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Part III

Statement of Program Service Accomplishments

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

1

Briefly describe the organization's mission

OSF HEALTHCARE SYSTEM IS A CATHOLIC INTEGRATED HEALTH CARE DELIVERY SYSTEM WHICH DURING ITS FISCAL YEAR 2014 OPERATED 8 HOSPITALS, 5 HOME HEALTH AGENCIES, 4 HOSPICES, AND EMPLOYED APPROXIMATELY 630 PHYSICIANS ALL PATIENTS ARE ACCEPTED REGARDLESS OF THEIR ABILITY TO PAY ALL FACILITIES, SERVICES, PHYSICIANS AND OTHER PROFESSIONAL STAFF OF OSF HEALTHCARE SYSTEM SERVE ALL PATIENTS WITHOUT REGARD TO RACE, RELIGION, AGE, SEX, NATIONAL ORIGIN, PAYER SOURCE OR ABILITY TO PAY THE BOARD OF DIRECTORS HAS ADOPTED CHARITY CARE POLICIES AND PROCEDURES WHICH APPLY FOR ALL FACILITIES AND SERVICES OF THE CORPORATION THE AVAILABILITY OF CHARITY CARE IS COMMUNICATED TO PATIENTS IN NUMEROUS WAYS, INCLUDING USE OF FINANCIAL COUNSELORS, PATIENT INFORMATION BROCHURES, AND NOTICES ON PATIENT BILLINGS CHARITY CARE APPLICATIONS AND INSTRUCTIONS ARE AVAILABLE ON WEBSITES MAINTAINED BY THE CORPORATION AND UPON A REQUEST MADE TO ANY OF THE CORPORATION'S FACILITIES OR OFFICES OSF HEALTHCARE SYSTEM WILL PROVID

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 \$ 571,715,538 including grants of \$ 672,500) (Revenue \$ 836,241,338)

INPATIENT SERVICES - SEE SCHEDULE O

4b

(Code) (Expenses \$ 489,681,994 including grants of \$) (Revenue \$ 776,780,243)

OUTPATIENT SERVICES - SEE SCHEDULE O

4c

(Code) (Expenses \$ 277,172,972 including grants of \$) (Revenue \$ 103,204,755)

PHYSICIAN SERVICES - SEE SCHEDULE O

4d

Other program services (Describe in Schedule O)





















(Expenses \$ 225,551,623 including grants of \$ 215,678) (Revenue \$ 182,761,377)

4e

Total program service expenses ▶ 1,564,122,127

Form **990** (2013)

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 Yes	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X 	11e Yes	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X 	11f Yes	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII 	12a	No
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional 	12b Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H 	20a Yes	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? 	20b Yes	

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
22	Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <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	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If so, complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . .	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

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

☐

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	843	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	0	
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		1c	Yes
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a	15,052
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).		2b	Yes
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?		3a	Yes
b If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O.		3b	Yes
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		4a	No
b If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		5a	No
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b	No
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		5c	
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		6a	No
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		6b	
7 Organizations that may receive deductible contributions under section 170(c).			
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		7a	No
b If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c	No
d If "Yes," indicate the number of Forms 8282 filed during the year.		7d	
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e	No
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f	No
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		7g	
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		7h	
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		8	
9 Sponsoring organizations maintaining donor advised funds.			
a Did the organization make any taxable distributions under section 4966?		9a	
b Did the organization make a distribution to a donor, donor advisor, or related person?		9b	
10 Section 501(c)(7) organizations. Enter			
a Initiation fees and capital contributions included on Part VIII, line 12.		10a	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		10b	
11 Section 501(c)(12) organizations. Enter			
a Gross income from members or shareholders.		11a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).		11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year.		12b	
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.		13a	
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.		13b	
c Enter the amount of reserves on hand.		13c	
14a Did the organization receive any payments for indoor tanning services during the tax year?		14a	No
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.		14b	

Part VI

Governance, Management, and Disclosure

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

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	11	
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	7	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	Yes
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	Yes
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	Yes
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	a The governing body?	8a	Yes
8b	b Each committee with authority to act on behalf of the governing body?	8b	Yes
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	Yes

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

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

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filedIL
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> Other (explain in Schedule O)
19	Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization MR DANIEL BAKER 800 NE GLEN OAK AVE PEORIA,IL 61603 (309) 655-3638

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) GERALD J MCSHANE MD BOARD MEMBER	40 0 5 0	X						505,849	0	48,621
(2) JAMES W GIRARDY MD BOARD MEMBER	3 0 0 0	X						384,760	0	0
(3) KEVIN D SCHOEPLIN VICE CHAIRPERSON, CEO	40 0 5 0	X		X				1,006,804	0	54,256
(4) SISTER AGNES JOSEPH WILLIAMS OSF ASSISTANT SECRETARY	40 0 5	X		X				4,640	0	0
(5) SISTER DIANE MARIE MCGREW OSF PRESIDENT/TREASURER	40 0 1 0	X		X				4,640	0	0
(6) SISTER JUDITH ANN DUVALL OSF CHAIRPERSON	40 0 5	X		X				4,640		0
(7) SISTER MARIA ELENA PADILLA OSF BOARD MEMBER	40 0 0 0	X						0	0	0
(8) SISTER ROSE THERESE MANN OSF BOARD MEMBER	40 0 0 0	X						0	0	0
(9) SISTER THERESA ANN BRAZEAU OSF SECRETARY	40 0 1 0	X		X				4,640	0	0
(10) SISTER M MIKELA MEIDL FSGM BOARD MEMBER	40 0 0 0	X						0	0	0
(11) BRIAN J SILVERSTEIN MD BOARD MEMBER	3 0 0 0	X						0	0	0
(12) DANIEL E BAKER SENIOR VP, CFO	40 0 5 0			X				520,753	0	49,010
(13) DANIEL R FASSETT MD PHYSICIAN, NEUROSURGERY	40 0 0 0					X		1,573,017	0	18,218
(14) JEFFREY D KLOPPENSTEIN MD PHYSICIAN, NEUROSURGERY	40 0 0 0					X		1,142,357	0	33,962
(15) BRIAN D SIPE MD PHYSICIAN, ORTHOPEDICS	40 0 0 0					X		883,451	0	35,162
(16) ANDREW J TSUNG MD PHYSICIAN, NEUROSURGERY	40 0 0 0					X		953,038	0	29,336
(17) DONGWOO J CHANG MD PHYSICIAN, NEUROSURGERY	40 0 0 0					X		950,861	0	19,672

Part VII

(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			
1b	Sub-Total									
c	Total from continuation sheets to Part VII, Section A									
d	Total (add lines 1b and 1c)							7,939,450	0	288,237

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 ▶ 992

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
UNIV OF IL COLLEGE OF MEDICINE, PO BOX 4196 SPRINGFIELD IL 627084196	TEACHING PHYSICIANS	22,080,785
HINSHAW CULBERTSON LLP, 8142 SOLUTIONS CENTER DR CHICAGO IL 606778001	LEGAL	3,583,005
ASSOC ANESTHESIOLOGISTS SC, 8600 N STATE RT 91 SUITE 250 PEORIA IL 616159452	ANESTHESIOLOGY SVS	3,017,955
ROCKFORD ANESTHESIOLOGISTS ASSOC, 2202 HARLEM RD STE 200 LOVES PARK IL 611112754	ANESTHESIOLOGY SVS	1,902,380
THE ADVISORY BOARD COMPANY, 2445 M STREET NW WASHINGTON DC 20037	CONSULTING SERVICES	1,237,722

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 ►70

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	12,012,886			
	e	Government grants (contributions) 1e	2,249,628			
	f	All other contributions, gifts, grants, and similar amounts not included above 1f	212,496			
	g	Noncash contributions included in lines 1a-1f \$				
	h	Total. Add lines 1a-1f	14,475,010			
Program Service Revenue	2a	NET PATIENT SERVICE REVENUE				
		Business Code				
		900099	1,847,207,215	1,847,207,215		
	b	LAB	4,339,453		4,339,453	
	c	AFFILIATED PURCHASING PROGRAM	561499	1,443,514	1,443,514	
	d	INTEREST	900099	44,057	44,057	
	e	CONSULTING REVENUE	900099	740,601	740,601	
	f	All other program service revenue	195,166		195,166	
	g	Total. Add lines 2a-2f	1,853,970,006			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)	36,928,012			36,928,012
	4	Income from investment of tax-exempt bond proceeds	0			
	5	Royalties	0			
	6a	(i) Real				
		(ii) Personal				
		2,243,315				
		2,222,276				
	b	Less rental expenses				
	c	Rental income or (loss)	21,039	0		
	d	Net rental income or (loss)	21,039			21,039
	7a	(i) Securities				
		(ii) Other				
		1,568,963				
		2,037,950				
	b	Less cost or other basis and sales expenses				
	c	Gain or (loss)	-468,987			
	d	Net gain or (loss)	-468,987			-468,987
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18				
	a					
	b	Less direct expenses b				
	c	Net income or (loss) from fundraising events	0			
	9a	Gross income from gaming activities See Part IV, line 19				
	a					
	b	Less direct expenses b				
	c	Net income or (loss) from gaming activities	0			
	10a	Gross sales of inventory, less returns and allowances				
	a					
	b	Less cost of goods sold b				
	c	Net income or (loss) from sales of inventory	0			
	Miscellaneous Revenue		Business Code			
	11a	TUITION	900099	12,269,757	12,269,757	
	b	CONTRACT PHARMACY	900099	11,202,036	11,202,036	
	c	MEANINGFUL USE REVENUE	900099	5,018,446	5,018,446	
	d	All other revenue	24,921,003	21,545,914	315,543	3,059,546
	e	Total. Add lines 11a-11d	53,411,242			
	12	Total revenue. See Instructions	1,958,336,322	1,897,243,368	7,078,334	39,539,610

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.	672,500	672,500		
2	Grants and other assistance to individuals in the United States. See Part IV, line 22.	215,678	215,678		
3	Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.	0			
4	Benefits paid to or for members.	0			
5	Compensation of current officers, directors, trustees, and key employees.	1,663,042		1,663,042	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	0			
7	Other salaries and wages.	765,601,855	686,525,127	77,734,931	1,341,797
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	55,803,062	49,266,923	6,536,139	
9	Other employee benefits.	98,373,505	87,178,429	11,192,301	2,775
10	Payroll taxes.	49,794,036	44,564,050	5,229,986	
11	Fees for services (non-employees):				
a	Management.	0			
b	Legal.	8,593,728	674,533	7,919,195	
c	Accounting.	634,118	502,413	131,705	
d	Lobbying.	0			
e	Professional fundraising services. See Part IV, line 17.	0			
f	Investment management fees.	0			
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	72,490,695	61,485,888	11,004,258	549
12	Advertising and promotion.	4,352,033	4,177,180	88,790	86,063
13	Office expenses.	9,365,728	8,386,740	936,839	42,149
14	Information technology.	21,782,235	1,439,972	20,342,263	
15	Royalties.	0			
16	Occupancy.	14,609,156	13,897,656	701,897	9,603
17	Travel.	5,431,192	4,230,466	1,181,528	19,198
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.	0			
19	Conferences, conventions, and meetings.	2,154,633	1,728,099	418,126	8,408
20	Interest.	34,836,917	750,804	34,086,113	
21	Payments to affiliates.	-63,769,780	-50,573,023	-13,196,757	
22	Depreciation, depletion, and amortization.	84,533,458	62,992,615	21,540,843	
23	Insurance.	25,432,656	25,352,622	80,034	
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	SUPPLIES	277,024,337	276,314,529	421,392	288,416
b	EQUIP RENTAL & MAINT	157,122,718	141,065,760	15,735,972	320,986
c	BAD DEBT	46,954,250	46,954,250		
d	MEDICAID FEES	49,375,342	49,375,342		
e	All other expenses	64,762,496	46,943,574	14,908,573	2,910,349
25	Total functional expenses. Add lines 1 through 24e.	1,787,809,590	1,564,122,127	218,657,170	5,030,293
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 checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720).	2,100,557	1,878,743	219,572	2,242

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		0	1	0
	2	Savings and temporary cash investments		228,577,361	2	233,150,989
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		328,401,689	4	370,176,513
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L.		0	5	0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L.		0	6	0
	7	Notes and loans receivable, net		0	7	0
	8	Inventories for sale or use		20,627,513	8	19,898,680
	9	Prepaid expenses and deferred charges		5,310,827	9	7,360,958
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D.	10a1,933,366,228			
	b	Less: accumulated depreciation	10b1,081,665,263	847,521,266	10c	851,700,965
	11	Investments—publicly traded securities		731,470,692	11	885,189,503
	12	Investments—other securities. See Part IV, line 11.		0	12	0
	13	Investments—program-related. See Part IV, line 11.		41,235,804	13	25,743,529
	14	Intangible assets		22,041,175	14	22,031,356
	15	Other assets. See Part IV, line 11.		260,454,937	15	277,107,513
	16	Total assets. Add lines 1 through 15 (must equal line 34).		2,485,641,264	16	2,692,360,006
Liabilities	17	Accounts payable and accrued expenses		163,230,943	17	198,507,573
	18	Grants payable		0	18	0
	19	Deferred revenue		0	19	0
	20	Tax-exempt bond liabilities		840,264,115	20	861,521,637
	21	Escrow or custodial account liability. Complete Part IV of Schedule D.		0	21	0
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L.		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		0	23	0
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17–24). Complete Part X of Schedule D.		526,291,758	25	698,228,468
	26	Total liabilities. Add lines 17 through 25.		1,529,786,816	26	1,758,257,678
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		901,237,483	27	874,653,387
	28	Temporarily restricted net assets		38,199,005	28	36,651,689
	29	Permanently restricted net assets		16,417,960	29	22,797,252
	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		955,854,448	33	934,102,328
	34	Total liabilities and net assets/fund balances		2,485,641,264	34	2,692,360,006

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,958,336,322
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,787,809,590
3	Revenue less expenses Subtract line 2 from line 1	3	170,526,732
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	955,854,448
5	Net unrealized gains (losses) on investments	5	19,062,513
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	-211,341,365
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	934,102,328

Part XII Financial Statements and Reporting

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

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

SCHEDULE A

(Form 990 or 990EZ)

Department of the
Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

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

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2013

Open to Public Inspection

Name of the organization OSF Healthcare System	Employer identification number 37-0813229
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Part I

Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

- 1

☐

A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2

☐

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)
- 3

☒

A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4

☐

A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state _____
- 5

☐

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)
- 6

☐

A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7

☐

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)
- 8

☐

A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9

☐

An organization that normally receives (1) more than 33¹/₃% 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 33¹/₃% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)
- 10

☐

An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**
- 11

☐

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

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Non-functionally integrated

e

☐

By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f

☐

If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box

g

☐

Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

(i)

A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?

(ii)

A family member of a person described in (i) above?

(iii)

A 35% controlled entity of a person described in (i) or (ii) above?

h

☐

Provide the following information about the supported organization(s)

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

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

Part II

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

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

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

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

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

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

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

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

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

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

Facts And Circumstances Test

Return Reference	Explanation	
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SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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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 OSF Healthcare System	Employer identification number 37-0813229
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Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1	Provide a description of the organization's direct and indirect political campaign activities in Part IV	
2	Political expenditures	▶ \$
3	Volunteer hours	

Part I-B Complete if the organization is exempt under section 501(c)(3).

1	Enter the amount of any excise tax incurred by the organization under section 4955	▶ \$
2	Enter the amount of any excise tax incurred by organization managers under section 4955	▶ \$
3	If the organization incurred a section 4955 tax, did it file Form 4720 for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4a	Was a correction made?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b	If "Yes," describe in Part IV	

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

1	Enter the amount directly expended by the filing organization for section 527 exempt function activities	▶ \$
2	Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities	▶ \$
3	Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b	▶ \$
4	Did the filing organization file Form 1120-POL for this year?	<input type="checkbox"/> Yes <input type="checkbox"/> No
5	Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV	

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-

Part II-A

Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

- A
- Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)
- B
- Check ☐ if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)															
b Total lobbying expenditures to influence a legislative body (direct lobbying)															
c Total lobbying expenditures (add lines 1a and 1b)															
d Other exempt purpose expenditures															
e Total exempt purpose expenditures (add lines 1c and 1d)															
f Lobbying nontaxable amount Enter the amount from the following table in both columns															
<table><tr><td>If the amount on line 1e, column (a) or (b) is:</td><td>The lobbying nontaxable amount is:</td></tr><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
g Grassroots nontaxable amount (enter 25% of line 1f)															
h Subtract line 1g from line 1a If zero or less, enter -0-															
i Subtract line 1f from line 1c If zero or less, enter -0-															
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes <input type="checkbox"/> No													

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

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

Part II-B

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?	Yes		
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		655,142
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?		No	
j	Total. Add lines 1c through 1i.			655,142
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?		No	

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
MAILING EXPENSES	PART II-B, LINE 1D THE ONLY COST OF MAILING RELATED TO LOBBYING EXPENSES IS RELATED TO THE COST OF STAMPS. THE TOTAL EXPENDITURES RELATED TO MAILING IS MINOR AND THE ACTUAL DOLLAR AMOUNT IS NOT READILY AVAILABLE.
LEGISLATIVE CONTACTS	PART II-B, LINE 1G SCHEDULE C, PART II-B, LINE 1G INCLUDES LOBBYING EXPENSES PAID TO VARIOUS NATIONAL HEALTH ASSOCIATIONS AS PART OF DUES AND SUBSCRIPTIONS IN THE AMOUNT OF \$235,142. IT ALSO INCLUDES DIRECT CONTACT WITH LEGISLATORS, THEIR STAFFS, GOVERNMENT OFFICIALS, AND LEGISLATIVE BODIES RELATING TO THE HOSPITAL, PHYSICIAN PAYMENT REFORM, CRITICAL ACCESS, MDH HOSPITAL RATE PROTECTION, ACO ACTIVITIES AND ADOPTION IN MEDICARE. THIS AMOUNTED TO \$420,000.

Part IV

Return Reference

Explanation

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b**
▶ **Attach to Form 990.** ▶ **See separate instructions.** ▶ **Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.**

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization OSF Healthcare System	Employer identification number 37-0813229
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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 ▶ \$ _____

Part III

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

- 3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other
- 4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII
- 5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

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

- 1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No
- b

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

	Amount
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	37,314,439	22,865,122	17,139,873	7,390,433	5,655,845
b Contributions	10,574,853	10,590,634	2,735,884	10,371,045	1,551,108
c Net investment earnings, gains, and losses	4,207,377	4,165,914	3,093,976	-557,661	526,674
d Grants or scholarships	91,480	75,284	71,508	63,944	343,194
e Other expenditures for facilities and programs	217,051	231,947	33,103		
f Administrative expenses					
g End of year balance	51,788,138	37,314,439	22,865,122	17,139,873	7,390,433

- 2

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

a

Board designated or quasi-endowment

60 890 %

b

Permanent endowment

32 770 %

c

Temporarily restricted endowment

6 340 %

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

3a

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

	Yes	No
(i) unrelated organizations	3a(i)	No
(ii) related organizations	3a(ii)	No
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	

4

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

Land, Buildings, and Equipment. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.
- | Description of property | (a) Cost or other basis (investment) | (b)Cost or other basis (other) | (c) Accumulated depreciation | (d) Book value |
|--|--------------------------------------|--------------------------------|------------------------------|----------------|
| 1a Land | | 17,999,670 | | 17,999,670 |
| b Buildings | | 1,117,716,723 | 497,088,412 | 620,628,311 |
| c Leasehold improvements | | 7,893,588 | 6,888,496 | 1,005,092 |
| d Equipment | | 752,704,037 | 557,568,111 | 195,135,926 |
| e Other | | 37,052,210 | 20,120,244 | 16,931,966 |
| Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).) | | | | 851,700,965 |
- Schedule D (Form 990) 2013

Part XI

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

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

Part XII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

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

Part XIII

Supplemental Information

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

Return Reference	Explanation
SCHEDULE D - PART V - LINE 4	THE ORGANIZATION'S ENDOWMENT FUNDS ARE USED TO PROVIDE SCHOLARSHIPS TO NURSING STUDENTS, ACQUIRE EQUIPMENT AND SUPPORT PROGRAMS OF VARIOUS MEDICAL DEPARTMENTS OF THE OSF HEALTHCARE SYSTEM HOSPITALS
SCHEDULE D - PART X - LINE 2	OSF ADOPTED ASC SUBTOPIC 740-10, ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES - AN INTERPRETATION OF FASB STATEMENT NO. 109. THE INTERPRETATION ADDRESSES THE DETERMINATION OF HOW TAX BENEFITS CLAIMED OR EXPECTED TO BE CLAIMED ON A TAX RETURN SHOULD BE RECORDED IN THE CONSOLIDATED FINANCIAL STATEMENTS. UNDER ASC SUBTOPIC 740-10, OSF MUST RECOGNIZE THE TAX BENEFIT FROM AN UNCERTAIN TAX POSITION ONLY IF IT IS MORE LIKELY THAN NOT THAT THE TAX POSITION WILL BE SUSTAINED ON EXAMINATION BY THE TAXING AUTHORITIES, BASED ON THE TECHNICAL MERITS OF THE POSITION. THE TAX BENEFITS RECOGNIZED IN THE CONSOLIDATED FINANCIAL STATEMENTS FROM SUCH A POSITION ARE MEASURED BASED ON THE LARGEST BENEFIT THAT HAS A GREATER THAN 50% LIKELIHOOD OF BEING REALIZED UPON ULTIMATE SETTLEMENT. ASC SUBTOPIC 740-10 ALSO PROVIDES GUIDANCE ON DERECOGNITION, CLASSIFICATION, INTEREST AND PENALTIES ON INCOME TAXES, AND ACCOUNTING IN INTERIM PERIODS AND REQUIRES INCREASED DISCLOSURES AS OF SEPTEMBER 30, 2014 AND 2013, OSF DOES NOT HAVE ANY UNCERTAIN TAX POSITIONS.

[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
OSF Healthcare System

Employer identification number
37-0813229

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 type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>125 %</u> 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 <u>600 %</u> c If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care 4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	3a	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	3b	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	4	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5a	Yes	
6a	Did the organization prepare a community benefit report during the tax year?	5b	Yes	
b	If "Yes," did the organization make it available to the public?	5c		No
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H	6a	Yes	
		6b	Yes	

7

Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			54,510,077		54,510,077	3 140 %
b Medicaid (from Worksheet 3, column a)			326,257,340	275,183,796	51,073,544	2 930 %
c Costs of other means-tested government programs (from Worksheet 3, column b) . .						
d Total Financial Assistance and Means-Tested Government Programs . .			380,767,417	275,183,796	105,583,621	6 070 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			2,172,667	548,460	1,624,207	0 090 %
f Health professions education (from Worksheet 5)			58,504,262	19,769,918	38,734,344	2 230 %
g Subsidized health services (from Worksheet 6)			64,237,616	43,936,385	20,301,231	1 170 %
h Research (from Worksheet 7)			641,504	98,724	542,780	0 030 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)			733,209		733,209	0 040 %
j Total Other Benefits			126,289,258	64,353,487	61,935,771	3 560 %
k Total . Add lines 7d and 7j . .			507,056,675	339,537,283	167,519,392	9 630 %

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						
2Economic development						
3Community support						
4Environmental improvements						
5Leadership development and training for community members						
6Coalition building						
7Community health improvement advocacy			21,254		21,254	
8Workforce development						
9Other						
10Total			21,254		21,254	

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

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

1

Yes

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

2

13,815,578

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

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

461,284,810

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

6

555,001,104

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

7

-93,716,294

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

☐ Cost accounting system

☒ Cost to charge ratio

☐ Other

Section C. Collection Practices

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

9a

Yes

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

9b

Yes

Part IVManagement Companies and Joint Ventures

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

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1 NONE				
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?
8

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)
SAINT FRANCIS MEDICAL CENTER

Name of hospital facility or facility reporting group

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

	Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9 If "Yes," indicate what the CHNA report describes (check all that apply)	1 Yes	
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Part VI)		
2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>13</u>		
3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3 Yes	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4 Yes	
5 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	5 Yes	
a <input checked="" type="checkbox"/> Hospital facility's website (list url) _____		
b <input checked="" type="checkbox"/> Other website (list url) _____		
c <input type="checkbox"/> Available upon request from the hospital facility		
d <input type="checkbox"/> Other (describe in Part VI)		
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)		
a <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input checked="" type="checkbox"/> Execution of the implementation strategy		
c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan		
d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan		
e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input checked="" type="checkbox"/> Prioritization of health needs in its community		
h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7	No
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a	No
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b	
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____		

Part V

Facility Information (continued)

Financial Assistance Policy		Yes	No
9	Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	Yes
10	Used federal poverty guidelines (FPG) to determine eligibility for providing free care? If "Yes," indicate the FPG family income limit for eligibility for free care 200 % If "No," explain in Part VI the criteria the hospital facility used	10	Yes
11	Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care 600 % If "No," explain in Part VI the criteria the hospital facility used	11	Yes
12	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)	12	Yes
a <input checked="" type="checkbox"/> Income level			
b <input type="checkbox"/> Asset level			
c <input checked="" type="checkbox"/> Medical indigency			
d <input checked="" type="checkbox"/> Insurance status			
e <input checked="" type="checkbox"/> Uninsured discount			
f <input type="checkbox"/> Medicaid/Medicare			
g <input checked="" type="checkbox"/> State regulation			
h <input type="checkbox"/> Residency			
i <input checked="" type="checkbox"/> Other (describe in Part VI)			
13	Explained the method for applying for financial assistance?	13	Yes
14	Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)	14	Yes
a <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website			
b <input checked="" type="checkbox"/> The policy was attached to billing invoices			
c <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices			
e <input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility			
f <input checked="" type="checkbox"/> The policy was available upon request			
g <input type="checkbox"/> Other (describe in Part VI)			
Billing and Collections			
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	No
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP		
a <input type="checkbox"/> Reporting to credit agency			
b <input type="checkbox"/> Lawsuits			
c <input type="checkbox"/> Liens on residences			
d <input type="checkbox"/> Body attachments			
e <input type="checkbox"/> Other similar actions (describe in Section C)			
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged	17	No
a <input type="checkbox"/> Reporting to credit agency			
b <input type="checkbox"/> Lawsuits			
c <input type="checkbox"/> Liens on residences			
d <input type="checkbox"/> Body attachments			
e <input type="checkbox"/> Other similar actions (describe in Section C)			

Part V

Facility Information *(continued)*

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

☒

Notified individuals of the financial assistance policy on admission
- b

☒

Notified individuals of the financial assistance policy prior to discharge
- c

☒

Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
- d

☒

Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
- e

☐

Other (describe in Section C)

Policy Relating to Emergency Medical Care

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

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

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

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

SAINT ANTHONY MEDICAL CENTER

Name of hospital facility or facility reporting group

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

2

	Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9 If "Yes," indicate what the CHNA report describes (check all that apply)	1 Yes	
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Part VI)		
2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>13</u>		
3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3 Yes	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	No
5 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	5 Yes	
a <input checked="" type="checkbox"/> Hospital facility's website (list url)		
b <input checked="" type="checkbox"/> Other website (list url)		
c <input type="checkbox"/> Available upon request from the hospital facility		
d <input type="checkbox"/> Other (describe in Part VI)		
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)		
a <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input checked="" type="checkbox"/> Execution of the implementation strategy		
c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan		
d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan		
e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input checked="" type="checkbox"/> Prioritization of health needs in its community		
h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7	No
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a	No
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b	
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

Part V

Facility Information (continued)

Financial Assistance Policy		Yes	No
9	Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	Yes
10	Used federal poverty guidelines (FPG) to determine eligibility for providing free care? If "Yes," indicate the FPG family income limit for eligibility for free care 200 % If "No," explain in Part VI the criteria the hospital facility used	10	Yes
11	Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care 600 % If "No," explain in Part VI the criteria the hospital facility used	11	Yes
12	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)	12	Yes
a <input checked="" type="checkbox"/> Income level			
b <input type="checkbox"/> Asset level			
c <input checked="" type="checkbox"/> Medical indigency			
d <input checked="" type="checkbox"/> Insurance status			
e <input type="checkbox"/> Uninsured discount			
f <input type="checkbox"/> Medicaid/Medicare			
g <input checked="" type="checkbox"/> State regulation			
h <input type="checkbox"/> Residency			
i <input checked="" type="checkbox"/> Other (describe in Part VI)			
13	Explained the method for applying for financial assistance?	13	Yes
14	Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)	14	Yes
a <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website			
b <input checked="" type="checkbox"/> The policy was attached to billing invoices			
c <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices			
e <input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility			
f <input checked="" type="checkbox"/> The policy was available upon request			
g <input type="checkbox"/> Other (describe in Part VI)			
Billing and Collections			
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	Yes
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP		
a <input type="checkbox"/> Reporting to credit agency			
b <input type="checkbox"/> Lawsuits			
c <input type="checkbox"/> Liens on residences			
d <input type="checkbox"/> Body attachments			
e <input type="checkbox"/> Other similar actions (describe in Section C)			
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged	17	No
a <input type="checkbox"/> Reporting to credit agency			
b <input type="checkbox"/> Lawsuits			
c <input type="checkbox"/> Liens on residences			
d <input type="checkbox"/> Body attachments			
e <input type="checkbox"/> Other similar actions (describe in Section C)			

Part V

Facility Information *(continued)*

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

☒

Notified individuals of the financial assistance policy on admission
- b

☒

Notified individuals of the financial assistance policy prior to discharge
- c

☒

Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
- d

☒

Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
- e

☐

Other (describe in Section C)

Policy Relating to Emergency Medical Care

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

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

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

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

ST JOSEPH MEDICAL CENTER

Name of hospital facility or facility reporting group

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

3

	Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9 If "Yes," indicate what the CHNA report describes (check all that apply)	1 Yes	
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Part VI)		
2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>13</u>		
3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3 Yes	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	No
5 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	5 Yes	
a <input checked="" type="checkbox"/> Hospital facility's website (list url)		
b <input checked="" type="checkbox"/> Other website (list url)		
c <input type="checkbox"/> Available upon request from the hospital facility		
d <input type="checkbox"/> Other (describe in Part VI)		
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)		
a <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input checked="" type="checkbox"/> Execution of the implementation strategy		
c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan		
d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan		
e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input checked="" type="checkbox"/> Prioritization of health needs in its community		
h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7	No
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a	No
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b	
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

Part V

Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9	Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9 Yes	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>200</u> % If "No," explain in Part VI the criteria the hospital facility used	10 Yes	
11	Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>600</u> % If "No," explain in Part VI the criteria the hospital facility used	11 Yes	
12	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)	12 Yes	
a	<input checked="" type="checkbox"/> Income level		
b	<input type="checkbox"/> Asset level		
c	<input checked="" type="checkbox"/> Medical indigency		
d	<input checked="" type="checkbox"/> Insurance status		
e	<input checked="" type="checkbox"/> Uninsured discount		
f	<input type="checkbox"/> Medicaid/Medicare		
g	<input checked="" type="checkbox"/> State regulation		
h	<input type="checkbox"/> Residency		
i	<input checked="" type="checkbox"/> Other (describe in Part VI)		
13	Explained the method for applying for financial assistance?	13 Yes	
14	Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)	14 Yes	
a	<input checked="" type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input checked="" type="checkbox"/> The policy was attached to billing invoices		
c	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e	<input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f	<input checked="" type="checkbox"/> The policy was available upon request		
g	<input type="checkbox"/> Other (describe in Part VI)		
Billing and Collections			
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15 Yes	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP		
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged	17	No
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		

Part V

Facility Information *(continued)*

- 18** Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply)
- a** ☒ Notified individuals of the financial assistance policy on admission

b ☒ Notified individuals of the financial assistance policy prior to discharge

c ☒ Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills

d ☒ Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy

e ☐ Other (describe in Section C)

Policy Relating to Emergency Medical Care

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

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

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

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

ST MARY MEDICAL CENTER

Name of hospital facility or facility reporting group

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

4

		Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)			
<div>1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9</div> <div>If "Yes," indicate what the CHNA report describes (check all that apply)</div> <div>a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility</div> <div>b <input checked="" type="checkbox"/> Demographics of the community</div> <div>c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community</div> <div>d <input checked="" type="checkbox"/> How data was obtained</div> <div>e <input checked="" type="checkbox"/> The health needs of the community</div> <div>f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups</div> <div>g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs</div> <div>h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests</div> <div>i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs</div> <div>j <input type="checkbox"/> Other (describe in Part VI)</div> <div>2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>13</u></div> <div>3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted</div> <div>4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI</div> <div>5 Did the hospital facility make its CHNA report widely available to the public?</div> <div>If "Yes," indicate how the CHNA report was made widely available (check all that apply)</div> <div>a <input checked="" type="checkbox"/> Hospital facility's website (list url) _____</div> <div>b <input checked="" type="checkbox"/> Other website (list url) _____</div> <div>c <input type="checkbox"/> Available upon request from the hospital facility</div> <div>d <input type="checkbox"/> Other (describe in Part VI)</div> <div>6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)</div> <div>a <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA</div> <div>b <input checked="" type="checkbox"/> Execution of the implementation strategy</div> <div>c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan</div> <div>d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan</div> <div>e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans</div> <div>f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA</div> <div>g <input checked="" type="checkbox"/> Prioritization of health needs in its community</div> <div>h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community</div> <div>i <input type="checkbox"/> Other (describe in Part VI)</div> <div>7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs</div> <div>8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?</div> <div>b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?</div> <div>c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____</div>	1	Yes	
	3	Yes	
	4	Yes	
	5	Yes	
	7		No
	8a		No
	8b		

Part V

Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9	Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9 Yes	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>125</u> % If "No," explain in Part VI the criteria the hospital facility used	10 Yes	
11	Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>300</u> % If "No," explain in Part VI the criteria the hospital facility used	11 Yes	
12	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)	12 Yes	
a	<input checked="" type="checkbox"/> Income level		
b	<input type="checkbox"/> Asset level		
c	<input checked="" type="checkbox"/> Medical indigency		
d	<input checked="" type="checkbox"/> Insurance status		
e	<input checked="" type="checkbox"/> Uninsured discount		
f	<input type="checkbox"/> Medicaid/Medicare		
g	<input checked="" type="checkbox"/> State regulation		
h	<input type="checkbox"/> Residency		
i	<input checked="" type="checkbox"/> Other (describe in Part VI)		
13	Explained the method for applying for financial assistance?	13 Yes	
14	Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)	14 Yes	
a	<input checked="" type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input checked="" type="checkbox"/> The policy was attached to billing invoices		
c	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e	<input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f	<input checked="" type="checkbox"/> The policy was available upon request		
g	<input type="checkbox"/> Other (describe in Part VI)		
Billing and Collections			
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15 Yes	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP		
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged	17	No
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		

Part V

Facility Information (continued)

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

☒

Notified individuals of the financial assistance policy on admission
- b

☒

Notified individuals of the financial assistance policy prior to discharge
- c

☒

Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
- d

☒

Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
- e

☐

Other (describe in Section C)

Policy Relating to Emergency Medical Care

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

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

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

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

ST FRANCIS HOSPITAL

Name of hospital facility or facility reporting group

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

5

	Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9 If "Yes," indicate what the CHNA report describes (check all that apply)	1 Yes	
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Part VI)		
2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>13</u>		
3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3 Yes	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	No
5 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	5 Yes	
a <input checked="" type="checkbox"/> Hospital facility's website (list url) _____		
b <input checked="" type="checkbox"/> Other website (list url) _____		
c <input type="checkbox"/> Available upon request from the hospital facility		
d <input type="checkbox"/> Other (describe in Part VI)		
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)		
a <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input checked="" type="checkbox"/> Execution of the implementation strategy		
c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan		
d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan		
e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input checked="" type="checkbox"/> Prioritization of health needs in its community		
h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7	No
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a	No
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b	
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____		

Part V

Facility Information (continued)

Financial Assistance Policy		Yes	No
9	Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	Yes
10	Used federal poverty guidelines (FPG) to determine eligibility for providing free care? If "Yes," indicate the FPG family income limit for eligibility for free care 200 % If "No," explain in Part VI the criteria the hospital facility used	10	Yes
11	Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care 400 % If "No," explain in Part VI the criteria the hospital facility used	11	Yes
12	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)	12	No
a	<input checked="" type="checkbox"/> Income level		
b	<input type="checkbox"/> Asset level		
c	<input type="checkbox"/> Medical indigency		
d	<input type="checkbox"/> Insurance status		
e	<input type="checkbox"/> Uninsured discount		
f	<input type="checkbox"/> Medicaid/Medicare		
g	<input type="checkbox"/> State regulation		
h	<input type="checkbox"/> Residency		
i	<input type="checkbox"/> Other (describe in Part VI)		
13	Explained the method for applying for financial assistance?	13	Yes
14	Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)	14	Yes
a	<input checked="" type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input checked="" type="checkbox"/> The policy was attached to billing invoices		
c	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e	<input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f	<input checked="" type="checkbox"/> The policy was available upon request		
g	<input type="checkbox"/> Other (describe in Part VI)		
Billing and Collections			
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	Yes
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP		
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged	17	No
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		

Part V

Facility Information (continued)

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

☒

Notified individuals of the financial assistance policy on admission
- b

☒

Notified individuals of the financial assistance policy prior to discharge
- c

☒

Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
- d

☒

Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
- e

☐

Other (describe in Section C)

Policy Relating to Emergency Medical Care

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

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

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

Part V

Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group _____

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) _____ **6**

	Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9 If "Yes," indicate what the CHNA report describes (check all that apply)	1 Yes	
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Part VI)		
2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>13</u>		
3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3 Yes	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	No
5 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	5 Yes	
a <input checked="" type="checkbox"/> Hospital facility's website (list url) _____		
b <input checked="" type="checkbox"/> Other website (list url) _____		
c <input type="checkbox"/> Available upon request from the hospital facility		
d <input type="checkbox"/> Other (describe in Part VI)		
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)		
a <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input checked="" type="checkbox"/> Execution of the implementation strategy		
c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan		
d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan		
e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input checked="" type="checkbox"/> Prioritization of health needs in its community		
h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7	No
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a	No
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b	
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____		

Part V

Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9	Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9 Yes	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>125</u> % If "No," explain in Part VI the criteria the hospital facility used	10 Yes	
11	Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>300</u> % If "No," explain in Part VI the criteria the hospital facility used	11 Yes	
12	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)	12 Yes	
a	<input checked="" type="checkbox"/> Income level		
b	<input type="checkbox"/> Asset level		
c	<input checked="" type="checkbox"/> Medical indigency		
d	<input checked="" type="checkbox"/> Insurance status		
e	<input checked="" type="checkbox"/> Uninsured discount		
f	<input type="checkbox"/> Medicaid/Medicare		
g	<input checked="" type="checkbox"/> State regulation		
h	<input type="checkbox"/> Residency		
i	<input checked="" type="checkbox"/> Other (describe in Part VI)		
13	Explained the method for applying for financial assistance?	13 Yes	
14	Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)	14 Yes	
a	<input checked="" type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input checked="" type="checkbox"/> The policy was attached to billing invoices		
c	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e	<input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f	<input checked="" type="checkbox"/> The policy was available upon request		
g	<input type="checkbox"/> Other (describe in Part VI)		
Billing and Collections			
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15 Yes	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP		
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged	17	No
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		

Part V

Facility Information *(continued)*

- 18** Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply)
- a** ☒ Notified individuals of the financial assistance policy on admission

b ☒ Notified individuals of the financial assistance policy prior to discharge

c ☒ Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills

d ☒ Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy

e ☐ Other (describe in Section C)

Policy Relating to Emergency Medical Care

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

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

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

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A)7

	Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9 If "Yes," indicate what the CHNA report describes (check all that apply)	1 Yes	
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Part VI)		
2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>13</u>		
3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3 Yes	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4 Yes	
5 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	5 Yes	
a <input checked="" type="checkbox"/> Hospital facility's website (list url) _____		
b <input checked="" type="checkbox"/> Other website (list url) _____		
c <input type="checkbox"/> Available upon request from the hospital facility		
d <input type="checkbox"/> Other (describe in Part VI)		
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)		
a <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input checked="" type="checkbox"/> Execution of the implementation strategy		
c <input checked="" type="checkbox"/> Participation in the development of a community-wide plan		
d <input checked="" type="checkbox"/> Participation in the execution of a community-wide plan		
e <input checked="" type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input checked="" type="checkbox"/> Prioritization of health needs in its community		
h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7	No
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a	No
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b	
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$_____		

Part V

Facility Information (continued)

Financial Assistance Policy		Yes	No
9	Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	Yes
10	Used federal poverty guidelines (FPG) to determine eligibility for providing free care? If "Yes," indicate the FPG family income limit for eligibility for free care 125 % If "No," explain in Part VI the criteria the hospital facility used	10	Yes
11	Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care 300 % If "No," explain in Part VI the criteria the hospital facility used	11	Yes
12	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)	12	Yes
a	<input checked="" type="checkbox"/> Income level		
b	<input type="checkbox"/> Asset level		
c	<input checked="" type="checkbox"/> Medical indigency		
d	<input checked="" type="checkbox"/> Insurance status		
e	<input checked="" type="checkbox"/> Uninsured discount		
f	<input type="checkbox"/> Medicaid/Medicare		
g	<input checked="" type="checkbox"/> State regulation		
h	<input type="checkbox"/> Residency		
i	<input checked="" type="checkbox"/> Other (describe in Part VI)		
13	Explained the method for applying for financial assistance?	13	Yes
14	Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)	14	Yes
a	<input checked="" type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input checked="" type="checkbox"/> The policy was attached to billing invoices		
c	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e	<input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f	<input checked="" type="checkbox"/> The policy was available upon request		
g	<input type="checkbox"/> Other (describe in Part VI)		
Billing and Collections			
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	Yes
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP		
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged	17	No
a	<input type="checkbox"/> Reporting to credit agency		
b	<input type="checkbox"/> Lawsuits		
c	<input type="checkbox"/> Liens on residences		
d	<input type="checkbox"/> Body attachments		
e	<input type="checkbox"/> Other similar actions (describe in Section C)		

Part V

Facility Information *(continued)*

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

☒

Notified individuals of the financial assistance policy on admission
- b

☒

Notified individuals of the financial assistance policy prior to discharge
- c

☒

Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
- d

☒

Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
- e

☐

Other (describe in Section C)

Policy Relating to Emergency Medical Care

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

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

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

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A)8

	Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9 If "Yes," indicate what the CHNA report describes (check all that apply)	1 Yes	
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Part VI)		
2 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>12</u>		
3 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3 Yes	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	No
5 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	5 Yes	
a <input checked="" type="checkbox"/> Hospital facility's website (list url) _____		
b <input checked="" type="checkbox"/> Other website (list url) _____		
c <input type="checkbox"/> Available upon request from the hospital facility		
d <input type="checkbox"/> Other (describe in Part VI)		
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)		
a <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input checked="" type="checkbox"/> Execution of the implementation strategy		
c <input type="checkbox"/> Participation in the development of a community-wide plan		
d <input type="checkbox"/> Participation in the execution of a community-wide plan		
e <input type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input type="checkbox"/> Prioritization of health needs in its community		
h <input checked="" type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7 Yes	
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a	No
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b	
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$_____		

Part V

Facility Information *(continued)*

Financial Assistance Policy		Yes	No		
9	Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9 Yes			
10	Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>125</u> % If "No," explain in Part VI the criteria the hospital facility used	10 Yes			
11	Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>300</u> % If "No," explain in Part VI the criteria the hospital facility used	11 Yes			
12	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)	12 Yes			
a	<input checked="" type="checkbox"/> Income level				
b	<input type="checkbox"/> Asset level				
c	<input checked="" type="checkbox"/> Medical indigency				
d	<input checked="" type="checkbox"/> Insurance status				
e	<input checked="" type="checkbox"/> Uninsured discount				
f	<input type="checkbox"/> Medicaid/Medicare				
g	<input checked="" type="checkbox"/> State regulation				
h	<input type="checkbox"/> Residency				
i	<input checked="" type="checkbox"/> Other (describe in Part VI)				
13	Explained the method for applying for financial assistance?	13 Yes			
14	Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)	14 Yes			
a	<input checked="" type="checkbox"/> The policy was posted on the hospital facility's website				
b	<input checked="" type="checkbox"/> The policy was attached to billing invoices				
c	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms				
d	<input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices				
e	<input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility				
f	<input checked="" type="checkbox"/> The policy was available upon request				
g	<input type="checkbox"/> Other (describe in Part VI)				
Billing and Collections					
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15 Yes			
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP				
a	<input type="checkbox"/> Reporting to credit agency				
b	<input type="checkbox"/> Lawsuits				
c	<input type="checkbox"/> Liens on residences				
d	<input type="checkbox"/> Body attachments				
e	<input type="checkbox"/> Other similar actions (describe in Section C)				
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?			17	No
	If "Yes," check all actions in which the hospital facility or a third party engaged				
a	<input type="checkbox"/> Reporting to credit agency				
b	<input type="checkbox"/> Lawsuits				
c	<input type="checkbox"/> Liens on residences				
d	<input type="checkbox"/> Body attachments				
e	<input type="checkbox"/> Other similar actions (describe in Section C)				

Part V

Facility Information *(continued)*

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

☒

Notified individuals of the financial assistance policy on admission
- b**

☒

Notified individuals of the financial assistance policy prior to discharge
- c**

☒

Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
- d**

☒

Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
- e**

☐

Other (describe in Section C)

Policy Relating to Emergency Medical Care

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

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

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

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? **39**

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

Part VI

Supplemental Information

Provide the following information

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

Form and Line Reference	Explanation
PART I, LINE 2	FOR ALL OSF HEALTHCARE SYSTEM HOSPITALS, CHARGES ARE DISCOUNTED CONSISTENTLY BY THE APPLICABLE PERCENTAGE IDENTIFIED BY THE OSF HEALTHCARE FINANCIAL ASSISTANCE GUIDELINES THE OSF HEALTHCARE SYSTEM FINANCIAL ASSISTANCE POLICY INCLUDES THE ILLINOIS UNINSURED PATIENT DISCOUNT ACT CRITERIA UNDER THAT ACT, FOR HOSPITALS OTHER THAN RURAL OR CRITICAL ACCESS HOSPITALS, AN UNINSURED PATIENT WHO APPLIES FOR A DISCOUNT MEETS THE CRITERIA IF THE FAMILY INCOME IS NOT MORE THAN 600% OF THE FEDERAL POVERTY INCOME GUIDELINES

