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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

▶ Do not enter Social Security numbers on this form as it may be made public By law, the IRS generally cannot redact the information on the form

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

OMB No 1545-0047

2013

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning 10-01-2013 , 2013, and ending 09-30-2014

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
STORMONT-VAIL HEALTHCARE INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
1500 SW 10TH AVENUE

City or town, state or province, country, and ZIP or foreign postal code
TOPEKA, KS 666041353

D Employer identification number
48-0543789

E Telephone number
(785) 354-6000

G Gross receipts $ 626,762,514

F Name and address of principal officer
KEVIN J HAN
1500 SW 10TH AVENUE
TOPEKA,KS 666041353

H(a) Is this a group return for subordinates? ☐ Yes ☑ No

H(b) Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☑ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW STORMONTVAIL ORG

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

L Year of formation 1894

M State of legal domicile KS

Part I Summary

1 Briefly describe the organization's mission or most significant activities
STORMONT-VAIL'S MISSION IS "WORKING TOGETHER TO IMPROVE THE HEALTH OF OUR COMMUNITY" BY PROVIDING QUALITY MEDICAL HEALTH CARE REGARDLESS OF RACE, CREED, SEX, NATIONAL ORIGIN, HANDICAP, AGE OR ABILITY TO PAY

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

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	15
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	13
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	4,874
6	Total number of volunteers (estimate if necessary)	**6**	639
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	0
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	37,076

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	430,397	344,266
9	Program service revenue (Part VIII, line 2g)	515,883,852	543,453,900
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	331,606	6,116,053
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	466,788	456,383
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	517,112,643	550,370,602
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	0
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	313,985,036	330,729,484
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	182,337,931	184,916,367
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	496,322,967	515,645,851
19	Revenue less expenses Subtract line 18 from line 12	20,789,676	34,724,751

		Beginning of Current Year	End of Year
Net Assets or Fund Balances			
20	Total assets (Part X, line 16)	565,232,540	640,070,550
21	Total liabilities (Part X, line 26)	282,723,434	332,819,981
22	Net assets or fund balances Subtract line 21 from line 20	282,509,106	307,250,569

Part II Signature Block

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

Sign Here

****** | 2015-07-21
Signature of officer | Date

KEVIN J HAN VICE PRESIDENT
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
CHERYL G HAYWARD				P00016097

Firm's name ▶ BERBERICH TRAHAN & CO PA | Firm's EIN ▶ 48-1066439

Firm's address ▶ 3630 SW BURLINGAME ROAD
TOPEKA, KS 666112050 | Phone no (785) 234-3427

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

Part III **Statement of Program Service Accomplishments**

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

1 Briefly describe the organization's mission

WORKING TOGETHER TO IMPROVE THE HEALTH OF OUR COMMUNITY

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 $ 475,602,889 including grants of $) (Revenue $ 543,453,900)

STORMONT-VAIL HEALTHCARE, INC PROVIDES QUALITY MEDICAL HEALTH CARE REGARDLESS OF RACE, CREED, SEX, NATIONAL ORIGIN, HANDICAP, AGE, OR ABILITY TO PAY FOR THE YEAR ENDED SEPTEMBER 30, 2014, 20,875 INPATIENTS, 63,744 EMERGENCY ROOM PATIENTS, 1,970 NEWBORNS, AND 427 NEONATAL INTENSIVE CARE BABIES WERE SERVED ALTHOUGH REIMBURSEMENT FOR SERVICES RENDERED IS CRITICAL TO THE OPERATION AND STABILITY OF STORMONT-VAIL, IT IS RECOGNIZED THAT NOT ALL INDIVIDUALS POSSESS THE ABILITY TO PURCHASE ESSENTIAL MEDICAL SERVICES STORMONT-VAIL'S MISSION IS TO SERVE THE COMMUNITY WITH RESPECT TO PROVIDING HEALTH CARE SERVICES AND HEALTH CARE EDUCATION REGARDLESS OF ABILITY TO PAY AS PART OF THIS MISSION, STORMONT-VAIL PROVIDES CARE TO PERSONS COVERED BY MEDICARE AND MEDICAID PATIENTS FOLLOWING ARE SOME OF THE BENEFITS PROVIDED AT REDUCED RATES FOR THE FISCAL YEAR IN ADDITION TO THE CHARITY CARE PROVIDED, STORMONT-VAIL ALSO PROVIDED SERVICE TO PATIENTS THAT RESULTED IN UNCOLLECTIBLE AMOUNTS AS FOLLOWS BAD DEBT EXPENSE AT COST $9,088,114SHORTFALL OF MEDICARE PAYMENTS AT COST $42,529,988SHORTFALL OF MEDICAID PAYMENTS AT COST $23,520,082 STORMONT-VAIL ALSO PROVIDES OTHER HEALTH CARE SERVICES AND PROGRAMS FOR THE BENEFIT OF THE COMMUNITY, FREE OR AT REDUCED RATES EXAMPLES OF THESE INCLUDE - SUBSIDY OF NURSING EDUCATION, MEDICAL EDUCATION, AND ALLIED HEALTH EDUCATION- OPERATING THE REGION'S ONLY LEVEL III NEONATAL INTENSIVE CARE UNIT (NICU) SERVING A HIGH PERCENTAGE OF MEDICALLY INDIGENT PATIENTS- OPERATING A LEVEL II TRAUMA CENTER SERVING NORTHEAST KANSAS- PROVIDE SUPPORT TO LIFESTAR, THE AIR AMBULANCE SERVICE IN NORTHEAST KANSAS- ORGANIZED SUPPORT GROUPS FOR A VARIETY OF TOPICS- APPROXIMATELY 49,000 HOURS OF VOLUNTEER TIME WERE DONATED TO THE MEDICAL CENTER HELPING TO REDUCE THE COST OF PROVIDING HEALTH CARE- MAINTAINING THE HEALTH SCIENCES LIBRARY THAT IS MADE AVAILABLE TO THE PUBLIC FREE OF CHARGE AS A MEDICAL RESOURCE - STORMONT-VAIL EMPLOYEES SUPPORT THE CARE LINE, WHICH IS AN EMERGENCY FUND FOR PATIENTS IN FINANCIAL DISTRESS, PROVIDING SERVICES AND SUPPLIES ON A SHORT-TERM BASIS- USE OF POZEZ EDUCATION CENTER FACILITIES FOR A VARIETY OF COMMUNITY GROUPS AND PROGRAMS- PARTICIPATED IN NUMEROUS CLINICAL RESEARCH TRIALS THROUGH THE CLINICAL RESEARCH DEPARTMENT- STORMONT-VAIL WEST BEHAVIORAL HEALTH SERVICES OPERATES A SUBSTANCE ABUSE PROGRAM- OPERATED A PALLIATIVE CARE PROGRAM TO PROVIDE COMFORT CARE TO PATIENTS WITH CHRONIC CONDITIONS- PROVIDE SUPPORT AND EDUCATION FOR PATIENTS WITH DIABETES THROUGH THE DIABETES LEARNING CENTER - STORMONT-VAIL IS A REGIONAL NETWORK OF 32 LOCATIONS IN NORTHEAST KANSAS IMPROVING ACCESS TO MEDICAL CARE IN SEVERAL CITIES THAT OTHERWISE WOULD NOT HAVE ACCESS, PARTICULARLY ON WEEKENDS- MATERNAL FETAL MEDICINE PROGRAM PROVIDED CARE AND ACCESS TO SCREENINGS AND GENETIC COUNSELING FOR WOMEN WITH AT-RISK PREGNANCIES - OPERATED THE HEALTHWISE 55 PROGRAM WHICH PROVIDED OUTREACH PROGRAMS TO INDEPENDENT LIVING FACILITIES IN TOPEKA- OFFERED BLOOD PRESSURE CLINICS AT WEST RIDGE MALL AS WELL AS OUTREACH BLOOD PRESSURE CLINICS AT SIX OTHER LOCATIONS- STORMONT-VAIL MAINTAINED THE LIFELINE PROGRAM, THE PERSONAL RESPONSE SYSTEM- OFFERED ONLINE CHILDBIRTH CLASSES THROUGH STORMONT-VAIL'S WEB SITE- PARTNERED WITH THE MARCH OF DIMES FOR THE NICU FAMILY SUPPORT PROGRAM- THE HEALTH CONNECTION PROGRAM, WHICH PROVIDES PHYSICIAN REFERRAL AND AFTER-HOUR ACCESS TO A NURSE, RECEIVED 520,736 CALLS- PROVIDED HEALTH INFORMATION THROUGH THE TOPEKA & SHAWNEE COUNTY PUBLIC LIBRARY'S HEALTH INFORMATION NEIGHBORHOOD- PARTNERED WITH BUILDING BLOCKS TO PROVIDE CHILDCARE SERVICES TO STAFF AND THE COMMUNITY- STORMONT-VAIL CLINICAL EDUCATORS PARTICIPATED IN THE AMERICAN HEALTH ASSOCIATION'S CPR FOR FAMILY AND FRIENDS CLASS TO TEACH OTHERS CPR- THE TRAUMA SERVICES DEPARTMENT PROVIDED COMMUNITY EDUCATION PROGRAMS ON FALL PREVENTION- STORMONT-VAIL WEST BEHAVIORAL HEALTH SERVICES PARTICIPATED IN A DEPRESSION SCREENING FOR THE COMMUNITY- PARTNERED IN THE KANSAS RED RIBBON CAMPAIGN TO PROMOTE A HEALTHY, DRUG-FREE LIFESTYLE FOR YOUTH- A SKIN SCREENING CLINIC FOR THE COMMUNITY WAS HELD AT THE COTTON-O'NEIL CANCER CENTER- CONNECT WITH THE COMMUNITY THROUGH THE ORGANIZATION WEBSITE, STORMONT ORG- PARTNERED WITH HEALTH INNOVATION NETWORK OF KANSAS, A COALITION THAT GREW TO 19 HOSPITALS SHARING INFORMATION, EDUCATION AND OTHER NEEDED SERVICES- THE BOY TO MAN AND GIRL TO WOMAN COMMUNICATION EDUCATION PROGRAMS FACILITATE CONVERSATION BETWEEN ADULTS AND PRE-TEENS ABOUT FUTURE PHYSICAL AND EMOTIONAL CHANGES- STORMONT VAIL AND ITS EMPLOYEES DONATED FUNDS AND STAFF TIME TO THE UNITED WAY- DEVELOPING PATIENT CENTER MEDICAL HOME CONCEPT TO IMPROVE CARE WITH THE FOCUS ON PREVENTION AND WELLNESS- WORK WITH OTHERS IN THE COMMUNITY TO IMPROVE SAFETY NET SERVICES FOR UNDER INSURED AND UNINSURED- COLLABORATED WITH SABETHA COMMUNITY HOSPITAL TO ESTABLISH IROBOT PROJECT TO ALLOW SABETHA PHYSICIANS TO COMMUNICATE WITH STORMONT-VAIL PHYSICIANS ON PATIENT CARE- SERVED ON THE AMBULATORY ADVISORY BOARD DEALING WITH ISSUES RELATING TO AMBULANCE SERVICES- PRESENTED PERIPHERAL ARTERIAL DISEASE EDUCATION FOR NURSING HOMES AND EMPLOYERS- PRESENTED HEART HEALTH WEBINAR (EMPLOYERS AND NURSING HOMES)- PROVIDED THE PHARMACIST FOR A PHARMACOLOGY LECTURE FOR BAKER UNIVERSITY- PROVIDED STAFF TO SERVE ON THE UNITED WAY BOARD OF DIRECTORS- PROVIDED STAFF TO SERVE ON THE VISITING NURSES ASSOCIATION BOARD OF DIRECTORS- PRESENTED THE HIGH FIVE EDUCATION PROGRAM- PROVIDED SERVER AT THE CELEBRITY SERVICER AT DOORSTEP- PARTICIPATED IN 15 OR MORE COMMUNITY EVENTS PROVIDING HEALTH AND WELLNESS INFORMATION, CONDUCTING BLOOD PRESSURE SCREEINGS AND HANDING OUT HEALTH RELATED ITEMS (SUNSCREEN, LIP BALM, HAND SANTIIZER, ETC)

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

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

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

4e **Total program service expenses** ▶ 475,602,889

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	Yes	
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		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? *If "Yes," complete Schedule I, Parts I and II*	**21**		No
22	Did the organization report more than $5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If so, complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**		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? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	**34**	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**	Yes	
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		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? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	228		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	4,874		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .	3b		Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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

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

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	15		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	1b	13		
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			No
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			No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b			No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?	8a		Yes	
b	Each committee with authority to act on behalf of the governing body?	8b		Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	9			No

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

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a		No
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	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	12c	Yes	
13	Did the organization have a written whistleblower policy?	13	Yes	
14	Did the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a		No
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		

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization

▶KEVIN HAN 1500 SW 10TH STREET
TOPEKA,KS 66604 (785) 354-6000

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			

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b **Sub-Total** ▶										
c **Total from continuation sheets to Part VII, Section A** ▶										
d **Total (add lines 1b and 1c)** ▶								14,310,761	0	1,564,667

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 ▶ 377

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
ANESTHESIA ASSOCIATES 823 MULVANE SUITE 2A TOPEKA KS 66606	ANESTHESIA PHYSICIAN SERVICES	1,796,056
PROBASCO & ASSOCIATES PA 615 S TOPEKA BLVD TOPEKA KS 66603	COLLECTION AGENCY	1,124,566
GOODELL STRATTON EDMOND & PALMER 515 S KANSAS AVE TOPEKA KS 66603	LEGAL SERVICES	697,648
PERINATAL CONSULTANTS 900 SW ROBINSON TOPEKA KS 66614	PHYSICIAN SERVICES	689,250
TOPEKA PATHOLOGY GROUP 1000 W 10TH ST TOPEKA KS 66604	PATHOLOGY SERVICES	557,651

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 ▶ 13

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	178,894			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	165,372			
	g	Noncash contributions included in lines 1a-1f $		226,894			
	h	**Total.** Add lines 1a-1f . . . . . ▶		344,266			
Program Service Revenue			Business Code				
	2a	NET PATIENT SERVICE REVENUE	621300	532,551,835	532,551,835		
	b	NUTRITIONAL SERVICES	621300	2,164,055	2,164,055		
	c	EDUCATION SERVICES/SCHOOL OF NURS	611600	2,103,484	2,103,484		
	d	PHARMACY	621300	796,358	796,358		
	e	MEDICAL SURGICAL	621300	209,160	209,160		
	f	All other program service revenue		5,629,008	5,629,008		
	g	**Total.** Add lines 2a–2f . . . . . ▶		543,453,900			
	3	Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		6,166,958			6,166,958
	4	Income from investment of tax-exempt bond proceeds . . ▶					
	5	Royalties . . . . . ▶					
			(i) Real / (ii) Personal				
	6a	Gross rents	456,383 /				
	b	Less rental expenses	0 /				
	c	Rental income or (loss)	456,383 /				
	d	Net rental income or (loss) . . . . . ▶		456,383			456,383
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	76,322,122 / 18,885				
	b	Less cost or other basis and sales expenses	76,295,937 / 95,975				
	c	Gain or (loss)	26,185 / -77,090				
	d	Net gain or (loss) . . . . . ▶		-50,905			-50,905
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from fundraising events . . ▶					
	9a	Gross income from gaming activities See Part IV, line 19 . . . a					
	b	Less direct expenses . . . b					
	c	Net income or (loss) from gaming activities . . ▶					
	10a	Gross sales of inventory, less returns and allowances . a					
	b	Less cost of goods sold . . b					
	c	Net income or (loss) from sales of inventory . . ▶					
		Miscellaneous Revenue	Business Code				
	11a						
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d . . . . . ▶					
	12	**Total revenue.** See Instructions . . . . . ▶		550,370,602	543,453,900	0	6,572,436

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				
2 Grants and other assistance to individuals in the United States See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	9,377,023	4,832,215	4,544,808	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	261,014,074	245,688,097	15,325,977	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	6,723,275	6,168,951	554,324	
9 Other employee benefits	37,284,544	33,245,443	4,039,101	
10 Payroll taxes	16,330,568	14,505,223	1,825,345	
11 Fees for services (non-employees)				
a Management				
b Legal	2,438,165	374	2,437,791	
c Accounting	163,340		163,340	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees	425,197		425,197	
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	16,262,725	14,454,162	1,808,563	
12 Advertising and promotion	942,327	938,064	4,263	
13 Office expenses	3,234,459	2,184,986	1,049,473	
14 Information technology	9,121,508	7,976,660	1,144,848	
15 Royalties . .				
16 Occupancy	8,152,224	7,984,967	167,257	
17 Travel	254,157	240,342	13,815	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	8,576,661	8,576,661		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	21,372,406	21,372,406		
23 Insurance	3,836,556	2,362,785	1,473,771	
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	87,470,628	86,891,887	578,741	
b REPAIR & MAINTENANCE	8,095,437	7,723,507	371,930	
c NUTRITION & FOOD SERVIC	2,189,824	832,133	1,357,691	
d CONTRIBUTION TO S-V FOU	420,000	420,000		
e All other expenses	11,960,753	9,204,026	2,756,727	
25 **Total functional expenses.** Add lines 1 through 24e	515,645,851	475,602,889	40,042,962	0
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		90,388,835	1	41,204,051
	2	Savings and temporary cash investments		8,269,095	2	34,693,537
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		75,615,981	4	80,713,069
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		5,114,532	8	6,139,112
	9	Prepaid expenses and deferred charges		5,676,443	9	5,097,129
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 428,795,212			
	b	Less accumulated depreciation	10b 236,517,756	196,900,448	10c	192,277,456
	11	Investments—publicly traded securities		125,231,593	11	219,082,537
	12	Investments—other securities See Part IV, line 11		53,021,631	12	55,744,677
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		5,013,982	15	5,118,982
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		565,232,540	16	640,070,550
Liabilities	17	Accounts payable and accrued expenses		62,074,619	17	67,387,215
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		141,430,000	20	177,820,000
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties		3,894,894	23	2,616,133
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		75,323,921	25	84,996,633
	26	**Total liabilities.** Add lines 17 through 25		282,723,434	26	332,819,981
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		281,653,583	27	306,367,396
	28	Temporarily restricted net assets		722,664	28	750,314
	29	Permanently restricted net assets		132,859	29	132,859
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		282,509,106	33	307,250,569
	34	Total liabilities and net assets/fund balances		565,232,540	34	640,070,550

Part XI Reconcilliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	550,370,602
2	Total expenses (must equal Part IX, column (A), line 25)	2	515,645,851
3	Revenue less expenses Subtract line 2 from line 1	3	34,724,751
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	282,509,106
5	Net unrealized gains (losses) on investments	5	10,434,226
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-20,417,514
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	307,250,569

Part XII Financial Statements and Reporting

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

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

Additional Data

Software ID:
Software Version:
EIN: 48-0543789
Name: STORMONT-VAIL HEALTHCARE INC

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(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			
STEVEN WATKINS MD DIRECTOR	60 00	X						754,654	0	24,509
S KENNETH ALEXANDERIII DIRECTOR	0 00	X						0	0	0
PAMELA JOHNSON-BETTS DIRECTOR	0 00	X						0	0	0
C RICHARD BONEBRAKEMD DIRECTOR	0 00	X						0	0	0
GARY B FLEENOR DIRECTOR	0 00	X						0	0	0
JOHN B DICUS DIRECTOR	0 00	X						0	0	0
RANDALL L PETERSON CHIEF EXECUTIVE OFFICER	50 00	X		X				813,994	0	191,503
JAMES HAINES CHAIRPERSON	0 00	X		X				0	0	0
PATRICIA PRESSMAN PHD SECRETARY	0 00	X		X				0	0	0
SUEANN V SCHULTZ DIRECTOR	0 00	X						0	0	0
JAMES SCHMANK DIRECTOR	0 00	X						0	0	0
ANDREW J JETTER DIRECTOR	0 00	X						0	0	0
JAMES PARRISH DIRECTOR	0 00	X						0	0	0
RICHARD WIENCKOWSKI DIRECTOR	0 00	X						0	0	0
BRENDA MILLS DIRECTOR	0 00	X						0	0	0
ERIC VOTH MD OPERATING COMMITTEE	60 00			X				389,035	0	131,046
DOUGLAS ROSE MD OPERATING COMMITTEE	50 00			X				455,982	0	129,557
KEVIN DISHMAN MD OPERATING COMMITTEE	60 00			X				863,791	0	39,319
LAMBERT WU MD OPERATING COMMITTEE	60 00			X				699,165	0	36,583
DAVID CUNNINGHAM VICE-PRESIDENT	50 00			X				285,786	0	59,301
CAROL WHEELER VICE-PRESIDENT	50 00			X				444,422	0	27,972
BERNIE BECKER VICE-PRESIDENT	50 00			X				372,249	0	116,896
KENT PALMBERG MD EXECUTIVE VICE-PRESIDENT	50 00			X				782,275	0	385,191
DEBRA YOCUM VICE-PRESIDENT	50 00			X				364,404	0	49,971
JANET STANEK VICE-PRESIDENT	50 00			X				519,514	0	85,225

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(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			
CAROL PERRY VICE-PRESIDENT	50 00			X				392,941	0	32,280
KEVIN HAN CHIEF FINANCIAL OFFICER	50 00			X				435,457	0	118,638
MICHAEL KONGS KEY EMPLOYEE	50 00				X			176,053	0	26,181
MATTHEW WILLS MD PHYSICIAN	60 00					X		2,266,770	0	26,344
TEWODRO ADDISSE MD PHYSICIAN	60 00					X		1,114,140	0	19,424
DAVID LUTES MD PHYSICIAN	60 00					X		797,109	0	20,109
CHU CHI CHEN MD PHYSICIAN	60 00					X		1,248,019	0	20,109
PETER TUTUSKA MD PHYSICIAN	60 00					X		794,408	0	24,509
MAYNARD OLIVERIUS FORMER CHIEF EXEC OFFICER	0 00						X	340,593	0	0

