,383)	(8,504)	(4,131)	(6,695)	(24,713)	–	(24,713)
Net patient service	141,539	1,042,838	298,494	596,809	2,079,680	(332,894)	1,746,786
Premium	812,324	–	–	–	812,324	–	812,324
Other	245,425	13,683	8,989	12,426	280,523	(175,099)	105,424
Total revenues	1,199,288	1,056,521	307,483	609,235	3,172,527	(507,993)	2,664,534
Expenses							
Salaries and wages	282,412	357,432	130,624	245,688	1,016,156	–	1,016,156
Employee benefits	73,795	85,389	30,811	60,447	250,442	–	250,442
Medical fees	245,055	13,001	5,525	10,926	274,507	(17,239)	257,268
Purchased services	137,958	59,323	26,919	56,721	280,921	(5,929)	274,992
Supplies	49,680	150,943	44,917	88,949	334,489	–	334,489
Provider tax	–	7,326	4,039	6,377	17,742	–	17,742
Maintenance, utilities, and rentals	63,197	29,963	8,491	17,811	119,462	(3,095)	116,367
Depreciation and amortization	38,873	40,999	12,663	23,341	115,876	(20,967)	94,909
Business insurance	2,366	3,204	1,104	2,294	8,968	–	8,968
Interest	4,699	17,311	3,770	2,906	28,686	(2,226)	26,460
Purchased services from affiliate	327,414	89,545	32,410	59,609	508,978	(502,939)	6,039
Other	17,242	8,463	2,605	4,852	33,162	–	33,162
Total expenses	1,242,691	862,899	303,878	579,921	2,989,389	(552,395)	2,436,994
(Loss) income from operations	(43,403)	193,622	3,605	29,314	183,138	44,402	227,540
Other non-operating income (loss)	(4,787)	(159)	29	(1,139)	(6,056)	–	(6,056)
Investment income	58,987	34,399	13,212	17,157	123,755	(44,402)	79,353
Excess of revenues over expenses	10,797	227,862	16,846	45,332	300,837	–	300,837
Net assets transferred from related-party	–	–	–	49,963	49,963	–	49,963
Net assets released from restrictions used for purchase of property, plant and equipment	1,240	2,549	731	1,139	5,659	–	5,659
Pension-related changes other than net periodic pension cost	(6,565)	(8,319)	(2,873)	(5,561)	(23,318)	–	(23,318)
Other changes in net assets	4,506	–	–	2,518	7,024	–	7,024
Increase in unrestricted net assets	\$ 9,978	\$ 222,092	\$ 14,704	\$ 93,391	\$ 340,165	\$ –	\$ 340,165

# Sharp HealthCare

## Combining Statement of Changes in Net Assets – Obligated Group

Year Ended September 30, 2014

	Sharp HealthCare	Sharp Memorial Hospital	Sharp Chula Vista Medical Center	Grossmont Hospital Corporation	Combined Totals	Combining Eliminations	Totals
	<i>(In Thousands)</i>						
Unrestricted net assets							
Excess of revenues over expenses	\$ 10,797	\$ 227,862	\$ 16,846	\$ 45,332	\$ 300,837	\$ -	\$ 300,837
Net assets transferred from related-party	-	-	-	49,963	49,963	-	49,963
Net assets released from restrictions used for purchase of property, plant and equipment	1,240	2,549	731	1,139	5,659	-	5,659
Pension related changes other than net periodic pension cost	(6,565)	(8,319)	(2,873)	(5,561)	(23,318)	-	(23,318)
Other changes in net assets	4,506	-	-	2,518	7,024	-	7,024
Increase in unrestricted net assets	9,978	222,092	14,704	93,391	340,165	-	340,165
Temporarily restricted net assets							
Other changes in net assets	2,030	-	-	602	2,632	-	2,632
Increase in temporarily restricted net assets	2,030	-	-	602	2,632	-	2,632
Permanently restricted net assets							
Other changes in net assets	189	-	-	21	210	-	210
Increase in permanently restricted net assets	189	-	-	21	210	-	210
Increase in net assets	12,197	222,092	14,704	94,014	343,007	-	343,007
Net (deficit) assets, beginning of fiscal year	(21,351)	1,182,575	141,807	512,060	1,815,091	-	1,815,091
Net (deficit) assets, end of fiscal year	\$ (9,154)	\$ 1,404,667	\$ 156,511	\$ 606,074	\$ 2,158,098	\$ -	\$ 2,158,098

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