Form and Line Reference	Explanation
PART I, LINE 3C	THE CORPORATION PROVIDES FREE CARE AND DISCOUNTED CARE TO HOSPITAL PATIENTS AND ALL OTHER PATIENTS IN THE FOLLOWING WAYS - FREE CHARITY ASSISTANCE FOR PATIENTS WHOSE FAMILY INCOME IS LESS THAN 200% OF FEDERAL POVERTY GUIDELINES (FPG) FOR THEIR FAMILY SIZE - DISCOUNTED CHARITY ASSISTANCE ON A SLIDING SCALE FOR PATIENTS WHOSE FAMILY INCOME IS BETWEEN 200% AND 600% OF FPG FOR THEIR FAMILY SIZE - CATASTROPHIC CHARITY ASSISTANCE REGARDLESS OF INCOME OR ASSET LEVELS FOR MEDICALLY NECESSARY SERVICES WHICH EXCEED 25% OF ANNUAL FAMILY INCOME NO PATIENT PAYS MORE THAN 25% OF ANNUAL FAMILY INCOME IN A 12-MONTH PERIOD REGARDLESS OF INCOME OR ASSET LEVELS - 20% DISCOUNT FOR ALL UNINSURED PATIENTS WHO ARE NOT OTHERWISE ELIGIBLE FOR FREE, DISCOUNTED, OR CATASTROPHIC CHARITY ASSISTANCE - ALL PATIENTS RECEIVE THE GREATEST REQUESTED DISCOUNT AVAILABLE UNDER ANY OF THESE PROGRAMS NO ASSET TESTS ARE USED - EXCEPT AS OTHERWISE NOTED, THESE POLICIES APPLY BOTH TO UNINSURED PATIENTS AND TO INSURED PATIENTS WITH RESPECT TO THE PATIENT RESPONSIBILITY AMOUNT

Form and Line Reference	Explanation
PART I, LINE 7	COSTS REPORTED ON LINES 7 A, B, AND C ARE CALCULATED USING THE RATIO OF PATIENT CARE COST-TO-CHARGES DERIVED FROM WORKSHEET 2 COSTS REPORTED ON LINES 7 E,F,G,H, AND I ARE COSTS DERIVED FROM GENERAL LEDGER ACCOUNTS AND HOSPITAL DEPARTMENT COST CENTER REPORTS WHICH INCLUDE BOTH DIRECT AND INDIRECT COSTS LESS REVENUE LINE 7G REPRESENTS ALL PAYERS EXCLUDING MEDICARE, MEDCAID AND SELF-PAY

Form and Line Reference	Explanation
PART I, LINE 7G	NET COSTS (TOTAL EXPENSE LESS REVENUE) OF THIRTEEN PHYSICIAN CLINICS ARE INCLUDED AS SUBSIDIZED HEALTH SERVICES ON PART I, LINE 7G SUCH NET COSTS TOTAL \$5,436,225

Form and Line Reference	Explanation
PART I, LINE 7, COLUMN F	BAD DEBT EXPENSE IN THE AMOUNT OF \$46,954,250 IS INCLUDED ON FORM 990, PART IX, LINE 24C, COLUMN (A), BUT WAS SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGES IN SCHEDULE H, PART I, LINE 7, COLUMN (F)

Form and Line Reference	Explanation
PART II	COMMUNITY BUILDING ACTIVITIES THE CORPORATION'S COMMUNITY BUILDING ACTIVITIES PROMOTE THE HEALTH OF THE COMMUNITIES SERVED IN THE FOLLOWING WAYS - WELLNESS SCREENINGS AND FIRST AID STATIONS AT COMMUNITY EVENTS SUCH AS STATE FAIRS AND SENIORS CONVENTIONS - CORPORATE EXECUTIVES VOLUNTEER TO SERVE ON BOARDS AND COMMITTEES OF COMMUNITY ORGANIZATIONS SUCH AS UNITED WAY AND OTHERS - TRANSPORTATION VOUCHERS ARE GIVEN TO INDIGENT PERSONS FOR THEIR PERSONAL TRANSPORTATION NEEDS (OTHER THAN TO OR FROM THE CORPORATION'S FACILITIES)

Form and Line Reference	Explanation
PART III, LINE 4	<p>IN GENERAL, AND IN ACCORDANCE WITH MEDICARE REGULATIONS, PATIENT ACCOUNT BALANCES ARE WRITTEN OFF TO BAD DEBT EXPENSE AFTER REASONABLE COLLECTION EFFORTS HAVE BEEN EXHAUSTED AND THE ACCOUNT HAS BEEN SENT TO A COLLECTION AGENCY OR LAW FIRM. PATIENTS' ACCOUNTS RECEIVABLE ARE REDUCED BY AN ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS. IN EVALUATING THE COLLECTIBILITY OF PATIENTS' ACCOUNTS RECEIVABLE, OSF ANALYZES IT'S PAST HISTORY AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYOR SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS AND PROVISION FOR BAD DEBTS. 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, OSF ANALYZES CONTRACTUALLY DUE AMOUNTS AND PROVIDES AN ALLOWANCE FOR DOUBTFUL ACCOUNTS AND A PROVISION FOR BAD DEBTS, IF NECESSARY. FOR RECEIVABLES ASSOCIATED WITH PATIENT RESPONSIBILITY (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), THE PATIENTS ARE SCREENED AGAINST THE OSF FINANCIAL ASSISTANCE POLICY AND UNINSURED DISCOUNT POLICY. FOR ANY REMAINING PATIENT RESPONSIBILITY BALANCE, OSF RECORDS A PROVISION FOR BAD DEBTS 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. BAD DEBT EXPENSE OF \$46,954,250 ON FORM 990, PART IX, LINE 24C IS BASED UPON ACCRUAL ACCOUNTING REQUIRED BY GENERALLY ACCEPTED ACCOUNTING PRINCIPLES. THIS AMOUNT CONSEQUENTLY DIFFERS FROM THE BAD DEBT EXPENSE OF \$13,815,578 ON SCHEDULE H, PART III, LINE 2 WHICH REQUIRES THE ORGANIZATION TO REPORT AGGREGATE BAD DEBT AT COST. BAD DEBT EXPENSE REPORTED ON PART III, LINE 2 IS THEREFORE CALCULATED BY MULTIPLYING GROSS CHARGES WRITTEN OFF TO BAD DEBT EXPENSE TIMES THE RATIO OF PATIENT CARE COST-TO-CHARGES DERIVED FROM WORKSHEET 2. DISCOUNTS, INCLUDING ANY APPLICABLE THIRD PARTY PAYER CONTRACTUAL ALLOWANCES AND ANY CHARITY CARE DISCOUNTS (VALUED AT GROSS CHARGES), ARE APPLIED TO PATIENT ACCOUNT GROSS CHARGES TO DETERMINE THE ACCOUNT BALANCE BEFORE PATIENT PAYMENTS. THE AGGREGATE AMOUNT OF ALL PATIENT PAYMENTS IS THEN APPLIED TO THE ACCOUNT BALANCE. WHEN DETERMINATION IS MADE THAT NO FURTHER AMOUNTS CAN BE COLLECTED IN ACCORDANCE WITH THE CORPORATION'S BAD DEBT POLICY, THE REMAINING BALANCE IS WRITTEN OFF TO BAD DEBT EXPENSE. PRESUMPTIVE CHARITY CHARGES MAY BE ADJUSTED TO PROVIDE FOR A CHARITY DISCOUNT OF 100% OF BILLED CHARGES FOR MEDICALLY NECESSARY SERVICES PROVIDED TO AN UNINSURED PATIENT WHO ESTABLISHES FINANCIAL NEED AT TIME OF REGISTRATION BY SATISFYING ONE OF THE FOLLOWING CATEGORIES OF PRESUMPTIVE ELIGIBILITY CRITERIA: PRESUMPTIVE CHARITY CATEGORIES FOR ALL OSF HOSPITALS - HOMELESSNESS, - DECEASED WITH NO ESTATE, - MENTAL INCAPACITATION WITH NO ONE TO ACT ON PATIENT'S BEHALF, OR - CURRENT MEDICAID ELIGIBILITY, BUT NOT ON DATE OF SERVICE OR FOR NON-COVERED SERVICE. FOR OSF HOSPITAL'S THAT ARE NOT CRITICAL ACCESS HOSPITALS OR RURAL HOSPITALS, ENROLLMENT IN ANY OF THE FOLLOWING PROGRAMS WITH CRITERIA AT OR BELOW 200% OF THE FEDERAL POVERTY INCOME GUIDELINES SHALL ESTABLISH A PRESUMPTIVE CHARITY CATEGORY - WOMEN, INFANTS AND CHILDREN NUTRITION PROGRAM (WIC), - SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP), - ILLINOIS FREE LUNCH AND BREAKFAST PROGRAM, - LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP), - ENROLLMENT IN AN ORGANIZED COMMUNITY-BASED PROGRAM PROVIDING ACCESS TO MEDICAL CARE THAT ASSESSES AND DOCUMENTS LIMITED LOW-INCOME FINANCIAL STATUS AS CRITERION FOR MEMBERSHIP, OR - RECEIPT OF GRANT ASSISTANCE FOR MEDICAL SERVICES. THEREFORE, THE CORPORATION DOES NOT BELIEVE THAT BAD DEBT EXPENSE REPORTED ON PART III, LINE 3 INCLUDES ANY AMOUNTS THAT REASONABLY COULD BE ATTRIBUTABLE TO PATIENTS WHO WOULD LIKELY QUALIFY UNDER THE CORPORATION'S FINANCIAL ASSISTANCE POLICY.</p>

Form and Line Reference	Explanation
PART III, LINE 8	100% OF THE MEDICARE SHORTFALL SHOULD BE TREATED AS COMMUNITY BENEFIT OSF IS COMMITTED TO SERVING PATIENTS, REGARDLESS OF ABILITY TO PAY OR IF THE PAYMENTS TO BE RECEIVED WILL BE LESS THAN THE COST TO PROVIDE THE SERVICE, WHICH IS THE CASE FOR MEDICARE AND MEDICAID PATIENTS THE MEDICARE ALLOWABLE COSTS ON LINE 6 PART III HAVE BEEN CALCULATED BY MULTIPLYING MEDICARE CHARGES BY THE PATIENT CARE COST TO CHARGE RATIO DERIVED FROM WORKSHEET 2 THE AMOUNT IS COMPARED TO TOTAL MEDICARE PAYMENTS RECEIVED INCLUDING DSH AND IME PAYMENTS THIS SHORTFALL SHOULD BE TREATED AS A COMMUNITY BENEFIT SINCE IT REFLECTS UNREIMBURSED COSTS TO THE HEALTH SYSTEM FOR PROVIDING MEDICAL SERVICES TO THE MEDICARE RESIDENTS OF THE COMMUNITY

Form and Line Reference	Explanation
PART III, LINE 9B	THE CORPORATION HAS A FAIR BILLING/COLLECTION POLICY WHICH APPLIES FOR ALL PATIENTS THE POLICY INCLUDES - REQUIRED INFORMATION PROVIDED IN BILLS TO PATIENTS (INCLUDING A REQUIREMENT THAT INFORMATION BE PROVIDED ON HOW THE PATIENT MAY APPLY FOR FINANCIAL ASSISTANCE) - PROCESS FOR PATIENTS TO INQUIRE ABOUT OR DISPUTE A BILL, INCLUDING TOLL-FREE TELEPHONE NUMBER, ADDRESS, CONTACT NAME, AND E-MAIL ADDRESS - REQUIREMENTS FOR TIMELY RESPONSE TO PATIENT INQUIRIES - CONDITIONS WHICH MUST BE SATISFIED AND VERIFIED BY AN AUTHORIZED HOSPITAL REPRESENTATIVE BEFORE THE ACCOUNT OF AN UNINSURED PATIENT MAY BE SENT TO A COLLECTION AGENCY OR ATTORNEY - LEGAL ACTION FOR NON-PAYMENT OF A PATIENT BILL MAY NOT BE INITIATED UNTIL AN AUTHORIZED HOSPITAL OFFICIAL HAS DETERMINED THAT ALL CONDITIONS IN THE CORPORATION'S POLICY (INCLUDING ALL OF THE FOREGOING POLICY PROVISIONS) HAVE BEEN SATISFIED FOR INITIATING LEGAL ACTION - LEGAL ACTION MAY NOT BE PURSUED AGAINST UNINSURED PATIENTS WHO HAVE DEMONSTRATED THAT THEY HAVE NEITHER SUFFICIENT INCOME NOR ASSETS TO MEET THEIR FINANCIAL OBLIGATIONS - EVEN IF SUCH PATIENTS ARE NOT ELIGIBLE FOR FINANCIAL ASSISTANCE - THE CORPORATION SHALL NOT FILE A JUDGMENT LIEN AGAINST THE PRIMARY RESIDENCE OF ANY DEBTOR (EXCEPTIONS MAY BE APPROVED IN RARE CASES BY SENIOR OFFICERS OF THE CORPORATION ONLY) - THE CORPORATION SHALL NOT OBTAIN A BODY ATTACHMENT AGAINST ANY PATIENT OR GUARANTOR - THE CORPORATION SHALL NOT ENGAGE IN ANY EXTRAORDINARY COLLECTION ACTIONS, SUCH AS SUBMITTING REPORTS TO CREDIT AGENCIES BEFORE REASONABLE ATTEMPTS TO DETERMINE ELIGIBILITY FOR FINANCIAL ASSISTANCE HAVE BEEN COMPLETED

Form and Line Reference	Explanation
SCHEDULE H - PART VI SUPPLEMENTAL INFORMATION - CHNA	<p>THE HEALTH SYSTEM COMMENCED WORK DURING ITS FISCAL YEAR 2012 ON CONDUCTING A COMMUNITY HEALTH NEEDS ASSESSMENT ("CHNA") FOR EACH OF ITS HOSPITALS, AS REQUIRED BY INTERNAL REVENUE CODE SECTION 501(R)(3). THE CHNA PROCESS CONTINUED INTO FISCAL YEAR 2013 AND CULMINATED IN A FINAL CHNA FOR EACH OF THE HEALTH SYSTEM'S HOSPITALS BEING APPROVED AND ADOPTED BY THE SYSTEM'S BOARD OF DIRECTORS ON JULY 29, 2013. SUBSEQUENT TO FISCAL YEAR 2013 AND IN RESPONSE TO THE SIGNIFICANT COMMUNITY HEALTH NEEDS IDENTIFIED IN EACH RESPECTIVE HOSPITAL'S CHNA, THE HOSPITALS COMPLETED AN IMPLEMENTATION STRATEGY TO ADDRESS THESE CRITICAL HEALTH NEEDS. THE NARRATIVE BELOW INCLUDES AN OUTLINE OF EACH RESPECTIVE HOSPITAL'S GOALS AND SUBSEQUENT ACCOMPLISHMENTS FOR FISCAL YEAR 2014 AS PART OF THE IMPLEMENTATION STRATEGY APPROVED AND ADOPTED BY THE BOARD OF DIRECTORS.</p> <p>SAINT FRANCIS MEDICAL CENTER - PEORIA, IL THE CHNA THAT WAS APPROVED AND ADOPTED FOR SAINT FRANCIS MEDICAL CENTER IDENTIFIED THE FOLLOWING AS THE COMMUNITY'S MOST SIGNIFICANT HEALTH NEEDS:</p> <p>IDENTIFIED NEED: ACCESS TO HEALTHCARE THIS NEED IS BASED ON RESULTS FROM SURVEY RESPONDENTS DEFINED AS LIVING IN DEEP POVERTY WHO INDICATED THAT ACCESS TO HEALTHCARE SERVICES IS LIMITED. THIS INCLUDES MEDICAL, PRESCRIPTION MEDICATIONS, DENTAL AND MENTAL HEALTHCARE. ACCESS TO MEDICAL CARE, DENTAL CARE, PRESCRIPTION MEDICATION AND COUNSELING IS LIMITED FOR THOSE LIVING IN DEEP POVERTY. ONLY HALF OF PEOPLE LIVING IN DEEP POVERTY SEEK MEDICAL SERVICES AT A CLINIC OR DOCTOR'S OFFICE. FOR THIS SEGMENT OF THE POPULATION, IT IS VERY COMMON TO SEEK MEDICAL SERVICES FROM AN EMERGENCY DEPARTMENT, OR EVEN MORE CONCERNING IS THAT 13% OF THIS SEGMENT OF THE POPULATION WILL NOT SEEK ANY MEDICAL SERVICES AT ALL.</p> <p>FY2014 GOALS: ACCESS TO HEALTHCARE *IMBED HEALTHCARE EDUCATION AND SERVICES WITHIN THE INDIGENT POPULATION IN CONJUNCTION WITH EXISTING COMMUNITY RESOURCES.</p> <p>FY2014 ACCOMPLISHMENTS: ACCESS TO HEALTHCARE *EIGHT NEW FAITH COMMUNITY NURSES HAVE COMPLETED THEIR EDUCATION PRE-REQUISITES TO BECOME FAITH COMMUNITY NURSES. *FCN CERTIFICATE COURSE HAS BEEN PUT ON-LINE. FIVE NURSES HAVE COMPLETED THE COURSE. SIX TO SEVEN NURSES INTERESTED IN STARTING COURSE IN FALL.</p> <p>IDENTIFIED NEED: RISKY BEHAVIORS/SUBSTANCE ABUSE THIS NEED IS BASED ON THE PREVALENCE OF ALCOHOL, TOBACCO AND MARIJUANA IN OUR COMMUNITY. IN THE TRI-COUNTY REGION, AMONG 8TH GRADERS, THE AVERAGE AGE AT FIRST USE OF ALCOHOL, TOBACCO AND MARIJUANA IS 13, 11.5 AND 12.4 YEARS RESPECTIVELY. THE SAME AVERAGE AGE FOR 12TH GRADERS IS 15.9, 14 AND 14.9 YEARS RESPECTIVELY. PEORIA COUNTY IS MUCH HIGHER FOR MARIJUANA USE COMPARED TO STATE AVERAGES, ESPECIALLY AMONG 12TH GRADERS (33% VS 21%).</p> <p>FY2014 GOALS: RISKY BEHAVIORS/SUBSTANCE ABUSE *INCREASE AWARENESS AT THE JUNIOR HIGH AND HIGH SCHOOL LEVEL OF THE CONSEQUENCES OF USING ALCOHOL, TOBACCO AND MARIJUANA. *RAISE AWARENESS ON THE IMPORTANCE OF SUBSTANCE ABUSE AVOIDANCE.</p> <p>FY2014 ACCOMPLISHMENTS: RISKY BEHAVIORS/SUBSTANCE ABUSE *DEVELOPING A PLAN TO ADDRESS RISKY BEHAVIORS.</p> <p>IDENTIFIED NEED: ASTHMA THIS NEED IS BASED ON AN INCREASE IN INPATIENT ADMISSIONS FOR ASTHMA. INPATIENT ADMISSIONS TO THE PEORIA AREA HOSPITALS INCLUDING UNITYPOINT HEALTH - METHODIST, SAINT FRANCIS MEDICAL CENTER, PROCTOR, AND PEKIN, INCREASED BY 26.7%.</p> <p>FY2014 GOALS: ASTHMA *INCREASE AWARENESS OF ASTHMA PREVENTION STRATEGIES. *INCREASE COMPLIANCE WITH ASTHMA ACTION PLANS. *REDUCE ASTHMA RELATED PROMPTCARE/EMERGENCY ROOM VISITS AND ADMISSIONS.</p> <p>FY2014 ACCOMPLISHMENTS: ASTHMA *FOCUS IS TO INCREASE THE NUMBER OF PATIENTS WITH COMPLETED ASTHMA ACTION PLANS. *EXTENDING COVERAGE TO ADULT POPULATION.</p> <p>IDENTIFIED NEED: DIABETES BY EVALUATING MAGNITUDE OF MORBIDITIES AND GROWTH RATES OF MORBIDITIES, THIS NEED IS BASED ON AN INCREASE IN INPATIENT ADMISSIONS FOR DIABETES AND AN INCREASE IN THE PREVALENCE OF DIABETES IN THE GENERAL POPULATION. TYPE I AND TYPE II DIABETES ARE INCREASING AND ALL THREE COUNTIES ARE HIGHER THAN STATE AVERAGES.</p> <p>FY2014 GOALS: DIABETES *PROMOTE PREVENTION, SCREENING AND EARLY THERAPY FOR METABOLIC SYNDROME, HYPERGLYCEMIA AND DIABETES FOR THE TRI-COUNTY AREA.</p> <p>FY14 ACCOMPLISHMENTS: DIABETES *PROVIDED WEIGHT MANAGEMENT AND OTHER VARIETY CLASSES. *HEALTH SCREENING AT CITY OF REFUGE CATHEDRAL.</p> <p>IDENTIFIED NEED: HEALTHY BEHAVIORS THIS NEED IS BASED ON RESULTS FROM SURVEY RESPONDENTS DEFINED AS LIVING IN DEEP POVERTY INDICATED THAT THERE ARE LIMITED EFFORTS AT PROACTIVELY MANAGING ONE'S OWN HEALTH. THIS INCLUDES LIMITED EXERCISE, POOR EATING HABITS AND INCREASED INCIDENCE OF SMOKING. ONLY 15% OF THE POPULATION ENGAGES IN EXERCISE AT LEAST 5 TIMES A WEEK. LESS THAN 5% OF THE POPULATION CONSUMES AT LEAST THE MINIMUM RECOMMENDED SERVINGS OF FRUITS/VEGETABLES IN A DAY. YET, IN TERMS OF SELF-PERCEPTIONS OF PHYSICAL AND MENTAL HEALTH, ALMOST 90% OF THE POPULATION INDICATED THAT THEY WERE IN AVERAGE OR GOOD PHYSICAL HEALTH.</p> <p>FY14 GOALS: HEALTHY BEHAVIORS *INCREASE THE AWARENESS IN AND ENGAGEMENT OF POPULATION ON THE IMPORTANCE OF HEALTH BEHAVIORS. *</p>

Form and Line Reference	Explanation
SCHEDULE H - PART VI SUPPLEMENTAL INFORMATION - CHNA	<p>SLEEP HYGIENE, NUTRITION, EXERCISE, HEALTHY WEIGHT, SAFETY, SPIRITUALITY, AND AVOIDANCE OF SUBSTANCE ABUSE FY14 ACCOMPLISHMENTS HEALTHY BEHAVIORS *SEVERAL CLASSES HELD IN DIFFERENT LOCATIONS PROMOTING HEALTH-RELATED BEHAVIORS *HEALTH FAIRS AND OTHER VARIOUS EVENTS IN COMMUNITY IDENTIFIED NEED CANCER THIS NEED IS BASED ON AN INCREASE IN INPATIENT ADMISSIONS FOR ALL CANCER DIAGNOSES WHILE SOME TYPES OF CANCER HAVE EXPERIENCED DECREASED GROWTH RATES IN RECENT YEARS, LUNG CANCER HAS BEEN STEADILY INCREASING FY14 GOALS CANCER *PROVIDE PREVENTION, SCREENING AND EARLY THERAPY FOR THE MAJOR CANCERS OF THE TRI-COUNTY AREA LUNG, BREAST, COLON, AND PROSTATE FY14 ACCOMPLISHMENTS CANCER *PLANNING FOR SMOKING CESSATION CLASSES IS UNDERWAY *NOW DOING MEASURES FOR SMOKING, TOBACCO USE, BREAST SCREENING AND COLON CANCER SCREENING IDENTIFIED NEED MENTAL HEALTH THIS NEED LOOKS AT THE PERCENTAGE OF PATIENTS THAT REPORTED THEY HAD EXPERIENCED 1-7 DAYS WITH POOR MENTAL HEALTH PER MONTH BETWEEN 2007 AND 2009 THIS INCLUDES MENTAL DISABILITIES, DEPRESSION AND SELF-PERCEPTIONS OF MENTAL HEALTH APPROXIMATELY 25% OF RESIDENTS IN THE TRI-COUNTY REGION REPORTED THEY HAD EXPERIENCED 1-7 DAYS WITH POOR MENTAL HEALTH PER MONTH BETWEEN 2007 AND 2009 THESE PERCENTAGES ARE GREATER THAN THE STATE OF ILLINOIS AVERAGE FOR THE SAME TIME FRAME AND REPRESENT A MODEST INCREASE COMPARED TO 2006 FY14 GOALS MENTAL HEALTH *INCREASE SCREENING AND INTERVENTION IN MENTAL HEALTH ISSUES INCLUDING DEPRESSION, ANXIETY, AND ABUSE FY14 ACCOMPLISHMENTS MENTAL HEALTH *IMBEDDED BEHAVIORAL HEALTH PROVIDERS IN THE PRIMARY CARE PRACTICES, PILOTED AT CENTER FOR HEALTH ROUTE 91 IN AUGUST, 2014 IDENTIFIED NEED OBESITY THIS NEED IS BASED ON AN INCREASE IN THE PREVALENCE OF OBESITY IN OUR COMMUNITY POPULATION RESEARCH STRONGLY SUGGESTS THAT OBESITY IS A SIGNIFICANT PROBLEM FACING YOUTH AND ADULTS NATIONALLY, IN ILLINOIS, AND WITHIN THE TRI-COUNTY REGION IN TERMS OF OBESITY, THE TRI-COUNTY AREA AS A WHOLE IS SIGNIFICANTLY HIGHER THAN THE STATE AVERAGE CONSIDERING THAT ILLINOIS IS THE 6TH WORSE STATE IN THE U.S. IN TERMS OF OBESITY, THIS IS AN IMPORTANT ISSUE FY14 GOALS OBESITY *PROMOTE OBESITY PREVENTION AND HEALTHY LIFESTYLES IN THE TRI-COUNTY REGION FY14 ACCOMPLISHMENTS OBESITY *HIRED AN APN FOR WEIGHT MANAGEMENT *TWO COOKING DEMONSTRATIONS COMPLETED *NEEDS NOT ADDRESSED THE CHNA CONDUCTED BY THE HOSPITAL IN 2013 ALSO IDENTIFIED "SEXUAL HEALTH", AND "HEART DISEASE" AMONGST THE MANY IMPORTANT COMMUNITY HEALTH NEEDS A COLLABORATIVE TEAM RECOGNIZED THE IMPACT OF SEXUAL HEALTH, AND HEART DISEASE ON THE POPULATION OF PATIENTS WE SERVE AS A HEALTH CARE ORGANIZATION WE CONTINUE TO FOCUS RESOURCES ON PATIENT EDUCATION, EARLY DETECTION AND CARE, BUT WE UNDERSTAND THAT WE ALSO NEED TO HAVE A GREATER FOCUS IN OUR COMMUNITIES ON THOSE RISK FACTORS THAT CONTRIBUTE TO SEXUAL HEALTH, AND HEART DISEASE WE ANTICIPATE THAT THE GREATEST OVERALL LONG TERM HEALTH IMPACT WILL COME FROM A BROADER PREVENTION STRATEGY FOCUSING ON OBESITY, HEALTHY BEHAVIORS, EXERCISE AND SMOKING, RATHER THAN ON JUST SEXUAL HEALTH, AND HEART DISEASE THE NEEDS OF THOSE IN AREAS OF LOW INCOME POPULATIONS ARE EXACERBATED BY POVERTY, WAITING TOO LONG FOR MEDICAL ATTENTION AND TRANSPORTATION IT IS FOR THESE REASONS THAT WE ESTABLISHED AND CONTINUE TO SUPPORT CLINICS THAT ARE CONVENIENT AND FINANCIALLY ACCESSIBLE THE NEEDS OF THOSE IN SPARSELY POPULATED RURAL AREAS AND SMALL COMMUNITIES WITH FEW MEDICAL RESOURCES POSE OTHER CHALLENGES THAT WE HAVE MET BY BECOMING A REGIONAL CENTER AND WORKING CLOSELY WITH LOCAL PROVIDERS SAINT ANTHONY MEDICAL CENTER - ROCKFORD, IL THE CHNA THAT WAS APPROVED AND ADOPTED FOR SAINT ANTHONY MEDICAL CENTER IDENTIFIED THE FOLLOWING AS THE COMMUNITY'S MOST SIGNIFICANT HEALTH NEEDS *ACCESS TO HEALTH SERVICES THIS HEALTH NEED IS BASED ON RESULTS FROM SURVEY RESPONDENTS DEFINED AS LIVING IN DEEP POVERTY INDICATED THAT ACCESS TO HEALTHCARE SERVICES IS LIMITED THIS INCLUDES MEDI</p>

Form and Line Reference	Explanation
SCHEDULE H - PART VI SUPPLEMENTAL INFORMATION - CHNA CONTINUED	<p>ST JOSEPH MEDICAL CENTER - BLOOMINGTON, IL THE CHNA THAT WAS APPROVED AND ADOPTED FOR ST JOSEPH MEDICAL CENTER IDENTIFIED THE FOLLOWING AS THE COMMUNITY'S MOST SIGNIFICANT HEALTH NEEDS IDENTIFIED NEED ACCESS TO HEALTHCARE THIS HEALTH NEED IS BASED ON RESULTS FROM SURVEY RESPONDENTS DEFINED AS LIVING IN DEEP POVERTY WHO INDICATED THAT ACCESS TO HEALTHCARE SERVICES IS LIMITED THIS INCLUDES MEDICAL, PRESCRIPTION MEDICATIONS, DENTAL AND MENTAL HEALTHCARE POVERTY IS A KEY FACTOR, AS 24% OF PEOPLE LIVING IN POVERTY IN MCLEAN COUNTY CONSIDER THE EMERGENCY DEPARTMENT THEIR PRIMARY SOURCE OF HEALTH CARE FURTHERMORE, 44% OF PEOPLE IN POVERTY WERE UNABLE TO OBTAIN MEDICAL CARE WHEN THEY NEEDED IT IN THE PAST YEAR RESULTS ALSO SUGGEST A STRONG CORRELATION BETWEEN ETHNICITY AND ONE'S ABILITY TO OBTAIN MEDICAL CARE AS SURVEY DATA SUGGEST INDIVIDUALS WHO IDENTIFY AS BLACK ARE MORE LIKELY TO USE THE EMERGENCY DEPARTMENT, AS WELL AS YOUNG MEN, LOW EDUCATION AND HOMELESSNESS WITH REGARD TO PRESCRIPTION DRUGS, 46% OF INDIVIDUALS LIVING IN POVERTY IN MCLEAN COUNTY WERE UNABLE TO FILL A PRESCRIPTION IN THE PAST YEAR BECAUSE THEY LACKED HEALTH CARE COVERAGE WITH REGARD TO DENTAL CARE, 44% OF INDIVIDUALS LIVING IN POVERTY IN MCLEAN COUNTY NEEDED DENTAL CARE AND WERE UNABLE TO OBTAIN IT LAST YEAR AND 25% OF INDIVIDUALS LIVING IN POVERTY IN MCLEAN COUNTY NEEDED COUNSELING AND WERE UNABLE TO OBTAIN IT IN THE LAST YEAR "AFFORDABILITY" WAS CITED AS THE LEADING IMPEDIMENT TO VARIOUS TYPES OF HEALTH CARE FY2014 GOALS ACCESS TO HEALTHCARE *EDUCATING COMMUNITY ABOUT ACCESSING APPROPRIATE CARE AT APPROPRIATE TIME, LINK COMMUNITY TO LOWER COST CARE RESOURCES FY2014 ACCOMPLISHMENTS ACCESS TO HEALTHCARE *MATERIALS DISTRIBUTED TO OSF SITES AS WELL AS SCHOOL NURSES, HEALTH FAIRS AND COMMUNITY EVENTS</p> <p>IDENTIFIED NEED RISKY BEHAVIORS/SUBSTANCE ABUSE THIS HEALTH NEED IS BASED ON THE PREVALENCE OF ALCOHOL, TOBACCO AND MARIJUANA IN OUR COMMUNITY RISKY BEHAVIORS ARE DEFINED AS ACTIVITIES THAT INCLUDE ADDICTION, CHEMICAL DEPENDENCY AND RISKY SEXUAL BEHAVIORS NOTE THAT YOUTH SUBSTANCE USAGE IN MCLEAN COUNTY EXCEEDS THE STATE OF ILLINOIS AVERAGES FOR 12TH GRADERS IN TERMS OF ALCOHOL USAGE FY2014 GOALS RISKY BEHAVIORS/SUBSTANCE ABUSE *DECREASE ALCOHOL USE AMONG YOUTH FY2014 ACCOMPLISHMENTS RISKY BEHAVIORS/SUBSTANCE ABUSE *VIDEO COMPLETE AND DISTRIBUTED TO THE BLOOMINGTON/NORMAL PARENTS GROUP IDENTIFIED NEED HEALTHY BEHAVIORS THIS HEALTH NEED BASED ON RESULTS FROM SURVEY RESPONDENTS DEFINED AS LIVING IN DEEP POVERTY, INDICATED THAT THERE ARE LIMITED EFFORTS AT PROACTIVELY MANAGING ONE'S OWN HEALTH THIS INCLUDES LIMITED EXERCISE, POOR EATING HABITS AND INCREASED INCIDENCE OF SMOKING ONLY 17% OF THE MCLEAN COUNTY POPULATION ENGAGES IN EXERCISE 5 OR MORE TIMES PER WEEK NOTE THAT RESIDENTS WITH HIGHER EDUCATION AND HIGHER INCOME ARE MORE LIKELY TO ENGAGE IN EXERCISE WITH REGARD TO HEALTHY EATING, ONLY 7% OF THE POPULATION CONSUMES THE MINIMUM RECOMMENDED SERVINGS OF FRUITS/VEGETABLES IN A DAY THOSE MORE LIKELY TO HAVE HEALTHY EATING HABITS INCLUDE WOMEN, OLDER PEOPLE, PEOPLE WITH HIGHER EDUCATION AND MORE INCOME HOMELESS PEOPLE ARE LESS LIKELY TO EXHIBIT HEALTHY EATING HABITS FINALLY, SMOKING IS ON THE DECLINE, HOWEVER, LESS EDUCATED PEOPLE, MEN, YOUNGER PEOPLE, NON-WHITE RESIDENTS, THOSE WITH LOWER INCOME AND HOMELESS PEOPLE ARE STILL MORE LIKELY TO SMOKE FY2014 GOALS HEALTHY BEHAVIORS *INCREASE USE OF EVIDENCE-BASED INTERVENTIONS FOR SMOKING CESSATION FY2014 ACCOMPLISHMENTS HEALTHY BEHAVIORS *MARKETING OUTREACH THAT HAS OCCURRED RADIO SPOT, HEALTHY CELLS, PANTAGRAPH AND SOCIAL MEDIA *DISCUSSION OF EMERGENCY DEPARTMENT ADDING QUIT SMOKING VERBIAGE TO DISCHARGE INSTRUCTIONS IDENTIFIED NEED MENTAL HEALTH THIS HEALTH NEED LOOKS AT THE PERCENT OF PATIENTS THAT REPORTED THEY HAD EXPERIENCED 1-7 DAYS WITH POOR MENTAL HEALTH PER MONTH BETWEEN 2007 AND 2009 THIS INCLUDES MENTAL DISABILITIES, DEPRESSION AND SELF-PERCEPTIONS OF MENTAL HEALTH APPROXIMATELY 23% OF RESIDENTS IN MCLEAN COUNTY REPORTED THEY HAD EXPERIENCED 1-7 DAYS WITH POOR MENTAL HEALTH PER MONTH BETWEEN 2007 AND 2009 APPROXIMATELY 11% OF RESIDENTS IN MCLEAN COUNTY REPORTED THEY HAD EXPERIENCED 8-30 DAYS WITH POOR MENTAL HEALTH PER MONTH BETWEEN 2007 AND 2009 FOR BOTH SEGMENTS OF RESIDENTS (THOSE EXPERIENCING 1-7 DAYS AND 8-30 DAYS WITH POOR MENTAL HEALTH PER MONTH), EACH WAS BELOW THE STATE AVERAGE FOR THE SAME TIME FRAME FY2014 GOALS MENTAL HEALTH *Link community to existing resources for mental health care FY2014 ACCOMPLISHMENTS MENTAL HEALTH *Completed radio program and stress less programs IDENTIFIED NEED OBESITY THIS HEALTH NEED IS BASED ON AN INCREASE IN THE PREVALENCE OF OBESITY IN OUR COMMUNITY POPULATION RESEARCH STRONGLY SUGGESTS THAT OBESITY IS A SIGNIFICANT PROBLEM FACING YOUTH AND ADULTS NATIONALLY, IN ILLINOIS, AND WITHIN THE MCLEAN COUNTY REGION IN TERMS OF OBESITY, THE MCLEAN COUNTY AREA AS A WHOLE IS HIGHER THAN THE STATE AVERAGE AND GROWING</p>

Form and Line Reference	Explanation
SCHEDULE H - PART VI SUPPLEMENTAL INFORMATION - CHNA CONTINUED	<p>RAPIDLY THERE WAS A 13% INCREASE IN THE GROWTH OF MCLEAN COUNTY RESIDENTS REPORTING THEY WERE OVERWEIGHT BETWEEN 2006 (35 0%) AND 2009 (39 5%) CONSIDERING THAT ILLINOIS HAS THE 6TH HIGHEST OBESITY RATE IN THE U S , THIS IS AN IMPORTANT ISSUE FY2014 GOALS OBESITY *A ccess to affordable nutrition/physical activity education FY2014 ACCOMPLISHMENTS OBESITY *Offered education events at employers and community sites, e g St Marys Church, schools , Western Avenue, Home Sweet Home Ministry, Parish Nurses *Created and developed Garden fo r community IDENTIFIED NEED DENTAL THIS HEALTH NEED IS BASED ON A PERSON'S PERCEPTION OF THE ABILITY TO OBTAIN DENTAL CARE IN THEIR COMMUNITY WHILE SIGNIFICANT RESEARCH EXISTS L INKING DENTAL CARE TO NUMEROUS DISEASES, INCLUDING HEART DISEASE, ONLY 51% OF THE AGGREGAT E MCCLEAN COUNTY POPULATION HAD A CHECKUP IN THE LAST YEAR SPECIFICALLY MEN, YOUNGER RESP ONDENTS, NON-WHITE ETHNICITIES, LESS EDUCATED PEOPLE, LOWER HOUSEHOLD INCOME AND THE HOMEL ESS WERE LESS LIKELY TO VISIT A DENTIST FY2014 GOALS DENTAL *IMPROVEMENT OF DENTAL HEALT H IN MCLEAN COUNTY FY2014 ACCOMPLISHMENTS DENTAL *MISSION OF MERCY EVENT FLIERS DISTRIBUT ED TO EMERGENCY DEPARTMENT, OSFMG OFFICES AND SAINT JAMES HOSPITAL FOR DISPLAY AS WELL AS SIX COMMUNITY ORGANIZATIONS *NEEDS NOT ADDRESSED THE CHNA CONDUCTED BY THE HOSPITAL IN 20 13 ALSO INDENTIFIED "CANCER", "HEART DISEASE","RESPIRATORY ISSUES", "DIABETES", "COMMUNITY MISPERCEPTIONS", AND "WOMAN'S HEALTH" AMONGST THE MANY IMPORTANT COMMUNITY HEALTH NEEDS A COLLABORATIVE TEAM RECOGNIZED THE IMPACT OF CANCER, HEART DISEASE, RESPIRATORY ISSUES, D IABETES, COMMUNITY MISPERCEPTIONS, AND WOMAN'S HEALTH ON THE POPULATION OF PATIENTS WE SER VE AS A HEALTH CARE ORGANIZATION WE CONTINUE TO FOCUS RESOURCES ON PATIENT EDUCATION, EAR LY DETECTION AND CARE, BUT WE UNDERSTAND THAT WE ALSO NEED TO HAVE A GREATER FOCUS IN OUR COMMUNITIES ON THOSE RISK FACTORS THAT CONTRIBUTE TO CANCER, HEART DISEASE, RESPIRATORY IS SUES, DIABETES, COMMUNITY MISPERCEPTIONS, AND WOMAN'S HEALTH WE ANTICIPATE THAT THE GREAT EST OVERALL LONG TERM HEALTH IMPACT WILL COME FROM A BROADER PREVENTION STRATEGY FOCUSING ON OBESITY, HEALTHY BEHAVIORS, EXERCISE AND SMOKING, RATHER THAN ON JUST CANCER, HEART DIS EASE, RESPIRATORY ISSUES, DIABETES, COMMUNITY MISPERCEPTIONS, AND WOMAN'S HEALTH ST MARY MEDICAL CENTER - GALESBURG, IL THE CHNA THAT WAS APPROVED AND ADOPTED FOR ST MARY MEDICA L CENTER IDENTIFIED THE FOLLOWING AS THE COMMUNITY'S MOST SIGNIFICANT HEALTH IDENTIFIED NE ED ACCESS TO HEALTH CARE SERVICES THIS HEALTH NEED BASED ON RESULTS FROM SURVEY RESPONDEN TS DEFINED AS LIVING IN DEEP POVERTY INDICATED THAT ACCESS TO HEALTHCARE SERVICES IS LIMIT ED THIS INCLUDES MEDICAL, PRESCRIPTION MEDICATIONS, DENTAL AND MENTAL HEALTHCARE POVERTY IS A KEY FACTOR, AS 13% OF PEOPLE LIVING IN POVERTY IN KNOX AND WARREN COUNTIES CONSIDER THE EMERGENCY DEPARTMENT THEIR PRIMARY SOURCE OF HEALTH CARE FURTHERMORE, 23% OF PEOPLE I N POVERTY WERE UNABLE TO OBTAIN MEDICAL CARE WHEN THEY NEEDED IT RESULTS ALSO SUGGEST A S TRONG CORRELATION BETWEEN ETHNICITY AND SOCIOECONOMIC STATUS AND ONE'S ABILITY TO OBTAIN M EDICAL CARE SURVEY DATA SUGGEST INDIVIDUALS WHO IDENTIFY AS BLACK, POSSESSING LESS EDUCAT ION, AND OF LOWER INCOME ARE MORE LIKELY TO USE THE EMERGENCY DEPARTMENT FURTHERMORE, RES IDENTS RESIDING IN KNOX COUNTY ARE MORE LIKELY TO USE THE EMERGENCY DEPARTMENT WITH REGAR D TO PRESCRIPTION DRUGS, 28% OF INDIVIDUALS LIVING IN POVERTY IN KNOX AND WARREN COUNTIES WERE UNABLE TO FILL A PRESCRIPTION BECAUSE THEY LACKED HEALTH CARE COVERAGE WITH REGARD T O DENTAL CARE, 35% OF INDIVIDUALS LIVING IN POVERTY IN KNOX AND WARREN COUNTIES NEEDED DEN TAL CARE AND WERE UNABLE TO OBTAIN IT AND 15% OF INDIVIDUALS LIVING IN POVERTY IN KNOX AND WARREN COUNTIES NEEDED COUNSELING AND WERE UNABLE TO OBTAIN IT "AFFORDABILITY" WAS CITED AS THE LEADING IMPEDIMENT TO VARIOUS TYPES OF HEALTH CARE FY2014 GOALS ACCESS TO HEALTH CARE *IMPROVE ACCESS TO COMPREHENSIVE Q U</p>