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
STORMONT-VAIL HEALTHCARE INC

Employer identification number
48-0543789

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

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

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

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

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

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

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

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

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

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

9 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

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

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

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Non-functionally integrated

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

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

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

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? **11g(i)**		
(ii) A family member of a person described in (i) above? **11g(ii)**		
(iii) A 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

h Provide the following information about the supported organization(s)

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

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

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 **Total support** (Add lines 7 through 10)						

12 Gross receipts from related activities, etc (see instructions) **12**

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** . . . . . ▶☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f)) **14**

15 Public support percentage for 2012 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2013.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support test—2012.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2013.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

b **10%-facts-and-circumstances test—2012.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶☐

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

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support.** (Add lines 9, 10c, 11, and 12)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

15	Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	
16	Public support percentage from 2012 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17	Investment income percentage for **2013** (line 10c, column (f) divided by line 13, column (f))	17	
18	Investment income percentage from **2012** Schedule A, Part III, line 17	18	

19a **33 1/3% support tests—2013.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support tests—2012.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶☐

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

Facts And Circumstances Test		
Return Reference	Explanation	

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SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ Complete if the organization is described below. ▶ Attach to Form 990 or Form 990-EZ.
▶ See separate instructions. ▶ Information about Schedule C (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

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

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

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

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

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

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

Name of the organization	Employer identification number
STORMONT-VAIL HEALTHCARE INC	48-0543789

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $ _____

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $ _____

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $ _____

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ $ _____

3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ $ _____

4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

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

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

A Check ▶ ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

B Check ▶ ☐ if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount Enter the amount from the following table in both columns		
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a If zero or less, enter -0-		
i Subtract line 1f from line 1c If zero or less, enter -0-		

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over $500,000	20% of the amount on line 1e
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ Yes ☐ No

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

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

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		
j	Total Add lines 1c through 1i			0
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Return Reference	Explanation
PART II-B, LINE 1	THE HOSPITAL IS A MEMBER OF THE AMERICAN HOSPITAL ASSOCIATION AND THE KANSAS HOSPITAL ASSOCIATION THESE ORGANIZATIONS HAVE INFORMED THE TAXPAYER THAT A PORTION OF THEIR DUES ARE ATTRIBUTED TO LOBBYING AND ADVOCACY ACTIVITIES THE AHA PERCENTAGE FOR 2013 IS 23 65% OCCASIONALLY, THE CEO WILL SPEAK TO LEGISLATORS REGARDING BILLS THAT WOULD AFFECT THE ORGANIZATION OR HEALTHCARE INDUSTRY

Part IV Supplemental Information *(continued)*

Return Reference	Explanation

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
STORMONT-VAIL HEALTHCARE INC

Employer identification number
48-0543789

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

		(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance	249,013	254,042	244,424	239,410	239,400
b	Contributions					
c	Net investment earnings, gains, and losses	9,070	-5,029	9,618	5,014	10
d	Grants or scholarships					
e	Other expenditures for facilities and programs					
f	Administrative expenses					
g	End of year balance	258,083	249,013	254,042	244,424	239,410

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

- a Board designated or quasi-endowment ▶ 0 %
- b Permanent endowment ▶ 51 480 %
- c Temporarily restricted endowment ▶ 48 520 %

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		16,827,494		16,827,494
b Buildings		251,152,632	117,983,820	133,168,812
c Leasehold improvements				
d Equipment		160,815,086	118,533,936	42,281,150
e Other				
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				192,277,456

Part VII **Investments—Other Securities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests	17,913,204	F
(3) Other		
(A) MORGAN CREEK FUND, LTD CLASS A	5,831,473	F
(B) INVESTMENT IN GROSVENOR	32,000,000	F
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶	55,744,677	

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

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

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

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

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

1 (a) Description of liability	(b) Book value
Federal income taxes	
ACCRUED PENSION PAYABLE	84,996,633
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	84,996,633

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☑

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements			1	540,081,713
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	10,434,226		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d	-20,297,918		
e	Add lines **2a** through **2d**			2e	-9,863,692
3	Subtract line **2e** from line **1**			3	549,945,405
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	425,197		
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	425,197
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	550,370,602

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	515,340,249
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	119,595		
e	Add lines **2a** through **2d**			2e	119,595
3	Subtract line **2e** from line **1**			3	515,220,654
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	425,197		
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	425,197
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	515,645,851

Part XIII Supplemental Information

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

Return Reference	Explanation
PART V, LINE 4	ENDOWMENT FUNDS ARE USED IN ACCORDANCE WITH THE DIRECTION OF THE APPLICABLE DONOR GIFT INSTRUMENT AT THE TIME THE GIFT IS ADDED TO THE FUND
PART X, LINE 2	AS OF SEPTEMBER 30, 2014 AND 2013 THERE WERE NO UNCERTAIN TAX BENEFITS INDENTIFIED AND RECORDED AS A LIABILITY
PART XI, LINE 2D - OTHER ADJUSTMENTS	CONSOLIDATED AFFILIATE NET LOSS -182,783 NET GAINS/(LOSS) OF UNCONSOLIDATED AFFILIATES 154,830 CHANGE IN ADDITIONAL MINIMUM LIABILITY FOR RETIREMENT BENEFITS -20,269,965
PART XII, LINE 2D - OTHER ADJUSTMENTS	BOOK AMORTIZATION GREATER THAN TAX 119,595

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493203006335

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
STORMONT-VAIL HEALTHCARE INC

Employer identification number
48-0543789

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year ☐ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for *free* care ☑ 100% ☐ 150% ☐ 200% ☐ Other _____ %	3a	Yes	
b	Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☑ 400% ☐ Other _____ %	3b	Yes	
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			9,374,120		9,374,120	1 820 %
b Medicaid (from Worksheet 3, column a)			64,273,804	40,753,722	23,520,082	4 560 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			73,647,924	40,753,722	32,894,202	6 380 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			622,393	192,793	429,600	0 080 %
f Health professions education (from Worksheet 5)			3,793,230	1,996,605	1,796,625	0 350 %
g Subsidized health services (from Worksheet 6)			2,410,466	932,726	1,477,740	0 290 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			22,450		22,450	0 %
j **Total.** Other Benefits			6,848,539	3,122,124	3,726,415	0 720 %
k **Total.** Add lines 7d and 7j			80,496,463	43,875,846	36,620,617	7 100 %

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

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

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

			Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?	1		No
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount 2 9,088,114			
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit 3 0			
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements			

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME) 5 192,023,144			
6	Enter Medicare allowable costs of care relating to payments on line 5 6 234,553,132			
7	Subtract line 6 from line 5 This is the surplus (or shortfall) 7 -42,529,988			
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used			

☑ Cost accounting system ☐ Cost to charge ratio ☐ Other

Section C. Collection Practices

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

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

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

Part V Facility Information

Section A. Hospital Facilities

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

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

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group STORMONT-VAIL HEALTHCARE

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

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)				
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	**1**	Yes	
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	☑ A definition of the community served by the hospital facility			
b	☑ Demographics of the community			
c	☑ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☑ How data was obtained			
e	☑ The health needs of the community			
f	☑ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☑ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☑ The process for consulting with persons representing the community's interests			
i	☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	☑ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA 20 12			
3	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	**3**	Yes	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	**4**	Yes	
5	Did the hospital facility make its CHNA report widely available to the public?	**5**	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website (list url) HTTPS //WWW STORMONTVAIL ORG/PAGES/COMMUN			
b	☑ Other website (list url) HTTP //SHAWNEEHEALTH ORG/INDEX ASPX?NID=161			
c	☑ Available upon request from the hospital facility			
d	☑ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)			
a	☑ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☑ Execution of the implementation strategy			
c	☑ Participation in the development of a community-wide plan			
d	☑ Participation in the execution of a community-wide plan			
e	☑ Inclusion of a community benefit section in operational plans			
f	☑ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☐ Prioritization of health needs in its community			
h	☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☑ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	**7**		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?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 100 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
11 Used FPG to determine eligibility for providing *discounted* care?	**11**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for discounted care 400 000000000000% If "No," explain in Part VI the criteria the hospital facility used			
12 Explained the basis for calculating amounts charged to patients?	**12**	Yes	
If "Yes," indicate the factors used in determining such amounts (check all that apply)			
a ☑ Income level			
b ☑ Asset level			
c ☑ Medical indigency			
d ☑ Insurance status			
e ☐ Uninsured discount			
f ☐ Medicaid/Medicare			
g ☐ State regulation			
h ☑ Residency			
i ☐ Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	**13**	Yes	
14 Included measures to publicize the policy within the community served by the hospital facility?	**14**	Yes	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
a ☑ The policy was posted on the hospital facility's website			
b ☑ The policy was attached to billing invoices			
c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d ☐ The policy was posted in the hospital facility's admissions offices			
e ☑ The policy was provided, in writing, to patients on admission to the hospital facility			
f ☐ The policy was available upon request			
g ☑ Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	**15**	Yes	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?	**17**		No
If "Yes," check all actions in which the hospital facility or a third party engaged			
a ☐ Reporting to credit agency			
b ☐ Lawsuits			
c ☐ Liens on residences			
d ☐ Body attachments			
e ☐ Other similar actions (describe in Section C)			

Part V Facility Information *(continued)*

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

- **a** ☑ Notified individuals of the financial assistance policy on admission
- **b** ☐ Notified individuals of the financial assistance policy prior to discharge
- **c** ☑ Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
- **d** ☑ Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
- **e** ☐ Other (describe in Section C)

Policy Relating to Emergency Medical Care

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

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

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

Part V Facility Information *(continued)*

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

Form and Line Reference	Explanation
See Additional Data Table	

Part V Facility Information *(continued)*

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

How many non-hospital health care facilities did the organization operate during the tax year? **32**

	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

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
PART III, LINE 2	
PART III, LINE 4	THE FILING ORGANIZATION REPORTS BAD DEBT IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP) HEALTHCARE FINANCIAL MANAGEMENT ASSOCIATION STATEMENT 15 IS FOLLOWED TO THE EXTENT THAT IT ALIGNS WITH THE GUIDELINES SET FORTH BY GAAP PATIENT RECEIVABLES DUE DIRECTLY FROM THE PATIENTS ARE CARRIED AT THE ORIGINAL CHARGE FOR THE SERVICE PROVIDED LES S AMOUNTS COVERED BY THIRD-PARTY PAYORS AND LESS AN ESTIMATED ALLOWANCE FOR DOUBTFUL RECEI VABLES BASED ON A REVIEW OF ALL OUTSTANDING AMOUNTS ON A MONTHLY BASIS MANAGEMENT DETERMI NES THE ALLOWANCE FOR DOUBTFUL ACCOUNTS BY IDENTIFYING TROUBLED ACCOUNTS, BY HISTORICAL EX PERIENCE APPLIED TO AN AGING OF ACCOUNTS AND BY CONSIDERING THE PATIENT'S FINANCIAL HISTOR Y, CREDIT HISTORY AND CURRENT ECONOMIC CONDITIONS STORMONT-VAIL ONLY CHARGES INTEREST ON PATIENT ACCOUNTS THAT HAVE BEEN TURNED OVER TO COLLECTIONS PATIENT RECEIVABLES ARE WRITTE N OFF TO PROVISON FOR UNCOLLECTIBLE ACCOUNTS WHEN DEEMED UNCOLLECTIBLE RECOVERIES OF RECE IVABLES PREVIOUSLY WRITTEN OFF ARE RECORDED AS A REDUCTION OF THE PROVISON FOR UNCOLLECTIB LE ACCOUNTS WHEN RECEIVED
PART III, LINE 8	BOTH THE COST ACCOUNTING AND COST TO CHARGE RATIO METHOD ARE USED
PART III, LINE 9B	AN ESSENTIAL ELEMENT OF THE MISSION OF STORMONT VAIL HEALTHCARE IS TO BE GOOD FINANCIAL ST EWARDS AS WE STRIVE TO IMPROVE THE HEALTHCARE OF OUR COMMUNITY AS PART OF THAT STEWARDSHI P, WE MUST DETERMINE WHICH PATIENTS ARE IN NEED OF CHARITY CARE AND WHICH PATIENTS CAN AFF ORD TO CONTRIBUTE SOME PAYMENT FOR CARE RECEIVED WE WORK VERY HARD TO MAINTAIN A BALANCE THAT ENABLES US TO CONTINUE TO PROVIDE CHARITY CARE TO THOSE WHO NEED IT MOST AND TO ENSUR E THAT WE MANAGE OUR RESOURCES SO THAT WE CAN CONTINUE TO BE HERE WHEN PEOPLE NEED US MOST THE ORGANIZATION NOTIFIES PATIENTS OF FINANCIAL ASSISTANCE POLICY UPON ADMISSION, DISCHA RGE AND IN COMMUNICATION REGARDING PATIENT BILLS PATIENTS ARE CONTACTED MULTIPLE TIMES AB OUT UNPAID BALANCES PRIOR TO INITIATING ANY COLLECTION ACTION OUR REPRESENTATIVES WORK WI TH PATIENTS TO TRY TO REACH THE MOST EQUITABLE SOLUTION IN ORDER TO RESOLVE A PATIENT BILL IF A PATIENT IS DETERMINED TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE AT ANY TIME DURING TH E COLLECTION PROCESS, THE ACCOUNT IS RECLASSIFIED AS FINANCIAL ASSISTANCE AND DEBT COLLECT ION EFFORTS ARE CEASED

Additional Data

Software ID:
Software Version:
EIN: 48-0543789
Name: STORMONT-VAIL HEALTHCARE INC

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
STORMONT-VAIL HEALTHCARE	PART V, SECTION B, LINE 1J THE SHAWNEE COUNTY HEALTH NEEDS ASSESSMENT IDENTIFIED 14 HEALTH ISSUES THE HEALTHCARE COMMUNITY SHOULD ADDRESS THE FINAL REPORT HAS A DETAILED ANALYSIS OF EACH ISSUE THAT INCLUDES -DATA SOURCES-SHAWNEE COUNTY'S CURRENT PERFORMANCE-DISCUSSION OF THE ISSUE AND BARRIERS TO OVERCOME-HEALTHY PEOPLE 2020 NATION TARGETS

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
STORMONT-VAIL HEALTHCARE	PART V, SECTION B, LINE 3 PURPOSE AND SCOPE OF THE CHNA- TO IDENTIFY AND PRIORITIZE TOP HEALTH NEEDS IN SHAWNEE COUNTY - COLLABORATE WITH LOCAL HEALTH CARE EXPERTS AND COMMUNITY STAKEHOLDERS TO COLLECT AND ANALYZE DATA TO IDENTIFY THE TOP COMMUNITY HEALTH ISSUES IN SHAWNEE COUNTY INPUT AND DATA SOURCES FOR THE CHNAQUANTITATIVE PUBLIC HEALTH DATA FOR SHAWNEE COUNTY ARE AVAILABLE THROUGH THE KANSAS HEALTH MATTERS WEBSITE A COMMUNITY SURVEY, WIDELY DISSEMINATED VIA EMAIL, PROVIDED ADDITIONAL QUANTITATIVE DATA QUALITATIVE DATA WERE OBTAINED FROM THREE FOCUS GROUPS AND A SURVEY OF LOCAL PUBLIC HEALTH EXPERTS QUANTITATIVE DATA SOURCES- KANSAS HEALTH MATTERS IS A ONE STOP SOURCE OF NON-BIASED DATA AND INFORMATION ABOUT COMMUNITY HEALTH IN KANSAS IT IS INTENDED TO HELP HOSPITALS, HEALTH DEPARTMENTS, POLICY MAKERS AND COMMUNITY PLANNERS LEARN ABOUT ISSUES, IDENTIFY IMPROVEMENTS AND COLLABORATE FOR POSITIVE CHANGE THIS VALUABLE RESOURCE WAS DEVELOPED BY THE KANSAS PARTNERSHIP FOR IMPROVING COMMUNITY HEALTH USING KANSAS HEALTH MATTERS, THE TASK FORCE WAS ABLE TO COMPARE SHAWNEE COUNTY TO THE STATEWIDE AVERAGE ON 103 HEALTH INDICATORS ALSO AVAILABLE ON THIS WEBSITE IS A 'COMMUNITY HEALTH NEEDS ASSESSMENT TOOLBOX' AND HYPERLINKS TO PROMISING PRACTICES REGARDING COMMUNITY HEALTH - THE HEALTHY SHAWNEE COUNTY COMMUNITY PERCEPTION SURVEY WAS AVAILABLE ON-LINE FROM JULY 16 THROUGH AUGUST 31, 2012 THIS SURVEY TOOK 48 HEALTH INDICATORS FROM THE KANSAS HEALTH MATTERS WEBSITE AND ASKED PARTICIPANTS TO IDENTIFY THE LEVEL OF ATTENTION NEEDED FOR THOSE INDICATORS ON A 1-5 LIKERT SCALE (1 = MUCH LESS ATTENTION, 5 = MUCH MORE ATTENTION 548 COMMUNITY AND 229 ORGANIZATION MEMBERS COMPLETED THE SURVEY THE SURVEY RESULTS WERE ANALYZED BY BIOSTATISTICS AND EVALUATION SERVICES AND TRAINING (BEST) CENTER, UNIVERSITY OF NORTH TEXAS HEALTH SCIENCE CENTER, SCHOOL OF PUBLIC HEALTH QUALITATIVE DATA SOURCES- INSIGHT INTO SHAWNEE COUNTY'S HEALTH-RELATED NEEDS WAS ALSO PROVIDED BY THREE FOCUS GROUPS EACH GROUP HAD A DIFFERENT SET OF PARTICIPANTS, HEALTH CARE PROFESSIONALS, SOCIAL SERVICE PROFESSIONALS AND NEIGHBORHOOD LEADERS THESE FOCUS GROUPS WERE FACILITATED BY VIRDEN AND ASSOCIATES OF KANSAS CITY AND CONDUCTED AUGUST 15 AND 16, 2012 AT THE TOPEKA-SHAWNEE COUNTY PUBLIC LIBRARY FOCUS GROUP PARTICIPANTSHEALTHCARE PROFESSIONALS, AUGUST 15, 2012 AT 6 30 P M , REPRESENTATIVES FROM SELECT SPECIALTY HOSPITALWASHBURN RURAL SCHOOL NURSECOTTON-O'NEIL EXPRESSCAREHEALTH CONNECTIONS (ASK-A-NURSE)KANSAS REHAB HOSPITALSTORMONT-VAIL BEHAVIORAL SERVICESALDERSGATE VILLAGEMARIAN CLINIC, MEDICAL DIRECTORSTORMONT-VAIL EMERGENCY DEPARTMENTMARIAN CLINIC, PATIENT CARE DIRECTORST FRANCIS EMERGENCY DEPARTMENTSHAWNEE COUNTY HEALTH AGENCY, MEDICAL DIRECTORBAKER SCHOOL OF NURSINGWASHBURN UNIVERSITY, DIRECTOR STUDENT HEALTHWASHBURN SCHOOL OF NURSING, COMMUNITY HEALTH NURSESOCIAL SERVICE AGENCIES, AUGUST 16, 2012 AT NOON, REPRESENTATIVE FROM UNITED WAY OF GREATER TOPEKAHEALTH ACCESSAMERICAN RED CROSSHOUSING AND CREDIT COUNSELINGCATHOLIC CHARITIESBREAKTHROUGH HOUSEFAMILY SERVICE AND GUIDANCELET'S HELPTOPEKA COMMUNITY FOUNDATIONSHAWNEE COUNTY DEPARTMENT OF CORRECTIONSDOORSTEPMIDLAND CAREMEALS ON WHEELSBREWSTER PLACEVALEO BEHAVIORAL HEALTHSTORMONT-VAIL CASE MANAGERTOPEKA ASSOCIATION FOR RETARDED CITIZENSTOPEKA NEIGHBORHOOD ASSOCIATIONS/COMMUNITY VOLUNTEERS, AUGUST 16, 2012 6 30 P M , REPRESENTATIVES FROM COLLEGE HILL NEIGHBORHOODQUINTON HEIGHTS NEIGHBORHOODGREATER AUBURNDALE NEIGHBORHOODROLLING MEADOWS NEIGHBORHOODSOUTHERN HILLS NEIGHBORHOODOAKLAND NEIGHBORHOODELMHURST NEIGHBORHOODSTORMONT-VAIL COMMUNITY ADVISORY COUNCILCOMMUNITY VOLUNTEERS - 3-EIGHT COMMUNITY STAKEHOLDERS WITH PUBLIC HEALTH EXPERTISE WERE SENT AN E-MAIL SURVEY THE QUESTIONS WERE OPENED ENDED IN ORDER TO COLLECT A BROADER BASE OF ANALYSIS - BASED UPON THE INSIGHT OF THE PARTICIPANTS THE EXPERTS WERE DRAWN FROM A POOL OF COMMUNITY EXPERTISE THAT DEFINES PUBLIC HEALTH BROADLY RESPONDING TO THE SURVEY WERE -DAVID BECK, BREWSTER PLACE RETIREMENT COMMUNITY-DONA BOOE, KANSAS CHILDREN'S SERVICE LEAGUE-DEBBIE GUILBAULT, POSITIVE CONNECTIONS, INC -CATHY HARDING, KANSAS ASSOCIATION FOR THE MEDICALLY UNDERSERVED-JOHN HOMLISH, COMMUNITY ACTION-MIRIAM KREHBIEL, UNITED WAY OF GREATER TOPEKA-LEE LEINWETTER, D O , SHAWNEE COUNTY HEALTH AGENCY-MAX WILSON, RETIRED NON-PROFIT EXECUTIVE DIRECTORADDITIONAL INPUT WAS ALSO PROVIDED BY THE ASSESSMENT ADVISORY COMMITTEE THE MEMBERS ARE LISTED IN THE NEXT SECTION

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
STORMONT-VAIL HEALTHCARE	PART V, SECTION B, LINE 4 THE LEAD ENTITY IN THIS COMMUNITY HEALTH NEEDS ASSESSMENT WAS THE HEALTHY SHAWNEE COUNTY TASK FORCE, COMPRISED OF STORMONT-VAIL HEALTHCARE, ST FRANCIS HEALTH CENTER AND THE SHAWNEE COUNTY HEALTH AGENCY THE TASK FORCE HAD AN ASSESSMENT ADVISORY COMMITTEE TO PROVIDE DIRECTION AND FEEDBACK DURING THIS PROCESS -HEALTHY SHAWNEE COUNTY TASK FORCE -SHAWNEE COUNTY HEALTH AGENCY ALLISON ALEJOS, DIRECTOR BOB HEDBERG, GRANTS & SPECIAL PROJECTS OFFICER -ST FRANCIS HEALTH CENTER MARY HOMAN, DIRECTOR, MISSION & ETHICS PAULA ELLIS, DIRECTOR COMMUNITY BENEFIT, ACO AND PATIENT CENTERED MEDICAL HOME DEVELOPMENT -STORMONT-VAIL HEALTHCARE THOMAS LUELLEN, DIRECTOR OF PLANNING & DECISION SUPPORT-HEALTHY SHAWNEE COUNTY ASSESSMENT ADVISORY COMMITTEE PAMELA BETTS, 501 FOUNDATION KARILY TAYLOR, MARIAN CLINIC DONA BOOE, KANSAS CHILDREN'S SERVICE LEAGUE GARRY CUSHINBERRY, COREFIRST BANK JOHN HOMLISH, COMMUNITY ACTION NANCY JOHNSON, COMMUNITY RESOURCES COUNCIL MAX WILSON, COMMUNITY VOLUNTEER JOCELYN LYONS, JAYHAWK AREA ON AGING MIRIAM KREHBIEL, UNITED WAY OF GREATER TOPEKA REV T D HICKS, ANTIOCH BAPTIST CHURCH

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
STORMONT-VAIL HEALTHCARE	PART V, SECTION B, LINE 5D WITH THE COMPLETION OF THE DATA COLLECTION/ANALYSIS AND SELECTION OF PRIORITIES, THE NEXT STEP IN THE PROCESS WAS DOCUMENTING AND COMMUNICATING THE RESULTS IN ADDITION TO MAKING THE CHNA AVAILABLE ON EACH ORGANIZATION'S WEBSITE, THE FINAL REPORT WAS ALSO COMMUNICATED VIA -DISTRIBUTE REPORT TO ASSESSMENT ADVISORY COUNCIL MEMBERS-DISTRIBUTE REPORT TO FOCUS GROUP PARTICIPANTS-PRESENTATIONS TO HOSPITAL LEADERSHIP AND BOARDS (LISTED BELOW)-PRESENT TO HEARTLAND HEALTHY NEIGHBORHOOD ADVISORY COUNCIL-MARCH COUNTY COMMISSION MEETING PRESENTATION STORMONT-VAIL PRESENTATIONS OF THE SHAWNEE COUNTY COMMUNITY HEALTH NEEDS ASSESSMENTDATE GROUP NUMBER OF ATTENDEES12/18/12 STORMONT-VAIL OPERATING COMMITTEE 141/17/13 STORMONT-VAIL AUXILIARY 451/31/13 SAFETY NET CLINIC SUMMIT 252/19/13 STORMONT-VAIL COMMUNITY ADVISORY COUNCIL 223/5/13 SHAWNEE COUNTY HEALTH CLINIC BOARD OF DIRECTORS 253/21/13 SHAWNEE COUNTY COMMISSIONERS 253/21/13 STORMONT-VAIL ALL MANAGEMENT COUNCIL 1254/5/13 LEADERSHIP GREATER TOPEKA, CLASS OF 2013 654/8/13 HEARTLAND HEALTHY NEIGHBORHOOD 214/25/13 KANSAS HEALTH INSTITUTE CHNA WORKSHOP 287/24/13 TOPEKA BUSINESS LEADERS - FAT WEDNESDAY 159/9/13 HEARTLAND HEALTHY NEIGHBORHOOD 28

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
STORMONT-VAIL HEALTHCARE	PART V, SECTION B, LINE 6I STORMONT-VAIL'S IMPLEMENTATION STRATEGY TO ADDRESS THE NEEDS I DENTIFIED IN THE CHNA HAS THREE MAJOR INITIATIVES 1 EXPAND THE CAPACITY OF CURRENT SAFETY NET PROVIDERS IN SHAWNEE COUNTY 2 PARTICIPATE IN THE DEVELOPMENT OF A COMMUNITY-WIDE PLA N 3 PARTICIPATE IN THE IMPLEMENTATION OF THE COMMUNITY-WIDE PLAN THESE STRATEGIES ARE OUT LINED IN STORMONT-VAIL'S FY2014 STRATEGIC PLAN IN THE FY2015 STRATEGIC PLAN, THESE SAME S TRATEGIES ARE CONTINUED WITH ADDITIONAL DETAIL STEPS TO ADDRESS THE IDENTIFIED HEALTH CARE NEEDSTHE SHAWNEE COUNTY COMMUNITY HEALTH NEEDS ASSESSMENT IDENTIFIED 14 ISSUES -ACCESS FO R MEDICALLY UNDERSERVED POPULATIONS-TRANSPORTATION TO HEALTH CARE SERVICES-KNOWLEDGE OF AV AILABLE HEALTH/SOCIAL SERVICES-POOR MENTAL HEALTH-ADULTS DIAGNOSED WITH DIABETES-ADULTS AT RISK FOR HEART DISEASE/STROKE-ADEQUATE ORAL HEALTH FOR CHILDREN-ADULT SMOKING-OVERWEIGHT/ OBESE-EAT FRUIT/VEGETABLES 5 TIMES DAILY-PARTICIPATE IN RECOMMENDED LEVEL OF PHYSICAL ACTI VITY-INFANT MORTALITY-TEEN BIRTHS-IMMUNIZED INFANTSTHESE ISSUES WERE THEN GROUPED INTO THE FOLLOWING MAJOR CATEGORIES -IMPROVED ACCESS TO CARE FOR UNDERSERVED POPULATIONS-IMPROVED TRANSPORTATION TO HEALTHCARE SERVICES AND IMPROVED KNOWLEDGE OF HEALTH SERVICES-OBESITY/OV ERWEIGHT AND THEIR CONTRIBUTING FACTORS-INFANT MORTALITY AND THE CONTRIBUTING FACTORSTO IM PROVE ACCESS TO CARE FOR UNDERSERVED POPULATIONS, STORMONT-VAIL INITIATED THE SHAWNEE COUN TY SAFETY NET SUMMIT TO ADDRESS THE OTHER THREE CATEGORIES, STORMONT-VAIL SOLICITED THE H EARTLAND HEALTHY NEIGHBORHOODS COALITION SHAWNEE COUNTY SAFETY NET SUMMITIN JANUARY 2013, STORMONT-VAIL HEALTHCARE AND ST FRANCIS HEALTH INVITED ORGANIZATIONS THAT PROVIDE HEALTH CARE SERVICES PRIMARILY TO LOWER INCOME GROUPS TO JOIN THE SHAWNEE COUNTY SAFETY NET SUMMI T PARTICIPANTS WERE -STORMONT-VAIL HEALTHCARE-ST FRANCIS HEALTH-SHAWNEE COUNTY HEALTH AG ENCY (LOCAL FEDERALLY QUALIFIED HEALTH CLINIC, FQHC)-VALEO (LOCAL COMMUNITY MENTAL HEALTH ORGANIZATION)-MARIAN CLINIC (SAFETY NET CLINIC FOR THOSE WITHOUT HEALTH INSURANCE)-FAMILY SERVICE AND GUIDANCE (MENTAL HEALTH PROVIDERS, PRIMARILY CHILDREN/ADOLESCENTS)-HEALTH ACCE SS (PHYSICIAN LEAD ORGANIZATION PROVIDING CARE TO THE UNINSURED)-SHAWNEE COUNTY MEDICAL SO CIETYFROM THIS MEETING A SUB-COMMITTEE WAS CREATED TO INVESTIGATE OPTIONS TO INCREASE ACCE SS TO PRIMARY CARE SERVICES FOR THE UNINSURED AND UNDERSERVED IN SHAWNEE THE SUB-COMMITTE E SOLICITED MILLENNIA CONSULTING TO ASSIST IN THIS EFFORT FUNDING FOR THE CONSULTANTS WAS PROVIDED BY A GRANT FROM THE SUNFLOWER FOUNDATION AND CONTRIBUTIONS FROM EACH ORGANIZATIO N IN THE SHAWNEE COUNTY SAFETY NET SUMMIT IN JANUARY 2014 CONSULTANTS DELIVERED THE SHAWN EE COUNTY SAFETY NET REPORT KEY RECOMMENDATIONS FROM SAFETY NET REPORT1 THE SHAWNEE COUNTY HEALTH AGENCY SHOULD SEPARATE THEIR FQHC FROM THE COUNTY GOVERNMENT AND BECOME A 501(C)(3) THIS SHOULD SIGNIFICANTLY INCREASE OPERATING EFFICIENCIES 2 THE MARIAN CLINIC SHOULD DI RECTLY LINK WITH THE NEW, PRIVATE FQHC BOTH RECOMMENDATIONS WERE ACCEPTED AND IMPLEMENTATI ON IS UNDER WAY THE COUNTY'S FQHC HAS APPLIED FOR 501(C)(3) STATUS AND THE MARIAN CLINIC WILL MERGE WITH THE NEW FQHC BOTH ORGANIZATIONS HAVE SIGNED AN AGREEMENT FOR THIS NEW ENT ITY TO BE MANAGED BY GRACEMED OUT OF WICHITA ALSO THE LOCATION TO HOUSE THE NEW CLINIC HA S BEEN IDENTIFIED THIS PRIVATIZATION, MERGER AND NEW MANAGEMENT WILL SIGNIFICANTLY INCREA SE THE SAFETY NET CAPACITY IN SHAWNEE COUNTY HEARTLAND HEALTHY NEIGHBORHOODS COALITIONFOR THE IMPLEMENTATION PHASE OF THE 3 OTHER MAJOR CATEGORIES IN THE CHNA, STORMONT-VAIL, ST F RANCIS AND THE SHAWNEE COUNTY HEALTH AGENCY SOLICITED THE ASSISTANCE OF HEARTLAND HEALTHY NEIGHBORHOODS (HHN) COALITION HHN IS A GRASS ROOTS ORGANIZATION REPRESENTING OVER 40 LOCA L COMMUNITY AND SOCIAL SERVICE ORGANIZATIONS THAT DIRECTLY OR INDIRECTLY ADDRESS HEALTH CA RE PROBLEMS IN THE COMMUNITY THIS GROUP HAS REGULAR MONTHLY MEETINGS IN JUNE 2013, STORMO NT-VAIL, ST FRANCIS AND THE SHAWNEE COUNTY HEALTH AGENCY APPROACHED THE HHN LEADERSHIP TE AM ABOUT USING THE COALITION TO DEVELOP A COMMUNITY HEALTH IMPROVEMENT PLAN (CHIP) BASED O N THE ISSUES IDENTIFIED IN THE CHNA HHN LEADERSHIP ENDORSED THE IDEA STARTING IN OCTOBER 2013 HHN'S MONTHLY MEETINGS WERE PRIMARILY DEVOTED TO DEVELOPING A CHIP FOR SHAWNEE COUNT Y THE FIRST STEPS IN THE CHIP PROCESS WERE TO SHARE THE RESULTS OF THE CHNA, TO INVENTORY CURRENT COMMUNITY ASSETS, TO IDENTIFY INDIVIDUALS AND ORGANIZATIONS THAT NEED TO PARTICIPA TE, AND TO ENSURE A SHARED VISION FOR HHN IN THE COMING YEAR THREE WORK GROUPS WERE CREATE D TO ADDRESS THE REMAINING MAJOR CATEGORIES IN THE CHNA -HEALTHY EATING/ACTIVE LIVING - OV ERWEIGHT/OBESE ISSUES-HEALTHY BABIES - INFANT MORTALITY-TRANSPORTATION AND KNOWLEDGE OF HE ALTH CARE SERVICES - OTHER ACCESS ISSUESAFTER A YEAR OF WORK THE HHN GROUPS COMPLETED THE CHIP IT WAS PRESENTED TO THE SHAWNEE COUNTY BOARD OF HEALTH IN APRIL 2015 BELOW IS A SUM MARY OF THE PLAN THE SHAWNEE COUNTY COMMUNITY HEAL

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
STORMONT-VAIL HEALTHCARE	TH IMPROVEMENT PLAN SUMMARYHEALTHY BABIESGOAL REDUCE INFANT MORTALITY IN SHAWNEE COUNTY F ROM 8 3 INFANT DEATHS PER 1,000 LIVE BIRTHS TO THE STATE OF KANSAS LEVEL OF 7 0 BY 2017 AN D TO THE HEALTHY PEOPLE 2020 GOAL OF 6 0 BY 2020 OBJECTIVE REDUCE THE NUMBER OF INFANTS W HO DIE EACH YEAR IN SHAWNEE COUNTY DUE TO SUDDEN UNEXPLAINED INFANT DEATH (SUID) OVER A FI VE YEAR TIME PERIOD FROM 16 TO 14 BY 2017 OBJECTIVE INCREASE THE INITIATION RATE OF BREAS TFEEDING WOMEN IN SHAWNEE COUNTY FROM 76 4% TO 82 4% BY 2017 OBJECTIVE INCREASE THE DURAT ION RATE OF WIC PARTICIPANTS STILL BREASTFEEDING AT 6 MONTHS FROM 18% TO 21% BY 2019 OBJEC TIVE INCREASE THE PROPORTION OF PREGNANT WOMEN WHO RECEIVE EARLY PRENATAL CARE BEGINNING IN THE FIRST TRIMESTER FROM 75 7% TO 77 9% BY 2020 OBJECTIVE INCREASE THE PROPORTION OF P REGNANT WOMEN WHO RECEIVE EARLY AND ADEQUATE PRENATAL CARE FROM 83 5% TO 88 0% BY 2020 HE ALTHY EATING/ACTIVE LIVINGGOAL TO CREATE AN ENVIRONMENT AND CULTURE, THROUGH POLICY AND S YSTEM CHANGE, THAT WILL PROVIDE SHAWNEE COUNTY RESIDENTS WITH THE INFORMATION, TOOLS AND R ESOURCES TO PROMOTE HEALTHY EATING WHILE ENCOURAGING AND REINFORCING ACTIVE LIFESTYLES FOR ALL AGES AND ABILITIES OBJECTIVE DECREASE THE PERCENT OF ADULTS WHO ARE CONSIDERED OVERW EIGHT FROM 36 3% TO 34 3% BY 2018 OBJECTIVE DECREASE THE PERCENT OF ADULTS WHO ARE CONSID ERED OBESE FROM 31% TO 29% BY 2018 OBJECTIVE DECREASE THE PERCENT OF ADULTS WHO ARE REPOR TED CONSUMING FRUITS LESS THAN 1 TIME PER DAY FROM 40 1% TO 38 1% BY 2018 OBJECTIVE DECRE ASE THE PERCENT OF ADULTS WHO REPORTED CONSUMING VEGETABLES LESS THAN 1 TIME PER DAY FROM 21 3% TO 19 3% BY 2018 OBJECTIVE INCREASE THE PERCENT OF ADULTS DOING ENOUGH PHYSICAL ACT IVITY TO MEET BOTH THE AEROBIC AND STRENGTHENING EXERCISE RECOMMENDATIONS FROM 19% TO 23% BY 2018 OBJECTIVE INCREASE THE NUMBER OF HOUSEHOLDS LISTED AS FOOD SECURE FROM 84 6% TO 8 6 6% BY 2018 ACCESS - TRANSPORTATION AND KNOWLEDGE OF HEALTH CARE SERVICESGOAL PROMOTE AW ARENESS AND CONNECTIVITY TO ALLOW INDIVIDUALS TO ACCESS COMMUNITY HEALTH AND TRANSPORTATIO N RESOURCES OBJECTIVE REDUCE THE GAPS IN HEALTH AND TRANSPORTATION RESOURCES OBJECTIVE C ENTRALIZE THE RESOURCE ACCESS FOR RELIABLE AND TRANSPORTATION-RELATED INFORMATION THE COMP LETE CHIP LISTS STRATEGIES AND OPPORTUNITIES FOR COMMUNITY ACTION FOR EACH OF THESE GOALS THE FULL SHAWNEE COUNTY COMMUNITY HEALTH IMPROVEMENT PLAN IS AVAILABLE AT HTTP //HEALTH S NCO US/DOCUMENTCENTER/VIEW/221AS PREVIOUSLY MENTIONED, STORMONT-VAIL'S IMPLEMENTATION STRA TEGY TO ADDRESS EACH OF THE COMMUNITY HEALTH NEEDS IDENTIFIED THROUGH HE CHNA WAS INCORPOR ATED INTO THE FY14 STRATEGIC PLAN THE FY15 STRATEGIC PLAN INCLUDES THE NEW STRATEGY FOR S TORMONT-VAIL TO BE THE LEAD ORGANIZATION IN IMPLEMENTING THE SHAWNEE COUNTY COMMUNITY HEAL TH IMPROVEMENT PLAN

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
STORMONT-VAIL HEALTHCARE	PART V, SECTION B, LINE 7 THE SHAWNEE COUNTY CHNA IDENTIFIED 14 COMMUNITY HEALTH PRIORITIES THE TOP COMMUNITY HEALTH ISSUES IDENTIFIED WERE -ADULTS WHO ARE OVERWEIGHT OR OBESE-ADULTS NOT CONSUING FRUITS AND VEGETABLES FIVE OR MORE TIMES PER DAY-ADULTS PARTICIPATING IN RECOMMENDED LEVEL OF PHYSICAL ACTIVITY-ADULT CIGARETTE SMOKING-ADULTS WHO REPORTED THEIR MENTAL HEALTH WAS NOT GOOD ON 14 OR MORE DAY DURING THE PAST 30 DAYS-BIRTHS OCCURING TO TEENS AGES 15-19 YEARS OLD-ADULTS WITH DIAGNOSED DIABETES-ADULTS WITH AND AT-RISK FOR HEART DISEASE AND STROKE-INFANT MORTALITY-INFANTS FULLY IMMUNIZED AT 24-MONTHS-CHILDREN WITHOUT ADEQUATE ORAL HEALTHCARE-ACCESS TO HEALTH SERVICES-KNOWLEDGE OF AVAILABLE HEALTH/SOCIAL SERVICES-TRANSPORTATION CONNECTING PERSONS TO SERVICES AND RECREATIONFOR IMPLEMENTATION PURPOSES THESE 14 ISSUES WERE FURTHER CATEGORIZED INTO THREE MAJOR HEALTH PRIORITIES IMPROVED ACCESS TO CARE, TO TRANSPORTATION AND TO HEALTH KNOWLEDGE -ACCESS FOR MEDICALLY UNDERSERVED POPULATIONS -TRANSPORTATION TO/KNOWLEDGE OF AVAILABLE SERVICES - POOR MENTAL HEALTH -DIABETES, HEART DISEASE/STROKEHEALTHY EATING, ACTIVE LIVING - OVERWEIGHT/OBESE -EAT FRUIT/VEGETABLES 5 TIMES DAILY -PARTICIPATE IN RECOMMENDED LEVEL OF PHYSICAL ACTIVITYHEALTHY BABIES -INFANT MORTALITY -TEEN BIRTHS -IMMUNIZED INFANTS STORMONT-VAIL COMMUNITY HEALTH IMPROVEMENT EFFORTS IS BUILT UPON THESE THREE PRIORITY AREAS EACH OF THE HEALTH NEEDS IDENTIFIED IN THE SHAWNEE COUNTY CHNA IS IMPORTANT AND NUMEROUS PARTNERS THROUGHOUT THE COMMUNITY ARE ADDRESSING THESE NEEDS THROUGH INNOVATIVE PROGRAMS AND INITIATIVES THE STORMONT-VAIL COMMUNITY HEALTH IMPROVEMENT PLAN WILL ONLY ADDRESS THE PRIORITY AREAS LISTED ABOVE IN ORDER TO ALLOCATE APPROPRIATE TIME AND RESOURCES TO SUCCESSFUL TACTICS AND ACTIONS AREAS IDENTIFIED, BUT NOT SPECIFICALLY ADDRESSED INCLUDE - ADULT CIGARETTE SMOKING - CHILDREN WITHOUT ADEQUATE ORAL HEALTHTHE CHIP DOES NOT FOCUS DIRECTLY ON THESE ISSUES HOWEVER BOTH SHOULD BE INDIRECTLY ADDRESSED THE EXPANSION OF THE SAFETY NET SERVICES SHOULD IMPACT CHILDREN WITHOUT ADEQUATE ORAL HEALTH, SINCE THE MARIAN CLINIC IS THE COMMUNITY'S ONLY SAFETY NET PROVIDER OF ORAL HEALTH ADULT SMOKING IN SHAWNEE COUNTY DECLINED FROM 23 9% IN 2011 TO 19 8% IN 2013 HOPEFULLY THIS TREND CONTINUES WITH THE CHIP'S EFFORTS TO INCREASE HEALTHY EATING AND ACTIVE LIVING

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
STORMONT-VAIL HEALTHCARE	PART V, SECTION B, LINE 14G FOR PATIENTS EXPRESSING THE INABILITY TO PAY, THEY ARE PROVIDED WITH CUSTOMER SERVICE PHONE NUMBERS ON THE WEBSITE, PATIENT STATEMENTS, PATIENT HANDBOOKS, AND BROCHURES GIVEN TO ALL INPATIENTS AND OUTPATIENTS

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
STORMONT-VAIL HEALTHCARE	PART V, SECTION B, LINE 20D LOOKBACK METHOD- USED PRIOR YEAR MEDICARE AND PRIVATE HEALTH INSURANCE PAID CLAIMS ACCORDING TO 501(R)(5)