Form and Line Reference	Explanation
SCHEDULE H - PART VI SUPPLEMENTAL INFORMATION - CHNA CONTINUED	<p>ST FRANCIS HOSPITAL - ESCANABA, MI THE CHNA THAT WAS APPROVED AND ADOPTED FOR ST FRANCIS HOSPITAL IDENTIFIED THE FOLLOWING AS THE COMMUNITIES MOST SIGNIFICANT HEALTH NEEDS IDENT IFIED NEED RISKY BEHAVIORS - SUBSTANCE ABUSE THIS HEALTH NEED IS BASED ON THE PREVALENCE OF ALCOHOL, TOBACCO AND MARIJUANA IN OUR COMMUNITY IN DELTA COUNTY, 25% OF RESPONDENTS EN GAGE IN BINGE DRINKING VERSUS 18% IN THE STATE OF MICHIGAN BOTH FIGURES EXCEED THE US NAT IONAL 90TH PERCENTILE BENCHMARK OF 8% THERE HAS ALSO BEEN A 4 5% INCREASE FOR THOSE IDENT IFYING THEMSELVES AS SMOKERS IN DELTA COUNTY BETWEEN 2005-2007 AND 2008-2010 IN CONTRAST, THERE WAS A DECREASE FOR THOSE IDENTIFYING THEMSELVES AS SMOKERS FOR THE STATE OF MICHIGA N DURING SAME TIME FRAME THUS, DELTA COUNTY IS CURRENTLY 8 5% HIGHER THAN STATE OF MICHIG AN AVERAGES ADDITIONALLY, ACCORDING TO SURVEY RESPONDENTS, FOR BOTH DELTA COUNTY'S AGGREG ATE POPULATION AND THOSE LIVING IN POVERTY, DRUG AND ALCOHOL ABUSE WERE PERCEIVED AS THE T WO MOST IMPORTANT UNHEALTHY BEHAVIORS IN THE COMMUNITY FY2014 GOALS RISKY BEHAVIORS - SU BSTANCE ABUSE *DECREASE INSTANCES OF RISKY BEHAVIOR AND SUBSTANCE ABUSE IN DELTA COUNTY FY 2014 ACCOMPLISHMENTS RISKY BEHAVIORS/SUBSTANCE ABUSE *REACHING OUT TO MEMBERS OF COMMUNIT Y DRUG COALITION *CLINIC COORDINATORS TRACKING SPREADSHEET ON ALL FACTORS (DRUG CONTRACT, DRUG SCREEN, MAPS, PILL COUNT, ETC) *SPONSORED LIFE RIDES END OF Q1FY2014 IDENTIFIED NEED DIABETES THIS HEALTH NEED IS BASED ON AN INCREASE IN INPATIENT ADMISSIONS FOR DIABETES A ND AN INCREASE IN THE PREVALENCE OF DIABETES IN THE GENERAL POPULATION IT IS ESTIMATED TH AT 90-95% OF INDIVIDUALS WITH DIABETES HAVE TYPE II DIABETES (PREVIOUSLY KNOWN AS ADULT- ON SET DIABETES) DIABETES IS THE LEADING CAUSE OF KIDNEY FAILURE, ADULT BLINDNESS AND AMPUTA TIONS AND IS A LEADING CONTRIBUTOR TO STROKES AND HEART ATTACKS DATA FROM THE MICHIGAN BE HAVIORAL RISK FACTOR SURVEILLANCE SYSTEM INDICATE THAT NEARLY 10% OF DELTA COUNTY REGION R ESIDENTS HAVE DIABETES COMPARED TO DATA FROM THE STATE OF MICHIGAN (9 5%), THE PREVALENCE OF DIABETES NOW EXCEEDS THE STATE AVERAGE FY2014 GOALS DIABETES *ENCOURAGE HEALTHY BEHA VIORS AMONG RESIDENTS OF DELTA COUNTY TO BETTER MANAGE AND PREVENT THE ONSET OF DIABETES F Y2014 ACCOMPLISHMENTS DIABETES *GRADUATED 1ST CLASS IN PATH TRAINING *PROVIDED ON-GOING EDUCATION AND TRAINING FOR MANAGEMENT/PREVENTION OF DIABETES *PERFORMED FREE BLOOD SUGAR SCREENINGS AT COMMUNITY EVENTS *OFFER FREE DIABETIC SUPPORT GROUP MEETINGS NEED IDENTIFI ED COMMUNITY MISPERCEPTIONS THIS HEALTH NEED IS BASED ON RESULTS FROM THE SURVEY WHERE RE SPONDENTS INCORRECTLY PERCEIVED CERTAIN BEHAVIORS AS BEING RELATIVELY UNIMPORTANT HEALTH C ONCERNS IN THE COMMUNITY THIS HEALTH NEED OBSERVES THE GAP BETWEEN PATIENT PERCEPTIONS OF COMMUNITY NEEDS AND THE ACTUAL TOP CAUSES OF MORTALITY IN THEIR COMMUNITY WHILE THE RESP ONSE OF THOSE LIVING IN DEEP POVERTY MISINTERPRETS SOME OF THE MOST CRITICAL NEEDS OF THE COMMUNITY BASED ON ACTUAL MORTALITY DATA, THERE IS MUCH TO BE LEARNED FROM THEIR RESPONSES THESE PERSONS PERCEPTIONS ARE THEIR REALITY AND FORCES TO ACKNOWLEDGE THAT WE MUST NEVER LOSE FOCUS ON THE INDIVIDUAL AS WE IMPROVE THE HEALTH OF THE COMMUNITY OSF HEALTHCARE SY STEM HAS DEVELOPED A CARE MANAGEMENT PROGRAM TO PROVIDE THOSE IN NEED WITH THE HELP THEY N EED TO IMPROVE THEIR INDIVIDUAL HEALTH AND OVERCOME BARRIERS TO HEALTH BASED ON RESULTS F ROM THE SURVEY, RESPONDENTS INCORRECTLY PERCEIVED, "DIABETES", "HEART DISEASE", AND "DENTA L" AS BEING RELATIVELY LESS IMPORTANT HEALTH CONCERNS TO THE COMMUNITY THESE RESULTS CONF LICT WITH MORTALITY DATA THAT SUGGESTS DIABETES RATES IN DELTA COUNTY ARE HIGHER THAN RATE S ACROSS THE STATE OF MICHIGAN MORTALITY DATA INDICATES HEART DISEASE IS THE LEADING CAUS E OF DEATH IN DELTA COUNTY, AND DENTAL DATA ILLUSTRATES DELTA COUNTY RESIDENTS HAVE UNDERG ONE ANNUAL DENTAL CHECKUPS AT A LOWER RATE (62 8%) THAN RATES FOR THE STATE OF MICHIGAN (7 3 8%) AND HAVE HIGHER RATES OF LOST TEETH DUE TO TOOTH DECAY OR GUM DISEASE (19 9%) VERSUS RATES FOR THE STATE OF MICHIGAN (13 8%) MOREOVER, FOR THOSE RESPONDENTS LIVING IN POVERT Y, MISPERCEPTIONS OF PROGRAMS SUCH AS MEDICAID AND FINANCIAL ASSISTANCE PROGRAMS IS EVIDEN T GIVEN THAT RESPONDENTS DO NOT SEEK NECESSARY MEDICAL CARE BECAUSE THEY BELIEVE THEY CANN OT AFFORD TO PAY FINALLY, THERE ARE MISPERCEPTIONS WITH RESPONDENTS' SELF PERCEPTIONS OF THEIR OWN HEALTH, AS 94% FELT THAT THEY ARE EITHER AVERAGE OR ABOVE AVERAGE OVERALL FY201 4 GOALS COMMUNITY MISPERCEPTIONS *ENCOURAGE HEALTHY BEHAVIORS AMONG RESIDENTS OF DELTA CO UNTY, PARTICULARLY WITHIN THE AT-RISK POPULATION FY2014 ACCOMPLISHMENTS COMMUNITY MISPERC ETPIONS *ACHIEVED BY OBTAINING PATIENT CENTERED MEDICAL HOME (PCMH) DESIGNATION *PROVIDED MONTHLY MEDIA ANNOUNCEMENTS *ESTABLISHED A COMMITTEE WITH REPRESENTATIVES FROM OSF AND O THER SERVICE ORGANIZATIONS IDENTIFIED NEED MENTAL HEALTH THIS HEALTH NEED LOOKS AT THE P ERCENT OF PATIENTS THAT REPORTED THEY HAD EXPERIEN</p>

Form and Line Reference	Explanation
SCHEDULE H - PART VI SUPPLEMENTAL INFORMATION - CHNA CONTINUED	<p>CED 1-7 DAYS WITH POOR MENTAL HEALTH PER MONTH BETWEEN 2007 AND 2009 THIS INCLUDES MENTAL DISABILITIES, DEPRESSION AND SELF-PERCEPTIONS OF MENTAL HEALTH WHILE THERE WAS A SLIGHT DECREASE IN AVERAGE NUMBER OF MENTALLY UNHEALTHY DAYS INDICATED BY DELTA COUNTY RESIDENTS BETWEEN 2010 AND 2012 FROM 4 TO 3 5 DAYS IN THE LAST MONTH, IT IS 30% HIGHER WHEN COMPARED TO THE U S 90TH PERCENTILE MOREOVER, AMONG PEOPLE LIVING IN POVERTY, MENTAL HEALTH WAS RATED AS THE MOST IMPORTANT HEALTH CONCERN FY2014 GOALS MENTAL HEALTH *ENSURE ACCESS TO MENTAL HEALTH SERVICES IN DELTA COUNTY FY2014 ACCOMPLISHMENTS MENTAL HEALTH *BEGINNING 4T H QUARTER SIGNED A CONTRACT WITH PATHWAYS TO SUBSIDIZE COSTS ON EXPANDING SERVICES PATHWA YS HAD PREVIOUSLY SEEN ONLY MEDICAID AND SELF PATIENTS WILL NOW SEE ALL PATIENTS UPON A R EFERRAL FROM OSF IDENTIFIED NEED OBESITY THIS HEALTH NEED IS BASED ON AN INCREASE IN THE PREVALENCE OF OBESITY IN OUR COMMUNITY POPULATION RESEARCH STRONGLY SUGGESTS THAT OBESIT Y IS A SIGNIFICANT PROBLEM FACING YOUTH AND ADULTS NATIONALLY, AS IT HAS BEEN LINKED TO NU MEROUS MORBIDITIES (E G , TYPE II DIABETES, HYPERTENSION, CARDIOVASCULAR DISEASE, CANCER, ETC) IN DELTA COUNTY, THE RATE OF OBESITY HAS INCREASED FROM 26 1% TO 29 6% IN A THREE-Y EAR PERIOD DURING THE SAME TIME FRAME, THE PERCENTAGE OF THE POPULATION THAT IS DEFINED A S OVERWEIGHT HAS RISEN FROM 38 6% TO 41% NOTE THAT THIS IS ALMOST 6% HIGHER THAN STATE OF MICHIGAN AVERAGES FY2014 GOALS OBESITY *ENCOURAGE HEALTHY BEHAVIORS AMONG THE CITIZENS O F DELTA COUNTY TO MANAGE AND PREVENT THE ONSET OF OBESITY FY2014 ACCOMPLISHMENTS OBESITY *INVOLVEMENT IN "FUEL UP TO PLAY 60" *PROVIDE MEDICAL NUTRITION EDUCATION AND TRAINING O N MANAGEMENT AND PREVENTION OF OBESITY *ON-GOING SUPPORT OF CHAMBER "CENTURY" BIKE RIDE A ND COMMUNITY RUN/WALKS *NEEDS NOT ADDRESSED THE CHNA CONDUCTED BY THE HOSPITAL IN 2013 A L SO INDENTIFIED "CANCER", "HEART DISEASE", "RESPIRATORY ISSUES", "POVERTY - HEALTHY BEHAVIO RS", "ACCESS TO HEALTH" AND "DENTAL" AMONGST THE MANY IMPORTANT COMMUNITY HEALTH NEEDS A COLLABORATIVE TEAM RECOGNIZED THE IMPACT OF CANCER, HEART DISEASE, RESPIRATORY ISSUES, POV ERTY - HEALTHY BEHAVIORS, ACCESS TO HEALTH AND DENTAL ON THE POPULATION OF PATIENTS WE SER VE AS A HEALTH CARE ORGANIZATION WE CONTINUE TO FOCUS RESOURCES ON PATIENT EDUCATION, EARLY DETECTION AND CARE, BUT WE UNDERSTAND THAT WE ALSO NEED TO HAVE A GREATER FOCUS IN OUR COMMUNITIES ON THOSE RISK FACTORS THAT CONTRIBUTE TO CANCER, HEART DISEASE, RESPIRATORY IS SUES, POVERTY - HEALTHY BEHAVIORS, ACCESS TO HEALTH AND DENTAL WE ANTICIPATE THAT THE GRE ATEST OVERALL LONG TERM HEALTH IMPACT WILL COME FROM A BROADER PREVENTION STRATEGY FOCUSIN G ON OBESITY, EXERCISE AND SMOKING, RATHER THAN ON JUST CANCER, HEART DISEASE, RESPIRATORY ISSUES, POVERTY - HEALTHY BEHAVIORS, ACCESS TO HEALTH AND DENTAL SAINT JAMES HOSPITAL - PONTIAC, IL THE CHNA THAT WAS APPROVED AND ADOPTED FOR SAINT JAMES HOSPITAL IDENTIFIED THE FOLLOWING AS THE COMMUNITY'S MOST SIGNIFICANT HEALTH NEEDS IDENTIFIED NEED COMMUNITY MI SPERCEPTIONS THIS NEED IS BASED ON RESULTS FROM THE SURVEY WHERE RESPONDENTS INCORRECTLY P ERCEIVED CERTAIN BEHAVIORS AS BEING RELATIVELY UNIMPORTANT HEALTH CONCERNS IN THE COMMUNIT Y THIS NEED OBESERVES THE GAP BETWEEN PATIENT PERCEPTIONS OF COMMUNITY NEEDS AND THE ACTU AL TOP CAUSES OF MORTALITY IN THEIR COMMUNITY WHILE THE RESPONSE OF THOSE LIVING IN DEEP POVERTY MISINTERPRETS SOME OF THE MOST CRITICAL NEEDS OF THE COMMUNITY BASED ON ACTUAL MOR TALITY DATA, THERE IS MUCH TO BE LEARNED FROM THEIR RESPONSES THESE PEOPLE'S PERCEPTIONS ARE THEIR REALITY AND FORCES TO ACKNOWLEDGE THAT WE MUST NEVER LOSE FOCUS ON THE INDIVIDUA L AS WE IMPROVE THE HEALTH OF THE COMMUNITY OSF HEALTHCARE SYSTEM HAS DEVELOPED A CARE MA NAGEMENT PROGRAM TO PROVIDE THOSE IN NEED WITH THE HELP THEY NEED TO IMPROVE THEIR INDIVID UAL HEALTH AND OVERCOME BARRIERS TO HEALTH BASED ON RESULTS FROM THE SURVEY, RESPONDENT'S INCORRECTLY PERCEIVED "DIABETES", "HEAR</p>

Form and Line Reference	Explanation
SCHEDULE H - PART VI SUPPLEMENTAL INFORMATION - CHNA CONTINUED	SUMMARY WE BELIEVE THE OBJECTIVES LISTED ABOVE WILL HELP US FOCUS ON OUR COMMUNITIES' MOST PRESSING HEALTH CARE NEEDS NOT ONLY FOR OUR FY 2014 BUT BEYOND AS WELL. OSF HEALTHCARE EXISTS TO CARE FOR OTHERS, IN PARTICULAR THEIR HEALTH AND MEDICAL RELATED NEEDS. AT ALL LEVELS OF OSF THERE IS A VERY STRONG COMMITMENT TO OUR MISSION ("TO SERVE PERSONS WITH THE GREATEST CARE AND LOVE") AND IN CARRYING OUT OUR MISSION IN THE CONTEXT OF OUR VALUES. CITED EARLIER, OUR FIRST VALUE, "JUSTICE: PERSONAL WORTH AND DIGNITY OF EVERY PERSON WE SERVE REGARDLESS OF RACE, COLOR, RELIGION AND ABILITY TO PAY." SPECIFICALLY ADDRESSES THOSE WHO ARE UNINSURED OR UNDER-INSURED. THE SISTERS OF THE THIRD ORDER OF ST. FRANCIS STARTED THEIR HEALING MINISTRY IN 1877 AND HAVE BEEN ACTIVELY GROWING THAT MINISTRY IN EACH OF THE LAST THREE CENTURIES BECAUSE OF THE HEALTHCARE NEEDS OF ALL THOSE IN OUR EIGHT SERVICE AREAS. ADDITIONALLY, OUR LEADERSHIP THROUGHOUT OSF IS COMMITTED TO CONTINUING TO ADDRESS UNMET HEALTH CARE NEEDS IN OUR SERVICE AREAS BY WORKING WITH THEIR RESPECTIVE COUNTY HEALTH DEPARTMENTS AND LOCAL SOCIAL/COMMUNITY SERVICE ORGANIZATIONS LIKE THEIR UNITED WAY ORGANIZATIONS. THERE IS MUCH TO BE DONE, BUT THROUGH COLLABORATION "MANY HANDS WILL MAKE LIGHT WORK."

Form and Line Reference	Explanation
<p>SCHEDULE H - PART VI - 3 - PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE</p>	<p>THE CORPORATION INFORMS AND EDUCATES PATIENTS AND PERSONS WHO ARE BILLED FOR PATIENT CARE ABOUT THEIR ELIGIBILITY FOR ASSISTANCE UNDER GOVERNMENT PROGRAMS AND THE CORPORATION'S CHARITY ASSISTANCE POLICY IN THE FOLLOWING WAYS - SIGNS ARE POSTED IN PATIENT REGISTRATION AREAS (INCLUDING EMERGENCY DEPARTMENT REGISTRATION) INFORMING PATIENTS OF THE AVAILABILITY OF CHARITY ASSISTANCE AND THE AVAILABILITY OF FINANCIAL ASSISTANCE REPRESENTATIVES - PRINTED BROCHURES ARE DISTRIBUTED TO PATIENTS AT REGISTRATION INFORMING THEM OF THE AVAILABILITY OF CHARITY ASSISTANCE AND UNINSURED PATIENTS DISCOUNTS (FOR BOTH INSURED AND UNINSURED PATIENTS), AND FINANCIAL ASSISTANCE REPRESENTATIVES (INCLUDING CONTACT INFORMATION) - A NOTICE OF AVAILABILITY OF THE CORPORATION'S CHARITY CARE AND UNINSURED PATIENT DISCOUNT POLICIES IS PROMINENTLY AVAILABLE ON THE CORPORATION'S WEB SITE (AND SEPARATE WEB SITES OF ITS HOSPITAL FACILITIES) THE APPLICATION FORM WITH INSTRUCTIONS IS AVAILABLE FOR DOWNLOAD - A NOTE REGARDING THE AVAILABILITY OF CHARITY AND FINANCIAL ASSISTANCE (TOGETHER WITH CONTACT PHONE NUMBERS) APPEARS ON EVERY PATIENT BILL AND STATEMENT - FINANCIAL ASSISTANCE COUNSELORS ARE AVAILABLE IN PERSON AND BY PHONE TO ASSIST PATIENTS IN COMPLETING CHARITY AND FINANCIAL ASSISTANCE APPLICATIONS AND IN DETERMINING ELIGIBILITY AND APPLYING FOR GOVERNMENT PROGRAM BENEFITS, INCLUDING MEDICAID - THE CORPORATION'S CHARITY CARE POLICY IS FILED WITH THE ILLINOIS ATTORNEY GENERAL AND IS AVAILABLE TO THE PUBLIC</p>

Form and Line Reference	Explanation
SCHEDULE H - PART VI - 4 COMMUNITY INFORMATION - AS NOTED IN CHNA	<p>SAINT FRANCIS MEDICAL CENTER IS LOCATED IN PEORIA COUNTY IN ILLINOIS AND SERVES THOSE IN THE COUNTIES OF PEORIA, TAZEWELL, AND WOODFORD PEORIA COUNTY IS A METROPOLITAN STATISTICAL AREA AND ITS POPULATION IN 2010 WAS 186,494 FOR PEORIA COUNTY, THE MEDIAN HOUSEHOLD INCOME IN 2010 WAS \$49,819 AND THE PERCENT OF PERSONS BELOW POVERTY LEVEL WAS 15 4% TAZEWELL COUNTY IS A METROPOLITAN STATISTICAL AREA AND ITS POPULATION IN 2010 WAS 135,394 FOR TAZEWELL COUNTY, THE MEDIAN HOUSEHOLD INCOME IN 2010 FOR WAS \$54,078 AND THE PERCENT OF PERSONS BELOW POVERTY LEVEL WAS 8 5% WOODFORD COUNTY IS A METROPOLITAN STATISTICAL AREA AND ITS POPULATION IN 2010 WAS 38,664 FOR WOODFORD COUNTY, THE MEDIAN HOUSEHOLD INCOME IN 2010 WAS \$65,342 AND THE PERCENT OF PERSONS BELOW POVERTY LEVEL WAS 7 2% SAINT ANTHONY MEDICAL CENTER IS LOCATED IN WINNEBAGO COUNTY WINNEBAGO COUNTY IS A METROPOLITAN STATISTICAL AREA AND ITS POPULATION IN 2010 WAS 295,266 FOR WINNEBAGO COUNTY, THE MEDIAN HOUSEHOLD INCOME IN 2010 WAS\$45,611 AND THE PERCENT OF PERSONS BELOW POVERTY LEVEL WAS 12 7% ST JOSEPH MEDICAL CENTER IS LOCATED IN MCLEAN COUNTY IN ILLINOIS MCLEAN COUNTY IS A METROPOLITAN STATISTICAL AREA AND ITS POPULATION IN 2010 WAS 169,572 FOR MCLEAN COUNTY, THE MEDIAN HOUSEHOLD INCOME IN 2010 WAS \$58,365 AND THE PERCENT OF PERSONS BELOW POVERTY LEVEL WAS 11% SAINT JAMES HOSPITAL IS LOCATED IN LIVINGSTON COUNTY IN ILLINOIS LIVINGSTON COUNTY IS A METROPOLITAN STATISTICAL AREA AND ITS POPULATION IN 2010 WAS 38,950 FOR LIVINGSTON COUNTY, THE MEDIAN HOUSEHOLD INCOME IN 2010 WAS \$53,745 AND THE PERCENT OF PERSONS BELOW POVERTY LEVEL WAS 11 0% ST MARY MEDICAL CENTER IS LOCATED IN KNOX COUNTY IN ILLINOIS KNOX COUNTY IS A METROPOLITAN STATISTICAL AREA AND ITS POPULATION IN 2010 WAS 52,919 FOR KNOX COUNTY, THE MEDIAN HOUSEHOLD INCOME IN 2010 WAS \$38,535 AND THE PERCENT OF PERSONS BELOW POVERTY LEVEL WAS 15 5% OSF HOLY FAMILY MEDICAL CENTER IS LOCATED IN WARREN COUNTY IN ILLINOIS WARREN COUNTY IS A METROPOLITAN STATISTICAL AREA AND ITS POPULATION IN 2010 WAS 17,707 FOR WARREN COUNTY, THE MEDIAN HOUSEHOLD INCOME IN 2010 WAS \$42,773 AND THE PERCENT OF PERSONS BELOW POVERTY LEVEL WAS 13 4% ST FRANCIS HOSPITAL IS LOCATED IN DELTA COUNTY IN MICHIGAN DELTA COUNTY IS A METROPOLITAN STATISTICAL AREA AND ITS POPULATION IN 2010 WAS 37,069 FOR DELTA COUNTY, THE MEDIAN HOUSEHOLD INCOME IN 2010 WAS \$40,496 AND THE PERCENT OF PERSONS BELOW POVERTY LEVEL WAS 12 7% OSF SAINT LUKE MEDICAL CENTER IS LOCATED IN HENRY COUNTY IT'S POPULATION IN 2010 WAS 50,486 FOR HENRY COUNTY, THE MEDIAN HOUSEHOLD INCOME FROM 2009-2013 WAS \$52,940 AND THE PERCENT OF PERSONS BELOW POVERTY LEVEL WAS 10 5%</p>

Form and Line Reference	Explanation
SCHEDULE H - PART VI - 5 - PROMOTION OF COMMUNITY HEALTH	<p>THE CORPORATION'S SPONSORING ORGANIZATION IS A RELIGIOUS CONGREGATION OF THE ROMAN CATHOLIC CHURCH KNOWN AS THE SISTERS OF THE THIRD ORDER OF ST FRANCIS IN ACCORDANCE WITH CANON LAW OF THE ROMAN CATHOLIC CHURCH AND FEDERAL TAX LAW APPLICABLE TO SUPPORTING ORGANIZATIONS, A MAJORITY OF THE MEMBERS OF THE BOARD OF DIRECTORS OF THE CORPORATION ARE PROFESSED MEMBERS OF THE SPONSORING RELIGIOUS CONGREGATION EACH HOSPITAL OPERATED BY THE CORPORATION HAS A COMMUNITY ADVISORY BOARD CONSISTING OF MEMBERS OF THE COMMUNITY WHO ARE NOT DIRECTORS, OFFICERS, OR CONTRACTORS OF THE CORPORATION EXCEPT FOR HOSPITAL DEPARTMENTS WHICH HAVE BEEN CLOSED, OR IN WHICH CLINICAL PRIVILEGES HAVE BEEN RESTRICTED, FOR CLINICAL OR QUALITY OF CARE REASONS BY ACTIONS OF THE HOSPITAL'S MEDICAL STAFF AND THE BOARD OF DIRECTORS, THE CORPORATION EXTENDS MEDICAL STAFF PRIVILEGES TO ALL QUALIFIED PHYSICIANS IN ITS COMMUNITIES THE CORPORATION'S SURPLUS FUNDS WERE USED DURING ITS FISCAL YEAR ENDED SEPTEMBER 30, 2014 FOR IMPROVEMENTS IN PATIENT CARE, MEDICAL EDUCATION, AND RESEARCH IN THE FOLLOWING WAYS - CAPITAL EXPENDITURES OF APPROXIMATELY \$72,658,000 WERE MADE DURING THE FISCAL YEAR FOR CONSTRUCTION AND RENOVATION OF PATIENT CARE FACILITIES AND ACQUISITION OF MEDICAL EQUIPMENT AND OTHER EQUIPMENT USED IN PATIENT CARE AND RELATED SUPPORT SERVICES - THE CORPORATION INCURRED NET COSTS (EXPENSES MINUS REVENUES) OF APPROXIMATELY \$30,839,099 DURING THE FISCAL YEAR FOR ACCREDITED PHYSICIAN RESIDENCY PROGRAMS AND NET COSTS OF APPROXIMATELY \$7,895,245 FOR UNDERGRADUATE AND GRADUATE NURSING EDUCATION PROGRAMS AND OTHER MEDICAL EDUCATION PROGRAMS SEE SCHEDULE O, FORM 990, PART III, LINE 4D FOR A DESCRIPTION OF SUCH PROGRAMS - THE CORPORATION INCURRED NET COSTS (EXPENSES MINUS REVENUES) OF APPROXIMATELY \$542,779 DURING THE FISCAL YEAR FOR CLINICAL RESEARCH PROGRAMS AND ACTIVITIES ALL OF THE CORPORATION'S HOSPITALS MEET THE REQUIREMENTS OF REVENUE RULING 69-545 BY - OPERATING EMERGENCY DEPARTMENTS WHICH ARE STAFFED 24 HOURS PER DAY BY QUALIFIED PHYSICIANS AND OTHER MEDICAL PERSONNEL AND WHICH ARE OPEN TO ALL PERSONS WITHOUT REGARD TO ABILITY TO PAY - HAVING MEDICAL STAFFS WHICH ARE OPEN TO ALL QUALIFIED PHYSICIANS, MID-LEVEL PROVIDERS, PODIATRISTS, AND DENTISTS IN THE COMMUNITY (EXCEPT WHERE RESTRICTED IN RARE CASES FOR CLINICAL QUALITY REASONS BY ACTION OF THE MEDICAL STAFF AND THE BOARD OF DIRECTORS) - ACCEPTING MEDICARE, MEDICAID AND OTHER GOVERNMENT PROGRAM PATIENTS - ACCEPTING ALL PATIENTS, INCLUDING UNINSURED PATIENTS, WITHOUT REGARD TO THEIR ABILITY TO PAY - USING SURPLUS FUNDS TO IMPROVE THEIR FACILITIES, EQUIPMENT, PATIENT CARE, MEDICAL TRAINING, EDUCATION, AND RESEARCH AS DESCRIBED ABOVE THE FOLLOWING PROVIDES A SUMMARY OF SERVICES FOR EACH OSF HOSPITAL SAINT FRANCIS MEDICAL CENTER ("SAINT FRANCIS MEDICAL CENTER") IS A 609 LICENSED BED TERTIARY ACUTE CARE TEACHING HOSPITAL LOCATED NEAR DOWNTOWN PEORIA, ILLINOIS SAINT FRANCIS MEDICAL CENTER OPERATES SEVERAL HOSPITAL-BASED OUTPATIENT FACILITIES IN AND AROUND PEORIA, ILLINOIS IN ADDITION TO ITS REGULAR HOSPITAL ACCREDITATION, SAINT FRANCIS MEDICAL CENTER HAS RECEIVED DISEASE SPECIFIC CERTIFICATION FROM THE JOINT COMMISSION FOR ITS PRIMARY STROKE NETWORK AND ITS MYOCARDIAL INFARCTION AND ACUTE CORONARY SYNDROME PROGRAMS THE UNIVERSITY OF ILLINOIS COLLEGE OF MEDICINE AT PEORIA, FOUNDED IN 1970, MAINTAINS ITS PRIMARY TEACHING AFFILIATION WITH SAINT FRANCIS MEDICAL CENTER AND HAS ESTABLISHED 14 FULLY ACCREDITED RESIDENCY AND FELLOWSHIP PROGRAMS AT SAINT FRANCIS MEDICAL CENTER CURRENTLY, 231 RESIDENTS AND FELLOWS ARE IN TRAINING AT SAINT FRANCIS MEDICAL CENTER IN ADDITION TO PROVIDING THE FULL RANGE OF PRIMARY, SECONDARY AND TERTIARY SERVICES, SAINT FRANCIS MEDICAL CENTER PROVIDES CERTAIN SPECIALIZED SERVICES, INCLUDING LEVEL I (HIGHEST LEVEL) TRAUMA SERVICES, LIFE FLIGHT HELICOPTER TRANSPORT SERVICES (USING THE HELICOPTERS OWNED BY OSF AVIATION), ADULT AND PEDIATRIC OPEN HEART SURGERY, PANCREAS AND KIDNEY TRANSPLANTATION SERVICES, NEUROSURGERY AND NEUROLOGY, LEVEL III (HIGHEST LEVEL) PERINATAL SERVICES, RADIATION ONCOLOGY (INCLUDING GAMMA KNIFE AND THE VARIAN TRILOGY UNIT), AND SPECIALIZED SERVICES OF THE CHILDREN'S HOSPITAL OF ILLINOIS (WHICH IS OPERATED AS A PART OF SAINT FRANCIS MEDICAL CENTER) SAINT ANTHONY MEDICAL CENTER ("SAINT ANTHONY") IS A 254 LICENSED BED ACUTE CARE HOSPITAL LOCATED ON THE EAST SIDE OF ROCKFORD, ILLINOIS SAINT ANTHONY PROVIDES PRIMARY, SECONDARY AND TERTIARY CARE SAINT ANTHONY PROVIDES CERTAIN SPECIALIZED SERVICES, INCLUDING LEVEL 1 (HIGHEST LEVEL) TRAUMA SERVICES, HELICOPTER SERVICES (USING HELICOPTERS OWNED BY OSF AVIATION), ADULT OPEN HEART SURGERY, A REGIONAL BURN UNIT, NEUROSURGERY, AND NEUROLOGY, AND RADIATION ONCOLOGY (INCLUDING VARIAN TRUE BEAM AND STEREOTACTIC RADIO-SURGERY) ST JOSEPH MEDICAL CENTER ("ST JOSEPH") IN BLOOMINGTON, ILLINOIS, AND OSF SAINT JAMES-JOHN W ALBRECHT MEDICAL CENTER ("SAINT JAMES") IN PONTIAC, ILLINOIS ARE LOCATED APPR</p>

Form and Line Reference	Explanation
<p>SCHEDULE H - PART VI - 5 - PROMOTION OF COMMUNITY HEALTH</p>	<p>OXIMATELY 35 MILES APART AND SERVE PARTIALLY OVERLAPPING MARKETS ST JOSEPH IS A 137 LICE NSED ACUTE CARE BED AND 12 BED SKILLED NURSING CARE HOSPITAL LOCATED ON THE EAST SIDE OF B LOOMINGTON, ILLINOIS ST JOSEPH PROVIDES PRIMARY, SECONDARY AND TERTIARY CARE, INCLUDING OPEN HEART SURGERY SAINT JAMES HAS 42 LICENSED ACUTE CARE BEDS WHICH ARE ALSO MEDICARE SWING BED APPROVED THIS HOSPITAL FACILITY IS LOCATED ON THE WEST SIDE OF PONTIAC, ILLINOIS, NEAR INTERSTATE 55 SAINT JAMES IS THE ONLY ACUTE CARE HOSPITAL LOCATED IN LIVINGSTON COU NTY, ILLINOIS ST MARY MEDICAL CENTER ("ST MARY") IN GALESBURG, ILLINOIS, AND OSF HOLY FAMILY MEDICAL CENTER ("HOLY FAMILY") IN MONMOUTH, ILLINOIS ARE LOCATED APPROXIMATELY 19 MI LES APART AND SERVE PARTIALLY OVERLAPPING MARKETS RESIDENTS OF MONMOUTH AND ITS SURROUNDI NG AREAS FREQUENTLY TRAVEL TO GALESBURG TO RECEIVE HEALTH CARE SERVICES ST MARY IS A 81 LICENSED BED ACUTE CARE HOSPITAL LOCATED ON THE NORTHEAST SIDE OF GALESBURG, ILLINOIS IN ADDITION TO PRIMARY AND SECONDARY CARE, INCLUDING DIAGNOSTIC CARDIAC CATHETERIZATION SERVI CES, ST MARY HAS DESIGNATIONS FROM THE STATE OF ILLINOIS AS A LEVEL II TRAUMA CENTER, A T RAUMA NETWORK RESOURCE HOSPITAL, A LEVEL II PERINATAL CENTER AND A HEMOPHILIA EMERGENCY TR EATMENT CENTER HOLY FAMILY IS A 23 LICENSED ACUTE BED FACILITY LOCATED IN MONMOUTH, ILLIN OIS ALL OF ITS ACUTE BEDS ARE ALSO MEDICARE APPROVED SWING BEDS ST FRANCIS HOSPITAL ("S T FRANCIS HOSPITAL") IS A 25 LICENSED BED CRITICAL ACCESS HOSPITAL LOCATED ON THE WEST SI DE OF ESCANABA, MICHIGAN AS THE ONLY HOSPITAL IN DELTA COUNTY, MICHIGAN, ST FRANCIS HOSP ITAL PROVIDES A RANGE OF INPATIENT AND OUTPATIENT HOSPITAL, DIAGNOSTIC, THERAPEUTIC AND AN CILLARY SERVICES OSF SAINT LUKE MEDICAL CENTER IS A 25 BED CRITICAL ACCESS HOSPITAL LOCAT ED IN KEWANEE, IL OSF SAINT LUKE MEDICAL CENTER MERGED INTO OSF PURSUANT TO A STATUTORY M ERGER ON APRIL 1, 2014 AND HAS BEEN SERVING THE COMMUNITY SINCE 1919</p>

Form and Line Reference	Explanation
PART VI, LINE 6	<p> AFFILIATED HEALTH CARE SYSTEM ROLES THE CORPORATION IS PART OF AN AFFILIATED HEALTH CARE SYSTEM (THE "OSF SYSTEM") WHICH PROVIDES INTEGRATED HEALTH CARE SERVICES THROUGHOUT CENTRAL ILLINOIS, PARTS OF NORTHERN ILLINOIS, AND PARTS OF THE UPPER PENNINSULA OF MICHIGAN THE OSF SYSTEM INCLUDES THE OTHER CORPORATIONS LISTED BELOW, ALL OF WHICH ARE CONTROLLED, DIRECTLY OR INDIRECTLY, BY THE SISTERS OF THE THIRD ORDER OF ST FRANCIS (THE "CONGREGATION") ALL AFFILIATED CORPORATIONS (WHETHER TAXABLE OR EXEMPT) APPLY AND FOLLOW THE CHARITY CARE POLICY OF THE CORPORATION AND ARE OPERATED IN FURTHERANCE OF THE MISSION OF THE CONGREGATION TO PROVIDE COMPREHENSIVE, INTEGRATED, QUALITY CARE, INCLUDING PREVENTIVE, PRIMARY, ACUTE, CONTINUOUS AND REHABILITATIVE HEALTH SERVICES TO THE COMMUNITIES SERVED BY THE CORPORATION AND THE OSF SYSTEM SPECIAL EMPHASIS IS PLACED ON MEETING THE PHYSICAL, SPIRITUAL, EMOTIONAL, AND SOCIAL NEEDS OF EVERYONE WHO IS CARED FOR IN THE OSF SYSTEM REGARDLESS OF RACE, COLOR, RELIGION AND ABILITY TO PAY THE AFFILIATED CORPORATIONS ARE - THE SISTERS OF THE THIRD ORDER OF ST FRANCIS, WHICH HOLDS THE ASSETS OF THE RELIGIOUS CONGREGATION AND DIRECTS ALL OTHER CORPORATIONS IN THE AFFILIATED HEALTH CARE SYSTEM THROUGH BOARD REPRESENTATION AND THE EXERCISE OF RESERVED POWERS - OSF SAINT FRANCIS, INC , WHICH PROVIDES HOME INFUSION AND DURABLE MEDICAL EQUIPMENT SERVICES, MOBILE MEDICAL IMAGING SERVICES, MEDICAL EQUIPMENT MAINTENANCE AND REPAIR SERVICES, MEDICAL STAFFING SERVICES, BILLING SERVICES, AND OTHER SERVICES IN SUPPORT OF THE AFFILIATED HEALTH CARE SYSTEM - OSF AVIATION, LLC, WHICH IS AN FAA PART 135 CERTIFIED CARRIER PROVIDING EMS HELICOPTER SERVICES THROUGHOUT CENTRAL ILLINOIS AND PARTS OF NORTHERN ILLINOIS - OSF LIFELINE AMBULANCE, LLC, WHICH PROVIDES GROUND AMBULANCE TRANSPORTATION SERVICES IN PARTS OF NORTHERN ILLINOIS - OSF MULTISPECIALTY GROUP - PEORIA, LLC, WHICH PROVIDES PEDIATRIC CARDIOLOGY PHYSICIAN SERVICES IN CENTRAL ILLINOIS - ILLINOIS NEUROLOGICAL INSTITUTE - PHYSICIANS, LLC, WHICH PROVIDES PHYSICIAN NEUROSURGERY SERVICES IN CENTRAL ILLINOIS - HEARTCARE MIDWEST, LTD , WHICH PROVIDES CARDIOLOGY AND CARDIOVASCULAR SURGERY PHYSICIAN SERVICES IN CENTRAL ILLINOIS - CARDIOVASCULAR INSTITUTE AT OSF, LLC, WHICH PROVIDES CARDIOLOGY AND CARDIOVASCULAR SURGERY PHYSICIAN SERVICES IN PARTS OF NORTHERN ILLINOIS - OSF MULTISPECIALTY GROUP - EASTERN REGION, LLC, WHICH PROVIDES PRIMARY AND SPECIALTY PHYSICIAN SERVICES IN PARTS OF CENTRAL ILLINOIS - ILLINOIS PATHOLOGIST SERVICES, LLC, WHICH PROVIDES PROFESSIONAL PATHOLOGY SERVICES IN PARTS OF NORTHERN ILLINOIS - ILLINOIS SPECIALTY PHYSICIAN SERVICES AT OSF, LLC, WHICH PROVIDES PULMONOLOGY AND CRITICAL CARE PHYSICIAN SERVICES IN CENTRAL ILLINOIS - OSF PERINATAL ASSOCIATES, LLC, WHICH PROVIDES MATERNAL FETAL MEDICINE PHYSICIAN SERVICES IN CENTRAL ILLINOIS - OSF MULTISPECIALTY GROUP - WESTERN REGION, LLC, WHICH PROVIDES PRIMARY AND SPECIALTY PHYSICIAN SERVICES IN WESTERN ILLINOIS - OSF CHILDREN'S MEDICAL GROUP- CONGENITAL HEART CENTER, LLC WHICH PROVIDES PEDIATRIC CARE FOR CARDIOVASCULAR ILLNESSES IN NORTHERN ILLINOIS - PREFERRED EMERGENCY PHYSICIANS OF ILLINOIS, LLC WHICH PROVIDES PHYSICIAN COVERAGE FOR EMERGENCY DEPARTMENTS - CENTER FOR HEALTH AMBULATORY SURGERY CENTER, LLC, WHICH PROVIDES AMBULATORY SURGERY SERVICES IN CENTRAL ILLINOIS - EASTLAND MEDICAL PLAZA SURGICENTER, LLC, WHICH PROVIDES AMBULATORY SURGERY SERVICES IN CENTRAL ILLINOIS - FORT JESSE IMAGING CENTER, LLC, WHICH PROVIDES MEDICAL IMAGING SERVICES IN CENTRAL ILLINOIS - SLEEP CENTER OF CENTRAL ILLINOIS, LLC, WHICH PROVIDES MEDICAL TREATMENT FOR SLEEP DISORDERS IN CENTRAL ILLINOIS - OSF PERINATAL ASSOCIATES, LLC, WHICH PROVIDES PERINATOLOGY SERVICES IN CENTRAL ILLINOIS - STATE AND ROXBURY, LLC OPERATES A REAL ESTATE MANAGEMENT ORGANIZATION IN ROCKFORD ILLINOIS - POINT CORE NETWORK SERVICES, LLC IS AN INFORMATION TECHNOLOGY COMPANY THAT PROVIDES STRATEGY, PLANNING, CONSTRUCTION, AND OPERATIONAL SUPPORT FOR THE VOICE, VIDEO AND DATA NETWORKS OF LEADING HEALTHCARE ORGANIZATIONS </p>

Form and Line Reference	Explanation
PART VI, LINE 7	ALL STATES WHICH ORGANIZATION FILES A COMMUNITY BENEFIT REPORT IL, MI

Additional Data

Software ID:
Software Version:
EIN: 37-0813229
Name: OSF Healthcare System

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 NUMBER 3 - ALL FACILITIES	OSF HOSPITALS TOOK INTO ACCOUNT THE INPUT OF THE COMMUNITY MEMBERS BY HAVING THESE INDIVIDUALS HELP PRIORITIZE THE IDENTIFIED NEEDS WITHIN EACH COMMUNITY IN ADDITION, EACH FACILITY OBTAINED AND USED RESOURCES FROM OR RESOURCES PROVIDED BY THESE COMMUNITY MEMBERS

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 NUMBER 4	SAINT FRANCIS MEDICAL CENTER - PEORIA, IL THE TRI-COUNTY COMMUNITY HEALTH-NEEDS ASSESSMENT IS A COLLABORATIVE UNDERTAKING BY UNITYPOINT HEALTH - METHODIST, OSF SAINT FRANCIS MEDICAL CENTER AND PROCTOR HOSPITAL ST MARY MEDICAL CENTER - GALESBURG, IL THE KNOX AND WARREN COUNTIES COMMUNITY HEALTH-NEEDS ASSESSMENT IS A COLLABORATIVE UNDERTAKING BY ST MARY MEDICAL CENTER AND OSF HOLY FAMILY MEDICAL CENTER OSF HOLY FAMILY MEDICAL CENTER THE KNOX AND WARREN COUNTIES COMMUNITY HEALTH-NEEDS ASSESSMENT IS A COLLABORATIVE UNDERTAKING BY ST MARY MEDICAL CENTER AND OSF HOLY FAMILY MEDICAL CENTER PART V, LINE 7 SEE "NEEDS NOT ADDRESSED" ON PART VI, LINE 2 NEEDS ASSESSMENT

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
EXPLAINED THE BASIS FOR CALCULATING AMOUNTS CHARGED TO PATIENTS	PART V - LINE 12I SAINT FRANCIS MEDICAL CENTER, ST ANTHONY MEDICAL CENTER, ST JOSEPH MEDICAL CENTER, ST MARY MEDICAL CENTER, SAINT JAMES HOSPITAL, OSF HOLY FAMILY MEDICAL CENTER, ST FRANCIS HOSPITAL, SAINT LUKE MEDICAL CENTER PLEASE REFER TO THE RESPONSE TO SCHEDULE H, PART I, LINE 3C FOR A DESCRIPTION OF HOW THE ABOVE MENTIONED FACILITIES EXPLAINED THE BASIS FOR CALCULATING AMOUNTS CHARGED TO PATIENTS