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

Form and Line Reference	Explanation
PART V, SECTION B, LINE 5B	CHNA AVAILABLE AT THESE WEBSITES HTTPS //WWW STFRANCISTOPEKA ORG/~/MEDIA/STFRANCIS/STFRANCISFILES/COMMUNITYASSESSMENT2013 PDFHTTP //SHAWNEEHEALTH ORG/INDEX ASPX? NID=161

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)
CANCER CENTER 1414 SW 8TH AVENUE TOPEKA,KS 66606	CANCER CENTER
HEART CENTER 929 MULVANE TOPEKA,KS 66606	CANCER CENTER
FAMILY PRACTICE 901 GARFIELD TOPEKA,KS 66606	CANCER CENTER
COTTON O'NEIL PHYSICIAN CLINICS 823 MULVANE TOPEKA,KS 66606	CANCER CENTER
STORMONT VAIL WEST 3707 SW 6TH STREET TOPEKA,KS 66606	CANCER CENTER
COTTON O'NEIL GI CENTER 720 LANE TOPEKA,KS 66606	CANCER CENTER
ORTHOPEDICS KOSM 909 SW MULVANE TOPEKA,KS 66604	CANCER CENTER
EMPORIA CLINIC 1301 SW 12TH STREET EMPORIA,KS 66801	CANCER CENTER
6TH & FRAZIER 3520 SW 6TH STREET TOPEKA,KS 66606	CANCER CENTER
REHABILTATION SERVICES 4019 SW 10TH AVE TOPEKA,KS 66606	CANCER CENTER
CROCO CLINIC 2909 SE WALNUT DR TOPEKA,KS 66605	CANCER CENTER
PEDIATRICARE 4100 SW 15TH STREET TOPEKA,KS 66604	CANCER CENTER
STORMONT VAIL SLEEP CENTER 920 SW WASHBURN TOPEKA,KS 66606	CANCER CENTER
URISH CLINIC 6725 SW 29TH STREET TOPEKA,KS 66614	CANCER CENTER
DERMATOLOGY CLINIC 6650 MISSION VALLEY DRIVE TOPEKA,KS 66614	CANCER CENTER

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)
WAMEGO CLINIC 1704 COMMERCIAL CIRCLE WAMEGO,KS 66547	CANCER CENTER
CARBONDALE CLINIC 211 EAST MAIN CARBONDALE,KS 66614	CANCER CENTER
OSAGE CITY CLINIC 131 WEST MARKET OSAGE CITY,KS 66523	CANCER CENTER
OSKALOOSA CLINIC 209 W JEFFERSON OSKALOOSA,KS 66066	CANCER CENTER
NORTH TOPEKA CLINIC 1130 N KANSAS AVENUE TOPEKA,KS 66608	CANCER CENTER
LAWRENCE CLINIC 330 ARKANSAS LAWRENCE,KS 66044	CANCER CENTER
ROSSVILLE CLINIC 423 MAIN ROSSVILLE,KS 66533	CANCER CENTER
MERIDEN CLINIC 407 E WYANDOTTE MERIDEN,KS 66512	CANCER CENTER
OCCUPATIONAL MEDICINE 1504 SW 8TH STREET TOPEKA,KS 66606	CANCER CENTER
LEBO CLINIC 118 W 4TH LEBO,KS 66856	CANCER CENTER
ALMA CLINIC 701 MISSOURI ALMA,KS 66401	CANCER CENTER
CARDIAC THORACIC SURGEONS 830 MULVANE TOPEKA,KS 66606	CANCER CENTER
MEDICAL ASSOCIATES OF MANHATTAN 1133 COLLEGE AVE STE E-110 MANHATTAN,KS 66502	CANCER CENTER
MRI OF KANSAS 631 SW MULVANE TOPEKA,KS 66606	CANCER CENTER
LYNDON CLINIC 715 WASHINGTON ST STE B LYNDON,KS 66451	CANCER CENTER

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)
EXCELLENT SURGERY CENTER 920 SW LANE TOPEKA, KS 66606	CANCER CENTER
STORMONT VAIL SINGLE DAY SURGERY 823 MULVANE TOPEKA, KS 66606	CANCER CENTER

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 23.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**
▶ **Information about Schedule J (Form 990) and its instructions is at *www.irs.gov/form990*.**

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
STORMONT-VAIL HEALTHCARE INC

Employer identification number
48-0543789

Part I Questions Regarding Compensation

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

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

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

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

(A) Name and Title	**(B)** Breakdown of W-2 and/or 1099-MISC compensation			**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns (B)(i)-(D)	**(F)** Compensation reported as deferred in prior Form 990
	(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
See Additional Data Table							

Part III Supplemental Information

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

Return Reference	Explanation
PART I, LINE 4B	RANDALL PETERSON $ 155,442 DAVID CUNNINGHAM $ 27,249 BERNARD BECKER $ 88,702 KENT PALMBERG, M D $ 357,786 DEBRA YOCUM $ 30,918 JANET STANEK $ 48,182 CAROL PERRY $ 4,237 KEVIN HAN $ 97,985 ERIC VOTH, M D $ 95,904 DOUGLAS ROSE, M D $ 104,568 KEVIN DISHMAN, M D $ 4,700 LAMBERT WU, M D $ 3,809
PART I, LINE 6	CERTAIN EMPLOYEES OF THE ORGANIZATION ARE ELIGIBLE FOR BONUSES UPON ACHIEVEMENT OF VARIOUS PERFORMANCE MEASURES AS OUTLINED IN THE ANNUAL INCENTIVE PLAN

Additional Data

Software ID:
Software Version:
EIN: 48-0543789
Name: STORMONT-VAIL HEALTHCARE INC

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
STEVEN WATKINS MD DIRECTOR	(I)	642,069	107,041	5,544	15,100	9,409	779,163	0
	(II)	0	0	0	0	0	0	0
RANDALL L PETERSON CHIEF EXECUTIVE OFFICER	(I)	713,834	95,748	4,412	169,356	22,147	1,005,497	0
	(II)	0	0	0	0	0	0	0
ERIC VOTH MD OPERATING COMMITTEE	(I)	313,466	73,348	2,221	111,004	20,042	520,081	0
	(II)	0	0	0	0	0	0	0
DOUGLAS ROSE MD OPERATING COMMITTEE	(I)	348,938	104,545	2,499	119,668	9,889	585,539	0
	(II)	0	0	0	0	0	0	0
KEVIN DISHMAN MD OPERATING COMMITTEE	(I)	756,840	105,691	1,260	19,742	19,577	903,110	0
	(II)	0	0	0	0	0	0	0
LAMBERT WU MD OPERATING COMMITTEE	(I)	632,003	66,322	840	18,909	17,674	735,748	0
	(II)	0	0	0	0	0	0	0
DAVID CUNNINGHAM VICE-PRESIDENT	(I)	217,343	67,651	792	41,769	17,532	345,087	0
	(II)	0	0	0	0	0	0	0
CAROL WHEELER VICE-PRESIDENT	(I)	342,265	98,789	3,368	15,100	12,872	472,394	0
	(II)	0	0	0	0	0	0	0
BERNIE BECKER VICE-PRESIDENT	(I)	281,058	88,179	3,012	103,802	13,094	489,145	0
	(II)	0	0	0	0	0	0	0
KENT PALMBERG MD EXECUTIVE VICE-PRESIDENT	(I)	563,365	213,075	5,835	372,048	13,143	1,167,466	0
	(II)	0	0	0	0	0	0	0
DEBRA YOCUM VICE-PRESIDENT	(I)	278,003	85,376	1,025	40,918	9,053	414,375	0
	(II)	0	0	0	0	0	0	0
JANET STANEK VICE-PRESIDENT	(I)	380,706	136,890	1,918	63,282	21,943	604,739	0
	(II)	0	0	0	0	0	0	0
CAROL PERRY VICE-PRESIDENT	(I)	296,658	95,170	1,113	19,337	12,943	425,221	0
	(II)	0	0	0	0	0	0	0
KEVIN HAN CHIEF FINANCIAL OFFICER	(I)	339,520	93,601	2,336	113,085	5,553	554,095	0
	(II)	0	0	0	0	0	0	0
MICHAEL KONGS KEY EMPLOYEE	(I)	159,096	16,410	547	10,499	15,682	202,234	0
	(II)	0	0	0	0	0	0	0
MATTHEW WILLS MD PHYSICIAN	(I)	2,194,166	71,344	1,260	10,000	16,344	2,293,114	0
	(II)	0	0	0	0	0	0	0
TEWODRO ADDISSE MD PHYSICIAN	(I)	1,024,570	88,323	1,247	14,425	4,999	1,133,564	0
	(II)	0	0	0	0	0	0	0
DAVID LUTES MD PHYSICIAN	(I)	712,897	82,280	1,932	15,100	5,009	817,218	0
	(II)	0	0	0	0	0	0	0
CHU CHI CHEN MD PHYSICIAN	(I)	1,122,562	114,789	10,668	15,100	5,009	1,268,128	0
	(II)	0	0	0	0	0	0	0
PETER TUTUSKA MD PHYSICIAN	(I)	706,198	84,598	3,612	15,100	9,409	818,917	0
	(II)	0	0	0	0	0	0	0

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				
MAYNARD OLIVERIUS	(I)	0	340,593	0	0	0	340,593	0
FORMER CHIEF	(II)	0	0	0	0	0	0	0
EXEC OFFICER								

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
STORMONT-VAIL HEALTHCARE INC

Employer identification number
48-0543789

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	KANSAS DEVELOPMENT FINANCE AUTHORITY		48543BJT6	08-27-2007	50,064,927	HEALTH FACILITIES		X		X		X
B	KANSAS DEVELOPMENT FINANCE AUTHORITY		48543BLG1	03-31-2008	27,950,075	HEALTH FACILITIES		X		X		X
C	KANSAS DEVELOPMENT FINANCE AUTHORITY		484538MC9	08-31-2011	61,193,487	HEALTH FACILITIES		X		X		X
D	KANSAS DEVELOPMENT FINANCE AUTHORITY		48453BNS3	08-14-2012	8,750,000	HEALTH FACILITIES		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired				
2	Amount of bonds legally defeased				
3	Total proceeds of issue	53,519,801	27,950,075	61,196,912	8,748,898
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows	18,107,157	27,677,500	50,325,531	
7	Issuance costs from proceeds	689,770	272,575	863,086	148,649
8	Credit enhancement from proceeds	1,048,000			
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	30,220,000		10,008,295	8,600,249
11	Other spent proceeds				
12	Other unspent proceeds				
13	Year of substantial completion	2009	2008	2013	2014

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

Return Reference	Explanation
SCHEDULE K SUPPLENTAL INFORMATION	THE PROJECT FOR THE 2013 BOND ISSUE WAS NOT COMPLETED AS OF SEPTEMBER 30, 2014

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
STORMONT-VAIL HEALTHCARE INC

Employer identification number
48-0543789

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	KANSAS DEVELOPMENT FINANCE AUTHORITY		48543BPD4	11-15-2013	39,321,250	HEALTH FACILITIES		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired				
2	Amount of bonds legally defeased				
3	Total proceeds of issue	39,323,767			
4	Gross proceeds in reserve funds				
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds	670,848			
8	Credit enhancement from proceeds				
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	11,745,322			
11	Other spent proceeds				
12	Other unspent proceeds	26,907,597			
13	Year of substantial completion				

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

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X						
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X						
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶								
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?								
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?								
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								
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								
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).

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SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

▶Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
▶ Attach to Form 990.
▶Information about Schedule M (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
STORMONT-VAIL HEALTHCARE INC

Employer identification number
48-0543789

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded				
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (MEDICAL EQUIP)	X	2	144,818	FMV
26 Other ▶ (COMPUTER EQUI)	X	3	41,264	FMV
27 Other ▶ (OTHER EQUIPME)	X	4	40,812	FMV
28 Other ▶ (_____)				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . | 29 |

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

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

Return Reference	Explanation

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SCHEDULE O (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.
▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
STORMONT-VAIL HEALTHCARE INC

Employer identification number
48-0543789

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS	
FORM 990, PART VI, SECTION B, LINE 11	A DRAFT OF THE RETURN IS PROVIDED TO THE FINANCE COMMITTEE FOR REVIEW ANY CHANGES ARE COM MUNICATED TO THE PAID PREPARER A COPY OF THE RETURN IS PROVIDED TO THE ENTIRE BOARD OF DI RECTORS FOR DISCUSSION AND APPROVAL WITH THE BOARD'S APPROVAL, THE PAID PREPARER THEN FIL ES THE RETURN ELECTRONICALLY
FORM 990, PART VI, SECTION B, LINE 12C	THE OFFICERS, DIRECTORS AND KEY EMPLOYEES SUBMIT CONFLICT OF INTEREST STATEMENTS TO THE CH AIRMAN OF THE AUDIT COMMITTEE OF STORMONT-VAIL HEALTHCARE EACH YEAR THE CHAIRMAN REVIEWS THE RESPONSES AND REPORTS TO THE AUDIT COMMITTEE FOR THEIR REVIEW, ANY APPROPRIATE ACTION IF REQUIRED AND APPROVAL THE CHAIRMAN ALSO THEN REPORTS THE RESULTS TO THE FULL BOARD OF DIRECTORS
FORM 990, PART VI, SECTION B, LINE 15	THE PERFORMANCE COMMITTEE OF THE STORMONT-VAIL HEALTHCARE BOARD OF DIRECTORS ENGAGED INTEG RATED HEALTHCARE STRATEGIES, AN EXECUTIVE COMPENSATION CONSULTING FIRM, TO PROVIDE RECOMME NDATIONS REGARDING ALL ASPECTS OF COMPENSATION OF THE ORGANIZATION'S SENIOR LEADERSHIP GRO UP, INCLUDING THE PRESIDENT & CEO THAT ENGAGEMENT INCLUDED THE FOLLOWING COMPONENTS -REV IEW OF BACKGROUND DATA, INCLUDING INFORMATION ON CURRENT PROGRAM, -COMPILATION OF DATA ON COMPENSATION AND BENEFIT PRACTICES OF COMPARABLE ORGANIZATIONS, -COMPARISON OF BASE SALARI ES AT SVHC TO BASE SALARY LEVELS IN THE MARKET, -COMPARISON OF ANNUAL AND LONG-TERM INCENT IVES AT SVHC TO INCENTIVE LEVELS IN THE MARKET, -ANALYSIS OF BENEFITS ON BOTH A QUANTITATI VE AND QUALITATIVE BASIS, -COMPARISON OF SVHC TOTAL COMPENSATION (BASE, INCENTIVE, BENEFIT S) TO PEER GROUP TOTAL COMPENSATION, -PREPARATION OF REPORT TO FACILITATE SVHC BOARD DISCU SSION OF THE TOTAL COMPENSATION, AND -RECOMMENDATIONS REGARDING ESTABLISHMENT OF SALARY RA NGES FOR SENIOR LEADERSHIP POSITIONS THE DELIBERATIONS AND DECISIONS OF THE PERFORMANCE C OMMITTEE AND THE BOARD OF DIRECTORS ARE DOCUMENTED IN MEETING MINUTES MAINTAINED BY SVHC
FORM 990, PART VI, SECTION C, LINE 19	STORMONT-VAIL HEALTHCARE, INC MAKES THEIR FINANCIAL STATEMENTS AVAILABLE FOR PUBLIC INSPE CTION AS PART OF THE 990 INFORMATION RETURN ANY CHANGES TO THE GOVERNING DOCUMENTS ARE IN CLUDED WITH THE 990 RETURN AT THIS TIME, THE HEALTH CENTER DOES NOT MAKE THEIR CONFLICT O F INTEREST POLICY AVAILABLE TO THE PUBLIC
FORM 990, PART XI, LINE 9	EQUITY IN NET INCOME OF CONSOLIDATED AFFILIATES -182,783 CHANGE IN ADDITIONAL MINIMUM LIA BILITY FOR RETIREMENT BENEFITS -20,269,965 NET GAINS/(LOSS) OF UNCONSOLIDATED AFFILIATES 154,830 BOOK AMORTIZATION GREATER THAN TAX -119,596
PART XII, LINE 2C	NO CHANGE FROM PRIOR YEAR

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
STORMONT-VAIL HEALTHCARE INC

Employer identification number
48-0543789

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) COTTON-O'NEIL ACO LLC 1500 SW 10TH AVE TOPEKA, KS 66604	SHARED SAVINGS PROGRAM	KS		1,000	STORMONT-VAIL HEALTHCARE

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	(g) No
(1) STORMONT-VAIL FOUNDATION 1500 SW 10TH AVE TOPEKA, KS 66604 48-0980926	GENERATE VOLUNTARY GIFTS TO SUPPORT STORMONT-VAIL HEALTHCARE	KS	501(C)(3)	LINE 7	STORMONT-VAIL HEALTHCARE		No
(2) STORMONT-VAIL HEALTHCARE AUXILARY 1500 SW 10TH AVE TOPEKA, KS 66604 48-6140517	PROVIDE GIFT SHOP, RESTAURANT AND PROJECTS FOR THE CONVENIENCE OF PATIENTS	KS	501(C)(3)	LINE 11A, I	N/A		No
(3) STORMONT-VAIL SERVICES INC 1500 SW 10TH AVE TOPEKA, KS 66604 48-1021165	MEDICAL SERVICES	KS	501(C)(3)	LINE 7	N/A		No

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) URISH MEDICAL PLAZA LLC 1500 SW 10TH TOPEKA, KS 66604 48-0782848	REAL ESTATE	KS	STORMONT-VAIL INC	RELATED	70,779	811,554		No		Yes		71 670 %

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity? Yes	(i) No
(1) STORMONT-VAIL INC 901 GARFIELD TOPEKA, KS 66606 48-0782848	RETAIL PHARMACY	KS	STORMONT-VAIL HEALTHCARE INC	C	272,557	14,910,353	100 000 %		No
(2) DECHAIRO HOSPITAL INC 1500 SW 10TH ST TOPEKA, KS 66604 48-0788844	REAL ESTATE	KS	STORMONT-VAIL INC	C		359,420	100 000 %		No
(3) CENTURY HEALTH SOLUTIONS INC 2951 SW WOODSIDE DR TOPEKA, KS 66614 48-1206397	INSURANCE MANAGEMENT OPERATIONS	KS	STORMONT-VAIL INC	C	-347,202	224,480	100 000 %		No
(4) UAT INC 1500 SW 10TH ST TOPEKA, KS 66604 48-0907989	MEDICAL BILLINGS PRACTICE	KS	STORMONT-VAIL HEALTHCARE INC	C	5,928	109,959	100 000 %		No
(5) KOSM INC 1500 SW 10TH ST TOPEKA, KS 66604 48-0807000	MEDICAL BILLINGS PRACTICE	KS	STORMONT-VAIL HEALTHCARE INC	C	46,450	227,879	100 000 %		No

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

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

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) STORMONT-VAIL FOUNDATION	B	420,000	
(2) STORMONT-VAIL FOUNDATION	S	85,804	
(3) STORMONT-VAIL HEALTHCARE AUXILIARY	C	220,430	
(4) STORMONT-VAIL HEALTHCARE AUXILIARY	Q	252,837	
(5) STORMONT-VAIL INC	O	1,238,609	
(6) STORMONT-VAIL FOUNDATION	O	416,745	

Part VI **Unrelated Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V?UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Part VII Supplemental Information

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

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 48-0543789
Name: STORMONT-VAIL HEALTHCARE INC

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
STORMONT-VAIL FOUNDATION	B	420,000	
STORMONT-VAIL FOUNDATION	S	85,804	
STORMONT-VAIL HEALTHCARE AUXILIARY	C	220,430	
STORMONT-VAIL HEALTHCARE AUXILIARY	Q	252,837	
STORMONT-VAIL INC	O	1,238,609	
STORMONT-VAIL FOUNDATION	O	416,745	

Stormont-Vail HealthCare, Inc. and Affiliates

Consolidated Financial Statements
September 30, 2014

Contents

Independent Auditor's Report

To the Audit Committee
Stormont-Vail Health*Care*, Inc.
Topeka, Kansas

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Stormont-Vail Health*Care*, Inc. and affiliates (Stormont-Vail) which comprise the consolidated balance sheets as of September 30, 2014 and 2013, and the related consolidated statements of operations, changes in net assets and cash flows for the years then ended and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States 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 auditor's 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 Stormont-Vail Health*Care*, Inc. and affiliates 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 accounting principles generally accepted in the United States of America.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information 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.

McGladrey LLP

Davenport, Iowa
December 19, 2014

Stormont-Vail HealthCare, Inc.
and Affiliates

Consolidated Balance Sheets
September 30, 2014 and 2013

Assets	**2014**	2013
Current assets:		
Cash and cash equivalents	**$ 44,497,861**	$ 92,895,129
Short-term investments	**20,387,963**	18,756,974
Limited use or restricted assets	**12,099,779**	12,097,431
Patient accounts receivable, net of allowances		
2014 $180,721,451; 2013 $178,809,592	**78,116,204**	73,742,986
Other accounts receivable	**3,392,224**	2,866,733
Inventories	**6,737,175**	5,673,183
Other current assets	**5,689,183**	6,240,935
Estimated settlements due from third-party payors	**76,137**	-
Total current assets	**170,996,526**	212,273,371
Limited use or restricted assets:		
Under bond trust indentures, held by Trustee	**31,927,028**	5,693,121
Board-designated for capital improvements	**239,243,959**	143,500,732
Restricted by professional liability insurance security agreements	**5,047,711**	5,468,545
Restricted by donors or grantors	**18,086,446**	15,957,912
Total limited use or restricted assets	**294,305,144**	170,620,310
Less current portion	**12,099,779**	12,097,431
Limited use or restricted assets, net	**282,205,365**	158,522,879
Property, plant and equipment	**433,926,195**	427,290,032
Less accumulated depreciation	**238,765,691**	226,397,641
Property, plant and equipment, net	**195,160,504**	200,892,391
Other assets:		
Debt issue costs, net	**2,382,950**	1,825,738
Investments in unconsolidated affiliates	**6,479,275**	5,703,144
Intangible assets, net	**2,543,346**	3,244,402
Other	**1,000**	78,256
Total other assets	**11,406,571**	10,851,540
	$ 659,768,966	$ 582,540,181

See Notes to Consolidated Financial Statements.

Liabilities and Net Assets	**2014**	2013
Current liabilities:		
Current portion of long-term debt	**$ 4,327,516**	$ 4,228,924
Current portion of payable under employee agreements	**189,857**	397,475
Accounts payable	**15,580,600**	16,882,560
Accrued expenses:		
Interest	**3,245,068**	2,279,118
Compensation	**36,094,591**	30,782,108
Health insurance	**5,109,944**	4,554,465
Other	**7,570,644**	7,420,172
Estimated settlements due to third-party payors	**-**	2,527,462
Total current liabilities	**72,118,220**	69,072,284
Long-term debt, less current portion	**176,272,989**	141,344,744
Long-term payable under employee agreements, less current portion	**196,000**	390,505
Liability for retirement benefits	**84,996,633**	72,770,104
Total liabilities	**333,583,842**	283,577,637
Commitments and contingencies (Notes 9 and 12)		
Net assets:		
Unrestricted	**307,772,683**	282,690,108
Noncontrolling interest - unrestricted	**325,995**	314,524
Temporarily restricted	**4,730,184**	3,607,937
Permanently restricted	**13,356,262**	12,349,975
Total net assets	**326,185,124**	298,962,544
	$ 659,768,966	$ 582,540,181

Stormont-Vail HealthCare, Inc.
and Affiliates

Consolidated Statements of Operations
Years Ended September 30, 2014 and 2013

	2014	2013
Operating revenues		
Patient service revenue, net of contractual adjustments	**$ 564,173,589**	$ 544,795,472
Less provision for uncollectible accounts	**31,621,754**	34,638,387
Net patient service revenue	**532,551,835**	510,157,085
Other operating revenue	**14,709,406**	8,551,672
Net assets released from restriction for operating activities	**616,029**	415,059
Total operating revenues	**547,877,270**	519,123,816
Operating expenses		
Salaries, wages and employee benefits	**333,327,497**	316,487,293
Supplies and other expenses	**149,307,082**	149,627,569
Professional services	**5,777,560**	6,356,789
Interest	**8,582,526**	6,857,435
Depreciation and amortization	**22,015,674**	20,485,447
Program expense	**634,231**	557,204
Total operating expenses	**519,644,570**	500,371,737
Income from operations	**28,232,700**	18,752,079
Nonoperating gains (losses)		
Investment income:		
Interest and dividend income and realized gains on sales of investments	**5,664,633**	440,814
Change in unrealized gains on trading securities	**10,398,864**	8,972,844
Investment income	**16,063,497**	9,413,658
Equity in net gains of unconsolidated affiliates	**1,010,871**	530,011
Income tax expense and other income (expense), net	**(156,196)**	325,824
Loss on disposition of unconsolidated affiliates (Note 1)	**-**	(280,026)
Total nonoperating gains, net	**16,918,172**	9,989,467
Excess of revenues over expenses	**45,150,872**	28,741,546
Less excess of revenue over expenses attributable to noncontrolling interest	**(25,226)**	(25,441)
Excess of revenues over expenses attributable to Stormont-Vail	**45,125,646**	28,716,105
Change in unrecognized funded status of pension plan	**(20,269,965)**	39,923,803
Net assets released from restriction for capital expenditures	**81,209**	116,852
Donation of property and equipment received	**145,685**	173,258
Increase in unrestricted net assets	**$ 25,082,575**	$ 68,930,018

See Notes to Consolidated Financial Statements.

Stormont-Vail HealthCare, Inc.
and Affiliates

Consolidated Statements of Changes in Net Assets
Years Ended September 30, 2014 and 2013

	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Unrestricted Net Assets - Noncontrolling Interest	Total Net Assets
Net assets, September 30, 2012	$ 213,760,090	$ 2,972,254	$ 11,472,512	$ 1,141,100	$ 229,345,956
Excess of revenue over expenses	28,716,105	-	-	25,441	28,741,546
Change in unrecognized funded status of pension plan	39,923,803	-	-	-	39,923,803
Net change in unrealized losses on investments	-	(57,307)	-	-	(57,307)
Investment income	-	520,603	632,463	-	1,153,066
Donations of property and equipment received	173,258	-	-	-	173,258
Contributions, net	-	744,298	205,000	-	949,298
Net assets released from restriction for capital expenditures	116,852	(116,852)	-	-	-
Net assets released from restriction for operating activities	-	(415,059)	-	-	(415,059)
Change of restriction by donor	-	(40,000)	40,000	-	-
Purchase of noncontrolling interest	-	-	-	(831,295)	(831,295)
(Distributions to) noncontrolling interest	-	-	-	(20,722)	(20,722)
Change in net assets	68,930,018	635,683	877,463	(826,576)	69,616,588
Net assets, September 30, 2013	282,690,108	3,607,937	12,349,975	314,524	298,962,544
Excess of revenue over expenses	45,125,646	-	-	25,226	45,150,872
Change in unrecognized funded status of pension plan	(20,269,965)	-	-	-	(20,269,965)
Net change in unrealized gains on investments	-	310,145	-	-	310,145
Investment income	-	188,779	278,056	-	466,835
Donations of property and equipment received	145,685				145,685
Contributions, net	-	1,325,561	723,231	-	2,048,792
Net assets released from restriction for capital expenditures	81,209	(81,209)	-	-	-
Net assets released from restriction for operating activities	-	(616,029)	-	-	(616,029)
Change of restriction by donor	-	(5,000)	5,000	-	-
(Distributions to) noncontrolling interest	-	-	-	(13,755)	(13,755)
Change in net assets	25,082,575	1,122,247	1,006,287	11,471	27,222,580
Net assets, September 30, 2014	**$ 307,772,683**	**$ 4,730,184**	**$ 13,356,262**	**$ 325,995**	**$ 326,185,124**

See Notes to Consolidated Financial Statements

Stormont-Vail HealthCare, Inc.
and Affiliates

Consolidated Statements of Cash Flows
Years Ended September 30, 2014 and 2013

	2014	2013
Cash Flows from Operating Activities:		
Increase in net assets	**$ 27,222,580**	$ 69,616,588
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	**21,888,955**	20,421,637
Equity in net gains and gain on disposition of unconsolidated affiliates	**(1,010,871)**	(249,985)
Realized gain on investments	**(5,242,926)**	(649,016)
Change in net unrealized gain on investments	**(10,709,009)**	(8,915,537)
Donation of property and equipment received	**(145,685)**	(173,258)
Loss on disposal of property and equipment	**384,923**	218,579
Contributions and investment income restricted for long-term purposes	**(1,001,287)**	(837,463)
Acquisition of noncontrolling interest	**-**	831,295
Change in funded status of retirement plan	**12,226,529**	(50,610,769)
Changes in assets and liabilities:		
Accounts receivable	**(4,898,709)**	526,183
Inventories and other current assets	**(512,240)**	(91,856)
Accounts payable, accrued expenses and estimate for third-party payors	**4,810,468**	(4,524,365)
Long-term payable under employee agreement	**(402,123)**	(1,313,909)
Net cash provided by operating activities	**42,610,605**	24,248,124
Cash Flows from Investing Activities:		
Proceeds from investments and limited use or restricted assets	**77,918,366**	119,479,436
Purchases of investments and limited use or restricted assets	**(186,498,046)**	(112,584,943)
Purchases of property, plant and equipment	**(17,572,497)**	(20,497,564)
Investment in unconsolidated affiliates	**(147,910)**	(173,968)
Distributions and proceeds from unconsolidated affiliates	**382,650**	1,580,951
Payment for acquisition of noncontrolling interest	**-**	(4,000,000)
Proceeds from disposal of property and equipment	**18,885**	194,248
Other	**77,256**	(9,406)
Net cash (used in) investing activities	**(125,821,296)**	(16,011,246)
Cash Flows from Financing Activities:		
Collections of contributions restricted for long-term purposes	**217,079**	261,614
Proceeds from issuance of long-term debt	**39,321,250**	-
Payments for debt issue costs	**(660,212)**	-
Principal payments on long-term debt, including capital lease obligation	**(4,064,694)**	(3,634,570)
Net cash provided by (used in) financing activities	**$ 34,813,423**	$ (3,372,956)

(Continued)

Stormont-Vail HealthCare, Inc.
and Affiliates

Consolidated Statements of Cash Flows (Continued)
Years Ended September 30, 2014 and 2013

	2014	2013
Increase (decrease) in cash and cash equivalents	**$ (48,397,268)**	$ 4,863,922
Cash and cash equivalents, beginning of year	**92,895,129**	88,031,207
Cash and cash equivalents, end of year	**$ 44,497,861**	$ 92,895,129
Supplemental Disclosure of Cash Flow Information, cash paid for interest, excluding capitalized interest 2014 $109,853; 2013 $107,025	**$ 7,283,857**	$ 6,583,751
Supplemental Disclosure of Noncash Investing and Financing Activities, increase (decrease) in accounts payable related to acquisition of property and equipment	**(1,731,643)**	1,819,344

See Notes to Consolidated Financial Statements.

Note 1. Nature of Business and Significant Accounting Policies

Nature of business:

Stormont-Vail Health*Care*, Inc. (Health*Care*) is a Kansas not-for-profit corporation. The consolidated financial statements include the accounts of Health*Care*, its for-profit subsidiaries where there is controlling interest and all not-for-profit membership organizations where Health*Care* is the sole member, all of which are collectively referred to as Stormont-Vail. Operations of companies acquired are included beginning from the date of purchase. All significant intercompany accounts and transactions have been eliminated in the consolidation.

Stormont-Vail Health*Care*, Inc. or its subsidiaries have a controlling ownership interest or membership in the following corporations:

Stormont-Vail Foundation (the Foundation) was incorporated in 1984 as a Kansas not-for-profit corporation and is exempt from federal income tax under Section 501(c) (3) of the Internal Revenue Code (Code). The Foundation exists to generate voluntary gifts support for Health*Care* patient care services and community health education programs. Health*Care* is the sole voting member of the Foundation.

Stormont-Vail, Inc. was incorporated in 1984 as a for-profit corporation. Stormont-Vail, Inc. operates a retail pharmacy in Topeka and owns interests in unconsolidated affiliates, including Kansas Rehabilitation Hospital, Inc. Health*Care* owns all the stock of Stormont-Vail, Inc.

Century Health Solutions, Inc. (Century Health) was incorporated as a Kansas for-profit corporation in November 1998 to perform insurance management operations, to act as a utilization review administrator and to act as a third party administrator of insurance claims. Stormont-Vail, Inc. owns all of the outstanding stock of Century Health.

Dechairo Hospital, Inc. (Dechairo Hospital) is a Kansas for-profit corporation, which once owned and operated a 20-bed primary care hospital located in Westmoreland, Kansas. Dechairo Hospital operating activity was discontinued by management of Stormont-Vail, Inc. on May 1, 1999. Beginning in 2008, Dechairo owns and leases real estate to Stormont-Vail, Inc.

KOSM, Inc. is a Kansas for-profit corporation acquired by Health*Care* in August 2009. Health*Care* owns all of the outstanding stock of KOSM, Inc. KOSM, Inc. leases certain assets to Health*Care* for its orthopedic practices.

Urish Medical Plaza, L.L.C. (UMP) is a Kansas limited liability company. Stormont-Vail, Inc. acquired approximately 72% of the membership units of UMP during 2009. UMP owns and leases real estate to Health*Care*, the noncontrolling interest owners and others.

UAT, Inc. is a Kansas for-profit corporation acquired by Health*Care* in December 2009. Health*Care* owns all of the outstanding stock of UAT, Inc. UAT, Inc. leases certain assets to Health*Care* for its urology practices.

Cotton-O'Neil ACO, L.L.C. (COACO) is a Kansas limited liability company which was formed during 2014. The COACO has been approved by Medicare for participation in a shared savings program beginning January 1, 2015.

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Significant Accounting Policies:

Accounting estimates: The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, 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 financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant changes in the near term and which require significant judgments by management include the allowance for doubtful accounts, allowance for contractual adjustments, estimated third-party payor settlements, defined benefit retirement plan assumptions, fair value of investments, self-insured professional and worker's compensation liabilities and the incurred but not reported liability for health self-insurance.

Cash and cash equivalents: For purposes of reporting cash flows, cash and cash equivalents include certificates of deposit and all highly liquid debt instruments with original maturities of three months or less. Certain temporary cash investments internally and externally designated as long-term investments are excluded from cash and cash equivalents.

Patient receivables and net patient service revenue: Patient receivables, where a third-party payor is responsible for paying the amount, are carried at a net amount determined by the original charge for the service provided, less an estimate for contractual adjustments or discounts provided to third-party payors.

Patient receivables due directly from the patients are carried at the original charge for the service provided less amounts covered by third-party payors and less an estimated allowance for doubtful receivables based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by identifying troubled accounts, by historical experience applied to an aging of accounts and by considering the patient's financial history, credit history and current economic conditions. Stormont-Vail only charges interest on patient accounts that have been turned over to collections. Patient receivables are written off to provision for uncollectible accounts when deemed uncollectible. Recoveries of receivables previously written off are recorded as a reduction of the provision for uncollectible accounts when received.

Receivables or payables related to estimated settlements on various risk contracts that Stormont-Vail participates in are reported as estimated settlements due to third-party payors.

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 with third-party payors are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined. Net patient service revenue is reported net of the provision for uncollectible accounts.

Note 1. Nature of Business and Significant Accounting Policies (Continued)

In evaluating the collectability of accounts receivable, Stormont-Vail analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for uncollectible accounts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts. For receivables associated with services provided to patients who have third-party coverage, Stormont-Vail analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for uncollectible accounts, if necessary (for example, for expected uncollectible accounts for which the third-party payor has not yet paid, or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely).

For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), Stormont-Vail records a significant provision for uncollectible accounts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

Stormont-Vail's allowance for doubtful accounts for self-pay patients decreased from approximately 78% of self-pay accounts receivable at September 30, 2013, to approximately 76% of self-pay accounts receivable at September 30, 2014. In addition, Stormont-Vail's provision for uncollectible accounts decreased approximately $3,016,000 for the year ended September 30, 2014 compared to the year ended September 30, 2013. The changes were the result of trends experienced in the collection of amounts from self-pay patients for the year ended September 30, 2014. Stormont-Vail has not changed its charity care or uninsured discount policies during the year ended September 30, 2014. Stormont-Vail does not maintain a material allowance for doubtful accounts from third-party payors, due to insignificant write-offs from third-party payors.

Stormont-Vail 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, Stormont-Vail recognizes revenue on the basis of its standard rates for services provided. On the basis of historical experience, a significant portion of Stormont-Vail's uninsured patients will be unable or unwilling to pay for the services provided. Thus, Stormont-Vail records a significant provision for uncollectible accounts related to uninsured patients in the period the services are provided.

Patient service revenue at established rates less third-party payor contractual adjustments (but before the provision for bad debts), recognized in the year ended September 30, 2014 and 2013, was approximately:

	2014	2013
Third-party payors	$ 532,413,794	$ 508,651,681
Self pay	31,759,795	36,143,791
	$ 564,173,589	$ 544,795,472

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Inventories: Inventories consist primarily of medical supplies, stated at the lower of cost, determined by the first-in, first-out basis, or market.

Limited use or restricted assets: Limited use or restricted assets include assets held by trustees under bond trust indentures; assets set aside by the Board of Directors for capital improvements over which it retains control and may at its discretion subsequently use for other purposes; assets in accounts that are restricted pursuant to insurance agreements regarding medical liability programs; and assets restricted by donors or grantors for specific purposes, time periods or beneficial interests controlled by third party trustees.

Contributions: Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received, which is then treated as cost. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of operations as net assets released from restriction. Donor-restricted contributions whose restrictions are met within the same year as received are reflected as unrestricted contributions in the accompanying consolidated financial statements.

Investments: Investments in equity securities with readily determinable fair values, all investments in debt securities and alternative investments, which include hedge funds and funds of funds, are measured at fair value on the balance sheet. Stormont-Vail reports the fair value of alternative investments using the practical expedient. The practical expedient allows for the use of NAV, either as reported by the investee fund or as adjusted by Stormont-Vail based on various factors. Stormont-Vail has the ability to liquidate its alternative investments periodically in accordance with the provisions of the investment fund agreement. Certain alternative investments are in the process of being redeemed as of September 30, 2014, which is based on the NAV of the expected amount to be received based on the fair value of the assets being held by the fund. Donated investments are reported at fair value at the date of receipt, which is then treated as cost. Investment income, including realized gains and losses on investments, interest and dividends and changes in unrealized gains and losses on trading securities, is included in excess of revenues over expenses, unless the income or loss is restricted by donor or law.

Investment income, except for investment income earned on certain short-term investments which are included in other operating revenue, is reported as nonoperating revenue. Stormont-Vail classifies those investments that are not limited to use or restricted assets or cash and cash equivalents as short-term investments on the accompanying consolidated balance sheets. Short-term investments are available for current operations, and as such, are reported as current assets.

Property, plant and equipment: Property, plant and equipment is carried at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Amortization expense on assets acquired under capital leases is included with depreciation expense on owned assets. Donated assets are recorded at their appraised value on the date of donation.

Debt issue costs: Debt issue costs and original issue discount are being amortized using a method which approximates the interest method over the term of the bonds. The amortization expense of debt issue costs is included as an interest expense.

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Investment in unconsolidated affiliates: Stormont-Vail has investments in various health related ventures. Investments in which Stormont-Vail's ownership is more than 20% but less than 50% are accounted for using the equity method of accounting under which their share of the net income (loss) of the affiliates is recognized as nonoperating gains (losses) in the statement of operations and added to (deducted from) the investment account, and dividends and distributions received from the affiliates are treated as a reduction of the investment account. Less than 20% owned affiliates are accounted for at historical cost unless management believes that the carrying value of the investment is not recoverable.

The following is the aggregated condensed financial information of the unconsolidated affiliates as of and for the years ended September 30, 2014 and 2013:

	2014	2013
Total revenues	$ 37,859,947	$ 37,171,443
Total expenses	34,657,234	34,497,067
Net income	$ 3,202,713	$ 2,674,376
Total assets	$ 25,559,427	$ 24,506,001
Total liabilities	8,180,639	8,363,870
Total net assets/stockholders' equity	$ 17,378,788	$ 16,142,131

Intangible assets: Intangible assets consist of the following at September 30:

	2014	2013
Employment and non-compete agreements, net of accumulated amortization 2014 $2,761,527; 2013 $2,108,772	$ 2,523,247	$ 3,208,095
Other	20,099	36,307
Intangible assets, net	$ 2,543,346	$ 3,244,402

Employment and non-compete agreements are being amortized over the period of the agreements which is five to ten years. Amortization is computed using the straight-line method, which reflects the pattern in which economic benefits of the intangible assets will be realized. Amortization expense for the years ended September 30, 2014 and 2013 was approximately $701,000 and $856,000, respectively. Intangible assets are reviewed for impairment when conditions indicate it is necessary.

Note 1. Nature of Business and Significant Accounting Policies (Continued)

The following is a schedule by year of estimated amortization expense:

Year ending September 30:		
2015	$	352,220
2016		313,018
2017		313,018
2018		313,018
2019		313,018
Thereafter		939,054
	$	2,543,346

Temporarily and permanently restricted net assets: Stormont-Vail is required to report information regarding its financial position and operations according to three classes of net assets: unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. The three classes are based on the presence or absence of donor-imposed restrictions. Temporarily restricted net assets include net assets restricted by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained in perpetuity. Donor restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying consolidated financial statements. Also see Note 7 for additional information on restricted net assets.

Revenue is reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulations. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purposes has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

The *Not-for-Profit Topic* of the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) requires a not-for-profit organization that is subject to an enacted version of the UPMIFA to classify a portion of a donor-restricted endowment fund of perpetual duration as permanently restricted net assets. The amount classified as permanently restricted is the amount of the fund (a) that must be retained permanently in accordance with explicit donor stipulations or (b) that in the absence of such stipulations, the organization's governing board determines must be retained permanently under the relevant law. In addition, a not-for-profit organization must classify the portion of the fund that is not classified as permanently restricted net assets as temporarily restricted net assets (time restricted) until appropriated for expenditure by Stormont-Vail.

Charity care and community services: Stormont-Vail provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because Stormont-Vail does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue. Charity care, based on estimated costs, totaled approximately $10,540,000 and $9,988,000 in 2014 and 2013, respectively. Cost of charity care is calculated by applying hospital specific cost to charge ratios to the total amount of charity care deductions from gross revenue. The cost-to-charge ratio is calculated by taking the hospital total expenses and gross charges and applying adjustments to offset nonpatient care activity revenue against expense as well as eliminate bad debt expense.

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Stormont-Vail also provides other health care services and programs for the benefit of the community, at no charge or at reduced rates. This includes a subsidy of approximately $312,000 and $165,300 annually for nursing, medical and allied health education for the years ended September 30, 2014 and 2013, respectively. Other education programs include prenatal, parenting, diabetes, CPR, immunization, infection control and various support groups. Other community services include an infant follow-up clinic and blood pressure, breast cancer and prostate screening clinics.

Excess of revenues over expenses: The statement of operations includes excess of revenues over expenses. Changes in unrestricted net assets which are excluded from excess of revenues over expenses, consistent with industry practice, include change in unrecognized funded status of pension plan, permanent transfers of assets to and from affiliates for other than goods and services and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purpose of acquiring such assets).

Functional expenses: Stormont-Vail provides general health care services including acute care, outpatient and rehabilitation services to residents within its geographic locations. Expenses related to providing these services in 2014 and 2013 were approximately $515,745,000 and $496,183,000, including approximately $80,888,000 and $80,221,000, respectively, for general and administrative expenses and approximately $250,000 and $205,000, respectively, for fundraising expenses.