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
AMOUNTS BILLED TO UNINSURED OR UNDERINSURED INDIVIDUALS	<p>PART V, LINE 20D SAINT FRANCIS MEDICAL CENTER, ST ANTHONY MEDICAL CENTER, ST JOSEPH MEDICAL CENTER THE HOSPITAL DETERMINED THE AMOUNTS BILLED TO INDIVIDUALS WHO DID NOT HAVE INSURANCE COVERING EMERGENCY OR OTHER MEDICALLY NECESSARY CARE IN THE FOLLOWING WAYS THE AMOUNT BILLED TO THE INDIVIDUAL WAS THE LOWEST AMOUNT DETERMINED UNDER ANY OF THE FOLLOWING METHODS WHICH APPLY TO THE INDIVIDUAL - FOR ILLINOIS RESIDENTS WHO INCUR GROSS CHARGES IN EXCESS OF \$300 FOR ANY ONE INPATIENT ADMISSION OR OUTPATIENT ENCOUNTER, WHO APPLY FOR FINANCIAL ASSISTANCE, AND WHO'S FAMILY INCOME IS 600% OR LESS OF THE FEDERAL POVERTY GUIDELINE FOR THEIR FAMILY SIZE, THE AMOUNT BILLED IS CALCULATED BY MULTIPLYING GROSS CHARGES TIMES THE HOSPITAL'S COST TO CHARGE RATIO DETERMINED FROM ITS MOST RECENTLY FILED MEDICARE COST REPORT AND THEN MULTIPLYING THAT PRODUCT TIMES 135% - THE AMOUNT BILLED FOR EMERGENCY OR OTHER MEDICALLY NECESSARY CARE TO ANY UNINSURED PATIENT WHO APPLIES AND DOES NOT OTHERWISE QUALIFY FOR FINANCIAL OR CHARITY ASSISTANCE IS LIMITED TO 80% OF GROSS CHARGES - THE MAXIMUM AMOUNT THAT CAN BE COLLECTED IN A 12 MONTH PERIOD FOR EMERGENCY OR OTHER MEDICALLY NECESSARY CARE TO ANY PATIENT WHO APPLIES FOR FINANCIAL ASSISTANCE DOES NOT EXCEED 25% OF FAMILY INCOME - MAXIMUM CHARGE MEANS THE AMOUNT GENERALLY BILLED TO INDIVIDUALS WHO HAVE INSURANCE COVERING SUCH CARE AND DETERMINED BY MULTIPLYING THE GROSS CHARGES FOR ALL EMERGENCY MEDICAL CARE AND MEDICALLY NECESSARY SERVICES BY A PERCENTAGE CALCULATED ANNUALLY AND EQUAL TO (1) THE AGGREGATE DOLLAR AMOUNT OF CLAIMS PAID FOR ALL EMERGENCY MEDICAL CARE AND MEDICALLY NECESSARY SERVICES DURING THE 12-MONTH PERIOD ENDED ON THE PRECEDING SEPTEMBER 30 BY BOTH MEDICARE FEE-FOR-SERVICE AND ALL PRIVATE INSURERS AS PRIMARY PAYERS, TOGETHER WITH ANY ASSOCIATED PORTIONS OF THESE CLAIMS PAID BY MEDICARE BENEFICIARIES OR INSURED INDIVIDUALS IN THE FORM OF CO-PAYMENTS, CO-INSURANCE, OR DEDUCTIBLES, DIVIDED BY (II) THE GROSS CHARGES APPLICABLE TO ALL CLAIMS INCLUDED IN CALCULATING THE AMOUNT DUE UNDER CLAUSE (I) NO INSURANCE COMPANY CONTRACT WHICH INCLUDES PROVISIONS FOR INTERIM PAYMENTS SUBJECT TO LATER RECONCILIATION SHALL BE INCLUDED IN THE CALCULATION OF THE MAXIMUM CHARGE THE AMOUNT BILLED TO A PATIENT ELIGIBLE FOR FINANCIAL ASSISTANCE UNDER THIS POLICY WILL BE LESS THAN THE AMOUNT OF THE GROSS CHARGES ST FRANCIS HOSPITAL THE HOSPITAL DETERMINED THE AMOUNTS BILLED TO INDIVIDUALS WHO DID NOT HAVE INSURANCE COVERING EMERGENCY OR OTHER MEDICALLY NECESSARY CARE IN THE FOLLOWING WAYS THE AMOUNT BILLED TO THE INDIVIDUAL WAS THE LOWEST AMOUNT DETERMINED UNDER ANY OF THE FOLLOWING METHODS WHICH APPLY TO THE INDIVIDUAL - THE MAXIMUM AMOUNT THAT CAN BE COLLECTED IN A 12 MONTH PERIOD FOR EMERGENCY OR OTHER MEDICALLY NECESSARY CARE TO ANY PATIENT WHO MEETS THE ELIGIBILITY CRITERIA OF THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY DOES NOT EXCEED 25% OF FAMILY INCOME DESCRIPTION AND REQUIREMENTS OF FINANCIAL ASSISTANCE POLICY ARE FOUND IN OSF HEALTHCARE SYSTEM POLICY AC-31 - THE AMOUNT BILLED FOR EMERGENCY OR OTHER MEDICALLY NECESSARY CARE TO ANY UNINSURED PATIENT WHO APPLIES BUT DOES NOT OTHERWISE QUALIFY FOR FINANCIAL OR CHARITY ASSISTANCE IS LIMITED TO 92.5% OF GROSS CHARGES - AS A PART OF THE MEDICAID EXPANSION IN MICHIGAN AN UNINSURED DISCOUNT PROGRAM BECAME EFFECTIVE APRIL 1, 2014 PRIOR TO RECEIVING FINANCIAL ASSISTANCE ALL SELF PAY ACCOUNTS ARE RUN THROUGH THE UNINSURED DISCOUNT PROCESS THE INCOME GUIDELINES ARE BASED ON 250% OF THE FEDERAL POVERTY GUIDELINES WHILE THE AMOUNT OF THE DISCOUNT IS BASED ON THE COST TO CHARGE RATIOS FOR IP AND OP SERVICES THE CURRENT UNINSURED DISCOUNT FOR IP SERVICES IS 48.29% AND FOR OP SERVICES THE DISCOUNT IS 71.29% PATIENTS DO NOT HAVE TO APPLY FOR THE UNINSURED DISCOUNT THE DISCOUNT IS APPLIED TO ALL UN-INSURED DURING THE INSURANCE VERIFICATION PROCESS AFTER IT IS DETERMINED THEY DO NOT HAVE INSURANCE IF A PATIENT HAS A SERVICE THAT IS NOT COVERED UNDER THEIR CURRENT PLAN THEY DO NOT QUALIFY FOR THE UNINSURED DISCOUNT THE PROGRAM IS ONLY AVAILABLE TO PATIENTS WHO ARE NOT ENROLLED IN AN INSURANCE PLAN ALL PATIENTS RECEIVE THE GREATEST DISCOUNT AVAILABLE TO THEM UNDER THE UNINSURED DISCOUNT PROGRAM OF THE FINANCIAL ASSISTANCE PROGRAM ST MARY MEDICAL CENTER, SAINT JAMES HOSPITAL, OSF HOLY FAMILY MEDICAL CENTER, SAINT LUKE MEDICAL CENTER THE HOSPITAL DETERMINED THE AMOUNTS BILLED TO INDIVIDUALS WHO DID NOT HAVE INSURANCE COVERING EMERGENCY OR OTHER MEDICALLY NECESSARY CARE IN THE FOLLOWING WAYS THE AMOUNT BILLED TO THE INDIVIDUAL WAS THE LOWEST AMOUNT DETERMINED UNDER ANY OF THE FOLLOWING METHODS WHICH APPLY TO THE INDIVIDUAL - FOR ILLINOIS RESIDENTS WHO INCUR GROSS CHARGES IN EXCESS OF \$300 FOR ANY ONE INPATIENT ADMISSION OR OUTPATIENT ENCOUNTER, WHO APPLY FOR FINANCIAL ASSISTANCE, AND WHO'S FAMILY INCOME IS 300% OR LESS OF THE FEDERAL POVERTY GUIDELINE FOR THEIR FAMILY SIZE, THE AMOUNT BILLED IS CALCULATED BY MULTIPLYING GROSS CHARGE</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
AMOUNTS BILLED TO UNINSURED OR UNDERINSURED INDIVIDUALS	S TIMES THE HOSPITAL'S COST TO CHARGE RATIO DETERMINED FROM ITS MOST RECENTLY FILED MEDICA RE COST REPORT AND THEN MULTIPLYING THAT PRODUCT TIMES 135% - THE AMOUNT BILLED FOR EMERG ENCY OR OTHER MEDICALLY NECESSARY CARE TO ANY UNINSURED PATIENT WHO APPLIES AND DOES NOT O THERWISE QUALIFY FOR FINANCIAL OR CHARITY ASSISTANCE IS LIMITED TO 80% OF GROSS CHARGES - THE MAXIMUM AMOUNT THAT CAN BE COLLECTED IN A 12 MONTH PERIOD FOR EMERGENCY OR OTHER MEDI CALLY NECESSARY CARE TO ANY PATIENT WHO APPLIES FOR FINANCIAL ASSISTANCE DOES NOT EXCEED 2 5% OF FAMILY INCOME - MAXIMUM CHARGE MEANS THE AMOUNT GENERALLY BILLED TO INDIVIDUALS WH O HAVE INSURANCE COVERING SUCH CARE AND DETERMINED BY MULTIPLYING THE GROSS CHARGES FOR AL L EMERGENCY MEDICAL CARE AND MEDICALLY NECESSARY SERVICES BY A PERCENTAGE CALCULATED ANNUA LLY AND EQUAL TO (1) THE AGGREGATE DOLLAR AMOUNT OF CLAIMS PAID FOR ALL EMERGANCY MEDICAL CARE AND MEDICALLY NECESSARY SERVICES DURING THE 12-MONTH PERIOD ENDED ON THE PRECEDING SE PTEMBER 30 BY BOTH MEDICARE FEE-FOR-SERVICE AND ALL PRIVATE INSURERS AS PRIMARY PAYERS, TO GETHER WITH ANY ASSOCIATED PORTIONS OF THESE CLAIMS PAID BY MEDICARE BENEFICIARIES OR INSU RED INDIVIDUALS IN THE FORM OF CO-PAYMENTS, CO-INSURANCE, OR DEDUCTIBLES, DIVIDED BY (II) THE GROSS CHARGES APPLICABLE TO ALL CLAIMS INCLUDED IN CALCULATING THE AMOUNT DUE UNDER CL AUSE (I) NO INSURANCE COMPANY CONTRACT WHICH INCLUDES PROVISIONS FOR INTERIM PAYMENTS SUB JECT TO LATER RECONCILIATION SHALL BE INCLUDED IN THE CALCULATION OF THE MAXIMUM CHARGE T HE AMOUNT BILLED TO A PATIENT ELIGIBLE FOR FINANCIAL ASSISTANCE UNDER THIS POLICY WILL BE LESS THAN THE AMOUNT OF THE GROSS CHARGES

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
CHARGES FOR MEDICAL CARE	PART V, LINE 21 SAINT FRANCIS MEDICAL CENTER, SAINT ANTHONY MEDICAL CENTER, ST JOSEPH MEDICAL CENTER, ST MARY MEDICAL CENTER, SAINT JAMES HOSPITAL, OSF HOLY FAMILY MEDICAL CENTER, ST FRANCIS HOSPITAL, SAINT LUKE MEDICAL CENTER CHARGES TO PATIENTS WHO WERE ELIGIBLE FOR ASSISTANCE UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY WERE DETERMINED IN THE MANNERS DESCRIBED FOR PART I, LINE 3C AND PART V, LINE 20D ABOVE

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
PATIENTS CHARGED AMOUNT EQUAL TO THE GROSS CHARGE FOR SERVICES PROVIDED	PART V, LINE 22 SAINT FRANCIS MEDICAL CENTER, ST ANTHONY MEDICAL CENTER, ST JOSEPH MEDICAL CENTER, ST MARY MEDICAL CENTER, SAINT JAMES HOSPITAL, OSF HOLY FAMILY MEDICAL CENTER, SAINT LUKE MEDICAL CENTER NONE OF THE HOSPITALS CHARGED ANY PATIENT WHO WAS ELIGIBLE FOR FINANCIAL ASSISTANCE AN AMOUNT EQUAL TO THE GROSS CHARGES ASSOCIATED WITH EMERGENCY OR OTHER MEDICALLY NECESSARY CARE IN THE FOLLOWING LIMITED INSTANCES, HOWEVER THE HOSPITAL CHARGED PATIENTS AN AMOUNT EQUAL TO GROSS CHARGES - PATIENTS RECEIVING ELECTIVE MEDICAL SERVICES OTHER THAN EMERGENCY OR OTHER MEDICALLY NECESSARY CARE, SUCH AS ELECTIVE COSMETIC SURGERY PERFORMED TO IMPROVE ONE'S APPEARANCE AND NOT RELATED TO A TRAUMA OR DISFIGURATION - UNINSURED PATIENTS WHO DID NOT QUALIFY FOR FINANCIAL OR CHARITY ASSISTANCE AND WHO FAILED TO REQUEST THE 20% DISCOUNT OFFERED BY THE HOSPITAL TO ALL SUCH PATIENTS WHO REQUEST THE DISCOUNT [THE HOSPITAL'S BILLING SYSTEM IS NOT CAPABLE OF AUTOMATICALLY APPLYING THIS DISCOUNT] - PATIENTS WHOSE MEDICAL BILLS ARE THE RESPONSIBILITY OF A THIRD PARTY PURSUANT TO A CLAIM BROUGHT BY THE PATIENT AGAINST THE THIRD PARTY ST FRANCIS HOSPITAL THE HOSPITAL CHARGED ITS PATIENTS AN AMOUNT EQUAL TO GROSS CHARGES IN THE FOLLOWING CIRCUMSTANCES - PATIENTS RECEIVING ELECTIVE MEDICAL SERVICES OTHER THAN EMERGENCY OR OTHER MEDICALLY NECESSARY CARE, SUCH AS ELECTIVE COSMETIC SURGERY PERFORMED TO IMPROVE ONE'S APPEARANCE AND NOT RELATED TO A TRAUMA OR DISFIGURATION - UNINSURED PATIENTS WHO DID NOT QUALIFY FOR FINANCIAL OR CHARITY ASSISTANCE AND WHO FAILED TO REQUEST THE 7 5% DISCOUNT OFFERED BY THE HOSPITAL TO ALL SUCH PATIENTS WHO REQUEST THE DISCOUNT [THE HOSPITAL'S BILLING SYSTEM IS NOT CAPABLE OF AUTOMATICALLY APPLYING THE DISCOUNT] - PATIENTS WHOSE MEDICAL BILLS ARE THE RESPONSIBILITY OF A THIRD PARTY PURSUANT TO A CLAIM BROUGHT BY THE PATIENT AGAINST THE THIRD PARTY - AS A PART OF THE MEDICAID EXPANSION IN MICHIGAN AN UNINSURED DISCOUNT PROGRAM BECAME EFFECTIVE APRIL 1, 2014 PRIOR TO RECEIVING FINANCIAL ASSISTANCE ALL SELF PAY ACCOUNTS ARE RUN THROUGH THE UNINSURED DISCOUNT PROCESS THE INCOME GUIDELINES ARE BASED ON 250% OF THE FEDERAL POVERTY GUIDELINES WHILE THE AMOUNT OF THE DISCOUNT IS BASED ON THE COST TO CHARGE RATIOS FOR IP AND OP SERVICES THE CURRENT UNISURED DISCOUNT FOR IP SERVICES IS 48 29% AND FOR OP SERVICES THE DISCOUNT IS 71 29% PATIENTS DO NOT HAVE TO APPLY FOR THE UNINSURED DISCOUNT THE DISCOUNT IS APPLIED TO ALL UN-INSURED DURING THE INSURANCE VERIFICATION PROCESS AFTER IT IS DETERMINED THEY DO NOT HAVE INSURANCE IF A PATIENT HAS A SERVICE THAT IS NOT COVERED UNDER THEIR CURRENT PLAN THEY DO NOT QUALIFY FOR THE UNINSURED DISCOUNT THE PROGRAM IS ONLY AVAILABLE TO PATIENTS WHO ARE NOT ENROLLED IN AN INSURANCE PLAN ALL PATIENTS RECEIVE THE GREATEST DISCOUNT AVAILABLE TO THEM UNDER THE UNINSURED DISCOUNT PROGRAM OF THE FINANCIAL ASSISTANCE PROGRAM

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

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

Name and address	Type of Facility (describe)
OUTPATIENT REHABILITATION RANDOLPH BLDG SUITE 100 NE RANDOL PEORIA,IL 61606	REHAB
OUTPATIENT AUDIOLOGY RANDOLPH BLDG SUITE 100 NE RANDOL PEORIA,IL 61606	REHAB
PM&R ASSOCIATES RANDOLPH BLDG SUITE 100 NE RANDOL PEORIA,IL 61606	REHAB
CENTER FOR INDUSTRIAL REHAB 506 HIGH POINT LANE EAST PEORIA,IL 61611	REHAB
OUT PATIENT REHABILITATION PENNSYLVANIA MEDICAL BUILDING 200 E PEORIA,IL 61603	REHAB
PEKIN CANCER TREATMENT CENTER 603 THIRTEENTH STREET PEKIN,IL 61554	REHAB
OBSTETRICSGYNECOLOGY CLINIC 320 E ARMSTRONG PEORIA,IL 61603	REHAB
INTERNAL MEDICINE 320 E ARMSTRONG PEORIA,IL 61603	REHAB
PEDIATRIC AMBULATORY CLINIC 320 E ARMSTRONG PEORIA,IL 61603	REHAB
SAINT CLARE FAMILY HEALTH CENTER 10 SAINT CLARE COURT WASHINGTON,IL 61571	REHAB
OSF CENTER FOR HEALTH 8600-8800 RT 91 NORTH NORTH PEORIA,IL 61615	REHAB
OSF SAINT FRANCIS RIVERPLEX 600 NE WATER STREET PEORIA,IL 61602	REHAB
OSF SAINT FRANCIS HEART HOSPITAL 5405 N KNOXVILLE AVENUE PEORIA,IL 61614	REHAB
OSF HEART HOSPITAL DIAGNOSTIC CENTER 610 PARK AVENUE PEKIN,IL 615544650	REHAB
OSF SF RADIATION ONCOLOGY 8948 N WOOD SAGE ROAD PEORIA,IL 61615	REHAB

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

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

Name and address	Type of Facility (describe)
OSF SAINT FRANCIS MORTON HEALTH CENTER 435 MAXINE DR MORTON,IL 61550	REHAB
SAINT FRANCIS MEDICAL INI REHABILITATION FIVE POINTS WASHINGTON 360 WILMOR R WASHINGTON,IL 615711252	REHAB
OSF SAINT FRANCIS CENTER FOR HEALTH GLEN 5114 GLEN PARK PLACE PEORIA,IL 616144686	REHAB
SOUTHRIDGE LABORATORY 4423 MANCHESTER DRIVE ROCKFORD,IL 61109	REHAB
OUTPATIENT REHABILITATION SERVICES 5510 E STATE STREET ROCKFORD,IL 61108	REHAB
DIABETES EDUCATION CENTER 5510 E STATE STREET ROCKFORD,IL 61108	REHAB
WOUND HEALING CENTER STATE AND ROXBURY 5668 E STATE STREET ROCKFORD,IL 61108	REHAB
ROCKFORD CARDIOVASCULAR ASSOCIATES 444 ROXBURY ROAD ROCKFORD,IL 61107	REHAB
OSF CENTER FOR HEALTH-ROCK CUT CROSSING 9951 ROCK CUT CROSSING LOVES PARK,IL 611111999	REHAB
ILLINOIS NEUROLOGICAL INSTITUTE AT OSF 535 ROXBURY ROAD ROCKFORD,IL 61108	REHAB
OSF ST FRANCIS HOSPITAL AND MEDICAL GRP N 15995 MAIN ST POWERS,MI 49870	REHAB
ST FRANCIS HOSPITAL - POWERS CLINIC N 15995 MAIN ST POWERS,MI 49870	REHAB
OSF ST FRANCIS HOSPITAL MEDICAL GROUP 128 MICHIGAN GLADSTONE,MI 49837	REHAB
OSF ST FRANCIS HOSPITAL MEDICAL GROUP 3409 LUDINGTON ST ESCANABA,MI 49829	REHAB
ST FRANCIS HOSPITAL- REHAB SERVICES 704 SUPERIOR AVENUE GLADSTONE,MI 49837	REHAB

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

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

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

Name and address	Type of Facility (describe)
OSF SAINT JAMES REHABILITATION 106 SOUTH FIRST STREET FAIRBURY,IL 61739	REHAB
OSF SAINT JAMES REHABILITATION 105 JOHN STREET DWIGHT,IL 60420	REHAB
CENTER FOR HEALTH AT FT JESSE 2200 FT JESSE ROAD NORMAL,IL 61761	REHAB
OSF ST JOSEPH MEDICAL CENTER-COLLEGE AV 1701 EAST COLLEGE AVENUE BLOOMINGTON,IL 61704	REHAB
OSF ST JOSEPH MEDICAL CENTER - REHABILI 1701 EAST COLLEGE AVENUE BLOOMINGTON,IL 61704	REHAB
EASTLAND MEDICAL PLAZA I 1505 EASTLAND AVENUE BLOOMINGTON,IL 61704	REHAB
OSF HOLY FAMILY CLINIC 1000 WEST HARLEM AVE MONMOUTH,IL 61462	REHAB
OUTPATIENT MEDICAL IMAGING 3375 NORTH SEMINARY ST GALESBURG,IL 61401	REHAB
CONVENIENT CARE 1701 EAST COLLEGE AVE BLOOMINGTON,IL 61704	REHAB

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
OSF Healthcare System

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

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

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

OMB No 1545-0047

2013

Open to Public
Inspection

Employer identification number
37-0813229

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) HEARTLAND COMMUNITY HEALTH 1701 W GARDEN STREET PEORIA,IL 61605	37-1270794	501(C)(3)	500,000				support of clinic operations
(2) HEART OF ILLINOIS UNITED WAY 509 W HIGH STREET PEORIA,IL 61606	37-0661504	501(C)(3)	50,000				support of org operations
(3) FOCUS FORWARD CI FUND 331 FULTON STREET PEORIA,IL 616021449	37-1185713	501(C)(3)	50,000				support of org operations
(4) FRIENDS OF THE CHILDREN OF HAITI PO BOX 789 PEORIA,IL 61652	37-1274477	501(C)(3)	35,000				support of org operations
(5) CORNERSTONE COMMUNITY WELLNESS PO BOX 57 SHEFIELD,IL 61361	45-5629970	501(C)(3)	20,000				support of org operations
(6) AMERICAN HEART ASSOCIATION INC 7272 GREENVILLE AVENUE DALLAS,TX 75231	13-5613797	501(C)(3)	10,000				support of org operations
(7) KISHHEALTH SYSTEM ONE KISH HOSPITAL DRIVE DEKALB,IL 60115	36-3649080	501(C)(3)	7,500				support of org operations

2

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

7

3

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

Part III

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

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance
(1) SCHOLARSHIPS	149	215,678			

Part IV

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

Return Reference	Explanation
SUPPLEMENTAL INFORMATION	PROCEDURES FOR MONITORING GRANTS PART I, LINE 2 THE CORPORATION MONITORS THE USE OF GRANT FUNDS IN THE UNITED STATES IN A VARIETY OF WAYS FOR EDUCATIONAL SCHOLARSHIPS, THE CORPORATION TRACKS AND REVIEWS THE STUDENT'S GRADES AND SUCCESSFUL COURSE COMPLETION EACH SEMESTER IN SOME CASES, THE CORPORATION'S CHIEF FINANCIAL OFFICER OR OTHER REPRESENTATIVE OF THE CORPORATION SERVES ON THE BOARD OF DIRECTORS OR ON THE FINANCE COMMITTEE OF THE GRANTEE ORGANIZATION AND RECEIVES DIRECT INFORMATION REGARDING USE OF GRANT FUNDS IN SUCH CAPACITY IN OTHER CASES, THE CORPORATION RECEIVES WRITTEN REPORTS AND/OR FINANCIAL STATEMENTS FROM THE GRANTEE ORGANIZATION WHICH INCLUDE INFORMATION REGARDING USE OF GRANT FUNDS REQUIREMENTS FOR SAINT FRANCIS MEDICAL CENTER SCHOLARSHIP ALL SCHOLARSHIPS ARE APPROVED BY THE SCHOLARSHIP COMMITTEE NURSING MINIMUM REQUIREMENTS - GPA 2 5/4 0 SCALE - TWO FAVORABLE ACADEMIC REFERENCES FROM CLINICAL INSTRUCTORS - TWO FAVORABLE EMPLOYER REFERENCES - COMPLETED SCHOLARSHIP APPLICATION FORM - ACCEPTANCE OF THE SCHOLARSHIP REQUIRES THE STUDENT TO SECURE AND START IN AN OSF SAINT FRANCIS MEDICAL CENTER RN STAFF POSITION WITHIN 60 DAYS OF GRADUATION AND REMAIN EMPLOYED IN A 72-80 HOURS/PAY FOR TWO YEARS FOLLOWING COMPLETION OF THE 90 DAY UNIT NURSING ORIENTATION RADIOLOGY, RADIATION THERAPIST & SONOGRAPHY MINIMUM REQUIREMENTS - GPA 2 5/4 0 SCALE - TWO FAVORABLE ACADEMIC REFERENCES FROM CLINICAL INSTRUCTORS - TWO FAVORABLE EMPLOYER REFERENCES - COMPLETED SCHOLARSHIP APPLICATION FORM - ACCEPTANCE OF THE SCHOLARSHIP REQUIRES THE STUDENT TO SECURE AND START IN AN OSF SAINT FRANCIS MEDICAL CENTER DIAGNOSTIC RADIOLOGY TECHNOLOGIST STAFF POSITION WITHIN 30 DAYS OF GRADUATION AND REMAIN EMPLOYED FOR TWO YEARS FOLLOWING COMPLETION OF THE DEPARTMENT ORIENTATION PHARMACY MINIMUM REQUIREMENTS - INTERVIEW - GPA 2 5/4 0 OR 3 125/5 0 SCALE - TWO FAVORABLE ACADEMIC REFERENCES FROM CLINICAL INSTRUCTORS - TWO FAVORABLE EMPLOYER REFERENCES - COMPLETED SCHOLARSHIP APPLICATION FORM - ACCEPTANCE OF THE SCHOLARSHIP REQUIRES THE STUDENT TO SECURE AND START IN AN OSF SAINT FRANCIS MEDICAL CENTER R PH POSITION WITHIN 30 DAYS OF GRADUATION AND REMAIN EMPLOYED FOR TWO YEARS OR THREE YEARS, DEPENDING ON THE MONIES RECEIVED, FOLLOWING COMPLETION OF THE PHARMACY ORIENTATION RESPIRATORY THERAPY MINIMUM REQUIREMENTS FOR EXTERNAL CANDIDATES - MEET ALL ILLINOIS CENTRAL COLLEGE'S (ICC) MINIMUM REQUIREMENTS FOR ADMISSION - GPA 3 0/4 0 SCALE - PASS A WONDERLIC TEST SCORE OF A 3 ON THE VERBAL SECTION AND A 2 ON THE MATH PORTION - TWO FAVORABLE ACADEMIC REFERENCES FROM CLINICAL INSTRUCTORS - TWO FAVORABLE EMPLOYER REFERENCES - A BRIEF 1-2 PAGE TYPED ESSAY EXPLAINING INTEREST AND DESIRE TO ENROLL THE SCHOLARSHIP PROGRAM - INTERVIEW FOR OSF SAINT FRANCIS MEDICAL CENTER EMPLOYEES - MEET ALL ILLINOIS CENTRAL COLLEGE'S (ICC) MINIMUM REQUIREMENTS FOR ADMISSION - GPA 3 0/4 0 SCALE - PASS A WONDERLIC TEST SCORE OF A 3 ON THE VERBAL SECTION AND A 2 ON THE MATH PORTION - MUST NOT BE ON ANY CURRENT FORMAL LEVELS OF DISCIPLINE - TWO FAVORABLE SUPERVISOR/MANAGER OR DIRECTOR REFERENCES - A BRIEF 1-2 PAGE TYPED ESSAY EXPLAINING INTEREST AND DESIRE TO ENROLL THE SCHOLARSHIP PROGRAM - INTERVIEW MERIT SCHOLARSHIP REQUIREMENT - GPA 3 4/4 0 SCALE - DEAN'S LIST IN THE SEMESTER PREVIOUS TO POSTING ON STUDENTS ACCOUNT INSTITUTIONAL SCHOLARSHIP REQUIREMENT - COLLEGE OF NURSING STUDENT IN GOOD ACADEMIC STANDING AND IN FINANCIAL NEED PRESIDENT'S SCHOLARSHIP REQUIREMENT - GPA 3 55/4 0 SCALE REQUIREMENTS FOR SAINT ANTHONY MEDICAL CENTER SCHOLARSHIPS SCHOLARSHIPS ARE AWARDED BASED ON 50% ACADEMICS, 30% FINANCIAL NEED, AND 20% COMMUNITY SERVICE THE AWARDS ARE APPROVED BY THE SAINT ANTHONY COLLEGE OF NURSING FINANCIAL AID COMMITTEE THE ALUMNI MEMORIAL SCHOLARSHIP ARE AWARDED BASED ON 60% ACADEMICS, 30% FINANCIAL NEED, AND 10% COMMUNITY SERVICE MINIMUM REQUIREMENTS FOR ALL SCHOLARSHIPS - GPA 2 5/4 0 SCALE - RESUME - TWO FAVORABLE LETTERS OF RECOMMENDATION, AT LEAST ONE FROM A CLINICAL INSTRUCTOR - A BRIEF TYPED ESSAY EXPLAINING INTEREST AND DESIRE TO ENROLL THE SCHOLARSHIP PROGRAM REQUIREMENTS FOR HOLY FAMILY MEDICAL CENTER SCHOLARSHIPS - APPLICATION FOR ASSISTANCE FROM OSF HOLY FAMILY MEDICAL CENTER SIGNIFIES A DESIRE TO WORK AT OSF HFMC AT THE COMPLETION OF THE EDUCATIONAL COURSE WORK - MEETING DEADLINES IS THE RESPONSIBILITY OF THE APPLICANT ALL APPLICATION MATERIALS MUST REACH OSF HFMC BY APRIL 1 AWARDS WILL BE MADE BY MAY 31 - FUNDS MAY ONLY BE USED FOR HEALTH CARE-RELATED COURSEWORK AT THE BACHELOR'S DEGREE LEVEL OR BELOW - RECIPIENTS MUST RESIDE IN WARREN OR HENDERSON COUNTY, ILLINOIS, BE EMPLOYEES OF OSF HOLY FAMILY MEDICAL CENTER, OR RELATED TO EMPLOYEES OF OSF HFMC - THE MAXIMUM AVAILABLE AMOUNT OF EDUCATIONAL ASSISTANCE IS \$3,500 ANNUALLY THIS AMOUNT WILL BE DISTRIBUTED FOR TUITION, BOOKS, AND LAB FEES FUNDS MAY NOT BE USED FOR LIVING EXPENSES OR TRANSPORTATION - EACH DISBURSEMENT OF FUNDS REQUIRES THE RECIPIENT SIGN A "STUDENT LOAN PROMISSORY NOTE" WHICH IS FORGIVEN WHEN THE STUDENT BORROWER BECOMES EMPLOYED AT OSF HFMC AT COMPLETION OF THE EDUCATIONAL PROGRAM WITHIN SPECIFIED TIME CONSTRAINTS THIS MEANS EACH REQUEST FOR FUNDS REQUIRES A PERSONAL APPEARANCE BY THE STUDENT (ACCORDING TO TAX LAW, DISBURSEMENTS ARE TAXABLE INCOME) - WHEN FUNDS HAVE BEEN DISTRIBUTED FOR A GIVEN SEMESTER, ADDITIONAL FUNDS WILL NOT BE PAID UNTIL OSF HFMC HAS BEEN FURNISHED WITH A COPY OF PRIOR SEMESTER GRADES, GIVING PROOF OF SUCCESSFUL COMPLETION OF COURSE WORK A CUMULATIVE 3 0 GRADE POINT AVERAGE OR HIGHER IS REQUIRED - RECIPIENTS MUST REAPPLY ANNUALLY IF THEY DESIRE FUNDS FOR SUBSEQUENT YEARS WHILE FUNDS FOR SUBSEQUENT YEARS ARE NOT GUARANTEED, SERIOUS CONSIDERATION WILL BE GIVEN TO THOSE STUDENTS WHO HAVE EXCELLED ACADEMICALLY - RECEIPT OF EDUCATIONAL ASSISTANCE DOES NOT GUARANTEE THE RECIPIENT WILL BE OFFERED EMPLOYMENT AT THE COMPLETION OF THE EDUCATIONAL PROGRAM AN APPROPRIATE POSITION MAY NOT BE AVAILABLE AT THAT TIME IF AN APPROPRIATE POSITION IS AVAILABLE, THE RECIPIENT MUST ACCEPT THE POSITION OR BE PREPARED TO REPAY ANY FUNDS RECEIVED - WITH MUTUAL AGREEMENT, THE REQUIREMENT TO ACCEPT A POSITION AT OSF HFMC MAY BE MET BY ACCEPTING EMPLOYMENT AT OTHER OSF FACILITIES

Schedule J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.
▶ Attach to Form 990. ▶ See separate instructions.

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
OSF Healthcare System

Employer identification number
37-0813229

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 type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div><div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input checked="" type="checkbox"/> Health or social club dues or initiation fees</div><div><input 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>	1bYes	
<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>	2Yes	
<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><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Form 990 of other organizations</div><div><input checked="" type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</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>	4a	No
<div><div>b</div><div>Participate in, or receive payment from, a supplemental nonqualified retirement plan?</div></div>	4bYes	
<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>	4c	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>	5a	No
<div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 5a or 5b, describe in Part III</div>	5b	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>	6a	No
<div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 6a or 6b, describe in Part III</div>	6b	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>	7	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>	8	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>	9	

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1)GERALD J MCSHANE MD BOARD MEMBER	(i) (ii)	450,502 0	0 0	55,347 0	36,400 0	12,221 0	554,470 0	0 0
(2)JAMES W GIRARDY MD BOARD MEMBER	(i) (ii)	384,760 0	0 0	0 0	0 0	0 0	384,760 0	0 0
(3)KEVIN D SCHOEPLEIN VICE CHAIRPERSON, CEO	(i) (ii)	903,802 0	0 0	103,002 0	37,817 0	16,439 0	1,061,060 0	0 0
(4)DANIEL E BAKER SENIOR VP, CFO	(i) (ii)	450,524 0	0 0	70,229 0	36,400 0	12,610 0	569,763 0	0 0
(5)DANIEL R FASSETT MD PHYSICIAN, NEUROSURGERY	(i) (ii)	472,500 0	1,082,964 0	17,553 0	18,200 0	18 0	1,591,235 0	0 0
(6)JEFFREY D KLOPPENSTEIN MD PHYSICIAN, NEUROSURGERY	(i) (ii)	463,781 0	657,522 0	21,054 0	18,200 0	15,762 0	1,176,319 0	0 0
(7)BRIAN D SIPE MD PHYSICIAN, ORTHOPEDICS	(i) (ii)	840,115 0	0 0	43,336 0	18,200 0	16,962 0	918,613 0	0 0
(8)ANDREW J TSUNG MD PHYSICIAN, NEUROSURGERY	(i) (ii)	464,882 0	466,801 0	21,355 0	18,200 0	11,136 0	982,374 0	0 0
(9)DONGWOO J CHANG MD PHYSICIAN, NEUROSURGERY	(i) (ii)	911,618 0	0 0	39,243 0	3,904 0	15,768 0	970,533 0	0 0

Part III Supplemental Information

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

Also complete this part for any additional information

Return Reference	Explanation
SCHEDULE J, PART I, LINE 1A	THE CORPORATION REIMBURSES CERTAIN EXECUTIVES FOR SOCIAL CLUB DUES PAID BY SUCH EXECUTIVES ELIGIBILITY FOR CLUB DUES REIMBURSEMENT IS DETERMINED BY THE HUMAN RESOURCES COMMITTEE OF THE BOARD OF DIRECTORS AND IS TAKEN INTO CONSIDERATION BY THE COMMITTEE IN DETERMINING FAIR MARKET COMPENSATION SEE FORM 990 - SCHEDULE O - PART VI - LINES 15A AND 15B FOR AN EXPLANATION OF THE ROLE OF THE HUMAN RESOURCES COMMITTEE AND THE MANNER IN WHICH FAIR MARKET COMPENSATION IS DETERMINED CLUB DUES ARE NOT ELIGIBLE FOR REIMBURSEMENT IF THE CLUB IN QUESTION DISCRIMINATES ON THE BASIS OF RACE, RELIGION, SEX, NATIONAL ORIGIN, OR OTHER PROHIBITED FACTORS DUES REIMBURSEMENT IS TREATED AND REPORTED AS TAXABLE COMPENSATION SCHEDULE J, PART I, LINE 3 SEE EXPLANATION IN SCHEDULE O, PART VI, LINE 15A FOR DETAILS REGARDING THE PROCESS TO ESTABLISH THE COMPENSATION OF THE ORGANIZATION'S CEO SCHEDULE J, PART I, LINE 4B OSF HEALTHCARE SYSTEM HAS A DEFERRED COMPENSATION PLAN FOR SELECT KEY EXECUTIVES THIS PLAN WAS DEVELOPED TO ASSIST WITH ATTRACTING AND RETAINING CERTAIN KEY EXECUTIVES IN THE CORPORATION THE PLAN IS DESIGNED TO ENCOURAGE THE PARTICIPANTS TO STAY UNTIL A CERTAIN RETIREMENT DATE IF THE PARTICIPANTS TERMINATE PRIOR TO THEIR TARGET RETIREMENT DATE, THEY FORFEIT WHAT IS IN THE PLAN THE CORPORATION DETERMINES THE REQUIRED DEPOSITS FOR THE PLAN AT A CONSOLIDATED LEVEL DURING FY14, \$1,107,975 WAS DEPOSITED INTO THE PLAN AND NO DISTRIBUTIONS WERE MADE

Additional Data

Software ID:
Software Version:
EIN: 37-0813229
Name: OSF Healthcare System

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
GERALD J MCSHANE MD BOARD MEMBER	(i) (ii)	450,502 0	0 0	55,347 0	36,400 0	12,221 0	554,470 0	0 0
JAMES W GIRARDY MD BOARD MEMBER	(i) (ii)	384,760 0	0 0	0 0	0 0	0 0	384,760 0	0 0
KEVIN D SCHOEPLEIN VICE CHAIRPERSON, CEO	(i) (ii)	903,802 0	0 0	103,002 0	37,817 0	16,439 0	1,061,060 0	0 0
DANIEL E BAKER SENIOR VP, CFO	(i) (ii)	450,524 0	0 0	70,229 0	36,400 0	12,610 0	569,763 0	0 0
DANIEL R FASSETT MD PHYSICIAN, NEUROSURGERY	(i) (ii)	472,500 0	1,082,964 0	17,553 0	18,200 0	18 0	1,591,235 0	0 0
JEFFREY D KLOPPENSTEIN MD PHYSICIAN, NEUROSURGERY	(i) (ii)	463,781 0	657,522 0	21,054 0	18,200 0	15,762 0	1,176,319 0	0 0
BRIAN D SIPE MD PHYSICIAN, ORTHOPEDICS	(i) (ii)	840,115 0	0 0	43,336 0	18,200 0	16,962 0	918,613 0	0 0
ANDREW J TSUNG MD PHYSICIAN, NEUROSURGERY	(i) (ii)	464,882 0	466,801 0	21,355 0	18,200 0	11,136 0	982,374 0	0 0
DONGWOO J CHANG MD PHYSICIAN, NEUROSURGERY	(i) (ii)	911,618 0	0 0	39,243 0	3,904 0	15,768 0	970,533 0	0 0

Schedule K
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
OSF Healthcare System

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2013

Open to Public Inspection

Employer identification number
37-0813229

Part I

Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
							Yes	No	Yes	No	Yes	No
A	ILLINOIS FINANCE AUTHORITY	86-1091967	45203HVN9	08-29-2007	461,801,780	SEE PART VI		X		X		X
B	ILLINOIS FINANCE AUTHORITY	86-1091967	45200FWG0	03-31-2009	249,074,230	SEE PART VI		X		X		X
C	ILLINOIS FINANCE AUTHORITY	86-1091967		08-18-2009	70,000,000	SEE PART VI		X		X		X
D	ILLINOIS FINANCE AUTHORITY	86-1091967	45200F3R8	06-29-2010	158,525,888	SEE PART VI		X		X		X

Part II

Proceeds

		A	B	C	D
1	Amount of bonds retired	220,735,000	2,395,000	30,972,856	6,025,000
2	Amount of bonds legally defeased	0	38,475,000	0	0
3	Total proceeds of issue	461,801,780	249,074,230	70,000,000	158,535,888
4	Gross proceeds in reserve funds	4,457	4,769	10,904	45
5	Capitalized interest from proceeds	0	0	0	0
6	Proceeds in refunding escrows	0	0	0	0
7	Issuance costs from proceeds	3,319,397	3,114,169	0	2,080,292
8	Credit enhancement from proceeds	8,846,375	126,677	0	0
9	Working capital expenditures from proceeds	0	0	0	0
10	Capital expenditures from proceeds	285,706,088	0	70,000,000	28,000,000
11	Other spent proceeds	0	0	0	0
12	Other unspent proceeds	0	0	0	0
13	Year of substantial completion	2010		2010	
14	Were the bonds issued as part of a current refunding issue?	Yes	No	Yes	No
		X		X	
15	Were the bonds issued as part of an advance refunding issue?		X		X
16	Has the final allocation of proceeds been made?	X		X	
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X	

Part III

Private Business Use

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

Part III

Private Business Use (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X		X		X		X
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		X
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	0 %		0 %		0 %		0 %	
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government								
6	Total of lines 4 and 5								
7	Does the bond issue meet the private security or payment test?		X		X		X		X
8a	Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X		X		X		X
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?		X		X		X		X
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?		X		X		X		X

Part IV

Arbitrage

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

Part IV

Arbitrage (Continued)

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

Part V

Procedures To Undertake Corrective Action

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

Part VI

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

Schedule K (Form 990)	Supplemental Information on Tax Exempt Bonds						OMB No 1545-0047	
							2013	
	▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI. ▶ Attach to Form 990. ▶ See separate instructions. ▶ Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990 .						Open to Public Inspection	
Name of the organization OSF Healthcare System						Employer identification number 37-0813229		

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A ILLINOIS FINANCE AUTHORITY	86-1091967	45203HKS0	09-26-2012	191,360,304	SEE PART VI		X		X		X

Part II Proceeds

		A		B		C		D	
1	Amount of bonds retired	3,500,000							
2	Amount of bonds legally defeased	0							
3	Total proceeds of issue	191,360,304							
4	Gross proceeds in reserve funds	2,583							
5	Capitalized interest from proceeds	0							
6	Proceeds in refunding escrows	39,749,427							
7	Issuance costs from proceeds	2,402,586							
8	Credit enhancement from proceeds	0							
9	Working capital expenditures from proceeds	0							
10	Capital expenditures from proceeds	15,813,583							
11	Other spent proceeds	0							
12	Other unspent proceeds	0							
13	Year of substantial completion	2012							
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?	X							
15	Were the bonds issued as part of an advance refunding issue?	X							
16	Has the final allocation of proceeds been made?	X							
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use

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

Part III

Private Business Use (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X						
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X						
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	0 %							
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶								
6	Total of lines 4 and 5								
7	Does the bond issue meet the private security or payment test?		X						
8a	Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X						
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?		X						
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?		X						

Part IV

Arbitrage

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

Part IV

Arbitrage (Continued)

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

Part V

Procedures To Undertake Corrective Action

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

Part VI

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

Return Reference	Explanation
SUPPLEMENTAL INFORMATION 1	SCHEDULE K - PART I - BOND ISSUES ILLINOIS FINANCE AUTHORITY - 08/29/2007 CUSIP# 45203HVM1, 45203HVN9 THE CORPORATION USED THE PROCEEDS OF THE SERIES 2007 BONDS WHICH INCLUDED FIXED RATE BONDS, AUCTION BONDS AND VARIABLE RATE BONDS, TOGETHER WITH CERTAIN OTHER AVAILABLE FUNDS TO (I) FINANCE OR REFINANCE THE COST OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE PROJECT, (II) PAY CAPITALIZED INTEREST WITH RESPECT TO A PORTION OF THE SYSTEMWIDE BONDS, (III) FUND DEBT SERVICE RESERVE FUNDS FOR CERTAIN OF THE SYSTEMWIDE BONDS, (IV) REFINANCE THE PRIOR INDEBTDEDNESS DESCRIBED BELOW AND (V) PAY CERTAIN EXPENSES INCURRED IN CONNECTION WITH THE ISSUANCE OF THE SYSTEMWIDE BONDS AND THE REFINANCING ILLINOIS FINANCE AUTHORITY - 03/31/2009 CUSIP# 45200FWD7, 45200FWG0, 45200FWE5, 45200FWF2, 45200FWB1 THE CORPORATION USED THE PROCEEDS OF THE SYSTEMWIDE BONDS, TOGETHER WITH CERTAIN OTHER AVAILABLE FUNDS, TO (I) REFINANCE AND REDEEM THE PRIOR BONDS DESCRIBED BELOW, (II) FUND A DEBT SERVICE RESERVE FUND FOR THE SERIES 2009 BONDS, AND (III) PAY CERTAIN EXPENSES INCURRED IN CONNECTION WITH THE ISSUANCE OF THE SYSTEMWIDE BONDS AND THE REFINANCING ILLINOIS FINANCE AUTHORITY - 08/18/2009 NO CUSIP# (PRIVATE PLACEMENTS) THE CORPORATION USED THE PROCEEDS OF THE SERIES 2009EFG TO PAY OR REIMBURSE THE CORPORATION FOR THE PROJECTS ILLINOIS FINANCE AUTHORITY - 06/29/2010 CUSIP# 45200F3R8 THE CORPORATION USED THE PROCEEDS OF THE SERIES 2010A BONDS, TOGETHER WITH CERTAIN OTHER AVAILABLE FUNDS, TO (i) REFINANCE AND REDEEM, THE ILLINOIS HEALTH FACILITY AUTHORITY VARIABLE DEMAND REVENUE BONDS, SERIES 1985B (REVOLVING FUND POOLED FINANCING PROGRAM)IN THE AMOUNT OF \$75,000,000, ILLINOIS FINANCE AUTHORITY VARIABLE RATE REVENUE BONDS, SERIES 2001 IN THE AMOUNT OF \$46,050,000, AND THE ILLINOIS FINANCE AUTHORITY REVENUE BONDS, SERIES 2007D IN THE AMOUNT OF \$20,050,000, (ii) PAY OR REIMBURSE THE CORPORATION FOR THE PROJECT, (iii) FUND A DEBT SERVICE RESERVE FUND FOR THE SERIES 2010A BONDS, AND PAY CERTAIN EXPENSES INCURRED IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2010A BONDS AND THE REFINANCING OF THE SERIES 1985B BONDS, THE SERIES 2001 BONDS AND THE SERIES 2007D BONDS ILLINOIS FINANCE AUTHORITY - 09/26/2012 CUSIP #45203HLH3, 45203HLG5, 45203HKS0, 45203HKT8, 45203HKU5, 45203HKV3, 45203HKW1, 45203HKY7, 45203HKZ4, 45203HLA8, 45203HLB6, 45203HLC4, 45203HLD2, 45203HLE0, 45203HLF7 THE CORPORATION USED THE PROCEEDS OF THE SERIES 2012 BONDS TO (I) PAY OR REIMBURSE THE CORPORATION OR OTTAWA REGIONAL HOSPITAL & HEALTHCARE CENTER FOR THE COSTS OF THE PROJECT, (II) ADVANCE REFUND ALL OF THE ILLINOIS FINANCE AUTHORITY REVENUE BONDS, SERIES 2004, (III) CURRENT REFUND A PORTION OF THE ILLINOIS FINANCE AUTHORITY INSURED VARIABLE RATE DEMAND REVENUE BONDS, SERIES 2007F, (IV) CURRENTLY REFUND ALL OF THE ILLINOIS FINANCE AUTHORITY VARIABLE RATE DEMAND REVENUE BONDS, SERIES 2007G, (V) ADVANCE REFUND A PORTION OF THE ILLINOIS FINANCE AUTHORITY REVENUE BONDS, SERIES 2009A, (VI) CURRENTLY REFUND ALL OF THE ILLINOIS FINANCE AUTHORITY REVENUE BONDS, SERIES 2009F, (VII) REFINANCE THE PNC BANK LOAN, AND (VIII) PAY CERTAIN EXPENSES INCURRED IN CONNECTION WITH THE ISSUANCE OF THE BONDS AND THE REFUNDING OF THE PRIOR BONDS AND PNC BANK LOAN ILLINOIS FINANCE AUTHORITY - SEPTEMBER 26, 2013 (SUBSTITUTION DATE) CUSIP # 45203HVM1, 45203HVN0 THE SERIES 2007E & F VARIABLE RATE DEMAND REVENUE BONDS WERE REISSUED WITH IRREVOCABLE TRANSFERABLE LETTERS OF CREDIT

Return Reference	Explanation
SUPPLEMENTAL INFORMATION 2	SCHEDULE K - PART II - LINE 7 BOND ISSUANCE COSTS BOND ISSUANCE COST CREDIT ENHANCEMENT TOTAL A \$3,319,397 \$8,846,375 \$12,165,772 B \$3,114,169 \$126,677 \$3,240,846 C \$0 \$0 \$0 D \$2,080,292 \$0 \$2,080,292 E \$2,402,586 \$0 \$2,402,586