Income taxes: HealthCare and the Foundation are not-for-profit organizations and public charities, not private foundations, as described in Sections 501(c)(3) and 509(a) of the Internal Revenue Code, respectively, and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Net income tax expense (benefit) related to for-profit affiliates was approximately $2,000 and $(300,000) in 2014 and 2013, respectively.

As a limited liability company, UMP's income is taxable to members based on their proportionate share of UMP's income, deductions, losses and credits as well as the tax status of each member.

HealthCare and the Foundation each file a Form 990 (Return of Organization Exempt from Income Tax) annually. When these returns are filed, it is highly certain that some positions taken would be sustained upon examination by the taxing authorities, while others are subject to uncertainty about the merits of the position taken or the amount of the position that would ultimately be sustained. Examples of tax positions common to health care organizations include such matters as the following: the tax exempt status of each entity, the nature, characterization and taxability of joint venture income and various positions relative to potential sources of unrelated business taxable income. Unrelated business taxable income is reported on Form 990T, as appropriate. The benefit of a tax position is recognized in the consolidated financial statements in the period during which, based on all available evidence, management believes that it is more likely than not that the position will be sustained upon examination, including the resolution of appeals or litigation processes, if any.

Tax positions are not offset or aggregated with other positions. Tax positions that meet the "more likely than not" recognition threshold are measured as the largest amount of tax benefit that is more than 50% likely to be realized on settlement with the applicable taxing authority. The portion of the benefits associated with tax positions taken that exceeds the amount measured as described above is reflected as a liability for uncertain tax benefits in the accompanying consolidated balance sheets along with any associated interest and penalties that would be payable to the taxing authorities upon examination. As of September 30, 2014 and 2013, there were no uncertain tax benefits identified and recorded as a liability.

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Forms 990 and 990T filed by HealthCare and the Foundation are generally subject to examination by the Internal Revenue Service (IRS) up to three years from the extended due date of each return. Forms 990 and 990T filed by HealthCare and the Foundation are generally no longer subject to examination for the fiscal years ended September 30, 2010 and prior. Stormont-Vail, Inc., Century Health, KOSM, Inc., Dechairo Hospital and UAT, Inc. are taxable organizations and currently file income tax returns in the U.S. federal jurisdiction and various state jurisdictions. These entities are generally no longer subject to income tax examinations for years September 30, 2010 and prior.

Noncontrolling interest: Stormont-Vail, Inc. has a 72% ownership interest in UMP, while other members own a noncontrolling interest. A pro rata share of the income or losses and net assets, in the form of members' equity, applicable to this interest has been recognized in Stormont-Vail's consolidated financial statements.

Fair value of financial instruments: Financial instruments are described as cash or contractual obligations or rights to pay or to receive cash. The fair value for certain financial instruments approximates the carrying value because of the short-term maturity of these instruments which include cash and cash equivalents, receivables, accounts payable, accrued liabilities, estimated net settlements to third-party payors and other current liabilities. The fair value of the liability for retirement benefits approximates carrying value as the Plan's assets are recorded at fair value and the projected benefit obligation is discounted to present value. A portion of Stormont-Vail's investments are carried at fair value on the balance sheets based on quoted market prices. The alternative investments are carried at fair value, which are recorded at NAV as the practical expedient for fair value, which is based primarily on historical investment returns and financial and nonfinancial data of the underlying investees. The fair value of Stormont-Vail's long-term debt (excluding capital lease obligations) as of September 30, 2014 and 2013 was approximately $189,677,000 and $145,933,000, respectively.

Fair value measurements: The *Fair Value Measurements and Disclosures Topic* of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) defines fair value, establishes a framework for measuring fair value and establishes required disclosure of fair value measurements, which applies to all assets and liabilities that are measured and reported on a fair value basis. See Note 4 for additional information.

Electronic health records incentive program: The electronic health records incentive program, enacted as part of the *American Recovery and Reinvestment Act of 2009*, provides for incentive payments under both the Medicare and Medicaid programs to eligible health systems that demonstrate meaningful use of certified electronic health records (EHR) technology. Payments under both the Medicare and Medicaid program are generally made for up to four years based on a statutory formula. The Medicaid programs are determined on a state by state basis, which are approved by the Centers for Medicare and Medicaid Services. Payment under both programs are contingent on the Hospital initially attesting to being a meaningful user of EHR technology and then continuing to meet escalating criteria, including other specific requirements that are applicable, for consecutive reporting periods. The Medicare base payment amount is reduced in subsequent years by 25 percent, 50 percent and 75 percent. For the first payment year, the Hospital must attest, subject to audit, that it met the criteria for any continuous 90-day period. For subsequent payment years, the Hospital must demonstrate meaningful use for the entire year. The final amount for any payment year is determined based upon an audit by the fiscal intermediary. Events could occur that would cause the final amounts to differ materially from the initial payments under the program.

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Stormont-Vail first received funds under the EHR incentive programs during 2012. Stormont-Vail recognizes revenue under the contingency model, whereas revenue is not recognized until all contingencies have occurred. Revenue of approximately $4,800,000 in Medicare and Medicaid incentive payments under these programs, respectively, is recognized as other operating revenue during the year ended September 30, 2014 in the accompanying consolidated statements of operations. The final payments will be determined based on information from Stormont-Vail's final audited Medicare cost reports.

Subsequent events: Stormont-Vail has evaluated subsequent events through December 19, 2014, the date on which the consolidated financial statements were issued. In November 2014, Stormont-Vail entered into an agreement to purchase an office building which was being leased by Stormont-Vail, at a cost of approximately $13,000,000, which will be paid for with cash generated from operations.

Note 2. Net Patient Service Revenue

Stormont-Vail provides medical and health care services in Northeast Kansas. Stormont-Vail generally does not require collateral or other security in extending credit to patients; however, it routinely obtains assignment of (or is otherwise entitled to receive) patients' benefits payable under their health insurance programs, plans or policies.

Stormont-Vail has agreements with third-party payors that provide for payments to Stormont-Vail at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

- 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. Stormont-Vail's classification of inpatients under the Medicare program and the appropriateness of their admission are subject to an independent review by a peer review organization and third-party payors under contract with Stormont-Vail. Outpatient services are paid at prospectively determined outpatient procedure rates and fee schedules for lab, therapies and certain designated medical screenings covered by the Medicare program. Stormont-Vail is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by Stormont-Vail and audits thereof by the Medicare administrative contractor. Stormont-Vail's Medicare cost reports have been finalized by the Medicare administrative contractor through September 30, 2010. However, the Hospital has also received tentative settlements on its Medicare cost reports for the years ended September 30, 2011 through 2013.

- Medicaid: Inpatient services rendered to Medicaid 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. Stormont-Vail's classification of patients under the Medicaid program and the appropriateness of their admission are subject to an independent review by a peer review organization and third-party payors under contract with Stormont-Vail. Outpatient services are paid at prospectively determined rates per procedure or test performed.

- Blue Cross: Inpatient services rendered to Blue Cross subscribers are reimbursed at prospectively determined discounts from established charges with the exception of a few outpatient procedures which are paid on a fee-screen basis.

Note 2. Net Patient Service Revenue (Continued)

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

A summary of net patient service revenue for the years ended September 30, 2014 and 2013 is as follows:

	2014	2013
Patient service revenue, including charity care	$1,568,884,803	$1,467,183,583
Less charity care, at established charges	(33,809,230)	(31,913,392)
Gross patient service revenue	1,535,075,573	1,435,270,191
Less:		
Contractuals	(968,954,398)	(888,747,961)
Courtesy allowance	(1,947,586)	(1,726,758)
Net patient service revenue, net of contractual allowances	564,173,589	544,795,472
Less provision for uncollectible accounts	(31,621,754)	(34,638,387)
Net patient service revenue	$ 532,551,835	$ 510,157,085

Provisions for contractual adjustments for the years ended September 30, 2014 and 2013 includes the effect of a change in the estimate of the liability due to third-party payors. The effect of this change in estimate is a decrease in the provision for contractual adjustments of approximately $199,000 and $1,478,000 for the years ended September 30, 2014 and 2013, respectively.

The Kansas Medicaid State Plan (Plan) approved by the Center for Medicare and Medicaid Services (CMS) establishes an annual tax assessment on certain hospital providers and health maintenance organizations and created the health care access improvement fund. Under the Plan, proceeds from the tax assessment are deposited to the State's health care access improvement fund and are used to obtain Federal matching funds, all of which must be distributed to Kansas hospitals and physicians to help bring Medicaid reimbursement closer to the cost of providing care. The allocation of these funds to specific health care providers is based primarily on the amount of care provided to Medicaid recipients. The Plan increases inpatient diagnosis related group reimbursement rates and also implements several supplemental inpatient and outpatient methodologies. Stormont-Vail's tax assessment for 2014 and 2013 was approximately $4,031,000 and $5,086,000, respectively, and is included in other operating expenses in the consolidated statements of operations.

Note 3. Investments and Limited Use or Restricted Assets

A summary of short-term investments as of September 30, 2014 and 2013 is as follows:

	September 30, 2014	September 30, 2013
Short-term investments:		
U.S. government obligations	$ 4,418,869	$ 3,237,791
Certificate of deposit	1,134,785	612,798
Money market	411,090	1,084,174
Foreign issues	-	136,086
Corporate bonds	7,708,254	8,002,071
Mutual bond funds	6,714,965	5,684,054
	$ 20,387,963	$ 18,756,974

Limited use or restricted assets which are available for payment of obligations classified as current liabilities are reported as current assets. The composition of limited use or restricted assets for the years ended September 30, 2014 and 2013, stated at fair value or cost for cash and cash equivalents and certificates of deposit, is as follows:

	September 30, 2014	September 30, 2013
Under bond trust indentures, held by Trustee,		
U.S. government obligations	$ 31,927,028	$ 5,693,121
Board-designated for capital improvements:		
Cash and cash equivalents	$ 22,027,879	$ 48,806
Certificates of deposit	1,988,405	1,981,833
U.S. government obligations	1,009,381	51,402
Corporate bonds	857,159	1,268,327
Municipal bonds	1,874,373	2,890,855
Money market	345,008	216,785
Foreign issues	632,373	51,126
Hedge funds and funds of funds:		
Hedge fund	15,831,472	34,242,487
Fixed income	14,868,135	35,224,062
Domestic equity	85,894,666	32,940,585
Global equity	93,915,108	34,584,464
	$ 239,243,959	$ 143,500,732
Restricted by professional liability insurance security agreements:		
Cash and cash equivalents	$ 93,387	$ 104,775
U.S. government obligations	1,469,435	1,448,571
Foreign issues	-	50,376
Corporate bonds	3,484,889	3,864,823
	$ 5,047,711	$ 5,468,545

Note 3. Investments and Limited Use or Restricted Assets (Continued)

	September 30, 2014	September 30, 2013
Restricted by donors and grantors:		
Cash and cash equivalents	$ 472,160	$ 455,617
Certificates of deposit	34,570	34,336
U.S. government obligations	118,267	124,169
Common stocks	3,938,977	3,451,569
Money market	454,452	570,634
Preferred stocks	25,695	25,015
Corporate bonds	725,642	750,493
Municipal bonds	405,833	278,755
Foreign issues	1,230,793	1,115,242
Pledges and trusts receivable	1,024,559	360,859
Other	245,891	248,069
Beneficial interest held by third party	7,676,383	7,398,327
Exchange, traded and closed end funds	-	90,064
Taxable bonds	1,026,224	704,763
Charitable remainder trust receivable	707,000	350,000
	$ 18,086,446	$ 15,957,912

Stormont-Vail's investments are exposed to various risks such as interest rate, market and credit. Due to the level of risk associated with such investments and the level of uncertainty related to changes in the value of such investments, it is at least reasonably possible that changes in risks in the near term would materially affect investment balances and the amounts reported in the consolidated financial statements.

A summary of investment income for the years ended September 30, 2014 and 2013 is as follows:

	2014	2013
Investment income:		
Interest and dividends	$ 1,859,997	$ 173,615
Realized gains on sale of investments, net	5,242,926	649,016
Change in net unrealized gains on investments	10,987,065	9,548,000
Investment fees	(445,462)	(213,719)
Total investment income	$ 17,644,526	$ 10,156,912
Reconciliation of total investment income reporting:		
Investment income reported as:		
Other operating revenue	$ 804,049	$ (352,505)
Nonoperating revenue	5,664,633	440,814
Temporarily restricted	188,779	520,603
Permanently restricted, change in unrealized gains	278,056	632,463
Change in net unrealized gains (losses):		
Unrestricted	10,398,864	8,972,844
Temporarily restricted	310,145	(57,307)
Total investment income	$ 17,644,526	$ 10,156,912

Note 4. Investments and Fair Value Measurements

The Fair Value Measurement and Disclosures Topic of the FASB ASC 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 and requires the use of valuation techniques that are consistent with the market approach, the income approach and/or the cost approach. Inputs to valuation techniques refer to the assumptions that market participants would use in pricing the asset or liability. Inputs may be observable, meaning those that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from independent sources, or unobservable, meaning those that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. In that regard, this guidance establishes a fair value hierarchy for valuation inputs that gives the highest priority to quoted prices in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The fair value hierarchy is as follows:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other 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. Level 2 investments also include market alternatives, measured using the practical expedient, that do not have any significant redemption restrictions, lock ups, gates or other characteristics that would cause liquidation and report date NAV to be significantly different.

Level 3: Significant unobservable inputs that reflect a reporting entity's own assumptions about the assumptions that market participants would use in pricing an asset or liability. Level 3 investments are valued using the practical expedient and would have significant redemption and other restrictions that would limit Stormont-Vail's ability to redeem out of the fund at report date NAV. Valuation techniques include use of option pricing models, discounted cash flow models and similar techniques. The fair value of the investment is based on a combination of audited financial statements of the investees and monthly or quarterly statements received from the investees, which is based on the NAV of the expected amount to be received based on the fair value of the assets being held by the fund.

A description of the valuation methodologies used for assets and liabilities measured at fair value, as well as the general classification of such instruments pursuant to the valuation hierarchy, is set forth below:

Investments in common and preferred stocks, corporate, municipal, mutual fund bonds, taxable bonds, foreign issues, exchange traded funds and money market investment funds traded on a national securities exchange are valued at the last reported sales price on the day of valuation. These financial instruments are classified as level 1 in the fair value hierarchy.

Investment in U.S. government obligations for which quotations are not readily available are valued using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. Investments in hedge funds and fund of funds are valued at fair value based on the applicable percentage ownership of the underlying funds' net assets as of the measurement date. In determining fair value, Stormont-Vail utilizes valuations provided by the underlying investment funds. The underlying investment funds value securities and other financial instruments on a fair value basis of accounting. The fair value of Stormont-Vail's investments in hedge funds and fund of funds generally represents the amount Stormont-Vail would expect to receive if it were to liquidate its investments in funds excluding any redemption charges that may apply. These financial instruments are classified as level 2 and level 3 in the fair value hierarchy.

Note 4. Investments and Fair Value Measurements (Continued)

Investments in split interest agreements (beneficial interest held by third party and charitable remainder receivable) are valued as the estimated present value of expected future cash flows. These financial instruments are classified as level 3 in the fair value hierarchy.

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 Stormont-Vail believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables summarize assets and liabilities measured at fair value on a recurring basis as of September 30, 2014 and 2013, segregated by the level of the valuation inputs within the fair value hierarchy utilized to measure fair value:

		Fair Value Measurements as of September 30, 2014		
	Fair Value	Level 1	Level 2	Level 3
Assets limited as to use and investments:				
Common and preferred stocks:				
Small cap	$ 710,557	$ 710,557	$ -	$ -
Mid cap	248,995	248,995	-	-
Large cap	2,550,925	2,550,925	-	-
Market neutral	428,500	428,500	-	-
Preferred stock	25,695	25,695	-	-
Corporate bonds	12,699,397	12,699,397	-	-
Municipal bonds	2,280,206	2,280,206	-	-
Mutual fund bonds	6,714,965	6,714,965	-	-
Taxable bonds	1,026,224	1,026,224	-	-
Other	245,883	245,883	-	-
Foreign issues	1,939,711	1,939,711	-	-
Money market investment funds	1,210,558	1,210,558	-	-
Hedge funds and funds of funds.				
Hedge funds	15,831,472	-	-	15,831,472
Fixed income	14,868,135	-	14,868,135	-
Domestic equity	85,894,666	-	85,894,666	-
Global equity	93,915,108	-	93,915,108	-
U.S. government obligations	38,942,980	-	38,942,980	-
Beneficial interest held by third party	7,676,383	-	-	7,676,383
Charitable remainder trust receivable	707,000	-	-	707,000
Investments at fair value	287,917,360	$ 30,081,616	$ 233,620,889	$ 24,214,855
Cash and cash equivalents and other, at cost	26,775,747			
	$ 314,693,107			

	Fair Value	Fair Value Measurements as of September 30, 2013 Level 1	Level 2	Level 3
Assets limited as to use and investments				
Common and preferred stocks				
Small cap	$ 614,477	$ 614,477	$ -	$ -
Mid cap	204,255	204,255	-	-
Large cap	2,019,766	2,019,766	-	-
Preferred stock	25,015	25,015	-	-
Common stock	90,160	90,160	-	-
Corporate bonds	13,885,714	13,885,714	-	-
Municipal bonds	3,169,610	3,169,610	-	-
Mutual fund bonds	5,684,054	5,684,054	-	-
Taxable bonds	704,763	704,763	-	-
Other	770,980	770,980	-	-
Foreign issues	1,352,830	1,352,830	-	-
Exchange traded funds	90,064	90,064	-	-
Money market investment funds	1,871,593	1,871,593	-	-
Hedge funds and funds of funds				
Hedge fund	34,242,487	-	-	34,242,487
Fixed income	35,224,062	-	35,224,062	-
Domestic equity	32,940,585	-	32,940,585	-
Global equity	34,584,464	-	34,584,464	-
U S government obligations	10,555,054	-	10,555,054	-
Beneficial interest held by third party	7,398,327	-	-	7,398,327
Charitable remainder trust receivable	350,000	-	-	350,000
Investments at fair value	185,778,260	$ 30,483,281	$ 113,304,165	$ 41,990,814
Cash and cash equivalents and other, at cost	3,599,024			
	$ 189,377,284			

Note 4. Investments and Fair Value Measurements (Continued)

Stormont-Vail has requested redemption of certain investments that were previously classified as level 2 securities. Because of the redemption request, these investments were transferred from level 2 to level 3 during the year ended September 30, 2013 as these investments have redemption restrictions. The transfer had no effect on total investments. There were no other transfers of assets or liabilities between level 1, 2 or 3 of the fair value hierarchy during the years ended September 30, 2014 and 2013.

Note 4. Investments and Fair Value Measurements (Continued)

The changes in fair value of level 3 investments for the years ended September 30, 2014 and 2013 were as follows:

	Hedge Fund		Beneficial Interest Held by Third Party		Charitable Remainder Trust Receivable	
	2014	2013	2014	2013	2014	2013
Beginning of year	$ 34,242,487	$ -	$ 7,398,327	$ 6,772,563	$ 350,000	$ 347,374
Purchases	10,000,000	-	-	-	330,000	-
Sales and distributions	(30,186,936)	-	(420,000)	(392,000)	-	-
Transfers in	-	34,154,978	-	-	-	-
Total realized and unrealized gains, net, included in earnings	1,775,921	87,509	698,056	1,017,764	27,000	2,626
End of year	$ 15,831,472	$ 34,242,487	$ 7,676,383	$ 7,398,327	$ 707,000	$ 350,000
Total gains, net, included in earnings attributable to the change in unrealized gains, net relating to financial instruments still held at year-end	$ 857,515	$ 87,509	$ 698,056	$ 1,017,764	$ 27,000	$ 2,626

Gains and losses included in earnings for the period above are reported in nonoperating income in the statement of operations and changes in net assets.

The following table sets forth additional disclosure of Stormont-Vail's investments whose fair value is estimated using NAV per share (or its equivalent) as of September 30, 2014 and 2013:

Investment	Fair Value 2014	Fair Value 2013	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Hedge funds and funds of funds					
The Morgan Creek Fund, Ltd (A)	$ 5,831,472	$ 34,242,487	$ -	(A)	(A)
Summit Domestic Equities Series (B)	85,894,666	32,940,585	-	Twice a month	30 Days
Summit Global Equities Series (C)	93,915,108	34,584,464	-	Twice a month	30 Days
Summit Fixed Income Series (D)	14,868,135	35,224,062	-	Twice a month	30 Days
Grosvenor Institutional Partners, L.P (E)	10,000,000	-	-	Quarterly	70 Days
	$ 210,509,381	$ 136,991,598	$ -		

(A) The Morgan Creek Fund, Ltd is structured as a fund-of-funds whose investment objective is to generate superior long-term investment returns relative to traditional equity benchmarks with significantly lower volatility of returns, a low degree of correlation to traditional portfolios, and limited risk under a wide range of market conditions The Morgan Creek Fund, Ltd seeks to achieve its investment objective by allocating its assets to a broad spectrum of alternative investment managers or in private investment funds sponsored by alternative investment managers These strategies include investments in equity, debt and mezzanine securities, and include long only and long/short strategies diversified across markets around the world The Morgan Creek Fund, Ltd. uses the Endowment Model as their diversified approach to investing The fair value of this investment has been estimated using the NAV per share of the investments provided by the fund manager, which is based on the NAV of the expected amount to be received based on the fair value of the assets being held by the fund. During the year ended September 30, 2013, Stormont-Vail requested a redemption of the Morgan Creek Fund, Ltd. funds and Morgan Creek is working through an orderly process to redeem these investments.