Return Reference	Explanation
SUPPLEMENTAL INFORMATION 3	SCHEDULE K - PART IV - LINE 2C DATE THE REBATE COMPUTATION WAS PERFORMED A NOVEMBER 28, 2011 B MAY 30, 2014 C JUNE 3, 2014

Return Reference	Explanation
SUPPLEMENTAL INFORMATION 4	SCHEDULE K - PART III - LINE 9, PART IV - LINE 7 AND PART V ALTHOUGH FORMAL WRITTEN PROCEDURES WERE NOT FINALIZED BY YEAR-END, THEY WERE IN PROCESS

SCHEDULE O
(Form 990 or 990-EZ)**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

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

OMB No 1545-0047

2013**Open to Public
Inspection**Department of the Treasury
Internal Revenue ServiceName of the organization
OSF Healthcare System

Employer identification number

37-0813229

**Return
Reference****Explanation**FORM 990 -
PART III -
LINE 4A

INPATIENT SERVICES OSF HEALTHCARE SYSTEM OWNS AND OPERATES ACUTE CARE HOSPITALS IN ESCANABA, MICHIGAN, ROCKFORD, ILLINOIS, PONTIAC, ILLINOIS, BLOOMINGTON, ILLINOIS, PEORIA, ILLINOIS, GALESBURG, ILLINOIS, AND MONMOUTH, ILLINOIS AS OF THE CLOSE OF THE REPORTING PERIOD ON SEPTEMBER 30, 2014, THESE EIGHT FACILITIES HAD A COMBINED TOTAL OF 1,208 LICENSED INPATIENT AND RESIDENT BEDS AND OPERATED A COMBINED TOTAL OF 1,189 STAFFED INPATIENT AND RESIDENT BEDS THEY HAD COMBINED TOTALS OF 54,629 INPATIENT AND RESIDENT DISCHARGES AND 268,317 INPATIENT AND RESIDENT DAYS, INCLUDING 9,813 NEWBORN INPATIENT DAYS THE SEVEN ACUTE CARE HOSPITALS COLLECTIVELY SERVED 48 COUNTIES THEY HAD A COMBINED TOTAL OF APPROXIMATELY 2,583 PHYSICIANS ON THEIR MEDICAL STAFFS, INCLUDING APPROXIMATELY 1,309 PHYSICIANS ON THEIR ACTIVE OR ASSOCIATE MEDICAL STAFFS ONE OF THE HOSPITALS IS A SOLE COMMUNITY HOSPITAL AND TWO ARE CRITICAL ACCESS HOSPITALS THE CORPORATION'S HOSPITALS OFFER A BROAD RANGE OF INPATIENT SERVICES THREE OF THE HOSPITALS PROVIDE OPEN HEART SURGERY SERVICES, TWO OFFER LEVEL II NEONATAL SERVICES, ONE OFFERS LEVEL III NEONATAL SERVICES (HIGHEST LEVEL), AND ONE OFFERS KIDNEY AND PANCREAS ORGAN TRANSPLANT SERVICES THE CORPORATION HAS ORGANIZED AND OPERATES COMPREHENSIVE CARDIAC AND STROKE CARE NETWORKS IN CENTRAL AND NORTHERN ILLINOIS AND OPERATES THE ONLY COMPREHENSIVE CHILDREN'S HOSPITAL IN CENTRAL ILLINOIS

Return Reference	Explanation
FORM 990 - PART III - LINE 4B	OUTPATIENT SERVICES THE SEVEN ACUTE CARE HOSPITALS OWNED AND OPERATED BY OSF HEALTHCARE SYSTEM COLLECTIVELY PROVIDED 1,004,045 OUTPATIENT VISITS DURING THE REPORTING PERIOD ENDED SEPTEMBER 30, 2014, INCLUDING 51,205 OUTPATIENT SURGERY VISITS BUT EXCLUDING EMERGENCY DEPARTMENT VISITS THE CORPORATION'S HOSPITALS OFFER A BROAD RANGE OF OUTPATIENT THERAPEUTIC AND DIAGNOSTIC SERVICES, INCLUDING OUTPATIENT SURGERY AND ADVANCED MEDICAL IMAGING

Return Reference	Explanation
FORM 990 - PART III - LINE 4C	PHY S I C I A N S E R V I C E S P H Y S I C I A N S E M P L O Y E D B Y O S F H E A L T H C A R E S Y S T E M P R O V I D E D 1,095,683 OFFICE VISITS (NOT INCLUDING SERVICES PROVIDED TO HOSPITAL INPATIENTS AND OUTPATIENTS) AT OFFICES IN 89 SEPARATE LOCATIONS THROUGHOUT CENTRAL AND NORTHERN ILLINOIS AND THE UPPER PENINSULA OF MICHIGAN

Return Reference	Explanation
FORM 990 - PART III - LINE 4D	HOME HEALTH SERVICES (EXPENSES \$49,167,088 INCLUDING GRANTS OF \$NONE)(REVENUE \$48,414,272) THE FIVE HOME HEALTH AGENCIES OWNED AND OPERATED BY THE CORPORATION COLLECTIVELY SERVE 32 COUNTIES IN ILLINOIS AND MICHIGAN, ENROLLED 25,493 HOME HEALTH PATIENTS, AND PROVIDED 189,725 HOME HEALTH VISITS DURING THE REPORTING PERIOD ENDED SEPTEMBER 30, 2014 THE FOUR HOSPICE PROGRAMS OWNED AND OPERATED BY THE CORPORATION COLLECTIVELY SERVE 33 COUNTIES IN ILLINOIS AND MICHIGAN, ENROLLED 11,492 HOSPICE PATIENTS, AND PROVIDED 97,573 HOSPICE DAYS DURING THE REPORTING PERIOD ENDED SEPTEMBER 30, 2014

Return Reference	Explanation
FORM 990 - PART III - LINE 4D	EMERGENCY DEPARTMENT SERVICES (EXPENSES \$78,314,491 INCLUDING GRANTS OF \$ NONE) (REVENUE \$93,355,661) ALL OF THE SEVEN ACUTE CARE HOSPITALS OF THE CORPORATION PROVIDE 24-HOUR EMERGENCY DEPARTMENT SERVICES ALL ARE STAFFED BY PHYSICIANS WHO ARE PREDOMINANTLY (BUT NOT ENTIRELY) CERTIFIED IN EMERGENCY MEDICINE BY NATIONAL SPECIALTY BOARDS THE EMERGENCY DEPARTMENTS OF THE CORPORATION'S ACUTE CARE HOSPITALS PROVIDED 215,308 PATIENT VISITS DURING THE REPORTING PERIOD ENDED SEPTEMBER 30, 2014

Return Reference	Explanation
FORM 990 - PART III - LINE 4D	RESIDENCY PROGRAMS (EXPENSES \$42,757,111 INCLUDING GRANTS OF \$ NONE) (REVENUE \$34,707) OSF HEALTHCARE SYSTEM HAS ENTERED INTO A MAJOR AFFILIATION AGREEMENT WITH THE UNIVERSITY OF ILLINOIS PROVIDING SIGNIFICANT FINANCIAL AND TEACHING SUPPORT FOR PHYSICIAN RESIDENCY AND FELLOWSHIP PROGRAMS SPONSORED BY THE UNIVERSITY THE CORPORATION EMPLOYED 231 RESIDENTS AND FELLOWS IN THESE PROGRAMS DURING THE REPORTING PERIOD

Return Reference	Explanation
FORM 990 - PART III - LINE 4D	COLLEGES OF NURSING PROGRAMS (EXPENSES \$12,519,236 INCLUDING GRANTS OF \$215,678) (REVENUE \$14,364,618) TWO OF THE CORPORATION'S HOSPITALS OPERATE ACCREDITED COLLEGES OF NURSING WHICH AWARD BACCALAUREATE, MASTERS, AND DOCTORATE DEGREES THERE WERE 2,305 ENROLLEES IN THESE PROGRAMS DURING THE THREE SEMESTERS FALLING WITHIN THE REPORTING PERIOD (FALL 2013, SPRING 2014, AND SUMMER 2014)

Return Reference	Explanation
FORM 990 - PART III - LINE 4D	TRAUMA SERVICES (LEVEL 1) (EXPENSES \$9,558,639 INCLUDING GRANTS OF \$ NONE) (REVENUE \$2,100,593) TWO OF THE CORPORATION'S SEVEN HOSPITALS HAVE BEEN DESIGNATED AS LEVEL I (HIGHEST LEVEL) TRAUMA CENTERS, AND TWO HAVE BEEN DESIGNATED AS LEVEL II TRAUMA CENTERS. LEVEL I TRAUMA CENTERS ARE CONTINUOUSLY STAFFED WITH IN-HOUSE TRAUMA SURGEONS, ANESTHESIA PROVIDERS, AND OTHER SPECIALIZED HEALTH CARE PROFESSIONALS IN ORDER TO PROVIDE IMMEDIATE TRAUMA SURGERY AND OTHER TREATMENT SERVICES TO TRAUMA PATIENTS. THE EXPENSES ABOVE REFLECT THESE STAFFING COSTS. LEVEL I TRAUMA CENTERS ALSO HAVE SPECIAL RESPONSIBILITIES FOR FORMING AND CARRYING OUT AREA-WIDE DISASTER PREPAREDNESS AND EMERGENCY RESPONSE PLANS AND FOR COORDINATING AREA-WIDE TRAUMA SERVICES IN THE EVENT OF MAJOR DISASTERS.

Return Reference	Explanation
FORM 990 - PART III - LINE 4D	EMS FLIGHT & GROUND TRANSPORT SERVICES (EXPENSES \$10,148,972 INCLUDING GRANTS OF \$ NONE) (REVENUE \$4,898,601) THE CORPORATION PROVIDES EMERGENCY HELICOPTER TRANSPORT SERVICES TO PATIENTS IN NORTHERN AND CENTRAL ILLINOIS USING A FLEET OF FOUR EMS CONFIGURED HELICOPTERS 391 EMS HELICOPTER PATIENT TRANSPORTS WERE PROVIDED DURING THE REPORTING PERIOD ENDED SEPTEMBER 30, 2014 A SUBSIDIARY OF THE CORPORATION PROVIDES GROUND AMBULANCE PATIENT TRANSPORT SERVICES IN NORTHERN ILLINOIS 7,960 GROUND AMBULANCE PATIENT TRANSPORTS PLUS 3,386 WHEELCHAIR PATIENT TRANSPORTS WERE PROVIDED DURING THE REPORTING PERIOD ENDED SEPTEMBER 30, 2014

Return Reference	Explanation
FORM 990 - PART III - LINE 4D	<p>COMMUNITY CLINIC, OUTREACH, AND OTHER EDUCATIONAL PROGRAMS (EXPENSES \$8,771,775 INCLUDING GRANTS OF \$ NONE) (REVENUE \$1,494,524) OSF COMMUNITY PRENATAL CLINIC - BLOOMINGTON, ILLINOIS THIS CLINIC SERVES UNINSURED AND UNDERINSURED PREGNANT WOMEN IN THE BLOOMINGTON-NORMAL, ILLINOIS COMMUNITIES AND SURROUNDING AREA THE CLINIC PROVIDES SPANISH-SPEAKING STAFF TO ASSIST PATIENTS WHO HAVE LANGUAGE BARRIERS PRENATAL SERVICES AND DELIVERIES WERE PROVIDED TO 16 WOMEN DURING THE REPORTING PERIOD ENDED SEPTEMBER 30, 2014 OSF SISTERS COMMUNITY HEALTHCARE CLINICS - PEORIA, ILLINOIS THIS CLINIC IS A PRIMARY CARE HOSPITAL BASED RESIDENCY CLINIC WHERE UNINSURED AND UNDERINSURED PATIENTS OF ALL AGES ARE SEEN BY RESIDENT PHYSICIANS UNDER THE DIRECTION OF AN ATTENDING PHYSICIAN PROFESSIONAL SERVICES INCLUDE ADULT INTERNAL MEDICINE, PEDIATRIC AMBULATORY CARE, AND OBSTETRICS/GYNECOLOGY OTHER SERVICES INCLUDE X-RAY, LABORATORY, SONOGRAPHY, COUMADIN MANAGEMENT, ADULT AND PEDIATRIC SOCIAL SERVICES, AND FINANCIAL ADVISORY SERVICES 8,981 PATIENT VISITS WERE PROVIDED DURING THE REPORTING PERIOD ENDED SEPTEMBER 30, 2014 PARISH NURSING PROGRAM - PEORIA, ILLINOIS THIS PROGRAM PROVIDES PROFESSIONAL SUPERVISION AND CLINICAL SUPPORT FOR VOLUNTEER NURSES WHO FURNISH MEDICAL SCREENING, EDUCATION AND NURSING SERVICES TO MEMBERS OF CHURCH CONGREGATIONS IN AND AROUND PEORIA, ILLINOIS PERINATAL OUTREACH PROGRAM - PEORIA, ILLINOIS THIS PROGRAM PROVIDES PROFESSIONAL EDUCATION AND TRAINING TO CLINICIANS IN COMMUNITY HOSPITALS THROUGHOUT CENTRAL ILLINOIS REGARDING CLINICALLY APPROPRIATE MANAGEMENT AND REFERRAL OF WOMEN WITH HIGH RISK PREGNANCIES 1,124 HOURS OF EDUCATION AND TRAINING WERE PROVIDED DURING THE REPORTING PERIOD ENDED SEPTEMBER 30, 2014 COMMUNITY TRAINING CENTER - ROCKFORD, ILLINOIS AND PEORIA, ILLINOIS THE COMMUNITY TRAINING CENTERS PROVIDE TRAINING TO THE PUBLIC SO THEY ARE PREPARED TO DO BASIC LIFE SUPPORT IN AN EMERGENCY CLASSES INCLUDE CPR CERTIFICATION AND TRAINING FOR THE AMERICAN HEART ASSOCIATION CERTIFICATIONS SUCH AS BASIC LIFE SUPPORT AND ADVANCED LIFE PARAMEDICAL EDUCATION - ROCKFORD, ILLINOIS THIS PROGRAM PROVIDES PRIMARY AND CONTINUING EDUCATION AT NUMEROUS LEVELS OF CERTIFICATION AND LICENSURE PER IDPH RULES AND REGULATIONS EDUCATION IN AREAS SUCH AS CPR, EMERGENCY MEDICAL RESPONDER, EMT BASIC, EMT INTERMEDIATE AND EMT PARAMEDIC TO NAME A FEW ARE PROVIDED TO OUR SERVICE AREA FIRE AND POLICE FIRST RESPONDERS, BOTH PAID AND VOLUNTEER AS WELL AS TO THE GENERAL PUBLIC MUCH OF THIS TRAINING IS PROVIDED ON SITE THROUGHOUT OUR SERVICE AREA BUT IS ALSO SUPPORTED BY A STANDALONE OSF EMS TRAINING FACILITY IN ROCKFORD, ILLINOIS THIS COMMITMENT DEMANDS THOUSANDS OF HOURS THROUGHOUT OUR EMS SYSTEM ANNUALLY EMT EDUCATION - PEORIA, ILLINOIS THIS INCLUDES CLASSES PROVIDED TO THE AMBULANCE AND RESCUE SQUADS OF THE CENTRAL ILLINOIS AREA FOR THE TRAINING AND UPDATING OF THE EMPLOYEES AND VOLUNTEERS OF THE SQUADS THIS SERVICE PROVIDES HUNDREDS OF HOURS OF ONGOING TRAINING THROUGHOUT THE REGION TO FIRST RESPONDERS MEDICAL TECH EDUCATION - ROCKFORD, ILLINOIS AND PEORIA, ILLINOIS AT PEORIA THIS IS A YEAR LONG PROGRAM FOR SCIENCE MAJOR STUDENTS THAT WILL BECOME TECHNICIANS IN A HOSPITAL LAB THIS IS A REQUIRED PROGRAM FOR THE STUDENTS TO COMPLETE THE BACHELOR'S DEGREE AND BE ABLE TO FUNCTION IN THE LAB THERE ARE USUALLY TEN STUDENTS PER YEAR ROCKFORD'S CLINICAL LAB HAS AN EXCLUSIVE AFFILIATION WITH THE NORTHERN ILLINOIS UNIVERSITY MEDICAL LABORATORY SCIENCE PROGRAM THE LAB SERVES AS A CLINICAL TRAINING SITE FOR FOUR STUDENTS ANNUALLY WHO COMPLETE A 33-WEEK CLINICAL ROTATION WHERE THEY ARE ONSITE FOR 24 HOURS EACH WEEK RADIOLOGY TECH EDUCATION - PEORIA, ILLINOIS THIS IS A TWO YEAR PROGRAM FOR STUDENTS THAT WISH TO BECOME IMAGING TECHNICIANS IN ANY OF SEVERAL AREAS (DIAGNOSTIC, MRI, CT, SONS, ETC) UPON GRADUATION THE STUDENT IS ABLE TO PROVIDE THE PROCEDURES IN A CLINICAL SETTING THERE ARE APPROXIMATELY TWENTY STUDENTS PER YEAR DIETETIC EDUCATION - PEORIA, ILLINOIS THIS IS A YEAR LONG PROGRAM THAT IS REQUIRED FOR A STUDENT TO BECOME A REGISTERED DIETITIAN THE STUDENTS ARE PROVIDED TRAINING IN THE PREPARATION OF DIETS, COUNSELING, RESEARCH, AND EXPOSURE TO THE OPERATIONS OF A FOOD SERVICE AREA THERE ARE APPROXIMATELY TEN STUDENTS PER YEAR OTHER PROGRAM SERVICES (EXPENSES \$14,314,311 INCLUDING GRANTS OF \$ NONE) (REVENUE \$18,098,401)</p>

Return Reference	Explanation
FORM 990 - PART VI - LINE 1A	BY ADOPTING CERTAIN PROVISIONS OF THE CORPORATE BYLAWS, THE BOARD OF DIRECTORS HAS DELEGATED BROAD AUTHORITY TO THE EXECUTIVE COMMITTEE OF THE BOARD. THE BYLAWS PROVIDE THAT THE EXECUTIVE COMMITTEE SHALL BE AUTHORIZED TO TAKE SUCH ACTION AS MAY BE NECESSARY ON BEHALF OF THE CORPORATION DURING PERIODS WHEN THE BOARD OF DIRECTORS IS NOT IN SESSION.

Return Reference	Explanation
FORM 990 - PART VI - LINE 6 & 7A	OSF HEALTHCARE SYSTEM HAS NO CORPORATE STOCK OR STOCKHOLDERS ITS SOLE MEMBER IS THE SISTERS OF THE THIRD ORDER OF ST FRANCIS, AN ILLINOIS NOT FOR PROFIT CORPORATION, WHICH IS CONTROLLED BY MEMBERS OF A RELIGIOUS CONGREGATION OF THE CATHOLIC CHURCH ALSO KNOWN AS THE SISTERS OF THE THIRD ORDER OF ST FRANCIS THE GOVERNING BOARD OF THE SISTERS OF THE THIRD ORDER OF ST FRANCIS, AN ILLINOIS NOT FOR PROFIT CORPORATION AND THE SOLE MEMBER OF OSF HEALTHCARE SYSTEM, HOLDS RESERVED POWERS TO ELECT AND REMOVE ALL OF THE MEMBERS OF THE BOARD OF DIRECTORS OF OSF HEALTHCARE SYSTEM

Return Reference	Explanation
FORM 990 - PART VI - LINE 7B	<p>AS GOVERNED BY CANONICAL AND CIVIL GUIDELINES PERTAINING TO ROMAN CATHOLIC CHURCH PROPERTIES AND AS PROVIDED IN THE BYLAWS, CERTAIN TRANSACTIONS OF OSF HEALTHCARE SYSTEM MAY BE AUTHORIZED ONLY BY VOTE OF THE GOVERNING BOARD OF THE SISTERS OF THE THIRD ORDER OF ST FRANCIS, WHICH VOTE IS TO BE TAKEN ONLY AFTER CONSIDERING THE ADVICE OF THE BOARD OF DIRECTORS OF OSF HEALTHCARE SYSTEM THESE TRANSACTIONS ARE AS FOLLOWS - TO ESTABLISH THE PHILOSOPHY AND MISSION ACCORDING TO WHICH THE CORPORATION OPERATES - TO AMEND THE CORPORATION'S ARTICLES OF INCORPORATION AND BYLAWS - TO ELECT AND REMOVE WITH OR WITHOUT CAUSE THE DIRECTORS OF THE CORPORATION - TO MERGE OR DISSOLVE THE CORPORATION - TO LEASE, SELL, ENCUMBER OR OTHERWISE ALIENATE REAL PROPERTY OF THE CORPORATION - TO APPROVE ANY TRANSFER, LEASE, SALE OR ENCUMBRANCE OF PERSONAL PROPERTY OF THE CORPORATION EXCEPT IN THE ORDINARY COURSE OF BUSINESS - TO APPROVE ANY BORROWING OR DEBT FINANCING IN EXCESS OF A SPECIFIED LIMIT (CURRENTLY \$1,000,000) ESTABLISHED BY RESOLUTION OF THE MEMBER - TO APPOINT (OR APPROVE THE APPOINTMENT OF) OR REMOVE THE CORPORATION'S CHAIRPERSON, CHIEF EXECUTIVE OFFICER, PRESIDENT, REGIONAL PRESIDENT/CHIEF EXECUTIVE OFFICERS, AND THE LOCAL PRESIDENT/CHIEF EXECUTIVE OFFICER OF EACH HEALTH CARE FACILITY AND OPERATING DIVISION OWNED, OPERATED OR CONTROLLED BY THE CORPORATION - TO APPROVE STRATEGIC PLANS, MANAGEMENT OBJECTIVES AND CAPITAL AND OPERATING BUDGETS OF THE CORPORATION - TO APPROVE ANY PURCHASE OR OTHER ACQUISITION IN EXCESS OF A SPECIFIED LIMIT (CURRENTLY \$1,000,000) ESTABLISHED BY RESOLUTION OF THE MEMBER - TO REQUIRE A CERTIFIED AUDIT OF THE CORPORATION'S FINANCES AND TO APPOINT THE CERTIFIED PUBLIC ACCOUNTANT TO PERFORM THE AUDIT - TO APPROVE THE ENGAGEMENT OF ANY OUTSIDE LEGAL COUNSEL TO REPRESENT THE CORPORATION ON A REGULAR BASIS AND THE DISMISSAL OF ANY CURRENT LEGAL COUNSEL REPRESENTING THE CORPORATION ON A REGULAR BASIS - TO GIVE PRELIMINARY APPROVAL PRIOR TO THE DEVELOPMENT OF, AND TO GIVE FINAL APPROVAL PRIOR TO THE EXECUTION OF, ALL DOCUMENTS TO WHICH THE CORPORATION IS OR WILL BE A PARTY AND WHICH RELATE TO THE CREATION, FORMATION, ORGANIZATION, OR TERMINATION OF ANY OTHER LEGAL ENTITY (WHETHER A CORPORATION, LIMITED LIABILITY COMPANY, PARTNERSHIP, OR ANY OTHER ENTITY) IN WHICH THE CORPORATION WILL HAVE ANY OWNERSHIP INTEREST, MEMBERSHIP INTEREST, POWER TO ELECT OR APPOINT BOARD MEMBERS OR OFFICERS, OR ANY OTHER FORMAL PARTICIPATION ARRANGEMENT, WHETHER ACTING ALONE OR IN CONJUNCTION WITH ANY OTHER PERSON OR ENTITY</p>

Return Reference	Explanation
FORM 990 - PART VI - LINE 9	JAMES W GIRARDY, M D 5666 EAST STATE STREET ROCKFORD, IL 61108

Return Reference	Explanation
FORM 990 - PART VI - LINE 11B	<p>THE INITIAL DRAFT FORM 990 AND ALL REQUIRED SCHEDULES ARE PREPARED USING A MULTI-DISCIPLINARY PROCESS WHICH INCLUDES CORPORATE FINANCE AND ACCOUNTING, CORPORATE LEGAL, CORPORATE COMPLIANCE, AND CORPORATE MARKETING AND COMMUNICATIONS PERSONNEL WHO FOCUS INITIALLY ON SPECIFIC PORTIONS OF THE RETURN. THE COMPLETED DRAFT FORM 990 AND ALL SCHEDULES ARE THEN REVIEWED BY THIS SAME MULTI-DISCIPLINARY TEAM TO ENSURE ACCURACY AND INTEGRATION OF THE INDIVIDUAL PARTS AND SCHEDULES. IN ADDITION, THE INFORMATION AND SCHEDULES OF THE RETURN ARE SENT TO THE CORPORATION'S OUTSIDE AUDITORS, KPMG LLP FOR REVIEW AND COMMENT. KPMG REVIEWS THE INFORMATION AND SCHEDULES AND PREPARES AND SIGNS THE FINAL RETURN. COMMENTS FROM THE MULTI-DISCIPLINARY TEAM AND FROM THE AUDITORS ARE INCORPORATED INTO A PROPOSED FINAL VERSION OF FORM 990 AND ALL SCHEDULES. THIS PROPOSED FINAL VERSION IS THEN SENT VIA E-MAIL TO ALL OFFICERS AND MEMBERS OF THE BOARD OF DIRECTORS FOR THEIR REVIEW PRIOR TO FILING. ANY APPROPRIATE CHANGES REQUESTED BY THE OFFICERS AND DIRECTORS ARE THEN INCORPORATED INTO THE FINAL FORM 990 AND ALL SCHEDULES FOR FILING.</p>

Return Reference	Explanation
FORM 990 - PART VI - LINE 12C	DISCLOSURES BY OFFICERS, DIRECTORS AND TRUSTEES, AS WELL AS KEY EMPLOYEES AND EMPLOYEES CHARGED WITH PURCHASING, PROCUREMENT AND CONTRACTING DECISION-MAKING ARE MADE THROUGH AN ELECTRONIC REPORTING SYSTEM. DISCLOSURES ARE RECEIVED AND REVIEWED BY THE CORPORATE COMPLIANCE DIVISION. IF A POTENTIAL CONFLICT OF INTEREST IS IDENTIFIED, THEN THE DISCLOSING EMPLOYEE IS NOTIFIED OF THE POTENTIAL CONFLICT AND MAY BE ASKED FOR ADDITIONAL INFORMATION ABOUT THE INTEREST. THE CORPORATE COMPLIANCE DIVISION DETERMINES WHETHER A PLAN TO MANAGE A POSSIBLE OR ACTUAL CONFLICT OF INTEREST IS NEEDED, DISCUSSES THE MANAGEMENT PLAN WITH THE EMPLOYEE AND MONITORS THE EMPLOYEE'S COMPLIANCE WITH THE PLAN. PLANS TO MANAGE CONFLICTS ARE TRACKED THROUGH THE ELECTRONIC DISCLOSURE SYSTEM.

Return Reference	Explanation
FORM 990 - PART VI - LINE 15A	THE BOARD OF DIRECTORS HAS ESTABLISHED A BOARD COMMITTEE KNOWN AS THE HUMAN RESOURCES COMMITTEE WHOSE MEMBERS ARE ALL PROFESSED MEMBERS OF THE RELIGIOUS CONGREGATION KNOWN AS THE SISTERS OF THE THIRD ORDER OF ST FRANCIS WHO HAVE TAKEN A VOW OF POVERTY HENCE, THEY DO NOT PERSONALLY BENEFIT FROM DECISIONS OF THE COMMITTEE. THE CHIEF EXECUTIVE OFFICER ("CEO") IS NOT A MEMBER OF THE COMMITTEE. THE PERFORMANCE OF THE CEO AND HIS ACHIEVEMENT OF ANNUAL GOALS IS EVALUATED EACH YEAR BY THE FULL BOARD OF DIRECTORS, AND THIS PERFORMANCE REVIEW IS PROVIDED TO THE COMMITTEE. THE COMMITTEE ALSO OBTAINS COMPENSATION SURVEY DATA AND RECOMMENDATIONS FROM A NATIONALLY RECOGNIZED INDEPENDENT COMPENSATION CONSULTANT. BASED ON ALL OF THESE FACTORS, THE COMMITTEE SETS THE BASE SALARY AND BENEFITS OF THE CEO AND APPROVES THE EXECUTIVE COMPENSATION PLAN APPLICABLE TO THE CEO. PRIOR TO PAYMENT OF ANY BONUS OR INCENTIVE COMPENSATION, THE TOTAL COMPENSATION FOR THE CEO, INCLUDING BASE SALARY, BENEFITS, AND PROPOSED BONUS OR INCENTIVE COMPENSATION, IS AGAIN REVIEWED BY A NATIONALLY RECOGNIZED COMPENSATION CONSULTANT TO ENSURE THAT NO "EXCESS BENEFIT" AMOUNT IS PAID OR FURNISHED.

Return Reference	Explanation
FORM 990 - PART VI - LINE 15B	<p>THE BOARD OF DIRECTORS HAS ESTABLISHED A BOARD COMMITTEE KNOWN AS THE HUMAN RESOURCES COMMITTEE WHOSE MEMBERS ARE ALL PROFESSED MEMBERS OF THE RELIGIOUS CONGREGATION KNOWN AS THE SISTERS OF THE THIRD ORDER OF ST FRANCIS WHO HAVE TAKEN A VOW OF POVERTY. HENCE, THEY DO NOT PERSONALLY BENEFIT FROM DECISIONS OF THE COMMITTEE. THE COMMITTEE DETERMINES WHICH OFFICERS, KEY EMPLOYEES AND OTHER EMPLOYEES ARE ELIGIBLE TO PARTICIPATE IN THE EXECUTIVE COMPENSATION PLAN BASED ON PERFORMANCE REVIEWS BY THE SUPERVISORS OF SUCH PERSONS AND COMPENSATION SURVEY DATA AND RECOMMENDATIONS FROM A NATIONALLY KNOWN INDEPENDENT COMPENSATION CONSULTANT, THE COMMITTEE APPROVES ANY EXECUTIVE COMPENSATION PLAN APPLICABLE TO KEY EMPLOYEES AND ESTABLISHES THE BASE SALARY AND BENEFITS FOR PLAN PARTICIPANTS. PRIOR TO PAYMENT OF ANY BONUS OR INCENTIVE COMPENSATION, THE TOTAL COMPENSATION FOR EACH KEY EMPLOYEE, INCLUDING BASE SALARY, BENEFITS, AND PROPOSED BONUS OR INCENTIVE COMPENSATION, IS AGAIN REVIEWED BY A NATIONALLY RECOGNIZED COMPENSATION CONSULTANT TO ENSURE THAT NO "EXCESS BENEFIT" AMOUNT IS PAID OR FURNISHED. SOME KEY EMPLOYEES LISTED IN PART VII ARE PRACTICING PHYSICIANS WHO ARE LISTED AS KEY EMPLOYEES AS A RESULT OF THE COMPENSATION THEY RECEIVE AND NOT DUE TO ANY EXECUTIVE OR MANAGEMENT POSITION WHICH THEY HOLD. SUCH PHYSICIANS GENERALLY ARE NOT PARTICIPANTS IN THE EXECUTIVE COMPENSATION PLAN, AND THEIR COMPENSATION, INCLUDING BASE SALARY, BENEFITS, AND ANY APPLICABLE BONUS OR INCENTIVE COMPENSATION, IS ESTABLISHED IN ACCORDANCE WITH NATIONALLY RECOGNIZED PHYSICIAN COMPENSATION SURVEYS AND IS SET FORTH IN WRITTEN EMPLOYMENT AGREEMENTS WHICH ARE APPROVED BY THE BOARD OF DIRECTORS OR ITS EXECUTIVE COMMITTEE.</p>

Return Reference	Explanation
FORM 990 - PART VI - LINE 18	OSF HEALTHCARE SYSTEM MAKES ITS FORM 990, ITS FORM 990-T, AND DOCUMENTATION OF ITS EXEMPT STATUS UNDER SECTION 501(C)(3) OF THE CODE AVAILABLE FOR PUBLIC INSPECTION AND COPYING UPON REQUEST IN ACCORDANCE WITH SECTION 6104 OF THE INTERNAL REVENUE CODE. NAMES AND ADDRESSES OF CONTRIBUTORS ARE NOT DISCLOSED. REQUESTS MAY BE MADE IN PERSON, IN WRITING, OR BY TELEPHONE. REQUESTS MADE IN PERSON ARE ACCEPTED AT THE CORPORATE OFFICE AND AT EACH HOSPITAL FACILITY OF THE CORPORATION. REQUESTS MADE IN WRITING OR BY TELEPHONE TO ANY FACILITY OR LOCATION OF THE CORPORATION ARE FORWARDED TO THE CORPORATE FINANCE AND ACCOUNTING DIVISION, WHICH THEN PROVIDES COPIES OF THE REQUESTED DOCUMENTS IN THE MANNER REQUESTED (IF SUCH DELIVERY METHOD IS AVAILABLE TO THE CORPORATION).

Return Reference	Explanation
FORM 990 - PART VI - LINE 19	THE CORPORATION MAKES ITS ARTICLES OF INCORPORATION, CORPORATE BY LAWS, AND CONFLICT OF INTEREST POLICY AVAILABLE TO THE PUBLIC UPON REQUEST. ALL REQUESTS ARE FORWARDED TO THE CORPORATE LEGAL DIVISION, WHICH THEN PROVIDES COPIES OF THE REQUESTED DOCUMENTS IN THE MANNER REQUESTED (IF SUCH DELIVERY METHOD IS AVAILABLE TO THE CORPORATION). IN ADDITION, THE CORPORATION'S ARTICLES OF INCORPORATION ARE PUBLICLY AVAILABLE FROM THE OFFICE OF THE ILLINOIS SECRETARY OF STATE OR FROM THE RECORDER OF DEEDS IN WOODFORD COUNTY, ILLINOIS, SITE OF THE CORPORATION'S REGISTERED OFFICE. FINANCIAL STATEMENTS OF THE CORPORATION ARE PUBLICLY AVAILABLE ON THE ELECTRONIC MUNICIPAL MARKET ACCESS (EMMA) WEBSITE OF THE MUNICIPAL SECURITIES RULEMAKING BOARD (MSRB) AND FROM THE ILLINOIS ATTORNEY GENERAL AS PART OF THE CORPORATION'S COMMUNITY BENEFIT REPORT.

Return Reference	Explanation
FORM 990 - PART VII - SECTION A	REPORTABLE COMPENSATION IN PART VII WAS DETERMINED FROM A REVIEW OF PAYROLL QUERIES FROM THE ORGANIZATION'S AND RELATED ORGANIZATION'S PAYROLL AND GENERAL LEDGER MODULES, YEARLY PAYROLL REPORTS, AND W-2 FILINGS

Return Reference	Explanation
FORM 990 - PART XI - LINE 9	OTHER CHANGES IN FUND BALANCE INCLUDE: CHANGE IN UNREALIZED MARKET VALUE OF SWAPS (5,253,345) NET ASSETS RELEASED FROM RESTRICTION (9,262,274) INCREASE IN PERMANENTLY RESTRICTED ASSETS 12,346,932 REVERSAL OF MINIMUM PENSION LIABILITY (151,927,008) SFI & SUBSIDIARY INCOME (5,452,139) MINORITY INTEREST (5,603,239) INVESTMENT IN HEALTHCARE MIDWEST (19,143,127) EQUITY TRANSFERS (38,444,195) EARLY EXTINGUISHMENT OF DEBT (2,365,342) TRANSFER TO PARENT (200,000) TRANSFER TO KEWANEE 21,877,000 NET SETTLEMENT OF DERIVATIVE INSTRUMENT (7,914,628) ----- TOTAL CHANGES IN NET ASSETS OR FUND BALANCE (211,341,365)

Return Reference	Explanation
SCHEDULE R - PART I - (B) PRIMARY ACTIVITY	OSF LIFELINE AMBULANCE, LLC OWNS TEN AMBULANCES AND FOUR WHEEL CHAIR VANS CONFIGURED AND EQUIPPED FOR PATIENT TRANSPORT AND PROVIDES GROUND AMBULANCE SERVICES IN NORTHERN ILLINOIS POINTCORE, LLC POOLS RESOURCES, SUCH AS DATA STORAGE AND TELECOMMUNICATIONS, TO IMPROVE THE QUALITY OF HEALTHCARE SERVICES TO ITS MEMBERS AND TO THIRD PARTIES

Return Reference	Explanation
<p>SCHEDULE R - PART II - (B) PRIMARY ACTIVITY</p>	<p>THE SISTERS OF THE THIRD ORDER OF ST FRANCIS IS THE SOLE MEMBER OF THE CORPORATION AND IS ENGAGED IN ACTIVITIES RELATED TO GOVERNANCE OF THE CORPORATION OSF HEALTHCARE FOUNDATION RAISES FUNDS TO SUPPORT THE ACTIVITIES OF THE CORPORATION ST FRANCIS COMMUNITY CLINIC PROVIDES FREE COMPREHENSIVE HEALTH CARE SERVICES TO THE INDIGENT POPULATION OF THE AREA OTTAWA REGIONAL HOSPITAL & HEALTHCARE CENTER OPERATES AN ACUTE CARE HOSPITAL IN OTTAWA THAT PROVIDES EFFICIENT AND QUALITY HEALTHCARE SERVICES CONSISTENT WITH THE NEEDS OF THE COMMUNITY OTTAWA REGIONAL HOSPITAL FOUNDATION SUPPORTS AND ENCOURAGES HEALTHCARE SERVICES IN FURTHERANCE OF THE SUPPORT OF AND IN ASSISTANCE TO OTTAWA REGIONAL HOSPITAL & HEALTHCARE CENTER THROUGH PROVIDING FINANCIAL AND FUNDRAISING ASSISTANCE OTTAWA REGIONAL HOSPITAL AUXILIARY OPERATES TO PROMOTE AND ADVANCE THE WELFARE OF OTTAWA REGIONAL HOSPITAL & HEALTHCARE CENTER OTTAWA REGIONAL HOSPITAL & HEALTHCARE LIABILITY LOSS FUND PROVIDES A VEHICLE FOR SELF-INSURING RISKS ARISING FROM THE OPERATION AND MAINTENANCE OF THE OTTAWA REGIONAL HOSPITAL & HEALTHCARE CENTER OSF MULTI-SPECIALTY GROUP HAS BEEN ORGANIZED TO SUPPORT THE MISSION OF OSF HEALTHCARE SYSTEM IN FUTURE YEARS THROUGH THE PROVISION OF QUALITY HEALTHCARE SERVICES RELATED TO COMPREHENSIVE INPATIENT AND OUTPATIENT CARE IT HAS NOT YET COMMENCED OPERATIONS OSF HEART & VASCULAR INSTITUTE HAS BEEN ORGANIZED TO SUPPORT THE MISSION OF OSF HEALTHCARE SYSTEM IN FUTURE YEARS THROUGH THE PROVISION OF QUALITY HEALTHCARE SERVICES RELATED TO CARDIOVASCULAR CARE AND TREATMENT IT HAS NOT YET COMMENCED OPERATIONS CHILDREN'S HOSPITAL OF ILLINOIS MEDICAL GROUP HAS BEEN ORGANIZED TO SUPPORT THE MISSION OF OSF HEALTHCARE SYSTEM IN FUTURE YEARS THROUGH THE PROVISION OF QUALITY OF HEALTHCARE SERVICES RELATED TO COMPREHENSIVE INPATIENT AND OUTPATIENT CARE FOR CHILDREN IT HAS NOT YET COMMENCED OPERATIONS ILLINOIS NEUROSCIENCE INSTITUTE HAS BEEN ORGANIZED TO SUPPORT THE MISSION OF OSF HEALTHCARE SYSTEM IN FUTURE YEARS THROUGH THE PROVISION OF QUALITY HEALTHCARE SERVICES RELATED TO RESEARCH CENTER FOR DIAGNOSIS AND TREATMENT OF BRAIN DISORDERS IT HAS NOT YET COMMENCED OPERATIONS</p>

Return Reference	Explanation
SCHEDULE R - PART III - (B) PRIMARY ACTIVITY	CENTER FOR HEALTH AMBULATORY SURGERY CENTER, LLC OPERATES A MULTISPECIALTY AMBULATORY SURGICAL CENTER IN PEORIA, ILLINOIS STATE AND ROXBURY , LLC OPERATES A REAL ESTATE MANAGEMENT ORGANIZATION IN ROCKFORD, ILLINOIS EASTLAND MEDICAL PLAZA SURGICENTER, LLC OPERATES A MULTISPECIALTY AMBULATORY SURGERY TREATMENT CENTER IN BLOOMINGTON, ILLINOIS FORT JESSE IMAGING CENTER, LLC OPERATES A STAND-ALONE MEDICAL IMAGING CENTER IN BLOOMINGTON, ILLINOIS SLEEP CENTER OF CENTRAL ILLINOIS, LLC OPERATES A STAND-ALONE SLEEP DISORDER DIAGNOSTIC CENTER IN BLOOMINGTON, ILLINOIS RADIATION ONCOLOGY OF NORTHERN ILLINOIS, LLC OPERATES A RADIATION ONCOLOGY CENTER POINT CORE NETWORK SERVICES, LLC IS AN INFORMATION TECHNOLOGY COMPANY THAT PROVIDES STRATEGY , PLANNING, CONSTRUCTION, AND OPERATIONAL SUPPORT FOR THE VOICE, VIDEO AND DATA NETWORKS OF LEADING HEALTHCARE ORGANIZATIONS

Return Reference	Explanation
SCHEDULE R - PART IV - (B) PRIMARY ACTIVITY	OSF SAINT FRANCIS, INC PROVIDES HEALTHCARE RELATED SERVICES SUCH AS MEDICAL PRACTICE MANAGEMENT, RETAIL PHARMACIES, MOBILE MEDICAL SYSTEMS, DURABLE MEDICAL EQUIPMENT, REAL ESTATE RENTAL AND EQUIPMENT TECHNOLOGY SERVICES HEARTCARE MIDWEST, LTD IS A PHYSICIAN GROUP OF CARDIOVASCULAR SPECIALISTS SERVING CENTRAL ILLINOIS CARDIOVASCULAR INSTITUTE AT OSF, LLC IS A PHYSICIAN GROUP OF CARDIOVASCULAR SPECIALISTS SERVING NORTHERN ILLINOIS ILLINOIS PATHOLOGIST SERVICES, LLC PROVIDES PATHOLOGY SERVICES IN NORTHERN ILLINOIS OSF MULTISPECIALTY GROUP - EASTERN REGION, LLC IS A MULTISPECIALTY CLINIC SERVING EASTERN ILLINOIS, OFFERING SERVICES IN ADULT MEDICINE, BEHAVIORAL FAMILY MEDICINE, GENERAL SURGERY, NEUROLOGY, OBSTETRICS, GYNECOLOGY, PEDIATRICS, PHYSIATRY, PULMONOLOGY, RADIOLOGY AND UROLOGY OSF MULTISPECIALTY GROUP - PEORIA, LLC PROVIDES PEDIATRIC CARE FOR CARDIOVASCULAR ILLNESSES ILLINOIS NEUROLOGICAL INSTITUTE - PHYSICIANS, LLC PROVIDES A FULL SPECTRUM OF ADULT AND PEDIATRIC CARE FOR ILLNESSES AFFECTING THE BRAIN, SPINAL CORD, AND PERIPHERAL NERVES ILLINOIS SPECIALTY PHYSICIAN SERVICES AT OSF, LLC PROVIDES PULMONOLOGY AND CRITICAL CARE SERVICES IN CENTRAL ILLINOIS OSF PERINATAL ASSOCIATES, LLC PROVIDES MATERNAL FETAL MEDICINE PHYSICIAN SERVICES IN CENTRAL ILLINOIS OSF MULTISPECIALTY GROUP - WESTERN REGION, LLC IS A MULTISPECIALTY CLINIC SERVING WESTERN ILLINOIS, OFFERING SERVICES IN A WIDE VARIETY OF GENERAL AND SPECIALTY MEDICAL CATEGORIES OSF CHILDREN'S MEDICAL GROUP - CONGENITAL HEART CENTER, LLC PROVIDES PEDIATRIC CARE FOR CARDIOVASCULAR ILLNESS IN NORTHERN ILLINOIS PREFERRED EMERGENCY PHYSICIANS OF ILLINOIS, LLC PROVIDES PHYSICIAN COVERAGE FOR EMERGENCY DEPARTMENTS OTTAWA REGIONAL HEALTHCARE AFFILIATES, INC IS A HOLDING COMPANY FOR OTTAWA REGIONAL MEDICAL CENTER, INC OTTAWA REGIONAL MEDICAL CENTER, INC PROVIDES OUTPATIENT MEDICAL AND DIAGNOSTIC SERVICES

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
OSF Healthcare System

Employer identification number
37-0813229

Part I Identification of Disregarded Entities

Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) OSF LIFELINE AMBULANCE LLC 318 ROXBURY ROAD ROCKFORD, IL 61107 20-0080542	SCHEDULE O	IL	-1,178,725	448,323	OSF
(2) POINTCORE LLC 9600 N FRANCISCAN DR PEORIA, IL 61615 46-5126926	SCHEDULE O	IL	0	3,396,099	OSF

Part II Identification of Related Tax-Exempt Organizations

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
See Additional Data Table							

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) CENTER FOR HEALTH AMBULATORY SURGERY CEN 880 ROUTE 91 NORTH PEORIA, IL 61615 20-5557171	SCHEDULE O	IL	OSF	RELATED	3,705,250	1,771,084		No			No	55 500 %
(2) STATE AND ROXBURY LLC 1725 HUNTWOOD DR STE 400 CHERRY VALLEY, IL 61016 26-1728983	SCHEDULE O	IL	OSF	RELATED	-41,643	1,769,773		No			No	51 000 %
(3) EASTLAND MED PLAZA SURGICENTER LLC 1505 EASTLAND DRIVE BLOOMINGTON, IL 61701 37-1400643	SCHEDULE O	IL	OSF	RELATED	3,176,578	6,806,239		No			No	53 560 %
(4) FORT JESSE IMAGING CENTER LLC 2200 FT JESSE ROAD SUITE B NORMAL, IL 61761 46-0515604	SCHEDULE O	IL	OSF	RELATED	628,198	288,711		No			No	50 100 %
(5) SLEEP CENTER OF CENTRAL ILLINOIS 2204 EASTLAND DRIVE SUITE 100 BLOOMINGTON, IL 61704 81-0581886	SCHEDULE O	IL	OSF	RELATED	55,289	80,957		No			No	16 650 %
(6) RADIATION ONCOLOGY OF NORTHERN ILLINOIS 1200 STARFIRE DRIVE OTTAWA, IL 61350 75-3247165	SCHEDULE O	IL	ORHHC	RELATED	274,748	831,906		No			No	57 000 %
(7) POINT CORE NETWORK SERVICES LLC 222 3RD AVE SE SUITE 500 CEDAR RAPIDS, IA 52401 46-5393141	SCHEDULE O	IA	POINTCORELLC	RELATED	0	0		No			No	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	
See Additional Data Table										

Part V

Transactions With Related Organizations

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

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

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

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

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

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

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

e Loans or loan guarantees by related organization(s)

f Dividends from related organization(s)

g Sale of assets to related organization(s)

h Purchase of assets from related organization(s)

i Exchange of assets with related organization(s)

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

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

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

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

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

o Sharing of paid employees with related organization(s)

p Reimbursement paid to related organization(s) for expenses

q Reimbursement paid by related organization(s) for expenses

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

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

Yes

No

1a Yes

1b Yes

1c

1d Yes

1e

1f

1g

1h

1i

1j

1k Yes

1l Yes

1m Yes

1n

1o

1p Yes

1q

1r

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			

Schedule R (Form 990) 2013

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

[illegible]

Part VII

Supplemental Information

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

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

Additional Data

Software ID:

Software Version:

EIN: 37-0813229

Name: OSF Healthcare System

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled entity?	
						Yes	No
(1) SISTERS OF THE THIRD ORDER OF ST FRANCI 800 NE GLEN OAK AVE PEORIA, IL 61603 37-1259286	SCHEDULE O	IL	501(C)(3)	LN11 TYPEII	NA		No
(1) OSF HEALTHCARE FOUNDATION 800 NE GLEN OAK AVE PEORIA, IL 61603 37-1259284	SCHEDULE O	IL	501(C)(3)	LN11 TYPEII	NA		No
(2) ST FRANCIS COMMUNITY CLINIC 530 NE GLEN OAK AVE PEORIA, IL 61637 37-0661235	SCHEDULE O	IL	501(C)(3)	LN7	SIS 3RD OSF		No
(3) OTTAWA REGIONAL HOSP & HEALTHCARE CTR 1100 EAST NORRIS DRIVE OTTAWA, IL 61350 36-2604009	SCHEDULE O	IL	501(C)(3)	LN3	OSF	Yes	
(4) OTTAWA REGIONAL HOSPITAL FOUNDATION 1100 EAST NORRIS DRIVE OTTAWA, IL 61350 36-4007569	SCHEDULE O	IL	501(C)(3)	LN11A TYPEI	ORHHC	Yes	
(5) OTTAWA REGIONAL HOSPITAL AUXILIARY 1100 EAST NORRIS DRIVE OTTAWA, IL 61350 36-3854788	SCHEDULE O	IL	501(C)(3)	LN11C TYIII	NA		No
(6) OTTAWA REG HOSP & HEALTHCARE CTR LIAB 1100 EAST NORRIS DRIVE OTTAWA, IL 61350 36-3612653	SCHEDULE O	IL	501(C)(3)	LN11A TYPEI	ORHHC	Yes	
(7) OSF MULTI-SPECIALTY GROUP 800 NE GLEN OAK AVE PEORIA, IL 61603 38-3852646	SCHEDULE O	IL	501(C)(3)	LN11A TYPEI	OSF	Yes	
(8) OSF HEART & VASCULAR INSTITUTE 800 NE GLEN OAK AVE PEORIA, IL 61603 35-2422385	SCHEDULE O	IL	501(C)(3)	LN11A TYPEI	OSF	Yes	
(9) CHILDREN'S HOSPITAL OF ILLINOIS MED GRP 800 NE GLEN OAK AVE PEORIA, IL 61603 32-0353954	SCHEDULE O	IL	501(C)(3)	LN11A TYPEI	OSF	Yes	
(10) ILLINOIS NEUROSCIENCE INSTITUTE 800 NE GLEN OAK AVE PEORIA, IL 61603 36-4709999	SCHEDULE O	IL	501(C)(3)	LN11A TYPEI	OSF	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of- year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in Box 20 of K-1 (Form 1065)	(j) General or Managing Partner?		(k) Percentage ownership
							Yes	No		Yes	No	
CENTER FOR HEALTH AMBULATORY SURGERY CEN 880 ROUTE 91 NORTH PEORIA, IL 61615 20-5557171	SCHEDULE O	IL	OSF	RELATED	3,705,250	1,771,084		No			No	55 500 %
STATE AND ROXBURY LLC 1725 HUNTWOOD DR STE 400 CHERRY VALLEY, IL 61016 26-1728983	SCHEDULE O	IL	OSF	RELATED	-41,643	1,769,773		No			No	51 000 %
EASTLAND MED PLAZA SURGICENTER LLC 1505 EASTLAND DRIVE BLOOMINGTON, IL 61701 37-1400643	SCHEDULE O	IL	OSF	RELATED	3,176,578	6,806,239		No			No	53 560 %
FORT JESSE IMAGING CENTER LLC 2200 FT JESSE ROAD SUITE B NORMAL, IL 61761 46-0515604	SCHEDULE O	IL	OSF	RELATED	628,198	288,711		No			No	50 100 %
SLEEP CENTER OF CENTRAL ILLINOIS 2204 EASTLAND DRIVE SUITE 100 BLOOMINGTON, IL 61704 81-0581886	SCHEDULE O	IL	OSF	RELATED	55,289	80,957		No			No	16 650 %
RADIATION ONCOLOGY OF NORTHERN ILLINOIS 1200 STARFIRE DRIVE OTTAWA, IL 61350 75-3247165	SCHEDULE O	IL	ORHHC	RELATED	274,748	831,906		No			No	57 000 %
POINT CORE NETWORK SERVICES LLC 222 3RD AVE SE SUITE 500 CEDAR RAPIDS, IA 52401 46-5393141	SCHEDULE O	IA	POINTCORELLC	RELATED	0	0		No			No	50 000 %

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
OSF SAINT FRANCIS INC 800 NE GLEN OAK AVE PEORIA, IL 61603 36-3484677	SCHEDULE O	IL	OSF	C Corp	472,671	165,468,850	100 000 %	Yes	
HEARTCARE MIDWEST LTD 5405 N KNOXVILLE AVENUE PEORIA, IL 61614 37-0996868	SCHEDULE O	IL	OSF	C Corp	-19,143,127	5,039,470	100 000 %	Yes	
CARDIOVASCULAR INSTITUTE AT OSF LLC 444 ROXBURY ROAD ROCKFORD, IL 61107 26-4225726	SCHEDULE O	IL	OSF	C Corp	-8,156,600	499,464	100 000 %	Yes	
ILLINOIS PATHOLOGIST SERVICES LLC 5666 EAST STATE STREET ROCKFORD, IL 61108 80-0439081	SCHEDULE O	IL	OSF	C Corp	279,495	852,769	100 000 %	Yes	
OSF MULTISPECIALTY GRP-EASTERN REG LLC 1701 E COLLEGE AVENUE BLOOMINGTON, IL 61704 30-0561892	SCHEDULE O	IL	OSF	C Corp	-12,378,224	1,777,662	100 000 %	Yes	
OSF MULTISPECIALTY GROUP-PEORIA LLC 530 NE GLEN OAK AVENUE PEORIA, IL 61637 26-2800379	SCHEDULE O	IL	OSF	C Corp	-4,057,589	131,102	100 000 %	Yes	
ILLINOIS NEUROLOGICAL INSTITUTE-PHYLLC 719 N WILLIAM KUMPF BLVD PEORIA, IL 61605 26-3109118	SCHEDULE O	IL	OSF	C Corp	-5,172,950	1,187,636	100 000 %	Yes	
ILLINOIS SPEC PHY SVCS AT OSF LLC 1001 MAIN STREET SUITE 200 PEORIA, IL 61606 80-0462209	SCHEDULE O	IL	OSF	C Corp	-5,136,121	400,926	100 000 %	Yes	
OSF PERINATAL ASSOCIATES LLC 4911 EXECUTIVE DRIVE SUITE 200 PEORIA, IL 61614 80-0498373	SCHEDULE O	IL	OSF	C Corp	-1,045,437	71,310	100 000 %	Yes	
OSF MULTISPECIALTY GR-WESTERN REGIONLLC 3315 NORTH SEMINARY STREET GALESBURG, IL 61401 80-0608541	SCHEDULE O	IL	OSF	C Corp	5,197,724	873,536	100 000 %	Yes	
OSF CHILDREN'S MEDICAL GROUP-CONGENITAL 5701 STRATHMOOR DRIVE SUITE 1 ROCKFORD, IL 61107 90-0714643	SCHEDULE O	IL	OSF	C Corp	-1,153,026	359,345	100 000 %	Yes	
PREFERRED EMERGENCY PHY OF ILLINOIS LLC 800 NE GLEN OAK AVENUE PEORIA, IL 61603 90-0749855	SCHEDULE O	IL	OSF	C Corp	72,481	-168,118	100 000 %	Yes	
OTTAWA REG HEALTHCARE AFFILIATES INC 1100 EAST NORRIS DRIVE OTTAWA, IL 61350 26-3937519	SCHEDULE O	IL	ORHHC	C Corp	-3,763,227	4,595,134	100 000 %		No
OTTAWA REGIONAL MEDICAL CENTER INC 1614 EAST NORRIS DRIVE OTTAWA, IL 61350 27-1036071	SCHEDULE O	IL	ORHHC	C Corp	-3,763,227	4,595,134	100 000 %		No

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
OTTAWA REGIONAL HOSPITAL & HEALTHCARE CENTER	a(i)	96,856	
CENTER FOR HEALTH AMBULATORY SURGERY CENTER	a(iv)	970,815	
EASTLAND MEDICAL PLAZA SURGICENTER LLC	a(iv)	567,314	
HEARTCARE MIDWEST LTD	a(iv)	352,107	
OSF MULTISPECIALTY GROUP - PEORIA LLC	a(iv)	238,562	
OSF PERINATAL ASSOCIATES LLC	a(iv)	10,496	
ILLINOIS NEUROLOGICAL INSTITUTE-PHYSICIANS	a(iv)	14,806	
OSF SAINT FRANCIS INC	a(iv)	479,267	
ILLINOIS LUNG AND CRITICAL CARE INSTITUTE	a(iv)	19,896	
OSF MULTISPECIALTY GROUP-EASTERN REGION LLC	a(iv)	131,546	
OSF MULTISPECIALTY GROUP-WESTERN REGION LLC	a(iv)	3,086	
OSF CHILDREN'S MEDICAL GROUP-CONGENITAL HEART	a(iv)	33,394	
OSF MULTISPECIALTY GROUP - PEORIA LLC	b	4,150,000	
ILLINOIS NEUROLOGICAL INSTITUTE-PHYSICIANS	b	4,600,000	
CARDIOVASCULAR INSTITUTE AT OSF LLC	b	6,400,000	
OSF MULTISPECIALTY GROUP-EASTERN REGION LLC	b	10,800,000	
ILLINOIS SPECIALTY PHYSICAN SERVICES AT OSF	b	4,400,000	
OSF MULTISPECIALTY GROUP-WESTERN REGION LLC	b	5,700,000	
OSF PERINATAL ASSOCIATES LLC	b	1,030,000	
OSF CHILDREN'S MEDICAL GROUP-CONGENITAL HEART	b	1,300,000	
HEARTCARE MIDWEST LTD	b	14,500,000	
STATE AND ROXBURY LLC	d	500,000	
OSF SAINT FRANCIS INC	k	6,212,266	
CARDIOVASCULAR INSTITUTE AT OSF LLC	k	560,274	
STATE AND ROXBURY LLC	k	421,476	

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
HEARTCARE MIDWEST LTD	k	559,461	
OSF SAINT FRANCIS INC	l	14,477,888	
HEARTCARE MIDWEST LTD	l	73,138	
OSF MULTISPECIALTY GROUP-EASTERN REGION LLC	l	15,151,570	
CARDIOVASCULAR INSTITUTE AT OSF LLC	l	7,384,568	
ILLINOIS PATHOLOGIST SERVICES LLC	l	1,236,498	
ILLINOIS SPECIALTY PHYSICAN SERVICES AT OSF	l	6,353,654	
OSF PERINATAL ASSOCIATES LLC	l	1,933,433	
OSF MULTISPECIALTY GROUP - PEORIA LLC	l	5,757,649	
ILLINOIS NEUROLOGICAL INSTITUTE-PHYSICIANS	l	8,159,174	
OSF MULTISPECIALTY GROUP-WESTERN REGION LLC	l	9,150,515	
OSF CHILDREN'S MEDICAL GROUP-CONGENITAL HEART	l	750,417	
PREFERRED EMERGENCY PHYSICIANS OF ILLINOIS	l	3,029,797	
OTTAWA REGIONAL HOSPITAL & HEALTHCARE CENTER	l	2,367,527	
OSF SAINT FRANCIS INC	m	100,405,205	
OSF SAINT FRANCIS INC	p	1,040,589	
HEARTCARE MIDWEST LTD	p	1,236,169	
OSF MULTISPECIALTY GROUP-EASTERN REGION LLC	p	20,557,933	
CARDIOVASCULAR INSTITUTE AT OSF LLC	p	7,894,972	
ILLINOIS PATHOLOGIST SERVICES LLC	p	756,429	
ILLINOIS SPECIALTY PHYSICAN SERVICES AT OSF	p	3,749,417	
OSF PERINATAL ASSOCIATES LLC	p	659,021	
OSF MULTISPECIALTY GROUP - PEORIA LLC	p	3,740,484	
ILLINOIS NEUROLOGICAL INSTITUTE-PHYSICIANS	p	5,550,955	
OSF MULTISPECIALTY GROUP-WESTERN REGION LLC	p	10,332,105	

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
OSF CHILDREN'S MEDICAL GROUP-CONGENITAL HEART	p	1,297,135	
PREFERRED EMERGENCY PHYSICIANS OF ILLINOIS	p	74,453	
OTTAWA REGIONAL HOSPITAL & HEALTHCARE CENTER	p	245,322	
EASTLAND MEDICAL PLAZA SURGICENTER LLC	s	3,514,247	
FORT JESSE IMAGING CENTER LLC	s	424,343	
CENTER FOR HEALTH AMBULATORY SURGERY CENTER	s	2,886,000	
OSF MULTISPECIALTY GROUP-EASTERN REGION LLC	s	650,000	
CARDIOVASCULAR INSTITUTE AT OSF LLC	s	1,430,387	
ILLINOIS PATHOLOGIST SERVICES LLC	s	2,298,205	
ILLINOIS SPECIALTY PHYSICAN SERVICES AT OSF	s	105,000	
OSF PERINATAL ASSOCIATES LLC	s	85,000	
OSF MULTISPECIALTY GROUP - PEORIA LLC	s	35,000	
ILLINOIS NEUROLOGICAL INSTITUTE-PHYSICIANS	s	345,000	
OSF CHILDREN'S MEDICAL GROUP-CONGENITAL HEART	s	950,000	
PREFERRED EMERGENCY PHYSICIANS OF ILLINOIS	s	2,955,000	
OSF SAINT FRANCIS INC	s	133,077,187	



OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Consolidated Financial Statements
and Supplementary Information

September 30, 2014 and 2013

(With Independent Auditors' Report Thereon)

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

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KPMG LLP
Aon Center
Suite 5500
200 East Randolph Drive
Chicago, IL 60601-6436

Independent Auditors' Report

OSF Healthcare System
Peoria, Illinois:

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of OSF Healthcare System and Subsidiaries (OSF), which comprise the consolidated balance sheets as of September 30, 2014 and 2013, and the related consolidated statements of operations and changes in unrestricted net assets, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements referred to above present fairly, in all material respects, the financial position of OSF Healthcare System and Subsidiaries as of September 30, 2014 and



2013, and the results of their operations and their cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included in schedules 1 through 8 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

KPMG LLP

Chicago, Illinois
February 10, 2015

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Consolidated Balance Sheets

September 30, 2014 and 2013

(In thousands)

Assets	2014	2013
Current:		
Cash and cash equivalents	\$ 280,090	264,949
Patients' and residents' accounts receivable, net of allowance for doubtful accounts of approximately \$144,902 in 2014 and \$158,939 in 2013	398,852	369,698
Other	68,767	72,547
Total current assets	747,709	707,194
Investments	907,012	754,601
Assets limited as to use	166,896	150,482
Property and equipment, net	973,022	960,810
Restricted assets	59,767	54,637
Other assets	68,829	66,949
Total assets	\$ 2,923,235	2,694,673
Liabilities and Net Assets		
Current liabilities:		
Current portion of long-term debt	\$ 13,232	8,783
Accounts payable and accrued expenses	265,220	224,561
Estimated third-party payor settlements	82,486	80,167
Total current liabilities	360,938	313,511
Long-term debt, net of current portion	907,682	881,390
Accrued benefit liability	428,805	274,073
Estimated self-insurance liabilities	177,026	158,014
Other liabilities	54,503	49,015
Total liabilities	1,928,954	1,676,003
Net assets:		
Unrestricted:		
Unrestricted net assets of OSF	925,538	954,777
Noncontrolling interests in subsidiaries	8,976	9,256
Total unrestricted net assets	934,514	964,033
Temporarily restricted	36,966	38,213
Permanently restricted	22,801	16,424
Total net assets	994,281	1,018,670
Total liabilities and net assets	\$ 2,923,235	2,694,673

See accompanying notes to consolidated financial statements.

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Consolidated Statements of Operations and Change in Unrestricted Net Assets

Years ended September 30, 2014 and 2013

(In thousands)

	2014	2013
Net patient service revenue, net of contractual allowances and discounts	\$ 2,065,269	2,005,184
Provision for uncollectible accounts	(67,258)	(94,333)
Net patient service revenues less provision for uncollectible accounts	1,998,011	1,910,851
Other revenues		
Contributions	3,434	4,043
Other	92,513	81,228
Net assets released from restrictions used for operations	2,868	2,578
Total revenues	2,096,826	1,998,700
Expenses		
Salaries and benefits	1,154,034	1,140,414
Sisters' evaluated services	1,191	1,152
Supplies and other expenses	745,619	735,627
Depreciation and amortization	95,517	91,448
Interest	36,185	35,726
Total expenses	2,032,546	2,004,367
Income (loss) before income tax expense	64,280	(5,667)
Income tax expense	363	331
Income (loss) from operations	63,917	(5,998)
Nonoperating gains (losses)		
Investment income	38,137	35,745
Net settlement of derivative instruments	(7,914)	1,364
Change in fair value of investments	12,308	18,559
Loss on early extinguishment of debt	(2,993)	(738)
Change in fair value of derivative instruments	(4,835)	18,389
Contribution of excess assets over liabilities for Saint Luke Medical Center and other	23,270	—
Total nonoperating gains, net	57,973	73,319
Discontinued operations		
Loss from operations of OSF Saint Clare Home	—	(1,172)
Net income	121,890	66,149
Other changes in unrestricted net assets		
Net assets released from restrictions used for the purchase of property and equipment	6,429	2,641
Transfer to affiliate and other	(200)	(8,947)
Recognition of change in pension funded status	(151,927)	156,685
Net (distributions made to) contributions from noncontrolling shareholders	(5,711)	163
Change in unrestricted net assets	\$ (29,519)	216,691

See accompanying notes to consolidated financial statements

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Consolidated Statements of Changes in Net Assets

Years ended September 30, 2014 and 2013

(In thousands)

	<u>2014</u>	<u>2013</u>
Unrestricted net assets:		
Net income	\$ 121,890	66,149
Other changes in unrestricted net assets:		
Net assets released from restrictions used for the purchase of property and equipment	6,429	2,641
Transfer to affiliate and other	(200)	(8,947)
Recognition of change in pension funded status	(151,927)	156,685
Net (distributions made to) contributions from noncontrolling shareholders	(5,711)	163
Change in unrestricted net assets	<u>(29,519)</u>	<u>216,691</u>
Temporarily restricted net assets:		
Contributions and other	6,271	13,782
Investment income	1,779	1,608
Net assets released from restrictions, including \$71 related to discontinued operations in 2013	(9,297)	(5,290)
Change in temporarily restricted net assets	<u>(1,247)</u>	<u>10,100</u>
Permanently restricted net assets:		
Contributions	6,377	3,245
Change in net assets	<u>(24,389)</u>	<u>230,036</u>
Net assets, beginning of year	<u>1,018,670</u>	<u>788,634</u>
Net assets, end of year	<u>\$ 994,281</u>	<u>1,018,670</u>

See accompanying notes to consolidated financial statements.

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years ended September 30, 2014 and 2013

(In thousands)

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities		
Change in net assets	\$ (24,389)	230,036
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Income from equity basis investments and gain on sale	(1,290)	(5,408)
Contribution of excess assets over liabilities for Saint Luke Medical Center and other	(24,005)	—
Distributions from equity basis investments	842	4,121
Loss on early extinguishment of debt	2,993	738
Amortization of bond issue costs and premiums discounts included in interest expense	83	(96)
Change in fair value of derivative instruments	4,835	(18,389)
Change in fair value of trading securities	(18,001)	(15,519)
Transfer to affiliate and other	200	8,947
Net realized gains on investments	(17,642)	(13,430)
Net distributions paid to (contributions from) noncontrolling interests, including \$6,815 from consolidating joint venture in 2013	5,711	(163)
Depreciation and amortization	95,517	91,448
Restricted contributions and investment income	(14,427)	(18,635)
Net assets released from restrictions	2,868	2,649
Provision for uncollectible accounts	67,258	94,333
Recognition of change in pension funded status	151,927	(156,685)
Changes in assets and liabilities		
Patients' and residents' accounts receivable	(91,177)	14,930
Other current assets	3,132	14,007
Other assets	1,158	14,535
Other liabilities	3,458	(18,607)
Accounts payable and accrued expenses	38,020	16,183
Estimated third-party payor settlements	516	(9,077)
Estimated self-insurance liabilities	19,012	10,252
Net cash provided by operating activities	<u>206,599</u>	<u>246,170</u>
Cash flows from investing activities		
Acquisition of property and equipment	(91,674)	(116,705)
Asset stock purchase of affiliates	(500)	(1,058)
Change in restricted assets	(4,393)	13,345
Cash received from acquisition of Saint Luke Medical Center and other	4,647	—
Gross purchases of investments	(562,558)	(493,553)
Gross proceeds from the sale of investments	453,936	505,156
Net cash used in investing activities	<u>(200,542)</u>	<u>(92,815)</u>
Cash flows from financing activities		
Restricted contributions and investment income	14,427	18,635
Net assets released from restriction for operations	(2,868)	(2,649)
Net distributions paid to noncontrolling interests	(5,711)	(6,652)
Proceeds from issuance of long-term debt, including premium	69,456	126,604
Transfer to affiliate and other	(200)	(8,947)
Extinguishment of long-term debt, including redemption premium	(57,378)	(1,893)
Repayment of long-term debt	(8,642)	(134,205)
Cash from consolidating joint venture	—	694
Net cash provided by (used in) financing activities	<u>9,084</u>	<u>(8,413)</u>
Net change in cash and cash equivalents	15,141	144,942
Cash and cash equivalents		
Beginning of year OSF	<u>264,949</u>	<u>120,007</u>
End of year OSF	\$ <u>280,090</u>	<u>264,949</u>
Supplemental disclosures of cash flow information		
Cash paid for interest, net of amounts capitalized	\$ 36,225	33,338
Cash paid for income taxes	12	12

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years ended September 30, 2014 and 2013

(In thousands)

	<u>2014</u>	<u>2013</u>
Noncash transactions associated with Saint Luke Medical Center for 2014 and a consolidating joint venture for 2013		
Patient accounts receivable	\$ 5,235	2,252
Other current assets	1,480	282
Investments	24,560	—
Property and equipment	16,055	1,260
Restricted assets	737	—
Other long-term assets	3,038	15,409
Accounts payable and accrued expenses	(2,639)	(2,228)
Estimated third-party payor settlements	(1,803)	—
Long-term debt	(27,305)	(3,023)

See accompanying notes to consolidated financial statements

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2014 and 2013

(In thousands)

(1) Organization

OSF Healthcare System (OSF) is an Illinois not-for-profit corporation incorporated in 1880 as The Sisters of the Third Order of St. Francis. OSF's current name was adopted as part of a corporate restructuring in 1989 at which time a new Illinois not-for-profit corporation known as The Sisters of the Third Order of St. Francis (Parent) was incorporated by a religious congregation of the Roman Catholic Church having the same name. The Parent is the sole member of OSF and OSF Healthcare Foundation (the Foundation). OSF currently owns and operates eight hospitals, one nursing home (through February 2013), and other healthcare-related entities. OSF operates its healthcare facilities as a single corporation, with each healthcare facility functioning as an operating division of OSF. OSF consists of the following healthcare providers (Providers):

- OSF St. Francis Hospital, Escanaba, Michigan
- OSF Saint Anthony Medical Center, Rockford, Illinois (SAMC)
- OSF Saint James-John W. Albrecht Medical Center, Pontiac, Illinois (SJJAMC)
- OSF St. Joseph Medical Center, Bloomington, Illinois (SJMC)
- OSF Saint Francis Medical Center, Peoria, Illinois (SFMC)
- OSF St. Mary Medical Center, Galesburg, Illinois
- OSF Holy Family Medical Center, Monmouth, Illinois (HFMC)
- OSF Saint Clare Home, Peoria Heights, Illinois (Sold effective February 2013)
- OSF Home Care, Peoria, Illinois
- OSF Saint Luke Medical Center, Kewanee, Illinois

In addition to the Providers, the consolidated financial statements include activities of the OSF Corporate Office and OSF's subsidiaries: Ottawa Regional Hospital & Healthcare Center and Subsidiaries, OSF Saint Francis, Inc. and Subsidiaries (SFI), OSF Lifeline Ambulance, LLC, 11 wholly owned physician group subsidiaries, and PointCore, LLC.

On April 30, 2012, OSF became the sole corporate member of Ottawa Regional Hospital & Healthcare Center d/b/a OSF Saint Elizabeth Medical Center (SEMC) an Illinois not-for-profit corporation. SEMC owns all of the capital stock of Ottawa Regional Healthcare Affiliates, Inc. (ORHA) and Ottawa Regional Hospital Auxiliary. SEMC is the sole member of Ottawa Regional Hospital Foundation and has a 57% ownership in Radiation Oncology of Northern Illinois, LLC (RONI). RONI is consolidated by SEMC.

ORHA is an Illinois for-profit corporation, was incorporated in 2008, and is wholly owned by SEMC. ORHA is a holding company and does not itself operate any businesses. ORHA is the sole stockholder of Ottawa Regional Medical Center, Inc. (ORMC) and Ottawa Regional Cardinal Sleep Center, LLC (ORCSC) and 50% owner of Ottawa Regional DME, LLC (DME). ORHA has not made any initial capital contributions to ORCSC and DME and there have been no operations within these entities at September 30, 2014 and 2013.

ORMC, an Illinois for-profit corporation, was incorporated in 2009. It provides primary care services through employed physicians and nurse practitioners at two locations. It also renders occupational health services, and operates a full-service laboratory and an urgent care clinic.

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2014 and 2013

(In thousands)

ORCSC and DME are limited liability companies formed in July 2010.

Ottawa Regional Hospital Auxiliary is an Illinois not-for-profit corporation organized and operated to support the charitable purposes of SEMC.

Ottawa Regional Hospital Foundation is an Illinois not-for-profit fund raising organization whose purpose is to support and encourage healthcare services in furtherance of the purpose of an in assistance to SEMC.

RONI is an Illinois limited liability company, formed in 2007 to own and operate a radiation oncology center.

OSF is the sole member of the Board of Managers of Pointcore, LLC, a limited liability company organized under the laws of the State of Delaware on December 20, 2013 the purpose of which is to pool resources, such as data storage and telecommunications, to improve the quality of healthcare services to its Members and to third parties.

OSF Saint Luke Medical Center (SLMC) (formerly known as Kewanee Hospital), Kewanee, Illinois merged into OSF pursuant to a statutory merger on April 1, 2014. SLMC is a 25-bed critical access hospital serving the community since 1919. The transaction resulted in a contribution of excess assets over liabilities of \$21,875 being recorded in the consolidated statements of operations and change in unrestricted net assets during 2014.

The following table represents the balance sheet as of April 1, 2014 for SLMC:

Assets	
Current:	
Cash and cash equivalents	\$ 3,254
Patients' accounts receivable, net	5,235
Other current assets	<u>1,480</u>
Total current assets	9,969
Investments	24,560
Property and equipment, net	16,055
Restricted assets	737
Other long-term assets	<u>3,038</u>
Total assets	<u><u>\$ 54,359</u></u>

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2014 and 2013

(In thousands)

Liabilities and Net Assets

Current liabilities:	
Current portion of long-term debt	\$ 965
Accounts payable and accrued expenses	2,639
Estimated third-party payor settlements	1,803
Total current liabilities	5,407
Long-term debt, net of current portion	26,340
Total liabilities	31,747
Net Assets:	
Unrestricted	21,875
Temporarily restricted	54
Permanently restricted	683
Total net assets	22,612
Total liabilities and net assets	\$ 54,359

On an annualized basis the expected revenue and expense for SLMC is \$28,600 and \$27,500, respectively.

SFI is an Illinois for-profit corporation incorporated in 1986 and is engaged in the following lines of business: medical practice management, retail pharmacies, mobile medical systems, durable medical equipment, home therapeutics, real estate rental, and equipment technology services. SFI also participates in various health-related joint ventures and is the sole corporate member of OSF Aviation, Inc., OSF Design Group, Inc., OSF Assurance Company, and OSF Finance Company LLC (OSFFC). OSF Aviation, Inc. is an Illinois limited liability corporation formed on January 28, 2002 for the purpose of acquiring and operating emergency medical equipped helicopters in support of the trauma services programs of SFMC and SAMC. OSF Design Group, Inc. is an Illinois limited liability corporation formed on October 1, 2004 to provide professional architectural services as a registered professional design firm to OSF and its subsidiaries. OSF Assurance Company is a Vermont general corporation incorporated on December 8, 2004 and organized for the purpose of writing insurance and reinsurance as a captive insurance company. OSFFC, an Illinois limited liability company, was organized in November 2007 to be a nominal issuer of taxable corporate notes or other debt instruments used to finance certain capital expenditures that would not be eligible for tax-exempt financing. OSF is not a borrower, obligor, or guarantor of any indebtedness issued by OSFFC.

OSF Lifeline Ambulance, LLC is an Illinois limited liability corporation that commenced operations on October 1, 2003, as a subsidiary of SFI, to provide emergency ground transportation services. SFI contributed all of its ownership interest of OSF Lifeline Ambulance, LLC to OSF effective January 1, 2009.

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2014 and 2013

(In thousands)

OSF has 11 wholly owned physician group subsidiaries, which have been formed or acquired to provide physician services and function as physician groups and include the following:

OSF Multispecialty Group – Peoria, LLC was organized on June 11, 2008 and commenced operations on July 1, 2008 to provide pediatric care for cardiovascular illnesses in central Illinois.

Illinois Neurological Institute – Physicians, LLC (INI) was organized on July 23, 2008 and commenced operations on September 22, 2008. INI provides a full spectrum of adult and pediatric care for illnesses affecting the brain, spinal cord, and peripheral nerves.

HeartCare Midwest, Ltd (HCM) was acquired by OSF in a stock purchase transaction on September 1, 2008. HCM is physician group of cardiovascular specialists serving central and northern Illinois.

Cardiovascular Institute at OSF, LLC was organized on January 13, 2009 and commenced operations on April 17, 2009. Cardiovascular Institute at OSF, LLC is a physician group of cardiovascular specialists serving northern Illinois.

OSF Multispecialty Group – Eastern Region, LLC was organized on May 28, 2009 and commenced operations on September 14, 2009. OSF Multispecialty Group – Eastern Region, LLC is a multispecialty clinic serving eastern Illinois, offering services in a wide variety of general and specialty medical categories.

Illinois Pathologist Services, LLC was organized on July 9, 2009 and commenced operation on July 19, 2009 to provide pathology services in northern Illinois.

Illinois Specialty Physician Services at OSF, LLC was organized on August 4, 2009 and commenced operations on November 1, 2009 to provide pulmonary, critical care, and sleep medicine in central Illinois.

OSF Perinatal Associates, LLC was organized on October 21, 2009 and commenced operations on December 13, 2009 to provide perinatology services in central Illinois.

OSF Multispecialty Group – Western Region, LLC was organized on June 8, 2010 and commenced operations on November 1, 2010. OSF Multispecialty Group – Western Region, LLC is a multispecialty clinic serving western Illinois, offering services in a wide variety of general and specialty medical categories.

OSF Children's Medical Group – Congenital Heart Center, LLC was organized on April 28, 2011 and commenced operations on July 24, 2011 to provide pediatric care for cardiovascular illnesses in northern Illinois.

Preferred Emergency Physicians of Illinois, LLC was organized on August 4, 2011 and commenced operation on September 1, 2011 to provide physician coverage for emergency departments.

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2014 and 2013

(In thousands)

OSF owns 50% or more and has management control in the following consolidated joint venture entities:

State and Roxbury, LLC (SAR) was formed in 2009 to establish and operate a real estate management organization in Rockford, Illinois. SAMC has a 51.00% controlling interest in SAR as of September 30, 2014 and 2013.

The Center For Health Ambulatory Surgery Center, LLC (CHASC) was formed in 2007 to establish and operate a multispecialty ambulatory surgical center in Peoria, Illinois. SFMC has a 55.50% controlling interest in CHASC as of September 30, 2014 and 2013.

Fort Jesse Imaging Center, LLC (FJIC) was formed in 2002 to establish and operate a medical imaging center in Bloomington, Illinois. SJMC has a 50.10% controlling interest in FJIC as of September 30, 2014 and 2013.

Sleep Center of Central Illinois, LLC (SCCI) was formed in 2002 to establish and operate a sleep disorder diagnostic center in Bloomington, Illinois. SJMC has a 50.05% controlling interest in SCCI as of September 30, 2014 and 2013.

Eastland Medical Plaza SurgiCenter, LLC (EMPS) was formed in 2000 to establish and operate an ambulatory surgery treatment center in Bloomington, Illinois. SJMC has a 52.72% and 53.60% controlling interest in EMPS as of September 30, 2014 and 2013, respectively.

RONI, an Illinois limited liability company, was formed in 2007 to own and operate a radiation oncology center. SEMC has a 57.00% controlling ownership in RONI as of September 30, 2014 and 2013.

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2014 and 2013

(In thousands)

The following represents a reconciliation of beginning and ending balances of OSF's interest and the noncontrolling interests for each class of net assets for which a noncontrolling interest exists during the years ended September 30, 2014 and 2013:

	Unrestricted net assets		
	Total	Controlling interest	Noncontrolling interest
Balance at September 30, 2012	\$ 747,342	744,555	2,787
Net income	66,149	59,843	6,306
Transfer to affiliate and other	(8,947)	(8,947)	—
Net assets released from restrictions used for the purchase of property and equipment	2,641	2,641	—
Recognition of change in pension funded status	156,685	156,685	—
Net contributions received from noncontrolling shareholders	163	—	163
Balance at September 30, 2013	964,033	954,777	9,256
Net income	121,890	116,459	5,431
Transfer to affiliate and other	(200)	(200)	—
Net assets released from restrictions used for the purchase of property and equipment	6,429	6,429	—
Recognition of change in pension funded status	(151,927)	(151,927)	—
Net distributions made to noncontrolling shareholders	(5,711)	—	(5,711)
Balance at September 30, 2014	\$ 934,514	925,538	8,976

The accompanying consolidated financial statements do not include the accounts of the Parent and the Foundation. The Foundation is an Illinois not-for-profit corporation, created to promote, encourage, and solicit, as well as receive and accept, funds in support of the purposes and functions of OSF and the Parent by establishing a council at each of OSF's Provider locations. It is the responsibility of the Foundation staff to develop and implement sound, practical, fund-raising strategies and tactics, the ultimate goal of which is to produce philanthropic support for the various OSF facilities. All funds collected and pledges received are done on behalf of the various OSF facilities and, therefore, shown as due to affiliates by the Foundation. OSF recognizes its net interest in the net assets of the Foundation based on contributions and pledges received by the Foundation on its behalf. The Foundation is a controlled subsidiary of the Parent and, therefore, is not required to be consolidated in the accompanying consolidated financial statements.

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2014 and 2013

(In thousands)

Summarized financial information of the Foundation for the years ended September 30, 2014 and 2013 is as follows:

	<u>2014</u>	<u>2013</u>
Cash, investments, pledges, and other	\$ 90,641	84,457
Accounts payable and due to affiliates	4,006	4,830
Unrestricted net assets	40,144	37,164
Temporarily restricted net assets	29,522	31,190
Permanently restricted net assets	16,969	11,273
Cash transfers to OSF during the year	11,871	6,725

The amount due from the Foundation recognized at September 30, 2014 and 2013 consists of \$2,008 and \$2,682, respectively, in other current assets, \$39,693 and \$36,236, respectively, in investments, \$46,491 and \$42,946, respectively, in restricted assets in the accompanying consolidated balance sheets.

Expenses included in the accompanying consolidated financial statements relate primarily to the provision of healthcare services and general and administrative costs.

(2) Summary of Significant Accounting Policies

(a) *Use of Estimates*

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles 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 consolidated financial statements and the amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant items subject to such estimates and assumptions include: the useful lives of fixed assets; allowances for doubtful accounts; the valuation of derivative instruments, recoverability of deferred tax assets, carrying value of fixed assets, fair value of investments; and reserves for employee benefit and self-insurance liabilities.

(b) *Cash and Cash Equivalents*

Cash and cash equivalents include certain investments in highly liquid debt instruments with original maturities of three months or less when purchased, except amounts shown as assets limited as to use, investments (including amounts held at the Foundation), and restricted assets.

(c) *Investments and Investment Income*

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated balance sheets.

Investment income on funds held in trust for self-insurance purposes is included in other revenue. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is reported as nonoperating gains or losses in the accompanying consolidated

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2014 and 2013

(In thousands)

statements of operations and changes in unrestricted net assets, unless the income or loss is restricted by donor or law. Management considers all investments to be trading securities.

(d) *Assets Limited as to Use*

Assets limited as to use include amounts held by the bond trustee for payment of principal, interest, and acquisition and construction of equipment and facilities as defined in the loan agreement along with designated assets set aside for self-insurance of medical malpractice, unemployment compensation, and workers' compensation. It is OSF's policy to classify all amounts held by a trustee as long term.

(e) *Other Assets – Joint Ventures*

OSF and certain subsidiaries have investments in organizations that are not majority owned or controlled by OSF organizations. OSF and its subsidiaries account for their investments in these organizations using the cost or equity method of accounting. The equity method of accounting is discontinued when investment is reduced to zero unless OSF or its subsidiary has guaranteed the obligations of the organization or is committed to provide additional capital support.

Investments in organizations using the equity method of accounting are reflected as a component of other assets in the accompanying consolidated balance sheets.

(f) *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 and is computed primarily using the straight-line method. Included in property and equipment are leasehold improvements that are amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the improvement. Net interest costs incurred on borrowed funds during the period of construction of capital assets are capitalized as a component of the cost of acquiring those assets. Interest costs are not capitalized if the capital assets are acquired using donor-restricted funds.

Gifts of long-lived assets such as land, building, or equipment are reported at fair market value at the time of the donation and are excluded from the excess of unrestricted revenues, gains, and other support and nonoperating gains, net over expenses. Gifts of long-lived assets 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.

(g) *Long-Lived Assets*

Long-lived assets (including property and equipment) are periodically assessed for recoverability based on the occurrence of a significant adverse event or change in the environment in which OSF operates or if the expected future cash flows (undiscounted and without interest) would become less than the carrying amount of the asset. An impairment loss would be recorded in the period such determination is made based on the fair value of the related entity. Fair value of the entity would be

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2014 and 2013

(In thousands)

considered Level 3 in the fair value hierarchy (footnote 11). No impairments were recorded for the years ended September 30, 2014 and 2013.

(h) Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is reviewed for impairment at least annually. In September 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2011-08, *Testing Goodwill for Impairment*, which provides an entity the option to perform a qualitative assessment to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount prior to performing the two-step goodwill impairment test. If this is the case, the two-step goodwill impairment test is required. If it is more likely than not that the fair value of a reporting unit is greater than its carrying amount, the two-step goodwill impairment test is not required. OSF adopted this guidance in 2014.

If the two-step goodwill impairment test is required, first, the fair value of the reporting unit is compared with its carrying amount (including goodwill). If the fair value of the reporting unit is less than its carrying amount, an indication of goodwill impairment exists for the reporting unit and the entity must perform step two of the impairment test (measurement). Under step two, an impairment loss is recognized for any excess of the carrying amount of the reporting unit's goodwill over the implied fair value of that goodwill. The implied fair value of goodwill is determined by allocating the fair value of the reporting unit in a manner similar to a purchase price allocation and the residual fair value after this allocation is the implied fair value of the reporting unit goodwill. Fair value of the reporting unit is determined using a discounted cash flow analysis. If the fair value of the reporting unit exceeds its carrying amount, step two does not need to be performed.

OSF performs its annual impairment review of goodwill at September 30, and when a triggering event occurs between annual impairment tests. At September 30, 2014 and 2013, OSF performed a qualitative assessment of goodwill and determined that it is not more likely than not that the fair values of its reporting units are less than the carrying amounts. Accordingly, no impairment loss was recorded in 2014 and 2013. OSF has determined the proper reporting unit for goodwill is the consolidated OSF entity unless the goodwill is related to a joint venture, in which case the reporting unit is the joint venture.

(i) Temporarily and Permanently Restricted Net Assets

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

Resources restricted by donors for replacement and expansion of property and equipment are added to unrestricted net assets to the extent expended within the period.

Resources restricted by donors or grantors for specific operating purposes are reported in unrestricted revenues, gains, and other support to the extent used within the period.

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2014 and 2013

(In thousands)

OSF classifies as permanently restricted net assets the original fair value of gifts donated to the permanent endowment, the original value of subsequent gifts to the permanent endowment, and accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument. Investment returns in excess of spending are classified as increases in temporarily restricted net assets until appropriated for expenditure by OSF.

The Foundation has established an investment policy that is reviewed annually by the Foundation Board of Directors. The policy directs at the discretion of the local facility Foundation Council that funds may be invested and supervised locally or pooled with other the Foundation funds.

Currently, the investment of endowment funds are invested and supervised by each local Foundation Council following the guidelines established by the Foundation investment policy.

(j) Net Income

The consolidated statements of operations and changes in unrestricted net assets include a performance indicator, net income. Changes in unrestricted net assets, which are excluded from net income, consistent with industry practice, include contributions of long-lived assets (including assets acquired using contributions that were used for the purpose of acquiring such assets by donor restriction), recognition of change in pension funded status, net contributions from (distributions made to) noncontrolling shareholders, and transfers to affiliate and other.

(k) Net Patient Service Revenue

OSF has agreements with third-party payors that provide for payments to OSF 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.

(l) Charity Care

OSF provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because OSF does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue.

(m) Donor-Restricted Gifts

Unconditional promises to give cash and other assets to OSF are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are pledges or 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

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2014 and 2013

(In thousands)

net assets and reported in the consolidated statements of operations and changes in unrestricted net assets as net assets released from restrictions. Pledges are considered a Level 3 financial instrument in the fair value hierarchy (footnote 11).

Pledges receivable, included as restricted assets, at September 30, 2014 are expected to be collected according to the following schedule:

	<u>Amount</u>
2015	\$ 491
2016	491
2017	491
2018	491
2019	491
Thereafter	<u>982</u>
Pledges receivable	<u>\$ 3,437</u>

(n) Estimated Self-Insurance Liabilities

The provisions for estimated self-insured medical malpractice, workers' compensation, health and dental, and unemployment claims include estimates of the ultimate costs for both reported claims and claims incurred but not reported. OSF's policy is to record all self-insurance liabilities as long-term consistent with the related investments due to the uncertainty of the payment stream, except for employee health and dental, which is considered a current liability.

(o) Services Provided by the Religious Community

Services provided by the individuals in the religious community are recorded as expense at lay-equivalent values.

(p) Derivative Instruments

OSF accounts for derivatives and hedging activities in accordance with Accounting Standards Codification (ASU) Subtopic 815-10, *Accounting for Derivative Instruments and Hedging Activities*, as amended, which requires that an entity recognize all derivatives as either assets or liabilities in the consolidated balance sheets and measure those instruments at fair values. OSF and SFI are involved in various interest rate swap programs. The fair values of the interest rate swap programs are included as a component of the other liabilities in the accompanying consolidated balance sheets. The derivatives are not designated as hedge instruments and, therefore, the change in fair value of the interest rate swap is recorded as a component of nonoperating gains (losses) – change in fair value of derivative instruments in the period of change as well as net settlement of derivative instruments.

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(In thousands)

(q) Income Taxes

OSF is a not-for-profit corporation as described by Section 501(c)(3) of the Internal Revenue Code (Code) and is exempt from federal income taxes on related income pursuant to Section 501(c)(3) of the Code.

SFI and subsidiaries are for-profit corporations that recognize income taxes under the asset-and-liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using the enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

OSF and SFI adopted ASC Subtopic 740-10, *Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109*. The interpretation addresses the determination of how tax benefits claimed or expected to be claimed on a tax return should be recorded in the consolidated financial statements. Under ASC Subtopic 740-10, OSF and SFI must recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the consolidated financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. ASC Subtopic 740-10 also provides guidance on derecognition, classification, interest and penalties on income taxes, and accounting in interim periods and requires increased disclosures. As of September 30, 2014 and 2013, OSF and SFI do not have any uncertain tax positions.