The total redemption of Stormont-Vail's investments and pension plan assets represented approximately 43% of the fund's net assets at the time of the request for redemptions to commence On December 5, 2013, the directors of Morgan Creek Fund, Ltd made the decision to redeem all investors in the Fund as of December 31, 2013, with redemptions to be paid in 2014 and 2015 It is intended the Fund will be wound up after all assets have been realized and all redemption proceeds have been paid

Note 4. Investments and Fair Value Measurements (Continued)

(B) Securities in the Domestic Equities Series will be domestic corporations traded on any national exchange or NASDAQ. Investments in common stock, listed limited partnerships, preferred stock, ETFs, ETNs, securities convertible into common or preferred stock, bonds, American Depository Receipts (ADR's), debentures and warrants are allowed. The series is also permitted to invest in mutual funds and other commingled investment vehicles that invest in the types of domestic securities identified above The fair value of this investment has been estimated using the NAV per share of the investments provided by the fund manager.

(C) Securities in the Global Equities Series will be both U S and non-U S based corporations traded on any global exchange. Investments in common stock, listed limited partnerships, preferred stock, ETFs, ETNs, securities convertible into common or preferred stock, bonds, American Depository Receipts (ADR's), debentures and warrants are allowed. Additionally, investments in Global Depository Receipts (GDR's) and European Depository Receipts (EDR's) are allowed The series is also permitted to invest in mutual funds and other commingled investment vehicles that invest in the types of global securities identified above The decision to hedge the currency exposure (inherent in international investments) is at the discretion of the underlying investment managers The fair value of this investment has been estimated using the NAV per share of the investments provided by the fund manager

(D) The principal purpose of Fixed Income Series is to provide relative safety of principal and a predictable source of income Additionally, the series may invest in "extended" sectors of the fixed income market (high yield, non-dollar and convertible securities). Each underlying manager will be responsible for investing in securities specific to the manager's mandate The fair value of this investment has been estimated using the NAV per share of the investments provided by the fund manager

(E) Grosvenor Institutional Partners, L.P. invests primarily in offshore investment funds, investment partnerships and pooled investment vehicles both domestically and internationally The general partner has full discretion on investment strategy which generally implements "non-traditional" or "alternative" investment strategies Investments are also made in Portfolio Funds which the investments are recorded at fair value based on the proportional share of the net asset value per share. The fair value of this investment has been estimated using the NAV per share of the investments provided by the fund manager

Note 5. Property, Plant and Equipment

A summary of property, plant and equipment for the years ended September 30, 2014 and 2013 is as follows:

	September 30,	
	2014	2013
Land	$ 17,790,292	$ 17,380,611
Buildings and improvements	250,899,783	249,451,021
Equipment	159,852,880	156,404,440
Equipment under capital lease	1,553,423	1,553,421
Construction in progress	3,829,817	2,500,539
	$ 433,926,195	$ 427,290,032

Accumulated depreciation for equipment acquired under capital leases was $1,288,669 and $977,985 as of September 30, 2014 and 2013, respectively.

Note 6. Long-Term Debt

	2014	2013
Health Facilities Revenue Bonds:		
Series 2007L (A)	$ 50,050,000	$ 50,050,000
Series 2008F (B)	26,310,000	27,630,000
Series 2011F (C)	53,290,000	55,115,000
Series 2012L (D)	8,170,000	8,635,000
Series 2013J (E)	40,000,000	-
	177,820,000	141,430,000
Premium on issuance of Series 2011F bonds (C)	2,475,649	2,732,907
Discount on issuance of Series 2013J bonds (E)	(651,209)	-
Capital lease obligations at interest rates ranging from 4.50% - 4.62%	323,139	647,093
Other notes and contract payable - 4.00% - 6.25%	632,926	763,668
Total long-term debt	180,600,505	145,573,668
Less current portion	(4,327,516)	(4,228,924)
	$ 176,272,989	$ 141,344,744

Stormont-Vail's long-term debt as of September 30, 2014 and 2013 is summarized as follows:
The Health Facilities Revenue Bonds were issued by the Kansas Development Finance Authority. Stormont-Vail effectively assumed this indebtedness through a Master Trust Indenture and Supplemental Master Trust Indentures.

(A) The 2007L Bonds consist of term bonds bearing interest at rates ranging from 4.625% to 5.125% and in amounts of $1,875,000, $1,115,000, $4,545,000, $10,000,000, $7,515,000 and $25,000,000 due November 15, 2027, November 15, 2029, November 15, 2032, November 15, 2032, November 15, 2036 and November 15, 2036, respectively.

The 2007L Bonds maturing November 15, 2027 and thereafter are subject to optional redemption and payment prior to maturity on or after November 15, 2017. The 2007L Bonds are also subject to mandatory redemption and payment prior to maturity beginning November 15, 2024 through final maturity on November 15, 2036 in amounts ranging from $430,000 to $8,750,000.

(B) The 2008F Bonds consist of serial bonds due in annual principal payments ranging from $125,000 to $2,405,000 and mature between November 15, 2014 and November 15, 2030. The 2008F Bonds bear interest at rates ranging from 4.00% to 5.75% payable semi-annually. In addition, term bonds bearing interest at 5.00% in the amounts of $5,480,000 and $2,280,000 are due November 15, 2021 and November 15, 2024, respectively (Series 2008F Term Bonds).

The Series 2008F Term Bonds are subject to mandatory redemption and payment prior to maturity on November 15, 2019 through November 15, 2024 in amounts ranging from $210,000 to $1,920,000. The 2008F bonds maturing in the year 2018 and thereafter are subject to optional redemption and payment prior to maturity on or after November 15, 2017.

(C) The 2011F Bonds consist of serial bonds due in annual principal payments ranging from $1,870,000 to $6,400,000 and mature between November 15, 2014 and November 15, 2030. The 2011F Bonds bear interest at rates ranging from 3.00% to 5.25% payable semi-annually. The 2011F Bonds maturing in the year 2022 and thereafter are subject to optional redemption and payment prior to maturity on or after November 15, 2019.

Note 6. Long-Term Debt (Continued)

(D) The 2012L Bonds, which mature November 15, 2027, consist of term bonds which are subject to mandatory redemption in amounts ranging from $480,000 to $705,000 from November 15, 2014 and November 15, 2027.

The 2012L Bonds, which bear interest at 3.02%, are subject to optional redemption and payment prior to maturity on or prior to November 15, 2017 at 101%. The 2012L Bonds are also subject to optional redemption and payment prior to maturity after November 15, 2017 at 100%.

(E) In November 2013, Stormont-Vail issued Series 2013J in the amount of $40,000,000. The proceeds from the Series 2013J Bonds are to be used for the acquisition, construction and renovation of various health care facilities and equipment. The 2013J Bonds consist of serial bonds due in annual principal payments ranging from $80,000 to $945,000 and mature between November 15, 2014 and November 15, 2028. The 2013J Bonds bear interest at rates ranging from 2.00% to 4.25% payable semi-annually. In addition, term bonds bearing interest from 4.00% to 5.00% in the amounts of $370,000, $7,370,000 and $29,835,000 are due November 15, 2025, November 15, 2033 and November 15, 2038, respectively. The 2013J Bonds maturing November 15, 2023 and thereafter are subject to optional redemption and payment prior to maturity on or after November 15, 2022, equal to 100% of the principal plus accrued interest, without premium.

The Health Facilities Revenue Bonds are secured by the gross revenue of HealthCare (the sole member of the obligated group). The Master Indentures for the Bonds provide for the establishment of debt service accounts which are maintained and administered by a trustee, provide for restrictions as to financial reporting, mergers, and additional indebtedness, and require the maintenance of specified ratios.

Stormont-Vail is the lessee of certain medical equipment under capital leases expiring through 2016. Maturities of long-term debt and minimum future lease payments under capital leases are as follows:

	Health Facilities Revenue Bonds	Other Notes and Contract Payable	Capital Leases
Year ending September 30:			
2015	$ 3,810,000	$ 212,047	$ 313,366
2016	3,970,000	49,164	17,738
2017	4,150,000	50,773	-
2018	4,340,000	320,942	-
2019	4,540,000	-	-
Thereafter	157,010,000	-	-
Total	$ 177,820,000	$ 632,926	331,104
Less amount representing interest			(7,965)
Present value of net minimum lease payments			$ 323,139

Note 7. Net Asset Restrictions

Temporarily restricted net assets of $4,730,184 and $3,607,937 as of September 30, 2014 and 2013, respectively, are available for community health care services and other health related needs of the community. During 2014 and 2013, net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes of health related needs of the community.

Permanently restricted net assets of $13,356,262 and $12,349,975 as of September 30, 2014 and 2013, respectively, are restricted to investment in perpetuity. Of those amounts, $7,676,383 and $7,398,327, respectively, are beneficial interest in assets of a perpetual trust held by a third party trustee from which the income distributions are unrestricted. Income from the other $5,679,879 and $4,951,648, respectively, which is under Stormont-Vail's control is expendable primarily to support various endowments' health related purposes.

Note 8. Endowment

Stormont-Vail's endowment consists of approximately 30 individual endowments established for a variety of purposes. Its endowments include donor-restricted permanent endowments and amounts designated by the Board of Directors to function as endowments. These board designated endowments include amounts temporarily restricted by donors as to purpose, as well as, unrestricted amounts. As required by generally accepted accounting principles (GAAP), net assets associated with endowment funds, including board designated endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

Stormont-Vail has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, Stormont-Vail classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by Stormont-Vail in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, Stormont-Vail considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

(1) The duration and preservation of the fund
(2) The purposes of Stormont-Vail and the donor-restricted endowment fund
(3) General economic conditions
(4) The possible effect of inflation and deflation
(5) The expected total return from income and the appreciation of investments
(6) Other resources of Stormont-Vail
(7) The investment policies of Stormont-Vail

Note 8. Endowment (Continued)

The endowment net assets at September 30, 2014 and 2013 were:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
		September 30, 2014		
Donor restricted endowment funds	$ -	$ 1,210,546	$ 5,679,879	$ 6,890,425
Board-designated endowment funds:				
Donor restricted as to purpose	-	537,636	-	537,636
Board-designated as to purpose	966,424	-	-	966,424
	$ 966,424	$ 1,748,182	5,679,879	$ 8,394,485
Beneficial interest held by third party			7,676,383	
Total permanently restricted net assets			$ 13,356,262	
		September 30, 2013		
Donor restricted endowment funds	$ -	$ 864,534	$ 4,951,648	$ 5,816,182
Board-designated endowment funds:				
Donor restricted as to purpose	-	510,997	-	510,997
Board-designated as to purpose	772,453	-	-	772,453
	$ 772,453	$ 1,375,531	4,951,648	$ 7,099,632
Beneficial interest held by third party			7,398,327	
Total permanently restricted net assets			$ 12,349,975	

Note 8. Endowment (Continued)

Changes in endowment net assets for the years ended September 30, 2014 and 2013 were:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
	September 30, 2014			
Endowment net assets, beginning of year	$ 772,453	$ 1,375,531	$ 4,951,648	$ 7,099,632
Investment return (unrealized and realized)	64,515	472,244		536,759
Contributions	-	-	723,231	723,231
Appropriation of endowment assets for expenditure	(11,343)	(99,593)	-	(110,936)
Additions to endowment funds	140,799	-	5,000	145,799
Endowment net assets, end of year	$ 966,424	$ 1,748,182	5,679,879	$ 8,394,485
Beneficial interest held by third party			7,676,383	
Total permanently restricted net assets			$ 13,356,262	
	September 30, 2013			
Endowment net assets, beginning of year	$ 575,693	$ 989,139	$ 4,699,949	$ 6,264,781
Investment return (unrealized and realized)	58,044	463,151	-	521,195
Contributions	-	-	211,699	211,699
Appropriation of endowment assets for expenditure	(6,159)	(76,759)	-	(82,918)
Additions to endowment funds	144,875	-	40,000	184,875
Endowment net assets, end of year	$ 772,453	$ 1,375,531	4,951,648	$ 7,099,632
Beneficial interest held by third party			7,398,327	
Total permanently restricted net assets			$ 12,349,975	

Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor restricted endowment funds may fall below the level that the donor or UPMIFA requires Stormont-Vail to retain as a fund of perpetual duration. In accordance with accounting principles generally accepted in the United States, deficiencies of this nature are reported in board-designated unrestricted net assets. There were no deficiencies as of September 30, 2014 or 2013.

Return Objectives, Risk Parameters and Strategies Employed for Achieving Objectives

Stormont-Vail has adopted an Endowment and Long Term Investment Policy that applies to endowment assets and which is intended to provide a predictable stream of funding to programs supported by its endowment while seeking long term growth in the real value of the endowment assets. Endowment assets include those assets of donor-restricted funds that Stormont-Vail must hold in perpetuity as well as board-designated funds.

Note 8. Endowment (Continued)

Return Objectives, Risk Parameters and Strategies Employed for Achieving Objectives (Continued)

To satisfy its long-term rate-of-return objectives, Stormont-Vail relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). Stormont-Vail targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints. In its investment policy for endowment funds, Stormont-Vail has established allocation ranges and targets for equity, fixed income and alternative asset allocations.

Stormont-Vail understands that some level of risk, or volatility, is necessary to meet its long-term goals of providing the long term growth in real value while also supporting programs as intended by the Endowed Funds Spending Policy that is summarized below. Accordingly, Stormont-Vail assumes a moderate level of investment risk. Stormont-Vail expects its endowment funds, over time, to provide an average annual rate of return of up to eight percent. Actual returns in any given year vary, sometimes significantly, from this expectation.

Spending Policy and How the Investment Objectives Relate to the Spending Policy

Stormont-Vail's Endowed Funds Spending Policy permits appropriation for expenditure of a discretionary percentage from zero to five percent of the average of each endowment fund's value from the prior six bi-annual periods including the most recent March 31. In establishing this policy, Stormont-Vail considered the long-term expected return on its endowment. Accordingly, over the long term, in view of both the Endowed Funds Spending Policy and the Investment Account Policy Statement, Stormont-Vail expects its endowment to grow at an average of between two to three percent annually. This is consistent with Stormont-Vail's objective of creating long term growth in the real value of endowment assets.

Note 9. Operating Leases

Stormont-Vail has operating leases for land, buildings and medical and office equipment which expire through the year 2026. Rental expense under such leases was approximately $5,705,000 and $5,868,000 during the years ended September 30, 2014 and 2013, respectively.

The following is a schedule of approximate future minimum lease payments for operating leases (with initial or remaining terms in excess of one year), excluding future lease payments for the office building, which was agreed to be purchased in November 2014, as discussed in Note 1, as of September 30, 2014:

Year ending September 30:	
2015	$ 2,808,000
2016	2,679,000
2017	2,315,000
2018	969,000
2019	54,000
Thereafter	360,000
	$ 9,185,000

Note 10. Retirement Plans

Effective October 1, 2012, the Board of Directors adopted a resolution to establish a basic defined contribution plan. For the years ending September 30, 2014 and 2013, Stormont-Vail will make an annual discretionary contribution of 4% of compensation into this plan for eligible employees. To be eligible, employees must be 18 years old and have at least one year of employment with at least 1,000 hours paid in that year and be employed on September 30th of the year. In addition, Stormont-Vail's Defined Contribution 403(b) match plan will change to contribute an amount equal to participant contributions to the 403b plan up to 2% of their compensation up to the legal limit. There were no changes in employee eligibility in the 403(b) match plan. Stormont-Vail has accrued approximately $8,544,000 and $8,300,000 as of September 30, 2014 and 2013, respectively, for the employer contributions owed for the defined contribution plans. These amounts are included in accrued compensation on the accompanying consolidated balance sheets.

Stormont-Vail also has a noncontributory defined benefit pension plan (Pension Plan). Pension benefits are based on years of service and the highest average of five years' salaries. The funding policy is to contribute the normal cost plus amortization of the unfunded actuarial liabilities over 30 years. Employees are eligible to participate in the Pension Plan upon reaching age 21 and completion of one year of employment with 1,000 hours in that year. Effective September 30, 2012, the Board of Directors adopted a resolution to freeze the defined benefit pension plan.

The Compensation – Retirement Benefits Topic of the FASB ASC requires balance sheet recognition of the overfunded or underfunded status of pension and postretirement benefit plans. Actuarial gains and losses, prior service costs or credits and any remaining transition assets or obligations that have not been recognized under previous accounting standards, must be recognized in the changes in unrestricted net assets.

As a result, Stormont-Vail has recognized the underfunded status of the defined benefit pension plan in the accompanying balance sheets as of September 30, 2014 and 2013. The accrual for the defined benefit pension plan liability is based on a comparison of the fair value of the plan assets to the Plan's projected benefit obligation.

Note 10. Retirement Plans (Continued)

The Pension Plan is measured annually on September 30. Information about the Plan follows:

	2014	2013
Projected benefit obligation, beginning of year	$ (264,283,695)	$ (293,689,329)
Interest cost	(12,739,449)	(11,421,853)
Actuarial gain (loss):		
Impact of change in assumptions	(19,892,276)	37,611,442
Other	(4,117,648)	(2,802,015)
Benefits paid	6,729,333	6,018,060
Projected benefit obligation, end of year	(294,303,735)	(264,283,695)
Fair value of plan assets	209,307,102	191,513,591
Funded status, benefit obligation in excess of plan assets	$ (84,996,633)	$ (72,770,104)
Rollforward of accrued benefit:		
Accrued benefit cost on balance sheet, beginning of year	$ (72,770,104)	$ (123,380,873)
Actual return on plan assets	16,381,844	16,630,862
HealthCare contributions	8,141,000	10,592,333
Change in plan liability	(36,749,373)	23,387,574
Accrued benefit cost on balance sheet, end of year	$ (84,996,633)	$ (72,770,104)
Components of net periodic pension cost (income), which is included as a component of excess revenues over expenses on the accompanying consolidated statements of operations and changes in net assets, consist of:		
Interest cost	$ 12,739,449	$ 11,421,853
Expected return on plan assets	(14,971,103)	(14,579,701)
Amortization of unrecognized net loss	2,339,078	3,063,215
	$ 107,424	$ (94,633)
Amounts not yet recognized as components of net periodic pension cost, net actuarial loss	$ 121,461,652	$ 101,191,687
Unrecognized amounts, end of year	121,461,652	101,191,687
Unrecognized amounts, beginning of year	101,191,687	141,115,490
Current year change	$ 20,269,965	$ (39,923,803)
Assumptions used in computations:		
In computing ending obligations, discount rate	4.31%	4.82%
In computing net cost:		
Discount rate	4.82%	3.90%
Expected return on plan assets	7.75%	8.00%
Rate of compensation increase	n/a	n/a

Note 10. Retirement Plans (Continued)

Stormont-Vail expects to contribute approximately $7,560,000 into the Pension Plan during the year ended September 30, 2015.

The benefit payments are expected to be paid as follows:

Year ending September 30:	
2015	$ 9,433,000
2016	10,528,000
2017	11,765,000
2018	12,995,000
2019	14,080,000
2020 to 2024	83,975,000

Estimated amounts that will be amortized into net periodic pension cost for the year ended September 30, 2015, is as follows:

Prior service cost	$ -
Actuarial losses	2,943,000
	$ 2,943,000

Stormont-Vail's objective is to maximize long-term returns while reducing losses in order to meet future benefit obligations. Stormont-Vail follows the policy of using historical evidence in computing expected return on assets.

The following summarizes minimum and maximum asset allocations and major asset categories as of September 30, 2014 and 2013:

	Minimum	Maximum	2014	2013
Equity securities	40 %	80 %	63 %	64 %
Debt securities	20	60	33	5
Cash and cash equivalents	-	10	1	1
Other	-	20	3	30
			100 %	100 %

Stormont-Vail's objective is to maintain adequate levels of diversification among plan assets. Stormont-Vail monitors the allocation on an ongoing basis and will reallocate plan assets accordingly.

Note 10. Retirement Plans (Continued)

The fair values of Stormont-Vail's defined benefit pension plan assets as of September 30, 2014 and 2013 by asset category, segregated by the level of the valuation inputs within the fair value hierarchy as described in Note 4, are as follows:

		Fair Value Measurements as of September 30, 2014		
	Fair Value	Level 1	Level 2	Level 3
Hedge funds and funds of funds				
Hedge fund	$ 4,410,080	$ -	$ -	$ 4,410,080
Fixed Income	69,427,209	-	69,427,209	-
Domestic Equity	66,597,384	-	66,597,384	-
Global Equity	66,071,710	-	66,071,710	-
Money market	703,092	703,092	-	-
Investments at fair value	207,209,475	$ 703,092	$ 202,096,303	$ 4,410,080
Other plan assets, cash and cash equivalents, at cost	2,097,627			
Total plan assets	$ 209,307,102			

		Fair Value Measurements as of September 30, 2013		
	Fair Value	Level 1	Level 2	Level 3
Hedge funds and funds of funds				
Hedge fund	$ 36,439,453	$ -	$ -	$ 36,439,453
Fixed Income	51,200,697	-	51,200,697	-
Domestic Equity	48,708,181	-	48,708,181	-
Global Equity	50,498,237	-	50,498,237	-
Money market	277,276	277,276	-	-
Investments at fair value	187,123,844	$ 277,276	$ 150,407,115	$ 36,439,453
Other plan assets, cash and cash equivalents, at cost	4,389,747			
Total plan assets	$ 191,513,591			

Stormont-Vail has requested redemption of certain investments that were previously classified as level 2 securities. These investments have been transferred from level 2 to level 3 during the year ended September 30, 2013 as these investments have redemption restrictions. The transfer had no effect on total investments. There were no other transfers of assets or liabilities between level 1, 2 or 3 of the fair value hierarchy during the years ended September 30, 2014 and 2013.