(r) Fair Value

OSF adopted the provisions of ASC Topic 820, *Fair Value Measurements and Disclosures*, for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the consolidated financial statements on a recurring basis. ASC Topic 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC Topic 820 also establishes a framework for measuring fair value and expands disclosures about fair value measurements.

In conjunction with the adoption of ASC Topic 820, OSF adopted the measurement provisions for investments in funds that do not have readily determinable fair values including domestic and foreign mutual funds and commingled funds. This guidance amended ASC Topic 820 and allows for the estimation of the fair value of investments in investment companies for which the investment does not have a readily determinable fair value using net asset value per share or its equivalent.

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(s) *Electronic Health Record Incentive Program*

The Electronic Health Record (EHR) Incentive Program (the Program) provides incentive payments to eligible hospitals and professionals as they adopt, implement, upgrade, or demonstrate meaningful use of certified EHR technology in their first year of participation and demonstrate meaningful use for up to five remaining participation years. OSF accounts for the Program using the grant model of accounting. OSF applies the "ratable recognition" approach, which states that the grant income can be recognized ratably over the entire EHR reporting period once the "reasonable assurance" income recognition threshold of IAS 20 is met. For the years ended September 30, 2014 and 2013, OSF recognized \$7,960 and \$12,798, respectively, as other revenue related to EHR incentives, which have been received or are expected to be received based on certifications prepared by management under the appropriate guidelines.

(t) *Reclassifications*

Certain 2013 amounts have been reclassified to conform to the 2014 consolidated financial statement presentation.

(3) Net Patient and Resident Service Revenue

OSF has agreements with third-party payors that provide for payment at amounts different from its established rates. A summary of the payment arrangements with major third-party payors is as follows:

(a) *Medicare*

Inpatient acute care services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Inpatient nonacute services and certain outpatient services are paid based upon a cost-reimbursement method, established fee screens, or a combination thereof. OSF is reimbursed for cost reimbursable items at a tentative rate, with final settlement determined after submission of annual cost reports by OSF and audits by the Medicare fiscal intermediary. Certain outpatient services are reimbursed at a prospectively determined rate per service based upon their ambulatory payment classification. As of September 30, 2014, Medicare cost reports have been audited and final-settled through September 30, 2012 for SJH, SJMC, and SFH; through September 30, 2011 for SMMC and SAMC; through September 30, 2010 for HFMC and SFMC. HFMC is audited and final-settled for September 30, 2012 but not September 30, 2011. Re-opening notices have been received for SAMC for September 30, 2009, 2010, and 2011; for SJMC for September 30, 2009 and 2011; and for SMMC for September 30, 2010.

OSF is in its third year of participation in a Pioneer ACO program sponsored by the Center for Medicare and Medicaid Innovation. Under the Pioneer ACO program, OSF has agreed to share risk with the Centers of Medicare and Medicaid Services (CMS) for the cost of providers. OSF will share in any savings over projected targets as well as in the costs of any excess expense. OSF's share of savings or loss is capped at 10.0% and the contract with the Center for Medicare and Medicaid Innovation may be terminated without cause on 60 days' notice. OSF believes that the Pioneer ACO risk is limited. The Center for Medicare and Medicaid Innovation requires a letter of credit for all

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Pioneer ACO participants in which OSF has provided. For fiscal year 2014, a \$2,500 payable was recorded to estimate the impact for final settlement under the Pioneer ACO program. No draws are anticipated on the line of credit.

(b) Medicaid

Inpatient services rendered to Medicaid program beneficiaries are reimbursed at prospectively determined rates per discharge. Outpatient services rendered to Medicaid program beneficiaries are reimbursed upon per-visit rates. Medicaid payment methodologies and rates for services are based on the amount of funding available to the State of Illinois Medicaid program.

OSF participates in the State of Illinois (the State) assessment program that assists in the financing of its Medicaid program. The State assessment program has been renewed by the State since its inception in 2004 and was renewed again on December 4, 2008 for the State's fiscal years ended June 30, 2009 through June 30, 2013. In past years, pursuant to this program, hospitals within the State were required to remit payment to the State Medicaid Program under an assessment formula approved by the CMS. Renewal for the period beginning July 1, 2013 did not require CMS approval as the program was passed through state law on June 16, 2014. The program has been extended through June 30, 2018.

As of and for the years ended September 30, 2014 and 2013, OSF has included its related assessment of \$34,259 and \$34,044, respectively, within other expense in the accompanying consolidated statements of operations and changes in unrestricted net assets. All of the assessment was paid as of September 30, 2014 and 2013. The assessment program also provides hospitals within the State with additional Medicaid reimbursement based on funding formulas, also approved by CMS. OSF has included its additional related reimbursements for the years ended September 30, 2014 and 2013 of \$53,193 and \$52,341, respectively, within net patient service revenue in the accompanying consolidated statements of operations and changes in unrestricted net assets. The net effect of the assessment and reimbursement for the years ended September 30, 2014 and 2013 included in the accompanying consolidated statements of operations is \$18,934 and \$18,297, respectively.

During 2013, The U.S. CMS notified the Illinois Department of Healthcare and Family Services (HFS) of its approval of the Enhanced Hospital Assessment program (outpatient payments approved September 27; inpatient payments approved September 30). The Enhanced Assessment program was authorized by Public Act 97-688 in the spring of 2012. P.A. 98-104 further amended the original Act, changing the original effective date from July 1, 2012 to June 10, 2012, adding an additional 21 days. The current effective date of the Enhanced Assessment as approved by CMS is June 10, 2012 – June 30, 2018. HFS will be developing a schedule for the issuance of the payments to hospitals by the State and the paying of assessments to the State by hospitals, retroactive to the June 10, 2012 effective date.

As of and for the year ended September 30, 2014 and 2013, OSF has included its related assessment of \$15,852 and \$20,478, (the 2013 figure includes a portion retroactive to June 10, 2012), respectively, within other expense in the accompanying consolidated statements of operations and changes in unrestricted net assets for the Enhanced Hospital Assessment Program. The Enhanced

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Hospital Assessment Program provides hospitals within the State with additional Medicaid reimbursement based on funding formulas, also approved by CMS. OSF has included its additional related reimbursements for the year ended September 30, 2014 of \$21,036 and \$26,752, (the 2013 figure includes a portion retroactive to June 10, 2012), respectively, within net patient service revenue in the accompanying consolidated statements of operations and changes in unrestricted net assets. The net effect of the assessment and reimbursement for the year ended September 30, 2014 and 2013 included in the accompanying consolidated statements of operations is \$5,184 and \$6,274, respectively.

On January 9, 2015, the Centers for Medicare and Medicaid Services approved a new Illinois Medicaid supplemental hospital payment program for services provided to individuals who qualify as a Medicaid beneficiary under the Affordable Care Act. The program is retroactive to March 1, 2014 and expires June 30, 2018. The estimated annual net reimbursement for OSF Healthcare System is approximately \$17,000.

(c) Other

OSF has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to OSF under these agreements includes prospectively determined rates per discharge, discounts from established charges, and prospectively determined per diem rates. OSF shares risk and receives bonuses for a portion of managed care payers. These types of structures will continue to grow during fiscal year 2015.

Net patient service revenue for the years ended September 30, 2014 and 2013 includes approximately \$444 and \$7,926, respectively, of net favorable retroactively determined settlements from third-party payors relating to prior years exclusive of the amounts related to the aforementioned Medicaid program.

Patients' accounts receivable are reduced by an allowance for uncollectible accounts. In evaluating the collectibility of patients' accounts receivable, OSF analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for uncollectible accounts and provision for bad debts. 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, OSF analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary. For receivables associated with patient responsibility (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), the patients are screened against the OSF charity care policy and uninsured discount policy. For any remaining patient responsibility balance, OSF records a provision for bad debts 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.

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OSF's allowance for uncollectible accounts for self-pay patients, which includes uninsured patients and residual copayments and deductibles for which managed care has already paid, increased from 77.22% of self-pay accounts receivable at September 30, 2013, to 77.26% of self-pay accounts receivable at September 30, 2014. In addition, OSF's self-pay write-offs decreased from \$93,089 for fiscal year 2013 to \$82,198 for fiscal year 2014, primarily due to the expansion of Medicaid eligibility. During fiscal year 2014, OSF changed the financial assistance and uninsured discount policies to reflect updates in Federal and State regulatory changes. OSF does not maintain a material allowance for uncollectible accounts from third-party payors, nor did it have significant write-offs from third-party payors.

OSF recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered. For uninsured patients that do not qualify for charity care, OSF recognizes revenue for services provided (on the basis of discounted rates, as provided by policy). On the basis of historical experience, a portion of OSF's uninsured patients will be unable or unwilling to pay for the services provided. Thus, OSF records a provision for bad debts related to uninsured patients in the period the services are provided. Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts), recognized in the period from these major payor sources, is as follows:

	2014	2013
Medicare	\$ 554,927	596,757
Medicaid	334,723	301,586
Managed Care/contracted payor	956,813	888,214
Self-pay	25,697	28,754
Other	193,109	189,873
Net patient service revenues	<u>\$ 2,065,269</u>	<u>2,005,184</u>

(4) Concentration of Credit Risk

OSF grants credit without collateral to its patients and residents, most of whom are local residents and are insured under third-party payor arrangements. The mix of receivables from patients, residents, and third-party payors at September 30, 2014 and 2013 was as follows:

	2014	2013
Medicare	\$ 24%	26%
Medicaid	30	26
Blue cross	7	7
Other third-party payors	30	28
Patients	9	13
	<u>\$ 100%</u>	<u>100%</u>

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(In thousands)

(5) Charity Care

OSF affirms and maintains its commitment to serve its communities in a manner consistent with the philosophy of OSF and the Parent. The philosophy is that adequate access to healthcare is a basic human right for all. OSF is committed to the promotion, preservation, protection, and restoration of wellness, whenever possible. OSF's services are provided to all persons with compassion and regardless of a patient's financial resources. To support this statement, the costs (determined using an estimated current year Medicare cost-to-charge ratio) incurred for services and supplies furnished under OSF's charity assistance policy aggregated \$43,755 and \$71,713 in 2014 and 2013, respectively. Not included in these amounts are benefits provided to the poor through the unpaid cost of Medicaid and other public programs. Additional other benefits provided are for the broader community that represents the unpaid cost of health education, research, and other community health services responding to a special need in the communities that OSF serves.

(6) Investments

(a) Investments

The composition of investments, at fair value, at September 30, 2014 and 2013 is set forth in the following table:

	2014	2013
Cash and cash equivalents	\$ 10,521	15,020
Domestic equities	155,070	138,776
U.S. Treasury obligations	54,290	39,470
U.S. government agencies	3,203	3,195
Municipal securities	8,257	11,159
Domestic corporate obligations	81,469	62,615
Domestic mutual funds – equities	33,232	17,944
Domestic mutual funds – bonds	405,304	333,170
Domestic mutual funds – other	676	—
Domestic commingled funds	48,247	41,729
Foreign equities	51,228	41,298
Foreign bonds	10,382	9,143
Foreign mutual funds – equities	6,983	3,116
Foreign mutual funds – bonds	869	—
Foreign securities – commingled	36,748	37,855
Other	533	111
	<u>\$ 907,012</u>	<u>754,601</u>

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Notes to Consolidated Financial Statements

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(In thousands)

(b) *Restricted Assets*

The composition of restricted assets, at fair value, at September 30, 2014 and 2013 is set forth in the following table:

	2014	2013
Cash and cash equivalents	\$ 777	623
Domestic equities	3,524	2,844
Domestic corporate obligations	226	109
Domestic mutual funds – equities	1,376	1,564
Domestic mutual funds – bonds	1,494	710
Foreign mutual funds – equities	730	943
Foreign mutual funds – bonds	259	282
Foreign equities	63	90
Pledges receivable and other	12,651	13,755
Investments held at Foundation:		
Cash and cash equivalents	7,121	9,476
Domestic equities	5,901	3,665
U.S. government agencies	164	97
Corporate obligations	278	233
Domestic mutual funds – equities	11,520	7,758
Domestic mutual funds – bonds	10,041	9,692
Foreign mutual funds – equities	3,446	2,371
Foreign mutual funds – bonds	196	425
	<u>\$ 59,767</u>	<u>54,637</u>

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(In thousands)

(c) *Assets Limited as to Use*

The composition of assets limited as to use, at fair value, with the exception of the guaranteed investment contract, which is at contract value, at September 30, 2014 and 2013 is set forth in the following table:

	2014	2013
Held by trustee under indenture agreement:		
Cash and cash equivalents	\$ 62	765
Domestic mutual funds – equities	364	296
Foreign mutual funds – equities	261	200
Domestic commingled funds	2,733	1,566
	<u>3,420</u>	<u>2,827</u>
Board-designated for self-insurance:		
Cash and cash equivalents	16,298	12,019
U.S. Treasury obligations	64,526	56,843
U.S. government agencies	1,868	4,975
Domestic corporate obligations	38,638	37,536
Foreign bonds	7,686	7,127
Domestic commingled funds	34,460	29,155
	<u>163,476</u>	<u>147,655</u>
	<u>\$ 166,896</u>	<u>150,482</u>

The composition of OSF's investment return for the years ended September 30, 2014 and 2013 is as follows:

	2014	2013
Investment return		
Interest and dividend income	\$ 22,273	26,627
Net realized gains	17,642	13,430
Change in net unrealized gains on trading securities	18,001	15,519
Total investment return	<u>\$ 57,916</u>	<u>55,576</u>

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Investment returns included in the accompanying consolidated statements of operations and changes in unrestricted net assets for the years ended September 30, 2014 and 2013 are as follows:

	<u>2014</u>	<u>2013</u>
Unrestricted revenue, gains, and other support:		
Other	\$ 5,692	(336)
Nonoperating gains:		
Investment income	38,137	35,745
Change in fair value of investments	12,308	18,559
Other changes in unrestricted net assets:		
Temporarily restricted net assets:		
Investment income	<u>1,779</u>	<u>1,608</u>
Total investment return	<u>\$ 57,916</u>	<u>55,576</u>

(7) Property and Equipment

A summary of property and equipment at September 30 is as follows:

	<u>2014</u>	<u>2013</u>
Land	\$ 30,418	29,362
Land improvements	27,568	25,998
Buildings	1,261,127	1,176,291
Equipment	<u>856,212</u>	<u>804,994</u>
	2,175,325	2,036,645
Less accumulated depreciation	<u>1,218,585</u>	<u>1,118,926</u>
	956,740	917,719
Construction in progress	<u>16,282</u>	<u>43,091</u>
Property and equipment, net	<u>\$ 973,022</u>	<u>960,810</u>

As of September 30, 2014, construction budgets of approximately \$74,609 exist for construction and remodeling at various OSF facilities. At September 30, 2014, the remaining contractual commitment on these budgets approximated \$11,443 and will be financed by operations and existing funds. During the years ended September 30, 2014 and 2013, OSF did not capitalize any interest.

(8) Other Assets

Included in other assets at September 30 are the following:

- Bond financing costs, net of accumulated amortization of \$7,040 in 2014 and \$7,471 in 2013

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

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- Escrow deposits of \$3,776 in 2014 and \$4,052 in 2013 for the self-insured workers' compensation program.
- Goodwill of \$22,040 and \$22,040 at September 30, 2014 and 2013, respectively. Goodwill includes \$15,408 and \$15,408 related to a consolidated joint venture in 2014 and 2013, respectively, along with \$6,632 related to a provider in both 2014 and 2013.
- Deferred tax assets of \$16,094 and \$12,121 at September 30, 2014 and 2013, respectively (note 15).
- Other miscellaneous assets of \$9,948 and \$12,264 at September 30, 2014 and 2013, respectively.
- The investments in affiliated companies accounted for using the equity method of accounting totaled \$9,951 and \$9,001 at September 30, 2014 and 2013, respectively. The most significant of these investments include:
 - Community Cancer, LLC – 50.0% ownership interest
 - Renal Intervention Center, LLC – 34.0% ownership interest
 - SimNext, LLC – 50.0% ownership interest
 - River Plex Fitness Center, LLC – 50.0% ownership interest (in operating results only)
 - McLean Imaging Properties, LLC – 49.9% ownership interest
 - Rockford Orthopedic Surgery Center, LLC (ROSC) – 25.0% ownership interest
 - Eastland Medical Plaza SurgiCenter, LLC – 52.72% and 53.6% ownership interest as of September 30, 2014 and 2013, respectively.

For the years ended September 30, 2014 and 2013, OSF recognized income of \$1,290 and \$2,099 in investments in affiliated companies, respectively, as a component of other revenue.

The following table summarizes the unaudited aggregated financial information of unconsolidated affiliated companies of OSF as of September 30, 2014 and 2013:

	2014	2013
Total assets	\$ 31,811	28,803
Total liabilities	12,310	11,625
Total net assets	\$ 19,501	17,178
Total revenues	\$ 20,827	19,906
Operating expenses	13,937	14,848
Net income	\$ 6,890	5,058

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

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(9) Long-Term Debt

A summary of long-term debt at September 30, 2014 and 2013 is as follows:

	<u>2014</u>	<u>2013</u>
OSF Master Trust Indenture Obligations:		
Revenue Refunding Bonds (Illinois Finance Authority Bonds, Series 2012A), payable in annual installments of varying amounts, commencing on May 15, 2013 at fixed interest rates between 4.00% and 5.00% depending on the date of maturity through May 15, 2041.	\$ 176,345	178,095
Revenue Refunding Bonds (Illinois Finance Authority Bonds, Series 2010A), payable in annual installments of varying amounts, commencing on May 15, 2011 at a fixed interest rate of 6.00%. The bonds mature on May 15, 2039.	156,880	156,880
Revenue Bonds (Illinois Finance Authority Bonds, Series 2009A), payable in annual installments of varying amounts, commencing on November 15, 2025 at fixed interest rates between 5.000% and 7.125% depending on the date of maturity through November 15, 2037.	83,165	83,165
Revenue Bonds (Illinois Finance Authority Bonds, Series 2009B, Series 2009C, and Series 2009D), payable in annual installments of varying amounts, commencing November 15, 2021 through November 15, 2037. Interest is determined weekly based on current market conditions (0.04%, 0.05%, and 0.04%, respectively, as of September 30, 2014 and 0.07%, 0.08%, and 0.07%, respectively, as of September 30, 2013).	125,000	125,000
Revenue Bonds (Illinois Finance Authority Bonds, Series 2009E), payable in semiannual installments of varying amounts, commencing May 15, 2010 through November 15, 2024. Interest is fixed at 3.94%, which will be reset every three years commencing on November 15, 2012	21,527	22,376

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	<u>2014</u>	<u>2013</u>
Revenue Bonds (Illinois Finance Authority Bonds, Series 2009G), payable in annual installments of varying amounts, commencing August 1, 2010 through August 1, 2029. Interest is determined monthly based on the current market conditions (0.7735% as of September 30, 2014 and 0.7923% as of September 30, 2013).	\$ 17,500	18,000
Revenue Bonds (Illinois Finance Authority Bonds, Series 2007A), payable in annual installments of varying amounts, commencing on November 15, 2010 at fixed interest rates between 4.75% and 5.75% depending on the date of maturity through November 15, 2037.	114,265	115,560
Revenue Bonds (Illinois Finance Authority Bonds, Series 2007E and Series 2007F) payable in annual installments of varying amounts commencing November 15, 2024 through November 15, 2037. Interest is determined weekly based on current market conditions (0.05% and 0.05%, respectively, as of September 30, 2014 and 0.37% and 0.37%, respectively, as of September 30, 2013).	125,000	125,000
Direct Note Obligation (Series 2014A) to PNC Bank, due and payable in full on August 27, 2017. Interest is determined daily based on current market conditions (0.954% as of September 30, 2014)	26,458	—
Other Debt:		
Mortgage note payable to Byron Bank, secured by an EMS training facility. The note bears interest at a rate of 2.91%. Principal and interest of \$3 are payable monthly through October 30, 2017 with a balloon payment of \$489 due on November 30, 2017.	540	562
Mortgage note payable to Rockford Bank and Trust, secured by medical office building. The note bears an interest rate of 3.80% payable monthly. Principal and interest of \$22 is payable monthly with a balloon payment of \$2,916 on June 20, 2020.	3,665	3,786
Revenue Bonds (OSF Finance Company, LLC, Adjustable Rate Taxable Securities, Series 2007-A) payable in annual installments of varying amounts commencing on December 1, 2009 through December 1, 2037. Interest rate varies weekly based on current market conditions (0.11% as of September 30, 2014 and 0.15% at September 30, 2013).	25,020	25,320

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	<u>2014</u>	<u>2013</u>
Mortgage note payable to Busey Bank, secured by a medical office building. The note bears an interest rate of 4.32% payable monthly. Principal and interest of \$16 are due monthly through July 2016 with a balloon payment of \$1,260 due August 26, 2016.	\$ 1,495	1,618
Mortgage note payable to Wells Fargo Bank, secured by a medical office building. The note bears an interest rate of 2.46%. The loan was paid off in June 2014.	—	334
Mortgage note payable to JP Morgan Chase Bank, N.A., secured by a medical office building. The interest rate varies monthly based on current market conditions (1.9532% and 1.9685% as of September 30, 2014 and 2013, respectively). Principal payment of \$47 plus accrued interest is due monthly through August 2017 with a balloon payment of \$3,556 due September 30, 2017, plus interest.	5,187	5,747
Mortgage note payable to Commerce Bank, secured by a medical office building. The note bears an interest rate of 4.27% payable monthly. Principal and interest of \$32 are payable monthly through June 30, 2015 with a balloon payment of \$3,154 due July 31, 2015.	3,328	3,565
Mortgage note payable to Busey Bank, secured by an office building. The note bears an interest rate of 4.36% payable monthly. Principal and interest of \$68 is payable monthly through April 2024 with a balloon payment of \$6,598 due May 1, 2024.	10,660	—
Mortgage note payable to Byron Bank, secured by a medical office building. The note bears an interest rate of 4.42% payable monthly. Principal and interest of \$10 is payable monthly through August 2029.	1,240	—
Mortgage note payable to Commerce Bank, secured by a medical office building. The note bears an interest rate of 4.27% payable monthly. Principal and interest of \$15 are payable monthly through June 30, 2015 with a balloon payment of \$1,490 due July 30, 2015.	1,572	1,685
Mortgage note payable to Heartland Bank, secured by a medical office building. The note bears an interest rate of 4.24% payable monthly. Principal and interest of \$32 are payable monthly through May 19, 2017 with a balloon payment of \$3,173 due June 19, 2017.	3,793	4,012

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	<u>2014</u>	<u>2013</u>
Note payable to Commerce Bank, secured by an aviation hangar. The note bears an interest rate of 3.05%. Principal and interest of \$14 are payable monthly through May 1, 2017 with a balloon payment of \$1,064 due June 1, 2017.	\$ 1,404	1,526
Note payable to Commerce Bank. The note bears an interest rate of 2.50%. Principal and interest of \$3 are payable monthly through June 1, 2015.	27	62
Mortgage note payable to Commerce Bank, secured by a medical office building. The note bears an interest rate of 3.69% payable monthly. Principal and interest payments of \$43 are payable monthly through October 1, 2015 with a balloon payment of \$4,361 due November 1, 2015.	4,724	5,059
Mortgage note payable to Busey Bank, secured by a medical office building. The note bears interest at a rate of 3.08%. Principal and interest of \$6 are payable monthly through April 1, 2018 with a balloon payment of \$804 due on May 11, 2018.	943	980
Other miscellaneous notes payable	3,593	3,885
	913,331	882,217
Plus original issue premium, net	7,583	7,956
Total debt	920,914	890,173
Less current installments	13,232	8,783
Total long-term debt, excluding current installments	\$ <u>907,682</u>	<u>881,390</u>

OSF's average interest rates for variable rate debt for the years ended September 30, 2014 and 2013 are as follows:

	<u>2014</u>	<u>2013</u>
Variable interest rate issues:		
2007E	0.05%	0.37%
2007F	0.05	0.37
2009B	0.06	0.12
2009C	0.06	0.12
2009D	0.06	0.13
2009G	0.80	1.07

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OSF entered into an amended and restated Master Trust Indenture (MTI) dated September 15, 1999. The purpose of the MTI is to provide a mechanism for the efficient and economical advancement of funds to various operating divisions of OSF using the collective borrowing capacity and credit rating of OSF. OSF has pledged letters of credit as collateral on certain borrowings under the MTI. Under the terms of the MTI, OSF is also required to maintain certain deposits with a trustee. Such deposits are included with assets limited as to use. The MTI also places limits on the incurrence of additional borrowings and requires that OSF satisfy certain measures of financial performance as long as the notes are outstanding. As of September 30, 2014 and 2013, amounts outstanding under the MTI totaled \$846,140 and \$824,076, respectively.

Bond issue premiums and costs are amortized over the term of the related bonds using a weighted average method, based on outstanding debt.

In conjunction with acquiring Kewanee Hospital (now Saint Luke Medical Center), OSF initially acquired Kewanee Hospital's outstanding debt, which was subsequently defeased, resulting in a loss on early extinguishment of debt of \$2,993.

In August 2014, OSF issued Direct Note Obligation, Series 2014A debt of \$26,458 with PNC Bank.

In September 2013, OSF remarketed the Series 2007E and 2007F. The result of the remarketing was a loss of \$738.

OSF has variable rate demand notes that have a put option available to the creditor. If the put option is exercised, the bonds are presented to the bank, which in turn draws on the underlying letter of credit or liquidity facility. The series and the underlying credit facility terms are described as follows as of September 30, 2014:

	Term
OSF Master Trust Indenture Obligations:	
2007E	Quarterly beginning 367 days after bank purchase date and ending on the fifth anniversary of the bank purchase date.
2007F	Quarterly beginning 367 days after bank purchase date and ending on the fifth anniversary of the bank purchase date.
2009B	Quarterly over three years beginning three months after 366 days elapsed since liquidity advance.
2009C	Quarterly over three years beginning on the first day of the calendar quarter after 366 days elapsed since liquidity advance.
2009D	Quarterly over two years beginning after 367 days elapsed since liquidity advance.
Other debt:	
2007A	Principal and interest at 367 days, payable in full, from date of liquidity advance.

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Scheduled principal repayments on long-term debt based on the scheduled redemptions according to the MTI are as follows:

Year ending September 30:		
2015	\$	13,232
2016		11,481
2017		48,872
2018		21,030
2019		20,652
Thereafter		805,647

Principal repayments on long-term debt in the event that the variable rate demand bonds are put back to OSF and corresponding draws are made on the underlying letter-of-credit facilities are as follows:

Year ending September 30		
2015	\$	13,232
2016		108,567
2017		125,375
2018		84,979
2019		55,394
Thereafter		533,367

A summary of interest cost and investment income on borrowed funds held by the trustee under the MTI during the years ended September 30, 2014 and 2013 is as follows:

		<u>2014</u>	<u>2013</u>
Interest cost – charged to operations	\$	30,981	31,007

(10) Derivative Instruments and Hedging Activities

OSF has interest-rate-related derivative instruments to manage its exposure on its variable-rate debt instruments and does not enter into derivative instruments for any purpose other than cash flow hedging purposes.

By using derivative financial instruments to hedge exposures to changes in interest rates, OSF exposes itself to credit risk, tax risk, and market risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contracts. When the fair value of a derivative contract is positive, the counterparty owes OSF, which creates credit risk for OSF. When the fair value of a derivative contract is negative, OSF owes the counterparty, and therefore, it does not pose a credit risk. OSF minimizes the credit risk in derivative instruments by entering into transactions with high-quality counterparties whose credit rating is at least “A” or “A2” by Standard and Poor’s or Moody’s, respectively.

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Tax risk refers to the potential adverse effect that a change in tax law could have on the relationship between taxable (LIBOR) and tax-exempt (SIFMA) rates. OSF minimizes the tax risk in derivative instruments by maintaining sufficient cash reserves to handle potential tax law changes.

Market risk is the adverse effect on the value of a financial instrument that results from a change in interest rates. The market risk associated with interest rate contracts is managed by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken.

OSF is exposed to credit loss in the event of nonperformance by the counterparty to the interest rate swap agreements; however, this is not anticipated. During the years ended September 30, 2014 and 2013, neither OSF nor any counterparty to the interest rate swap agreements was required to post collateral.

A summary of outstanding positions under OSF's interest rate swap program at September 30, 2014 is as follows:

	Notional amount	Maturity date	Rate received	Rate paid
\$	47,700	November 2, 2029	BMA Index	3.969%
	47,975	October 19, 2029	BMA Index	3.969%
	11,325	November 15, 2024	BMA Index	3.794%
	130,000	November 15, 2037	67% of USD – LIBOR-BBA	3.651%
	128,725	May 15, 2041	67% 1 Mo. Libor + 0.70%	SIFMA

Net payments equal to the differential to be paid under all interest rate swap agreements are recognized within nonoperating gains (losses) and amounted to approximately \$(7,914) and \$1,364 in 2014 and 2013, respectively. In addition, OSF terminated three swaps in March 2013 with notional amounts of \$110,000, \$110,000 and \$100,000 resulting in \$9,780 of cash receipts, which is also recognized within nonoperating gains (losses) as net settlement of derivative instruments in the consolidated statements of operations and change in unrestricted net assets.

The fair value of the swap agreements under ASC Subtopic 820-10 was \$(44,479) and \$(39,225) and is recorded as a component of other liabilities in the accompanying consolidated balance sheets at September 30, 2014 and 2013, respectively. For the years ended September 30, 2014 and 2013, OSF recognized an unrealized gain (loss) of \$(5,254) and \$17,707, respectively, as its change in the fair value of the interest rate swaps as a component of nonoperating gains (losses) – change in cash flow hedging derivative instruments.

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The following is a summary of the swaps as of September 30, 2014:

Type of interest swap	Notional amount	Mark to market	Fair value
Floating-to-fixed	\$ 47,700	(7,406)	(7,116)
Floating-to-fixed	47,975	(7,429)	(7,137)
Floating-to-fixed	11,325	(1,127)	(1,217)
Floating-to-fixed	130,000	(30,054)	(27,882)
Floating-to-fixed	128,725	(1,886)	(1,127)
		<u>\$ (47,902)</u>	<u>(44,479)</u>

The following is a summary of the swaps as of September 30, 2013:

Type of interest swap	Notional amount	Mark to market	Fair value
Floating-to-fixed	\$ 49,150	(6,818)	(6,565)
Floating-to-fixed	48,875	(6,733)	(6,541)
Floating-to-fixed	12,125	(1,428)	(1,360)
Floating-to-fixed	130,000	(26,060)	(24,759)
		<u>\$ (41,039)</u>	<u>(39,225)</u>

A summary of outstanding positions under SFI's interest rate swap program at September 30, 2014 is as follows:

Notional amount	Maturity date	Rate received	Rate paid
\$ 13,000	December 1, 2017	USD – LIBOR-BBA	4.353%

Net payments equal to the differential to be received under the interest rate swap program are recognized as a component of interest expense and amounted to approximately \$724 and \$712 in 2014 and 2013, respectively.

The fair value of the SFI swap agreements was \$(1,251) and \$(1,669) and is recorded as a component of other liabilities in the accompanying consolidated balance sheets as of September 30, 2014 and 2013, respectively. For the years ended September 30, 2014 and 2013, SFI recognized an unrealized gain (loss) of \$418 and \$682, respectively, as its change in the fair value of the interest rate swaps as a component of nonoperating gains (losses) – change in cash flow hedging derivative instruments.

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The following is a summary of SFI's swaps as of September 30, 2014:

Type of interest swap	Notional amount	Mark to market	Fair value
Fixed rate payor	\$ 13,000	(1,251)	(1,251)
		\$ (1,251)	(1,251)

The following is a summary of SFI's swaps as of September 30, 2013:

Type of interest swap	Notional amount	Mark to market	Fair value
Fixed rate payor	\$ 13,000	(1,714)	(1,669)
		\$ (1,714)	(1,669)

(11) Investment Composition and Fair Value Measurements

(a) Overall Investment Objective

The overall investment objective of OSF is to invest its assets in a prudent manner that will achieve an expected rate of return, manage risk exposure, and focus on downside protection. OSF's invested assets will maintain sufficient liquidity to fund a portion of OSF's annual operating activities and structure the invested assets to maintain a high percentage of available liquidity. OSF diversifies their investments among various asset classes incorporating multiple strategies and managers. Major investment decisions are authorized by the Board's Investment Committee, which oversees the investment program in accordance with established guidelines.

(b) Allocation of Investment Strategies

OSF maintains a percentage of assets in domestic and international stocks. To manage its risk exposure, the majority of assets are invested in intermediate term fixed income funds and invested with intermediate and short-term fixed income managers. Because of the inherent uncertainties for valuation of some holdings, the estimated fair values may differ from values that would have been used had a ready market existed.

(c) Basis of Reporting

Assets whose use is limited or restricted are reported at estimated fair value. If an investment is held directly by OSF and an active market with quoted prices exists, the market price of an identical security is used as reported fair value. Reported fair values for shares in common and preferred stock and fixed income are based on share prices reported by the funds as of the last business day of the fiscal year.

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(d) Fair Value of Financial Instruments

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

- The carrying amount reported in the consolidated balance sheets for the following approximates fair value because of the short maturities of these instruments: cash and cash equivalents, other assets, accounts payable and accrued expenses, and estimated third-party payor settlements.
- Fair values of OSF's investments held as investments, assets limited as to use, and restricted assets are estimated based on prices provided by its investment managers and its custodian bank. Fair value for cash and cash equivalents, equities, and foreign equities are measured using quoted market prices at the reporting date multiplied by the quantity held. U.S. Treasury obligations, U.S. government agencies, municipal securities, corporate obligations, and foreign securities are measured using other observable inputs. The carrying value equals fair value.
- Commingled funds and mutual funds are valued using net asset value as a practical expedient to measure fair value as allowed by ASU No. 2009-12.
- Fair value of fixed rate long-term debt is estimated based on the quoted market prices for the same or similar issues or on the current rates offered to OSF for debt of the same remaining maturities. For variable rate debt, carrying amounts approximate fair value. Fair value was estimated using quoted market prices based upon OSF's current borrowing rates for similar types of long-term debt securities.
- Fair value of interest rate swaps is determined using pricing models developed based on the LIBOR swap rate and other observable market data. The value was determined after considering the potential impact of collateralization and netting agreements, adjusted to reflect nonperformance risk of both the counterparty and OSF.

The following table presents the carrying amounts and estimated fair values of OSF's financial instruments not carried at fair value at September 30, 2014 and 2013:

	2014		2013	
	Carrying amount	Fair value	Carrying amount	Fair value
Long-term debt	\$ 920,914	985,340	890,173	924,087

(e) Fair Value Hierarchy

OSF adopted ASC Subtopic 820-10 for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the consolidated financial statements on a recurring basis. OSF did not elect to fair value any of its nonfinancial assets or liabilities as of September 30, 2014 and 2013. ASC Subtopic 820-10 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure

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fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that OSF has the ability to access at the measurement date.
- Level 2 are observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 inputs are unobservable inputs for the asset or liability.

The following tables present OSF's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of September 30, 2014:

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial assets				
Cash and cash equivalents	\$ 280,090	280,090	—	—
Investments				
Cash and cash equivalents	10,521	6,179	4,342	—
Domestic equities	155,070	155,070	—	—
U S Treasury obligations	54,290	54,290	—	—
U S government agencies	3,203	—	3,203	—
Municipal securities	8,257	—	1,535	6,722
Domestic corporate obligations	81,469	—	75,239	6,230
Domestic mutual funds – equities	33,232	33,232	—	—
Domestic mutual funds – bonds	405,304	405,304	—	—
Domestic mutual funds – other	676	676	—	—
Domestic commingled funds	48,247	45,688	2,559	—
Foreign equities	51,228	51,228	—	—
Foreign bonds	10,382	—	10,382	—
Foreign mutual funds – equities	6,983	6,983	—	—
Foreign mutual funds – bonds	869	869	—	—
Foreign securities – commingled	36,748	—	36,748	—
Other	533	533	—	—
	<u>907,012</u>	<u>760,052</u>	<u>134,008</u>	<u>12,952</u>
Total investments				

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	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Restricted assets – excluding pledges and other of \$12,651				
Cash and cash equivalents	\$ 777	777	—	—
Domestic equities	3,524	3,524	—	—
Domestic corporate obligations	226	—	226	—
Domestic mutual funds – equities	1,376	1,376	—	—
Domestic mutual funds – bonds	1,494	1,494	—	—
Foreign mutual funds – equities	730	730	—	—
Foreign mutual funds – bonds	259	259	—	—
Foreign equities	63	63	—	—
Investments held at foundation				
Cash and cash equivalents	7,121	7,046	75	—
Domestic equities	5,901	5,901	—	—
U S government agencies	164	—	164	—
Domestic corporate obligations	278	—	278	—
Domestic mutual funds – equities	11,520	11,520	—	—
Domestic mutual funds – bonds	10,041	10,041	—	—
Foreign mutual funds – equities	3,446	3,446	—	—
Foreign mutual funds – bonds	196	196	—	—
Total restricted assets	<u>47,116</u>	<u>46,373</u>	<u>743</u>	<u>—</u>
Assets limited as to use				
Cash and cash equivalents	16,360	16,360	—	—
U S Treasury obligations	64,526	64,526	—	—
U S government agencies	1,868	—	1,868	—
Domestic corporate obligations	38,638	—	38,638	—
Domestic mutual funds – equities	364	364	—	—
Foreign mutual funds – equities	261	261	—	—
Foreign mutual funds – bonds	7,686	—	7,686	—
Domestic commingled funds	37,193	35,315	1,878	—
Total assets limited as to use	<u>166,896</u>	<u>116,826</u>	<u>50,070</u>	<u>—</u>
Total financial assets	<u>\$ 1,401,114</u>	<u>1,203,341</u>	<u>184,821</u>	<u>12,952</u>

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial liabilities				
Fair value of swap agreements	\$ <u>45,730</u>	<u>—</u>	<u>45,730</u>	<u>—</u>
Total financial liabilities	<u>\$ 45,730</u>	<u>—</u>	<u>45,730</u>	<u>—</u>

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OSF's accounting policy is to recognize transfers between levels of the fair value hierarchy on the date of the event or change in circumstances that caused the transfer. There were no transfers into or out of Level 1, Level 2, or Level 3 for the years ended September 30, 2014 and 2013.

The following table summarizes the changes for the year ended September 30, 2014 in investments classified within Level 3. The classification of an investment within Level 3 is based on the significance of the unobservable inputs to the overall fair value measurement.

Level 3 assets	Beginning balance, September 30, 2013	Realized gains	Unrealized gains, net	Sales	Ending balance, September 30 2014
Corporate obligations –					
2 Corporate obligations	\$ 5,684	3	549	(6)	6,230
Municipal securities –					
3 Municipal securities	6,397	45	280	—	6,722
	<u>\$ 12,081</u>	<u>48</u>	<u>829</u>	<u>(6)</u>	<u>12,952</u>

The following tables present OSF's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of September 30, 2013:

	Fair value	Level 1	Level 2	Level 3
Financial assets				
Cash and cash equivalents	\$ 264.949	264.949	—	—
Investments				
Cash and cash equivalents	15.020	7.857	7.163	—
Domestic equities	138.776	138.776	—	—
U S Treasury obligations	39.470	39.470	—	—
U S government agencies	3.195	—	3.195	—
Municipal securities	11.159	—	4.762	6.397
Domestic corporate obligations	62.615	—	56.931	5.684
Domestic mutual funds – equities	17.944	17.944	—	—
Domestic mutual funds – bonds	333.170	333.170	—	—
Domestic commingled funds	41.729	41.729	—	—
Foreign equities	41.298	41.298	—	—
Foreign bonds	9.143	—	9.143	—
Foreign mutual funds – equities	3.116	3.116	—	—
Foreign securities – commingled	37.855	1.715	36.140	—
Other	111	—	111	—
Total investments	<u>754.601</u>	<u>625.075</u>	<u>117.445</u>	<u>12.081</u>

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	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Restricted assets – excluding pledges and other of \$13.755				
Cash and cash equivalents	\$ 623	623	—	—
Domestic equities	2,844	2,844	—	—
Domestic corporate obligations	109	—	109	—
Domestic mutual funds – equities	1,564	1,564	—	—
Domestic mutual funds – bonds	710	710	—	—
Foreign mutual funds – equities	943	943	—	—
Foreign mutual funds – bonds	282	282	—	—
Foreign equities	90	90	—	—
Investments held at foundation				
Cash and cash equivalents	9,476	9,371	105	—
Domestic equities	3,665	3,665	—	—
Domestic corporate obligations	233	—	233	—
Domestic mutual funds – equities	10,129	10,129	—	—
Domestic mutual funds – bonds	10,117	10,117	—	—
U S government agencies	97	—	97	—
Total restricted assets	<u>40,882</u>	<u>40,338</u>	<u>544</u>	<u>—</u>
Assets limited as to use				
Cash and cash equivalents	12,784	12,784	—	—
U S Treasury obligations	56,843	56,843	—	—
U S government agencies	4,975	—	4,975	—
Domestic corporate obligations	37,536	—	37,536	—
Domestic mutual funds – equities	296	296	—	—
Foreign securities	7,327	200	7,127	—
Domestic commingled funds	30,721	29,666	1,055	—
Total assets limited as to use	<u>150,482</u>	<u>99,789</u>	<u>50,693</u>	<u>—</u>
Total financial assets	<u>\$ 1,210,914</u>	<u>1,030,151</u>	<u>168,682</u>	<u>12,081</u>

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial liabilities				
Fair value of swap agreements	\$ <u>(40,894)</u>	<u>—</u>	<u>(40,894)</u>	<u>—</u>
Total financial liabilities	<u>\$ (40,894)</u>	<u>—</u>	<u>(40,894)</u>	<u>—</u>

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The following table summarizes the changes for the year ended September 30, 2013 in investments classified within Level 3. The classification of an investment within Level 3 is based on the significance of the unobservable inputs to the overall fair value measurement.

Level 3 assets	Beginning balance, September 30, 2012	Realized gains	Realized (losses)	Unrealized gains losses, net	Sales	Ending balance, September 30 2013
Corporate obligations- 13 Corporate obligations	\$ 14,024	13	(1,093)	1,531	(8,791)	5,684
Municipal securities- 3 Municipal securities	6,800	—	—	(403)	—	6,397
Other – land trust- 1 land trust	139	—	—	—	(139)	—
	<u>\$ 20,963</u>	<u>13</u>	<u>(1,093)</u>	<u>1,128</u>	<u>(8,930)</u>	<u>12,081</u>

None of the assets, except those listed below, have any redemption restrictions so the redemption frequency is daily and would have a one-day notice for redemption:

	2014	2013	Redemption frequency	Days notice
Investments				
Foreign securities-commingled	\$ 36,748	36,140	Monthly	10
Foreign securities-commingled	—	1,715	Daily	3
Domestic commingled funds	48,247	41,729	Daily	2
Assets limited as to use				
Domestic commingled funds	34,461	29,155	Daily	2

(12) Temporarily and Permanently Restricted Net Assets

OSF's temporarily restricted net assets of \$36,966 and \$38,213 at September 30, 2014 and 2013, respectively, are restricted for nursing education, and various programs related to the provision of healthcare.

OSF's permanently restricted net assets of \$22,801 and \$16,424 at September 30, 2014 and 2013, respectively, consist of investments to be held in perpetuity, the majority of income of which is expendable to support healthcare services.

During 2014 and 2013, net assets were released from donor restrictions by purchasing equipment and incurring expenses, which satisfied the restricted purpose of healthcare and nursing education in the amount of \$9,297 and \$5,290, respectively.

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(13) Self-Insurance

OSF has established a self-insurance program for professional and general liability, which provides for both self-insured limits and purchased coverage above such limits. Beginning October 1, 2008, excess coverage is provided by OSF Assurance Company, who purchases reinsurance from a third-party carrier for professional and general liability that has a limit of \$35,000 for each claim and in the aggregate and is in excess of \$7,000 for each and every occurrence. There are known claims and incidents that may result in the assertion of additional claims, as well as claims from unknown incidents that may be asserted arising from services provided to patients. OSF has employed independent actuaries to estimate the ultimate costs, if any, of the settlement of such claims. Accrued professional and general liability losses are recorded on an undiscounted basis. In management's opinion, the accrued professional and general liability losses provide an adequate reserve for loss contingencies.

OSF is self-insured for workers' compensation. OSF has employed independent actuaries to estimate the ultimate costs, if any, of the settlement of workers' compensation claims.

OSF is also self-insured for unemployment compensation benefits and health and dental claims. OSF has developed internal techniques for estimating the ultimate costs of these claims. Accrued losses are recorded on an undiscounted basis. In management's opinion, accrued losses provide an adequate reserve for loss contingencies. Due to the short-term nature of health and dental claims, estimated liabilities of \$9,493 and \$10,253 as of September 30, 2014 and 2013, respectively, have been reported as accrued expenses. The associated expense of \$120,815 and \$120,113 as of September 30, 2014, respectively, is included in salaries and benefits in the accompanying consolidated statements of operations and changes in net assets.

As of September 30, 2014 and 2013, estimated self-insurance liabilities are comprised of the following:

	2014	2013
Professional and general liability	\$ 152,448	134,261
Workers' compensation	21,263	19,983
Other	3,315	3,770
Total estimated self-insurance liabilities	<u>\$ 177,026</u>	<u>158,014</u>

Self-insurance expense is included in supplies and other expenses in the accompanying consolidated statements of operations and changes in net assets. As of September 30, 2014 and 2013, self-insurance expense is comprised of the following:

	2014	2013
Professional and general liability	\$ 27,672	27,044
Workers' compensation	6,527	7,855
Total self-insurance expense	<u>\$ 34,199</u>	<u>34,899</u>

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(14) Retirement Benefits

OSF has a noncontributory defined benefit pension plan (the Plan) covering substantially all employees of the Providers and OSF Corporate Office. The Plan was changed to eliminate benefit accruals after March 5, 2011. Curtailment accounting occurred effective December 31, 2010. Prior to the Plan's change, benefits were based on a minimum benefit, which was increased for years of service. Contributions are intended to fund current service cost and, over 30 years, benefits from qualifying service prior to establishment of the Plan. The Plan is a "Church" plan and is not subject to Employee Retirement Income Security Act (ERISA).

The actuarial funding method used in the actuarial valuation for 2014 and 2013 is the projected unit credit cost method. The measurement date for plan liabilities and assets is September 30 for the years ended September 30, 2014 and 2013. The following tables set forth the Plan's funded status and amounts recognized in OSF's consolidated financial statements at September 30, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
Change in benefit obligation:		
Benefit obligation at beginning of year	\$ 735,420	834,821
Interest cost	37,049	33,899
Actuarial gain (loss)	157,283	(116,367)
Benefits paid	<u>(19,284)</u>	<u>(16,933)</u>
Benefit obligation at end of year	<u>\$ 910,468</u>	<u>735,420</u>
Change in plan assets:		
Fair value of plan assets at beginning of year	\$ 471,022	420,557
Actual return on plan assets	40,913	61,243
Employer contributions	7,039	6,155
Benefits paid	<u>(19,284)</u>	<u>(16,933)</u>
Fair value of plan assets at end of year	<u>\$ 499,690</u>	<u>471,022</u>

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(In thousands)

	2014	2013
Reconciliation of funded status:		
Funded status	\$ (410,778)	(264,398)
Net amount recognized at year-end	<u>\$ (410,778)</u>	<u>(264,398)</u>
Amounts recognized in the accompanying consolidated balance sheets:		
Accrued benefit liability	\$ (410,778)	(264,398)
Amounts not yet reflected in net periodic benefit cost and included as an accumulated credit to unrestricted net assets:		
Net actuarial loss	\$ (396,889)	(250,262)
Prior service cost	<u>(7,552)</u>	<u>(7,786)</u>
Net amounts recognized in the accompanying consolidated balance sheets	<u>\$ (404,441)</u>	<u>(258,048)</u>
	2014	2013
Weighted average assumptions:		
Discount rate:		
Benefit obligation	4.50%	5.10%
Net periodic benefit cost	5.10	4.10
Rate of compensation increase:		
Benefit obligation	N/A	N/A
Net periodic benefit cost	N/A	N/A
Expected return on plan assets	8.00	8.00
Components of net periodic benefit cost:		
Interest cost	\$ 37,049	33,899
Expected return on plan assets	(36,024)	(36,141)
Amortization of prior service cost	234	234
Amortization of actuarial loss	<u>5,768</u>	<u>8,177</u>
Net periodic benefit cost	<u>\$ 7,027</u>	<u>6,169</u>

The accumulated benefit obligation for the Plan was \$910,468 and \$735,420 at September 30, 2014 and 2013, respectively. As of September 30, 2014, OSF adopted the new RP-2014 Mortality Table with generational improvements using projection scale MP-2014. As a result of the adoption, the projected benefit obligation increased \$67,664.

Benefit costs are included in salaries and benefits in the accompanying consolidated financial statements.

The expected long-term rate of return is based on the portfolio as a whole and not on the sum of the returns on individual asset categories. The return is based exclusively on historical returns, without adjustments.

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OSF is expected to contribute approximately \$12,092 to the Plan in 2015.

The benefits expected to be paid in each year 2015 through 2019 are approximately \$20,827, \$24,680, \$27,907, \$31,226, and \$34,498, respectively. The aggregate benefits expected to be paid in the five years from 2020 through 2024 are approximately \$217,907. The expected benefits are based on the same assumptions used to measure OSF's benefit obligation at September 30, 2014.

The Plan has a statement of investment policy, which is reviewed and approved by the OSF board of directors. The policy establishes goals and objectives of the fund, asset allocations, allowable and prohibited investments, socially responsible guidelines, and asset classifications, as well as specific investment manager guidelines. The policy states that the rebalancing of these assets to the target allocations will be reviewed on a semiannual basis. Investments are managed by independent advisors. Management monitors the performance of these managers on a monthly basis.

The table below lists the target asset allocation and acceptable ranges and actual asset allocations as of September 30, 2014 and 2013:

Asset	Target allocation	Acceptable range	Actual allocation at September 30	
			2014	2013
Large cap equity	39%	34 to 44%	41.0%	41.4%
Small cap equity	6	1 to 11	5.8	6.8
International equity	20	15 to 25	20.0	22.3
Fixed income	35	30 to 40	32.6	28.6
Cash	—	—	0.6	0.9

Fair Value of Financial Instruments

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2014 and 2013.

- Fair values of the Plan's assets are estimated based on prices provided by its investment managers and its custodian bank except for commingled funds. Fair value for cash and cash equivalents, equities, and foreign equities are measured using quoted market prices at the reporting date multiplied by the quantity held. U.S. Treasury obligations, U.S. government agencies, municipal securities, corporate obligations, and foreign securities are measured using other observable inputs. The carrying value equals fair value.
- Commingled funds and mutual funds are valued using net asset value as a practical expedient to measure fair value as allowed by ASU No. 2009-12.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

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(In thousands)

or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Fair Value Hierarchy

The Plan adopted ASC Subtopic 715-20-50, *Compensation – Retirement Benefits*, on October 1, 2009 for fair value measurements of financial assets and financial liabilities and for fair value measurements of nonfinancial items that are recognized or disclosed at fair value in the consolidated financial statements on a recurring basis. ASC Subtopic 715-20-50 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value.

The following table presents the Plan's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of September 30, 2014:

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial assets				
Investments				
Cash and cash equivalents	\$ 8,801	8,801	—	—
Domestic equities	145,590	145,590	—	—
U S Treasury obligations	14,913	14,913	—	—
U S government agencies	1,273	—	1,273	—
Municipal securities	414	—	414	—
Domestic corporate obligations	15,484	—	15,484	—
Domestic mutual funds – equities	561	561	—	—
Domestic mutual funds – bonds	124,385	124,385	—	—
Foreign equities	61,297	61,297	—	—
Foreign bonds	3,149	—	3,149	—
Foreign commingled funds	52,132	—	52,132	—
Domestic commingled funds	71,552	70,827	725	—
Partnership	139	—	—	139
Total financial assets	<u>\$ 499,690</u>	<u>426,374</u>	<u>73,177</u>	<u>139</u>

The following table summarizes the changes for the year ended September 30, 2014 in investments classified within Level 3. The classification of an investment within Level 3 is based on the significance of the unobservable inputs to the overall fair value measurement.

<u>Level 3 assets</u>	<u>Beginning balance, October 1, 2013</u>	<u>Unrealized loss</u>	<u>Sales</u>	<u>Ending balance, September 30, 2014</u>
Partnership (1 Partnership) \$	226	(87)	—	139

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(In thousands)

The following table presents the Plan's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of September 30, 2013:

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial assets				
Investments				
Cash and cash equivalents	\$ 17,907	17,907	—	—
Domestic equities	143,181	143,181	—	—
U S Treasury obligations	16,909	16,909	—	—
U S government agencies	2,373	—	2,373	—
Municipal securities	366	—	366	—
Domestic corporate obligations	14,932	—	14,932	—
Domestic mutual funds – equities	124	124	—	—
Domestic mutual funds – bonds	89,678	89,678	—	—
Foreign equities	59,772	59,772	—	—
Foreign bonds	3,278	—	3,278	—
Foreign commingled funds	51,271	—	51,271	—
Domestic commingled funds	71,005	70,313	692	—
Partnership	226	—	—	226
Total financial assets	<u>\$ 471,022</u>	<u>397,884</u>	<u>72,912</u>	<u>226</u>

The following table summarizes the changes for the year ended September 30, 2013 in investments classified within Level 3. The classification of an investment within Level 3 is based on the significance of the unobservable inputs to the overall fair value measurement.

<u>Level 3 assets</u>	<u>Beginning balance, October 1, 2012</u>	<u>Realized Gains</u>	<u>Unrealized Losses</u>	<u>Sales</u>	<u>Ending balance, September 30, 2013</u>
Corporate obligations (1 Corporate obligation)	\$ 189	(5)	—	(184)	—
Partnership (1 Partnership)	254	—	(28)	—	226
	<u>\$ 443</u>	<u>(5)</u>	<u>(28)</u>	<u>(184)</u>	<u>226</u>

The Plan's accounting policy is to recognize transfers between levels of the fair value hierarchy on the date of the event or change in circumstances that caused the transfer. There were no transfers into or out of Level 1, Level 2, or Level 3 for the years ended September 30, 2014 and 2013.

None of the assets, except those listed below, have any redemption restrictions so the redemption frequency is daily and would have a one-day notice for redemption.

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(In thousands)

	<u>2014</u>	<u>2013</u>	<u>Redemption frequency</u>	<u>Days notice</u>
Foreign commingled funds	\$ 52,132	51,271	Monthly	10
Domestic commingled funds	71,552	71,005	Daily	2
Partnership	139	226	At GP discretion	N/A

In addition, OSF sponsors a retirement savings plan that includes a 401(k) feature. In conjunction with the change in the pension plan on March 5, 2011, OSF enhanced the retirement savings plan by increasing the match and adding an annual discretionary contribution. In 2013 and 2014, participants may deposit an amount from 1% to 90% of their eligible compensation up to the IRS limit. OSF contributes 100% of the employee contribution up to 5% of eligible compensation. OSF may also make annual discretionary contributions based on a participant's age and years of service. OSF contributed \$49,529 in 2014 and \$53,520 in 2013 to the retirement savings plan, which has been expensed as salaries and benefits expense. OSF also accrued for an anticipated discretionary contribution of \$17,094 in 2014 and \$17,529 in 2013, which has been expensed as salaries and benefits expense.

SFI has a defined benefit pension plan (SFI Plan) covering substantially all of its employees. The plan was changed to eliminate benefit accruals after March 5, 2011. Curtailment accounting occurred effective December 31, 2010. Prior to the plan change, SFI Plan benefits were based on years of service and the employee's compensation during those years of service. SFI's funding policy is to contribute an amount not less than the minimum required contribution under the ERISA of 1974.

The actuarial funding method used in the actuarial valuation for 2014 and 2013 for the SFI Plan is the projected unit credit cost method. The measurement date for plan liabilities and assets is September 30. The following tables set forth the SFI Plan's funded status and amounts recognized in the consolidated financial statements at September 30, 2014:

	<u>2014</u>	<u>2013</u>
Change in benefit obligation:		
Benefit obligation at beginning of year	\$ 51,970	59,419
Interest cost	2,653	2,450
Actuarial gain (loss)	12,286	(9,059)
Benefits paid	(998)	(840)
Benefit obligation at end of year	<u>\$ 65,911</u>	<u>51,970</u>

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2014 and 2013

(In thousands)

	<u>2014</u>	<u>2013</u>
Change in plan assets:		
Fair value of plan assets at beginning of year	\$ 42,295	37,535
Actual return on plan assets	5,307	5,200
Employer contributions	1,280	400
Benefits paid	(998)	(840)
Fair value of plan assets at end of year	<u>\$ 47,884</u>	<u>42,295</u>
Reconciliation of funded status:		
Funded status	\$ (18,027)	(9,675)
Net amount recognized at year-end	<u>\$ (18,027)</u>	<u>(9,675)</u>
Amounts recognized in the accompanying consolidated balance sheets:		
Accrued benefit liability	\$ (18,027)	(9,675)
Amounts not yet reflected in net periodic benefit cost and included as an accumulated credit to stockholder's equity:		
Net actuarial loss	\$ 24,351	14,610
Prior service cost	308	317
Net amounts recognized in the accompanying consolidated balance sheets	<u>\$ 24,659</u>	<u>14,927</u>
	<u>2014</u>	<u>2013</u>
Weighted average assumptions:		
Discount rate:		
Benefit obligation	4.55%	5.15%
Net periodic benefit cost	5.15	4.15
Rate of compensation increase:		
Benefit obligation	N/A	N/A
Net periodic benefit cost	4.50	4.50
Expected return on plan assets	8.00	8.00
Components of net periodic benefit cost:		
Interest cost	\$ 2,653	2,450
Expected return on plan assets	(3,132)	(2,914)
Amortization of transition asset	371	608
Amortization of prior service cost	9	9
Net periodic benefit cost	<u>\$ (99)</u>	<u>153</u>

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(In thousands)

The accumulated benefit obligation for the SFI Plan was \$65,911 and \$51,970 at September 30, 2014 and 2013, respectively. As of September 30, 2014, OSF adopted the new RP-2014 Mortality Table with generational improvements using projection scale MP-2014. As a result of the adoption, the projected benefit obligation increased \$4,851 before considering income taxes.

The expected long-term rate of return is based on the portfolio as a whole and not on the sum of the returns on individual asset categories. The return is based exclusively on historical returns, without adjustments.

SFI expects to contribute \$730 to the SFI Plan in 2015.

The benefits expected to be paid in each year 2015 through 2019 for the SFI Plan are approximately \$1,121, \$1,386, \$1,630, \$1,884, and \$2,115, respectively. The aggregate benefits expected to be paid in the five years from 2020 through 2024 are approximately \$14,246.

The SFI Plan has a statement of investment policy, which is reviewed and approved by the SFI board of directors. The policy establishes goals and objectives of the fund, asset allocations, allowable and prohibited investments, socially responsible guidelines, and asset classifications as well as specific investment manager guidelines. The policy states that the rebalancing of these assets to the target allocations will be reviewed on a semiannual basis. Investments are managed by independent advisors. Management monitors the performance of these managers on a monthly basis.

The table below lists the target asset allocation and acceptable ranges and actual asset allocations for the SFI Plan as of September 30, 2014 and 2013:

Asset	Target allocation	Acceptable range	Actual allocation at September 30	
			2014	2013
Large cap equity	39%	34% to 44%	41.5%	42.0%
Small cap equity	6	2 to 10	5.9	6.4
International equity	20	15 to 25	19.8	20.1
Fixed income	35	30 to 40	30.8	30.3
Cash	—	—	2.0	1.3

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2014 and 2013

(In thousands)

The following table presents the SFI Plan's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of September 30, 2014:

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial assets				
Investments (excluding accrued interest of \$30)				
Cash and cash equivalents	\$ 947	947	—	—
Domestic mutual funds – equities	2,844	2,844	—	—
Domestic mutual funds – bonds	14,718	14,718	—	—
Foreign securities	9,473	9,473	—	—
Domestic commingled funds	19,872	19,872	—	—
Total financial assets	<u>\$ 47,854</u>	<u>47,854</u>	<u>—</u>	<u>—</u>

The following table presents the SFI Plan's fair value hierarchy for those assets and liabilities measured at fair value on a recurring basis as of September 30, 2013:

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Financial assets				
Investments (excluding accrued interest of \$27)				
Cash and cash equivalents	\$ 550	550	—	—
Domestic mutual funds – equities	2,685	2,685	—	—
Domestic mutual funds – bonds	12,787	12,787	—	—
Foreign securities	8,509	8,509	—	—
Domestic commingled funds	17,737	17,737	—	—
Total financial assets	<u>\$ 42,268</u>	<u>42,268</u>	<u>—</u>	<u>—</u>

The SFI Plan's accounting policy is to recognize transfers between levels of the fair value hierarchy on the date of the event or change in circumstances that caused the transfer. There were no transfers into or out of Level 1, Level 2, or Level 3 for the years ended September 30, 2014 and 2013.

None of the assets, except those listed below, have any redemption restrictions so the redemption frequency is daily and would have a one-day notice for redemption:

	<u>2014</u>	<u>2013</u>	<u>Redemption frequency</u>	<u>Days notice</u>
Domestic commingled funds	\$ 19,872	17,737	Daily	2

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

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(In thousands)

In addition, SFI sponsors a retirement savings plan that includes a 401(k) feature. In 2013 and 2014, participants may deposit an amount from 1% to 90% of their eligible compensation up to the IRS limit. SFI may make matching contributions equal to a discretionary percentage of the participant's contributions. SFI may also make annual discretionary contributions based on a participant's age and years of service. SFI contributed \$5,604 in 2014 and \$6,027 in 2013 to the retirement savings plan, which has been expensed as salaries and benefits expense. SFI also accrued for an anticipated discretionary contribution of \$2,152 in 2014 and \$2,194 in 2013, which has been expensed as salaries and benefits expense.

(15) Income Taxes

Income tax expense (benefit) for SFI, ORHA, Illinois Pathologist Services, LLC, and Preferred Emergency Physicians of Illinois, LLC for the years ended September 30, 2014 and 2013 consist of the following:

		2014		
		Current	Deferred	Total
U.S. federal	\$	(36)	356	320
State		(11)	54	43
	\$	<u>(47)</u>	<u>410</u>	<u>363</u>
		2013		
		Current	Deferred	Total
U.S. federal	\$	(220)	563	343
State		(27)	15	(12)
	\$	<u>(247)</u>	<u>578</u>	<u>331</u>

Income tax benefit attributable from revenues, gains, and other support over expenses was \$363 and \$331 for the years ended September 30, 2014 and 2013, respectively, and differed from the amounts computed by applying the U.S. federal income tax rate of 34% to pretax income as a result of the following:

	2014	2013
Computed "expected" tax benefit	\$ (1,783)	(153)
(Decrease) increase in income taxes resulting from:		
State income taxes, net of federal income tax effect	(472)	(36)
Other nondeductible expenses and other	2,618	520
Total income tax expense	\$ <u>363</u>	<u>331</u>

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2014 and 2013

(In thousands)

Significant components of deferred tax assets and liabilities, using a combined federal and state income tax rate of 43% at September 30, 2014 and 2013, are as follows:

	<u>2014</u>	<u>2013</u>
Deferred tax assets:		
Accounts receivable reserves	\$ 450	354
Benefit accruals, including pension	12,894	8,481
Investments in joint ventures	(211)	31
Pledges and contributions	56	105
Net operating loss carryforward	615	567
Contribution carryover	872	880
Market valuation of derivatives	538	718
401K Discretionary	880	903
Accounting change – accelerated revenue recognition	—	82
	<u>16,094</u>	<u>12,121</u>
Total gross deferred tax assets		
	16,094	12,121
Less valuation allowance	—	—
	<u>—</u>	<u>—</u>
Net deferred tax assets	<u>\$ 16,094</u>	<u>12,121</u>

Deferred tax assets are recorded as other assets in the accompanying consolidated balance sheets.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, management believes that it is more likely than not that OSF will realize the benefits of these deductible differences to the extent they exceed the valuation allowance reported above.

The expiration of the net operating loss carryforwards range from 2033 to 2034.

(16) Commitments and Contingencies

(a) Operating Leases

OSF occupies space in certain facilities under long-term noncancelable operating lease arrangements. Total equipment rental, asset lease, and facility rental expenses in 2014 and 2013 were \$56,965 and \$49,779, respectively.

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

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September 30, 2014 and 2013

(In thousands)

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

	<u>Amount</u>
Year ending September 30:	
2015	\$ 31,074
2016	21,417
2017	17,061
2018	14,139
2019	9,763
Thereafter	51,426

(b) *Litigation*

OSF and its subsidiaries are involved in litigation arising in the ordinary course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on OSF and its subsidiaries' future financial position or results from operations.

(c) *Legal, Regulatory, and Other Contingencies and Commitments*

The laws and regulations governing the Medicare, Medicaid, and other government healthcare programs are extremely complex and subject to interpretation, making compliance an ongoing challenge for OSF and other healthcare organizations. Recently, the federal government has increased its enforcement activity, including audits and investigations related to billing practices, clinical documentation, and related matters. OSF maintains a compliance program designed to educate employees and to detect and correct possible violations.

(d) *The Patient Protection and Affordable Care Act*

The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010 (often referred to, collectively, as the Affordable Care Act of the healthcare reform law), was signed into law on March 23, 2010. The statute will change how healthcare services are delivered and reimbursed through a variety of mechanisms. The law contains stronger anti fraud enforcement provisions and provides additional funding for enforcement activity.

On May 6, 2011, CMS issued a final rule establishing a value-based purchasing program for acute care hospitals paid under the Medicare Inpatient Prospective Payment System. Beginning in federal fiscal year 2014, incentive payments are made based on achievement of or improvement in a set of clinical and quality measures designed to foster improved clinical outcomes. There has been no significant impact as a result of this regulation.

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

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September 30, 2014 and 2013

(In thousands)

The Budget Control Act of 2011 (BCA) mandated significant reductions and spending caps on the federal budget for fiscal year 2012 through 2021. The BCA also created a joint select committee on deficit reduction (the Super Committee) to develop a plan to further reduce the federal deficit. Since the Super Committee failed to act before the mandatory deadline, a 2% reduction in Medicare spending, among other reductions, was to take effect January 1, 2013 in a process known as Sequestration. The BCA also required a 26.5% reduction in the sustainable growth rate formula regarding physician reimbursement under Medicare effective January 1, 2013.

On January 2, 2013, the President signed into law the American Taxpayers Relief Act (ATRA), which delayed Sequestration until March 1, 2013 and is now in effect as of March 1, 2013 and will continue until Congress takes further action. The ATRA delays the reduction in physician reimbursement until the end of 2014. As such, only the 2% reduction for nonphysician payments was effective April 1, 2013.

(e) Tax Exemption for Sales Tax and Property Tax

Effective June 14, 2012, the Governor of Illinois signed into law, *Public Act 97-0688*, which creates new standards for state sales tax and property tax exemptions in Illinois. The law establishes new standards for the issuance of charitable exemptions, including requirements for a nonprofit hospital to certify annually that in the prior year, it provided an amount of qualified services and activities to low-income and underserved individuals with a value at least equal to the hospital's estimated property tax liability. OSF certified in 2014 in accordance with the legislation and is pending determination. OSF has not recorded a liability for related property taxes greater than the amount recorded in fiscal year 2014 based upon management's current determination of qualified services provided.

(f) Investment Risk and Uncertainties

OSF invests in various investment securities. Investment securities are exposed to various risks such as interest rate, credit, and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying consolidated balance sheets.

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

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(In thousands)

(17) Subsequent Events

In connection with the preparation of the consolidated financial statements and in accordance with ASC Topic 855, *Subsequent Events*, OSF evaluated subsequent events after the consolidated balance sheet date of September 30, 2014 through February 10, 2015, which was the date the consolidated financial statements were issued.

On November 1, 2014, Saint Anthony's Health Center and Saint Clare's Hospital in Alton, Illinois merged into OSF Healthcare System. The new names are OSF Saint Anthony's Health Center (the Health Center) and OSF Saint Clare's Hospital. The two campuses have 203 beds and serve area residents of the Riverbend area of Madison County. The transaction resulted in a contribution of excess assets over liabilities of \$2,000 being recorded in the consolidated statements of operations and change in unrestricted net assets during 2015.

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Consolidating Balance Sheet Information – OSF Healthcare System and Subsidiaries

September 30, 2014

(In thousands)

Assets	Total healthcare providers	Corporate office
Current		
Cash and cash equivalents	\$ 36.458	208.250
Patients' and residents' accounts receivable, net of allowance for doubtful accounts of approximately \$144.902	379.480	—
Other	46.254	19.465
Total current assets	462.192	227.715
Investments	86.757	820.255
Assets limited as to use	—	166.896
Property and equipment, net	756.402	127.450
Restricted assets	59.767	—
Other assets	973.811	138.954
Total assets	\$ 2,338.929	1,481.270
Liabilities, Net Assets (Liabilities), and Stockholder's Equity		
Current liabilities		
Current portion of long-term debt	\$ 4.376	4.281
Accounts payable and accrued expenses	173.552	46.457
Estimated third-party payor settlements	82.601	—
Total current liabilities	260.529	50.738
Long-term debt, net of current portion	107.071	849.982
Accrued benefit liability	—	410.778
Estimated self-insurance liabilities	1.238	155.692
Other liabilities	4.049	983.903
Total liabilities	372.887	2,451.093
Net assets (liabilities)		
Unrestricted		
Unrestricted net assets of OSF	1,897.575	(969.823)
Noncontrolling interests in subsidiaries	8.700	—
Total unrestricted net assets	1,906.275	(969.823)
Temporarily restricted	36.966	—
Permanently restricted	22.801	—
Total net assets (liabilities)	1,966.042	(969.823)
Stockholder's equity	—	—
Total liabilities and net assets	\$ 2,338.929	1,481.270

See accompanying independent auditors' report

Schedule 1

Eliminations and reclassifications	Total obligated group	OSF Saint Francis, Inc. and other non obligated group entities	Eliminations and reclassifications	Consolidated
(7.069)	237.639	30.815	11.636	280.090
(2.250)	377.230	21.622	—	398.852
(6.829)	58.890	18.725	(8.848)	68.767
(16.148)	673.759	71.162	2.788	747.709
—	907.012	—	—	907.012
—	166.896	—	—	166.896
—	883.852	89.170	—	973.022
—	59.767	—	—	59.767
(1.037.779)	74.986	19.436	(25.593)	68.829
(1.053.927)	2.766.272	179.768	(22.805)	2.923.235
(2.558)	6.099	7.133	—	13.232
(13.590)	206.419	56.013	2.788	265.220
—	82.601	(115)	—	82.486
(16.148)	295.119	63.031	2.788	360.938
(101.631)	855.422	52.260	—	907.682
—	410.778	18.027	—	428.805
—	156.930	20.096	—	177.026
(936.148)	51.804	2.699	—	54.503
(1.053.927)	1.770.053	156.113	2.788	1.928.954
—	927.752	—	(2.214)	925.538
—	8.700	—	276	8.976
—	936.452	—	(1.938)	934.514
—	36.966	—	—	36.966
—	22.801	—	—	22.801
—	996.219	—	(1.938)	994.281
—	—	23.655	(23.655)	—
(1.053.927)	2.766.272	179.768	(22.805)	2.923.235

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Consolidating Balance Sheet Information – Healthcare Providers

September 30, 2014

(In thousands)

Assets	Escanaba	Rockford	Pontiac	Bloomington
Current				
Cash and cash equivalents	\$ 768	3 611	694	2 781
Patients' and residents' accounts receivable, net of allowance for doubtful accounts of approximately \$119,099	9 251	76 357	9 048	28 337
Other	4 000	10 015	2 246	5 614
Total current assets	14 019	89 983	11 988	36 732
Investments	560	8 611	325	3 265
Property and equipment, net	14 383	82 826	25 306	79 276
Restricted assets	1 938	6 496	2 036	548
Other assets	1	7 011	19 848	195 901
Total assets	\$ 30 901	194 927	59 503	315 722
Liabilities and Net Assets (Liabilities)				
Current liabilities				
Current portion of long-term debt	\$ 1 290	125	—	1 585
Accounts payable and accrued expenses	6 707	32 473	7 190	16 794
Estimated third-party payor settlements	—	20 539	609	11 852
Total current liabilities	7 997	53 137	7 799	30 231
Long-term debt, net of current portion	52 198	3 540	—	1 855
Estimated self-insurance liabilities	—	—	—	—
Other liabilities	113	588	64	404
Total liabilities	60 308	57 265	7 863	32 490
Net assets (liabilities)				
Unrestricted				
Unrestricted net assets of OSF	(31 347)	131 488	49 605	275 478
Noncontrolling interests in subsidiaries	—	(322)	—	7 206
Total unrestricted net assets	(31 347)	131 166	49 605	282 684
Temporarily restricted	1 150	2 740	1 152	503
Permanently restricted	790	3 756	883	45
Total net assets (liabilities)	(29 407)	137 662	51 640	283 232
Total liabilities and net assets	\$ 30 901	194 927	59 503	315 722

See accompanying independent auditors' report

Schedule 2

Peoria	Galesburg	Kewanee	Monmouth	Home Care	Ottawa (obligated group)	Total
12 491	975	3 513	7 268	345	4 012	36 458
216 932	14 632	6 859	3 231	6 780	8 053	379 480
13 366	2 027	1 088	1 781	2 124	3 993	46 254
242 789	17 634	11 460	12 280	9 249	16 058	462 192
25 581	1 088	24 963	95	447	21 822	86 757
466 724	20 407	15 253	10 950	8 709	32 568	756 402
39 310	6 804	737	550	1 029	319	59 767
628 027	110 190	20	6 632	—	6 181	973 811
1 402 431	156 123	52 433	30 507	19 434	76 948	2 338 929
108	—	600	—	668	—	4 376
79 286	8 683	3 794	2 504	5 574	10 547	173 552
43 696	2 068	1 611	542	—	1 684	82 601
123 090	10 751	6 005	3 046	6 242	12 231	260 529
45	—	23 435	—	25 998	—	107 071
—	—	—	—	—	1 238	1 238
1 538	174	26	180	—	962	4 049
124 673	10 925	29 466	3 226	32 240	14 431	372 887
1 236 632	138 394	22 230	26 731	(13 834)	62 198	1 897 575
1 816	—	—	—	—	—	8 700
1 238 448	138 394	22 230	26 731	(13 834)	62 198	1 906 275
27 556	2 259	54	550	688	314	36 966
11 754	4 545	683	—	340	5	22 801
1 277 758	145 198	22 967	27 281	(12 806)	62 517	1 966 042
1 402 431	156 123	52 433	30 507	19 434	76 948	2 338 929

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Consolidating Balance Sheet Information – OSF Saint Francis, Inc. and Other Subsidiaries

September 30, 2014

(In thousands)

	OSF Saint Francis, Inc.*	Ottawa (Non-Obligated group)	Other subsidiaries**	Eliminations	OSF Saint Francis, Inc. and other non obligated group entities
Assets					
Current					
Cash and cash equivalents	\$ 37,932	1,651	(8,768)	—	30,815
Patients' and residents' accounts receivable, net of allowance for doubtful accounts of approximately \$25,803	9,350	867	11,405	—	21,622
Other	17,288	1,053	3,365	(2,981)	18,725
Total current assets	64,570	3,571	6,002	(2,981)	71,162
Property and equipment, net	83,044	648	5,478	—	89,170
Restricted assets	—	—	—	—	—
Other assets	18,153	1,283	—	—	19,436
Total assets	\$ 165,767	5,502	11,480	(2,981)	179,768
Liabilities and Stockholder's Equity					
Current liabilities					
Current portion of long-term debt	\$ 7,133	—	—	—	7,133
Accounts payable and accrued expenses	37,242	1,161	20,591	(2,981)	56,013
Estimated third-party payor settlements	—	—	(115)	—	(115)
Total current liabilities	44,375	1,161	20,476	(2,981)	63,031
Long-term debt, net of current portion	52,260	—	—	—	52,260
Accrued benefit liability	18,027	—	—	—	18,027
Estimated self-insurance liabilities	20,096	—	—	—	20,096
Other liabilities	1,251	1,228	220	—	2,699
Total liabilities	136,009	2,389	20,696	(2,981)	156,113
Stockholder's equity	29,758	3,113	(9,216)	—	23,655
Total liabilities and stockholder's equity	\$ 165,767	5,502	11,480	(2,981)	179,768

* OSF Saint Francis, Inc. includes the accounts of OSF Saint Francis, Inc., OSF Aviation, OSF Design Group, and OSF Assurance Company

** Other subsidiaries include the accounts of OSF Multispecialty Group – Peoria, LLC, HeartCare Midwest, Ltd., Illinois Neurological Institute – Physicians, LLC, Cardiovascular Institute at OSF, LLC, OSF Multispecialty Group – Eastern Region, LLC, OSF Lifeline Ambulance, LLC, Illinois Pathologist Services, LLC, Illinois Specialty Physician Services at OSF, LLC, OSF Perinatal Associates, LLC, OSF Multispecialty Group – Western Region, LLC, OSF Children's Medical Group – Congenital Heart Center, LLC, and Preferred Emergency Physicians of Illinois, LLC

See accompanying independent auditors' report

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Consolidating Statement of Operations and Changes in Unrestricted Net Assets Information – OSF Healthcare System and Subsidiaries

Year ended September 30, 2014

(In thousands)

	Total healthcare providers	Corporate office
Net patient service revenue	\$ 1,966,573	—
Provision for uncollectible accounts	(60,036)	—
Net patient service revenues, less provision for uncollectible accounts	1,906,537	—
Other revenues		
Contributions	3,434	—
Other	58,792	165,713
Net assets released from restrictions used for operations	2,866	—
Total revenues	1,971,629	165,713
Expenses		
Salaries and benefits	871,110	101,281
Sisters' evaluated services	115	1,076
Supplies and other expenses	848,802	60,673
Depreciation and amortization	86,640	21,541
Interest	5,032	81,772
Total expenses	1,811,699	266,343
Income (loss) before income tax expense	159,930	(100,630)
Income tax expense	—	—
Income (loss) from operations	159,930	(100,630)
Nonoperating gains (losses)		
Investment income (loss)	51,371	39,078
Net settlement of derivative instruments	—	(7,914)
Change in fair value of investments	3,167	9,141
Loss on early extinguishment of debt	(628)	(2,365)
Change in fair value of derivative instruments	—	(5,253)
Contribution of excess assets over liabilities for Saint Luke Medical Center and other	23,270	—
Total nonoperating gains	77,180	32,687
Net income (loss)	237,110	(67,943)
Other changes in unrestricted net assets		
Net assets released from restrictions used for the purchase of property and equipment	6,429	—
Transfer (to) from affiliate and other	(2,481)	(39,180)
Recognition of change in pension funded status	—	(151,927)
Net distributions made to noncontrolling shareholders	(5,603)	—
Change in unrestricted net assets	\$ 235,455	(259,050)

See accompanying independent auditors' report

Schedule 4

Eliminations	Total obligated group	OSF Saint Francis, Inc. and other non obligated group entities	Eliminations	Consolidated
(40,457)	1,926,116	139,153	—	2,065,269
—	(60,036)	(7,222)	—	(67,258)
(40,457)	1,866,080	131,931	—	1,998,011
—	3,434	—	—	3,434
(179,944)	44,561	143,272	(95,320)	92,513
—	2,866	2	—	2,868
(220,401)	1,916,941	275,205	(95,320)	2,096,826
43,575	1,015,966	138,068	—	1,154,034
—	1,191	—	—	1,191
(243,638)	665,837	199,699	(119,917)	745,619
(20,338)	87,843	7,674	—	95,517
(52,434)	34,370	1,815	—	36,185
(272,835)	1,805,207	347,256	(119,917)	2,032,546
52,434	111,734	(72,051)	24,597	64,280
—	—	363	—	363
52,434	111,734	(72,414)	24,597	63,917
(52,434)	38,015	122	—	38,137
—	(7,914)	—	—	(7,914)
—	12,308	—	—	12,308
—	(2,993)	—	—	(2,993)
—	(5,253)	418	—	(4,835)
—	23,270	—	—	23,270
(52,434)	57,433	540	—	57,973
—	169,167	(71,874)	24,597	121,890
—	6,429	—	—	6,429
—	(41,661)	55,961	(14,500)	(200)
—	(151,927)	(7,633)	7,633	(151,927)
—	(5,603)	(108)	—	(5,711)
—	(23,595)	(23,654)	17,730	(29,519)

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Consolidating Statement of Operations and Changes in Unrestricted Net Assets
Information – Healthcare Providers

Year ended September 30, 2014

(In thousands)

	<u>Escanaba</u>	<u>Rockford</u>	<u>Pontiac</u>	<u>Bloomington</u>
Net patient service revenue	\$ 72,807	358,797	66,584	198,076
Provision for uncollectible accounts	(6,236)	(12,816)	(4,306)	(8,193)
Net patient service revenues less provision for uncollectible accounts	66,571	345,981	62,278	189,883
Other revenues				
Contributions	122	183	65	153
Other	1,975	9,631	3,368	5,350
Net assets released from restrictions used for operations	6	586	104	230
Total revenues	68,674	356,381	65,815	195,616
Expenses				
Salaries and benefits	35,702	159,482	30,786	74,802
Sisters' evaluated services	—	—	—	—
Supplies and other expenses	30,799	176,902	30,998	81,532
Depreciation and amortization	2,337	15,035	3,472	9,891
Interest	2,395	519	—	110
Total expenses	71,233	351,938	65,256	166,335
Income (loss) from operations	(2,559)	4,443	559	29,281
Nonoperating gains				
Investment income	31	463	1,012	9,391
Change in fair value of investments	—	443	3	(142)
Loss on early extinguishment of debt	—	—	—	—
Contribution of excess assets over liabilities for Saint Luke Medical Center and other	—	—	—	—
Total nonoperating gains	31	906	1,015	9,249
Net income (loss)	(2,528)	5,349	1,574	38,530
Other changes in unrestricted net assets (liabilities)				
Net assets released from restrictions used for the purchase of property and equipment	2,098	223	2,589	55
Transfer (to) from affiliate and other	—	—	—	—
Net distributions made to noncontrolling shareholders	—	—	—	(3,289)
Change in unrestricted net assets (liabilities)	\$ (430)	5,572	4,163	35,296

See accompanying independent auditors' report

Schedule 5

Peoria	Galesburg	Kewanee	Monmouth	Home Care	Ottawa (obligated group)	Total
1 019 799 (14 404)	92 792 (6 631)	15 039 (1 077)	26 492 (1 766)	47 690 (148)	68 497 (4 459)	1 966 573 (60 036)
1 005 395	86 161	13 962	24 726	47 542	64 038	1 906 537
1 791	283	—	48	317	472	3 434
30 439	1 392	358	1 976	632	3 671	58 792
1 878	55	—	6	—	1	2 866
1 039 503	87 891	14 320	26 756	48 491	68 182	1 971 629
440 544	36 264	6 613	15 373	34 048	37 496	871 110
67	48	—	—	—	—	115
442 319	33 204	5 350	9 036	13 015	25 647	848 802
46 127	3 587	1 111	894	937	3 249	86 640
4	—	689	—	1 218	97	5 032
929 061	73 103	13 763	25 303	49 218	66 489	1 811 699
110 442	14 788	557	1 453	(727)	1 693	159 930
33 023	5 951	282	124	8	1 086	51 371
1 955	16	143	—	32	717	3 167
—	—	(628)	—	—	—	(628)
—	—	21 877	—	—	1 393	23 270
34 978	5 967	21 674	124	40	3 196	77 180
145 420	20 755	22 231	1 577	(687)	4 889	237 110
816	47	—	600	1	—	6 429
—	—	—	—	—	(2 481)	(2 481)
(2 314)	—	—	—	—	—	(5 603)
143 922	20 802	22 231	2 177	(686)	2 408	235 455

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Consolidating Statement of Operations and Changes in Stockholder's Equity
Information – OSF Saint Francis, Inc. and Other Subsidiaries

Year ended September 30, 2014

(In thousands)

	OSF Saint Francis, Inc.*	Ottawa (Non-Obligated Group)	Other subsidiaries**	Eliminations	OSF Saint Francis, Inc. and other non obligated group entities
Net patient service revenue	\$ 27,944	8,750	102,459	—	139,153
Provision for uncollectible accounts	(1,025)	(586)	(5,611)	—	(7,222)
Net patient service revenues less provision for uncollectible accounts	26,919	8,164	96,848	—	131,931
Other revenues					
Contributions	—	—	—	—	—
Other	170,599	557	3,916	(31,800)	143,272
Net assets released from restrictions used for operations	—	2	—	—	2
Total revenues	197,518	8,723	100,764	(31,800)	275,205
Expenses					
Salaries and benefits	131,334	6,734	—	—	138,068
Supplies and other expenses	64,866	5,798	160,835	(31,800)	199,699
Depreciation and amortization	5,194	354	2,126	—	7,674
Interest	1,815	—	—	—	1,815
Total expenses	203,209	12,886	162,961	(31,800)	347,256
Loss before income tax benefit	(5,691)	(4,163)	(62,197)	—	(72,051)
Income tax expense	209	5	149	—	363
Loss from operations	(5,900)	(4,168)	(62,346)	—	(72,414)
Nonoperating gains					
Investment income	30	14	78	—	122
Change in fair value of derivative instruments	418	—	—	—	418
Contribution of excess assets over liabilities for Saint Luke Medical Center and other	—	—	—	—	—
Total nonoperating gains	448	14	78	—	540
Net loss	(5,452)	(4,154)	(62,268)	—	(71,874)
Other changes in stockholder's equity					
Transfer from affiliate	—	2,481	53,480	—	55,961
Recognition of change in pension funded status	(7,633)	—	—	—	(7,633)
Net distributions made to noncontrolling shareholders	—	(108)	—	—	(108)
Change in stockholder's equity	\$ (13,085)	(1,781)	(8,788)	—	(23,654)

* OSF Saint Francis, Inc. includes the accounts of OSF Saint Francis, Inc., OSF Aviation, OSF Design Group, and OSF Assurance Company.

** Other subsidiaries include the accounts of OSF Multispecialty Group – Peoria, LLC, HeartCare Midwest, Ltd., Illinois Neurological Institute – Physicians, LLC, Cardiovascular Institute at OSF, LLC, OSF Multispecialty Group – Eastern Region, LLC, OSF Lifeline Ambulance, LLC, Illinois Pathologist Services, LLC, Illinois Specialty Physician Services at OSF, LLC, OSF Perinatal Associates, LLC, OSF Multispecialty Group – Western Region, LLC, OSF Children's Medical Group – Congenital Heart Center, LLC, and Preferred Emergency Physicians of Illinois, LLC.

See accompanying independent auditors' report.

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Consolidating Statement of Changes in Net Assets Information – OSF Healthcare System

Year ended September 30, 2014

(In thousands)

	<u>Total healthcare providers</u>	<u>Corporate office</u>	<u>OSF Saint Francis, Inc. and other non obligated group entities</u>	<u>Eliminations</u>	<u>Consolidated</u>
Unrestricted net assets (liabilities)					
Net income (loss)	\$ 237,110	(67,943)	(71,874)	24,597	121,890
Other changes in unrestricted net assets					
Net assets released from restrictions used for the purchase of property and equipment	6,429	—	—	—	6,429
Transfer (to) from affiliate and other	(2,481)	(39,180)	55,961	(14,500)	(200)
Recognition of change in pension funded status	—	(151,927)	(7,633)	7,633	(151,927)
Net distributions made to noncontrolling shareholders	(5,603)	—	(108)	—	(5,711)
Change in unrestricted net assets (liabilities)	<u>235,455</u>	<u>(259,050)</u>	<u>(23,654)</u>	<u>17,730</u>	<u>(29,519)</u>
Temporarily restricted net assets					
Contributions and other	6,271	—	—	—	6,271
Investment income	1,779	—	—	—	1,779
Net assets released from restrictions	(9,295)	—	(2)	—	(9,297)
Change in temporarily restricted net assets	<u>(1,245)</u>	<u>—</u>	<u>(2)</u>	<u>—</u>	<u>(1,247)</u>
Permanently restricted net assets					
Contributions	<u>6,377</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>6,377</u>
Change in net assets (liabilities)	<u>240,587</u>	<u>(259,050)</u>	<u>(23,656)</u>	<u>17,730</u>	<u>(24,389)</u>
Net assets (liabilities) beginning of year	<u>1,725,455</u>	<u>(710,773)</u>	<u>(40,167)</u>	<u>44,155</u>	<u>1,018,670</u>
Net assets (liabilities) end of year	<u>\$ 1,966,042</u>	<u>(969,823)</u>	<u>(63,823)</u>	<u>61,885</u>	<u>994,281</u>

See accompanying independent auditors' report

OSF HEALTHCARE SYSTEM AND SUBSIDIARIES

Consolidating Statement of Changes in Net Assets Information – Healthcare Providers

Year ended September 30, 2014

(In thousands)

	<u>Escanaba</u>	<u>Rockford</u>	<u>Pontiac</u>	<u>Bloomington</u>
Unrestricted net assets (liabilities)				
Net income (loss)	\$ (2,528)	5,349	1,574	38,530
Other changes in unrestricted net assets				
Net assets released from restrictions used for the purchase of property and equipment	2,098	223	2,589	55
Net distributions made to noncontrolling shareholders	—	—	—	(3,289)
Transfer (to) from affiliate and other	—	—	—	—
Change in unrestricted net assets (liabilities)	<u>(430)</u>	<u>5,572</u>	<u>4,163</u>	<u>35,296</u>
Temporarily restricted net assets				
Contributions and other	216	796	193	439
Investment income	61	304	67	1
Net assets released from restrictions	(2,104)	(809)	(2,693)	(285)
Net assets transferred to affiliate	—	—	—	—
Change in temporarily restricted net assets	<u>(1,827)</u>	<u>291</u>	<u>(2,433)</u>	<u>155</u>
Permanently restricted net assets				
Contributions	—	40	1	42
Change in net assets (liabilities)	<u>(2,257)</u>	<u>5,903</u>	<u>1,731</u>	<u>35,493</u>
Net assets (liabilities), beginning of year	<u>(27,150)</u>	<u>131,759</u>	<u>49,909</u>	<u>247,739</u>
Net assets (liabilities), end of year	<u>\$ (29,407)</u>	<u>137,662</u>	<u>51,640</u>	<u>283,232</u>

See accompanying independent auditors' report

Schedule 8

Peoria	Galesburg	Kewanee	Monmouth	Home Care	Ottawa (obligated group)	Total
145,420	20,755	22,231	1,577	(687)	4,889	237,110
816	47	—	600	1	—	6,429
(2,314)	—	—	—	—	—	(5,603)
—	—	—	—	—	(2,481)	(2,481)
<u>143,922</u>	<u>20,802</u>	<u>22,231</u>	<u>2,177</u>	<u>(686)</u>	<u>2,408</u>	<u>235,455</u>
3,492	61	54	647	71	302	6,271
831	515	—	—	—	—	1,779
(2,694)	(102)	—	(606)	(1)	(1)	(9,295)
—	—	—	—	—	—	—
<u>1,629</u>	<u>474</u>	<u>54</u>	<u>41</u>	<u>70</u>	<u>301</u>	<u>(1,245)</u>
5,519	85	682	—	8	—	6,377
<u>151,070</u>	<u>21,361</u>	<u>22,967</u>	<u>2,218</u>	<u>(608)</u>	<u>2,709</u>	<u>240,587</u>
<u>1,126,688</u>	<u>123,837</u>	<u>—</u>	<u>25,063</u>	<u>(12,198)</u>	<u>59,808</u>	<u>1,725,455</u>
<u><u>1,277,758</u></u>	<u><u>145,198</u></u>	<u><u>22,967</u></u>	<u><u>27,281</u></u>	<u><u>(12,806)</u></u>	<u><u>62,517</u></u>	<u><u>1,966,042</u></u>