Note 10. Retirement Plans (Continued)

The change in fair value of level 3 investments for the year ended September 30, 2014 is as follows:

	Hedge Funds
Beginning of year	$ 36,439,453
Purchases	-
Sales and distributions	(32,102,235)
Transfers in	4,173,755
Transfers out	(6,527,874)
Total realized and unrealized gains (losses), net included in earnings	2,426,981
End of year	$ 4,410,080
Total gains (losses), net, included in earnings attributable to the change in unrealized gains, net, relating to financial instruments still held at year end	$ 116,665

The following table sets forth additional disclosure of Stormont-Vail's defined benefit pension plan assets whose fair value is estimated using NAV per share (or its equivalent) as of September 30, 2014 and 2013:

Investment	Fair Value 2014	Fair Value 2013	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Hedge funds and funds of funds					
The Morgan Creek Fund, Ltd (A)	$ 4,410,080	$ 36,439,453	$ -	(A)	(A)
Summit Domestic Equities Series (B)	66,597,384	48,708,181	-	Twice a month	30 Days
Summit Global Equities Series (C)	66,071,710	50,498,237	-	Twice a month	30 Days
Summit Fixed Income Series (D)	69,427,209	51,200,697	-	Twice a month	30 Days
	$ 206,506,383	$ 186,846,568	$ -		

(A) through (D) the hedge funds and funds of funds are further described in Note 4

Stormont-Vail redeemed $29,219,281 in cash from The Morgan Creek Fund, Ltd. during the year ending September 30, 2014 and $4,173,755 was transferred into the Morgan Creek BRIC Plus Private Fund, Ltd. fund.

Note 11. Concentrations of Credit Risk

Stormont-Vail grants credit without collateral to its patients, most of whom are area residents and are insured under third-party payor agreements. The mix of the gross receivables from patients and third-party payors as of September 30, 2014 and 2013 was as follows:

	2014	2013
Medicare	29.7 %	27.5 %
Medicaid	10.2	9.3
Blue Cross	13.5	15.2
Other third-party payors	21.4	19.3
Patients	25.2	28.7
	100.0 %	100.0 %

As of September 30, 2014, Stormont-Vail had deposits exceeding the federal depository insurance limits in various major financial institutions. Management believes the credit risk related to these deposits is minimal.

Stormont-Vail routinely invests its surplus operating funds in money market funds. These funds generally invest in highly liquid U.S. government and agency obligations and various investment grade corporate obligations. Most investments in money market funds are not insured or guaranteed by the U.S. government or by the underlying corporation; however, management believes that credit risk related to these investments is minimal.

Stormont-Vail regularly invests its assets limited to use and pension plan assets in hedge funds and funds of hedge funds. As described further in Notes 4 and 10, assets limited as to use and pension plan assets within a few different funds. Management believes that credit risk related to these investments is minimal.

Note 12. Commitments and Contingencies

Self-insured professional liability and workers' compensation:

Stormont- Vail, with a hospital license and three ambulatory surgical center licenses, self-insures professional liability claims for each to a maximum of $200,000 for each claim and $600,000 in the aggregate per year, with additional coverage provided by the State of Kansas Healthcare Stabilization Fund. Stormont-Vail has retained professional actuaries to determine funding requirements for the self-insured portion. Based on actuarial reports, Stormont-Vail has segregated a portion of investments for the self-insurance. These investments are included with limited use or restricted assets in the accompanying consolidated balance sheets.

Employed physicians of Stormont-Vail are each insured for professional liability by a third party to a maximum of $200,000 for each claim and $600,000 in the aggregate per year, but the policies deductibles match those limits so the risk is retained.

The professional liability insurance policies are on a claims-made basis. Additional coverage is provided by the State of Kansas Healthcare Stabilization Fund subject to a maximum of $800,000 for each claim and $2,400,000 in the aggregate per year. Excess coverage provided by a commercial insurance company is subject to a policy year $1,000,000 self-insured buffer (retention) for the professional and general liability coverages.

Note 12. Commitments and Contingencies (Continued)

Stormont-Vail is self-insured for workers' compensation claims to a maximum of $400,000 per accident, with excess coverage provided by a commercial insurance company. Stormont-Vail has purchased a $1,575,000 surety bond accepted by the State of Kansas as required security for the workers' compensation plan.

Stormont-Vail's accrual for self-insured losses is based upon management's estimate of the potential liability for claims made and for claims incurred but not reported through September 30, 2014. Management utilizes services of an independent actuarial firm to develop an estimate of the liability for incurred but not reported professional liabilities. Additional claims may be asserted against Stormont-Vail arising from services provided or accidents incurred through September 30, 2014. Management is unable to determine the ultimate cost of the resolution of such potential claims.

As of September 30, 2014 and 2013, Stormont-Vail has recorded a liability of approximately $5,107,000 and $6,395,000, respectively, for estimated self-insured professional liability claims. This represents the discounted present value of the liability. The undiscounted liability was approximately $5,335,000 and $6,717,000, respectively for estimated self-insured professional liability claims. As of September 30, 2014 and 2013, Stormont-Vail has recorded a liability for approximately $1,172,000 and $978,000, respectively, for estimated self-insured workers' compensation claims. This represents the undiscounted present value of the liability. Both estimated self-insured professional liability and estimated self-insured workers' compensation claims are included in other accrued expenses on the accompanying consolidated balance sheets. Stormont-Vail has recorded accounts receivable under the stop-loss insurance coverage of approximately $1,453,000 and $919,000 as of September 30, 2014 and 2013, respectively, and these amounts are included in other accounts receivable on the accompanying consolidated balance sheets. Operating expenses include costs of claims reported and an estimate of losses incurred but not reported. Expenses relating to these plans were approximately $2,131,000 and $2,287,000 for the years ended September 30, 2014 and 2013, respectively.

Self-insured employee health insurance:

Stormont-Vail is self-insured for its employee health insurance. Stormont-Vail maintains insurance coverage for individual claims which exceed $250,000 per person per year. As of September 30, 2014 and 2013, Stormont-Vail has recorded a liability of approximately $5,110,000 and $4,554,000, respectively, for estimated self-insured employee health insurance claims which is included as health insurance accruals on the accompanying consolidated balance sheets. Expenses related to this plan were approximately $28,997,000 and $25,055,000 for the years ended September 30, 2014 and 2013, respectively.

Laws and regulations:

The health care industry is subject to numerous laws and regulations of federal, state and local governments. Compliance with such laws and regulations can be subject to future governmental review and interpretation, as well as regulatory actions unknown or unasserted at this time. These laws and regulations include, but are not limited to, accreditation, licensure, government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in exclusion from government health care program participation, together with the imposition of significant fines and penalties, as well as significant repayment for past reimbursement for patient services received. While Stormont-Vail is subject to similar regulatory reviews, management believes that the outcome of such regulatory reviews will not have a material adverse effect on Stormont-Vail's financial position.

Note 12. Commitments and Contingencies (Continued)

CMS RAC Program:

Congress passed the Medicare Modernization Act in 2003, which among other things established a demonstration of The Medicare Recovery Audit Contractor (RAC) program. The RAC's identified and corrected a significant amount of improper overpayments to providers. In 2006, Congress passed the Tax Relief and Health Care Act of 2006 which authorized the expansion of the RAC program to all 50 states. Stormont-Vail, like similarly situated health care providers, has been subject to such audits and may continue to be subject to additional audits at some time in the future.

Current economic conditions:

Current economic conditions have made it difficult for certain of Stormont-Vail's patients to pay for services rendered. As employers make adjustments to health insurance plans or more patients become unemployed, services provided to self-pay and other payers may significantly impact net patient service revenue, which could have an adverse impact on the Stormont-Vail's future operating results. Further, the effect of economic conditions on the state may have an adverse effect on cash flows related to the Medicaid program.

Given the volatility of current economic conditions, the values of assets and liabilities recorded in the financial statements could change rapidly, resulting in material future adjustments in investment values and allowances for accounts and contributions receivable that could negatively impact Stormont-Vail's ability to meet debt covenants or maintain sufficient liquidity.

Health care reform:

As a result of recently added enacted federal health care reform legislation, substantial changes are anticipated in the United States health care system. Such legislation includes numerous provisions affecting the delivery of health care services, the financing of health care costs, reimbursement of health care providers and the legal obligations of health insurers, providers and employers. These provisions are currently slated to take effect at specified times over approximately the next decade.

Litigation:

Stormont-Vail is a party to litigation matters and claims, including alleged medical malpractice, arising in the normal course of its operations. In the opinion of management, disposition of these matters will not have a material adverse effect on Stormont-Vail's consolidated financial position or results of operations.

Construction commitments:

Stormont-Vail has signed commitments for construction of an orthopedic surgery center building of approximately $20,900,000 of which approximately $19,674,000 is remaining as of September 30, 2014. The remaining commitments related to these projects will be funded with funds held under bond trust indentures, which are from the Series 2013J bond offering.

Note 13. Pending Accounting Pronouncements

In February 2013, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2013-04, Liabilities (Topic 405): Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation Is Fixed at the Reporting Date (a consensus of the Emerging Issues Task Force). ASU 2013-04 provides guidance for the recognition, measurement and disclosure of obligations resulting from joint and several liability arrangements for which the total amount of the obligation within the scope of this ASU is fixed at the reporting date, except for obligations addressed within existing guidance in U.S. GAAP. The guidance requires an entity to measure those obligations as the sum of the amount the reporting entity agreed to pay on the basis of its arrangement among its co-obligors and any additional amount the reporting entity expects to pay on behalf of its co-obligors. The guidance in this ASU also requires an entity to disclose the nature and amount of the obligation as well as other information about those obligations. The amendments in this ASU are effective for fiscal years, and interim periods within those years, beginning after December 15, 2013. The amendments in this ASU should be applied retrospectively to all prior periods presented for those obligations resulting from joint and several liability arrangements within the ASU's scope that exist at the beginning of an entity's fiscal year of adoption. An entity may elect to use hindsight for the comparative periods (if it changed its accounting as a result of adopting the amendments in this ASU) and should disclose that fact. Early adoption is permitted. Management is evaluating the impact this ASU may have on the Stormont-Vail's consolidated financial statements.

In April 2013, the FASB has issued ASU No. 2013-06, Not-for-Profit Entities (Topic 958) - Services Received from Personnel of an Affiliate. The objective of the amendments in this ASU is to specify the guidance that not-for-profit entities apply for recognizing and measuring services received from personnel of an affiliate. More specifically, the amendments in this ASU apply to not-for-profit entities, including not-for-profit, business-oriented health care entities that receive services from personnel of an affiliate that directly benefit the recipient not-for-profit entity and for which the affiliate does not charge the recipient not-for-profit entity. The amendments in this ASU require a recipient not-for-profit entity to recognize all services received from personnel of an affiliate that directly benefit the recipient not-for-profit entity. Those services should be measured at the cost recognized by the affiliate for the personnel providing those services. However, if measuring a service received from personnel of an affiliate at cost will significantly overstate or understate the value of the service received, the recipient not-for-profit entity may elect to recognize that service received at either: (a) the cost recognized by the affiliate for the personnel providing that service or; (b) the fair value of that service. The amendments in this ASU are effective prospectively for fiscal years beginning after June 15, 2014, and interim and annual periods thereafter. A recipient not-for-profit entity may apply the amendments using a modified retrospective approach under which all prior periods presented upon the date should be adjusted, but no adjustment should be made to the beginning balance of net assets of the earliest period presented. Early adoption is permitted. Management is evaluating the impact this ASU may have on Stormont-Vail's consolidated financial statements.

In May 2014, FASB issued ASU No. 2014-09, Revenue from Contracts with Customers, which provides a robust framework for addressing revenue recognition issues and replaces most of the existing revenue recognition guidance including industry-specific guidance, in current U.S. GAAP. The standard is effective for periods beginning after December 15, 2016 for public entities. Management is currently evaluating the potential impact that the adoption of this update will have on Stormont-Vail' financial reporting.

Stormont-Vail HealthCare, Inc.
and Affiliates

Consolidating Balance Sheet
September 30, 2014
With Comparative Totals for September 30, 2013

Assets	Stormont-Vail HealthCare, Inc.	Stormont-Vail Foundation
Current assets:		
Cash and cash equivalents	$ 42,492,861	$ 595,609
Short-term investments	19,478,607	909,356
Limited use or restricted assets	12,099,779	-
Patient accounts receivable, net	77,363,860	-
Other accounts receivable	3,349,209	15,248
Due from related parties	135,652	-
Inventories	6,139,112	-
Other current assets	5,097,129	8,136
Estimated settlements due from third-party payors	76,137	-
Total current assets	166,232,346	1,528,349
Limited use or restricted assets:		
Under bond trust indentures, held by Trustee	31,927,028	-
Board-designated for capital improvements	232,982,218	-
Restricted by professional liability insurance security agreements	5,047,711	-
Restricted by donors or grantors	883,173	17,203,273
Total limited use or restricted assets	270,840,130	17,203,273
Less current portion	12,099,779	-
Limited use or restricted assets, net	258,740,351	17,203,273
Property, plant and equipment	428,795,212	43,913
Less accumulated depreciation	236,517,756	31,590
Property, plant and equipment, net	192,277,456	12,323
Other assets:		
Debt issue costs, net	2,382,950	-
Investments in affiliates	17,913,204	-
Intangible assets, net	2,524,243	-
Miscellaneous, primarily employee advances	-	-
Total other assets	22,820,397	-
	$ 640,070,550	$ 18,743,945

* Other Affiliates includes Dechairo Hospital, Inc., KOSM, Inc., UAT, Inc., Irish Medical Plaza, L.L.C. and Cotton-O'Neil ACO, L.L.C.

Schedule 1

Stormont-Vail, Inc.	Century Health Solutions, Inc.	Other Affiliates*	Eliminations	Total 2014	Total 2013
$ 977,235	$ 41,423	$ 390,733	$ -	$ 44,497,861	$ 92,895,129
-	-	-	-	20,387,963	18,756,974
-	-	-	-	12,099,779	12,097,431
698,792	53,552	-	-	78,116,204	73,742,986
27,767	-	-	-	3,392,224	2,866,733
1,101	24,500	-	(161,253)	-	-
598,063	-	-	-	6,737,175	5,673,183
542,355	27,964	13,599	-	5,689,183	6,240,935
-	-	-	-	76,137	-
2,845,313	147,439	404,332	(161,253)	170,996,526	212,273,371
-	-	-	-	31,927,028	5,693,121
6,261,741	-	-	-	239,243,959	143,500,732
-	-	-	-	5,047,711	5,468,545
-	-	-	-	18,086,446	15,957,912
6,261,741	-	-	-	294,305,144	170,620,310
-	-	-	-	12,099,779	12,097,431
6,261,741	-	-	-	282,205,365	158,522,879
2,849,412	48,903	2,188,755	-	433,926,195	427,290,032
1,536,541	41,662	638,142	-	238,765,691	226,397,641
1,312,871	7,241	1,550,613	-	195,160,504	200,892,391
-	-	-	-	2,382,950	1,825,738
3,589,595	-	-	(15,023,524)	6,479,275	5,703,144
-	-	19,103	-	2,543,346	3,244,402
1,000	-	-	-	1,000	78,256
3,590,595	-	19,103	(15,023,524)	11,406,571	10,851,540
$ 14,010,520	$ 154,680	$ 1,974,048	$ (15,184,777)	$ 659,768,966	$ 582,540,181

Stormont-Vail HealthCare, Inc.
and Affiliates

Consolidating Balance Sheet
September 30, 2014
With Comparative Totals for September 30, 2013

Liabilities, Stockholders' Equity and Net Assets	Stormont-Vail HealthCare, Inc.	Stormont-Vail Foundation
Current liabilities:		
Current portion of long-term debt	$ 4,163,144	$ -
Current portion of payable under employee agreements	189,857	-
Accounts payable	15,147,923	102,516
Accrued expenses:		
Interest	3,245,068	-
Compensation	35,960,083	-
Health insurance	5,109,944	-
Other	7,538,340	-
Estimated settlements due to third-party payors	-	-
Due to related parties	-	32,869
Total current liabilities	71,354,359	135,385
Long-term debt, less current portion	176,272,989	-
Long-term payable under employee agreements, less current portion	196,000	-
Accrued pension, less current portion	84,996,633	-
Total liabilities	332,819,981	135,385
Stockholders' equity	-	-
Net assets:		
Unrestricted	306,367,396	1,405,287
Noncontrolling interest, unrestricted	-	-
Temporarily restricted	750,314	3,979,870
Permanently restricted	132,859	13,223,403
Total net assets	307,250,569	18,608,560
	$ 640,070,550	$ 18,743,945

* Other Affiliates includes Dechairo Hospital, Inc , KOSM, Inc , UAT, Inc., Irish Medical Plaza, L L C and Cotton-O'Neil ACO, L.L.C

Stormont-Vail, Inc.	Century Health Solutions, Inc.	Other Affiliates*	Eliminations	Total 2014	Total 2013
$ -	$ -	$ 164,372	$ -	$ 4,327,516	$ 4,228,924
-	-	-	-	189,857	397,475
227,743	92,092	194	10,132	15,580,600	16,882,560
-	-	-	-	3,245,068	2,279,118
62,748	71,760	-	-	36,094,591	30,782,108
-	-	-	-	5,109,944	4,554,465
31,483	821	-	-	7,570,644	7,420,172
-	-	-	-	-	2,527,462
138,516	-		(171,385)	-	-
460,490	164,673	164,566	(161,253)	72,118,220	69,072,284
-	-	-	-	176,272,989	141,344,744
-	-	-	-	196,000	390,505
-	-	-	-	84,996,633	72,770,104
460,490	164,673	164,566	(161,253)	333,583,842	283,577,637
13,550,030	(9,993)	1,809,482	(15,349,519)	-	-
-	-	-	-	307,772,683	282,690,108
-	-	-	325,995	325,995	314,524
-	-	-	-	4,730,184	3,607,937
-	-	-	-	13,356,262	12,349,975
-	-	-	325,995	326,185,124	298,962,544
$ 14,010,520	$ 154,680	$ 1,974,048	$ (15,184,777)	$ 659,768,966	$ 582,540,181

Stormont-Vail HealthCare, Inc.
and Affiliates

Consolidating Statement of Operations
Year Ended September 30, 2014
With Comparative Totals for Year Ended September 30, 2013

	Stormont-Vail HealthCare, Inc.	Stormont-Vail Foundation
Operating revenues		
Patient service revenue, net of contractual adjustments	$ 564,173,589	$ -
Less provision for uncollectible accounts	31,621,754	-
Net patient service revenue	532,551,835	-
Other operating revenue	12,162,144	-
Net assets released from restriction for operating activities	34,265	581,764
Total operating revenues	544,748,244	581,764
Operating expenses		
Salaries, wages and employee benefits	330,729,489	379,781
Supplies and other expenses	148,347,416	213,821
Professional services	5,740,420	19,793
Interest	8,576,661	-
Depreciation and amortization	21,491,998	1,294
Program expense	34,265	599,966
Total operating expenses	514,920,249	1,214,655
Income (loss) from operations	29,827,995	(632,891)
Nonoperating gains (losses)		
Investment income (loss)		
Interest and dividend income and realized gains (losses) on sales of investments	5,097,129	470,958
Current year change in net unrealized gains (losses) on trading securities	10,291,446	107,418
Investment income	15,388,575	578,376
Equity in net gains of unconsolidated affiliates	154,830	-
Income tax benefit (expense) and other income (expense), net	(11,733)	3,277
Gain (loss) on disposition of unconsolidated affiliates	-	-
Total nonoperating gains, net	15,531,672	581,653
Excess of revenues over (under) expenses	45,359,667	(51,238)
Less excess of revenue over expenses attributable to noncontrolling interest	-	-
Excess of revenues over (under) expenses attributable to controlling interest	45,359,667	(51,238)
Change in unrecognized funded status of pension plan	(20,269,965)	-
Unrestricted contributions to (from) affiliates	(420,000)	420,000
Contributions to (from) affiliates for capital expenditures	81,209	(81,209)
Dividends paid to shareholders'	-	-
Net assets released from restriction for capital expenditures	-	81,209
Donation of property and equipment received	145,685	-
Capital contributions	-	-
Equity in net income (loss) of consolidated affiliates	(182,783)	-
Increase (decrease) in unrestricted net assets/equity	$ 24,713,813	$ 368,762

* Other Affiliates includes Dechairo Hospital, Inc , KOSM, Inc , UAT, Inc , Irish Medical Plaza, L L C and Cotton-O'Neil ACO, L L C

Schedule 2

Stormont-Vail, Inc.	Century Health Solutions, Inc.	Other Affiliates *	Eliminations	Total 2014	Total 2013
$ -	$ -	$ -	$ -	$ 564,173,589	$ 544,795,472
-	-	-	-	31,621,754	34,638,387
-	-	-	-	532,551,835	510,157,085
1,774,861	821,539	341,031	(390,169)	14,709,406	8,551,672
-	-	-	-	616,029	415,059
1,774,861	821,539	341,031	(390,169)	547,877,270	519,123,816
1,196,409	1,021,818	-	-	333,327,497	316,487,293
664,499	377,376	94,139	(390,169)	149,307,082	149,627,569
13,015	1,660	2,672	-	5,777,560	6,356,789
-	-	5,865	-	8,582,526	6,857,435
64,019	3,600	454,763	-	22,015,674	20,485,447
-	-	-	-	634,231	557,204
1,937,942	1,404,454	557,439	(390,169)	519,644,570	500,371,737
(163,081)	(582,915)	(216,408)	-	28,232,700	18,752,079
96,546	-	-	-	5,664,633	440,814
-	-	-	-	10,398,864	8,972,844
96,546	-	-	-	16,063,497	9,413,658
856,041	-	-	-	1,010,871	530,011
(244,850)	128,610	(31,500)	-	(156,196)	325,824
-	-	-	-	-	(280,026)
707,737	128,610	(31,500)	-	16,918,172	9,989,467
544,656	(454,305)	(247,908)	-	45,150,872	28,741,546
-	-	-	(25,226)	(25,226)	(25,441)
544,656	(454,305)	(247,908)	(25,226)	45,125,646	28,716,105
	-	-	-	(20,269,965)	39,923,803
-	-	-	-	-	-
-	-	-	-	-	-
(985,898)	-	(128,547)	1,114,445	-	-
-	-	-	-	81,209	116,852
-	-	-	-	145,685	173,258
-	391,624	-	(391,624)	-	-
(384,198)	-	-	566,981	-	-
$ (825,440)	$ (62,681)	$ (376,455)	$ 1,264,576	$ 25,082,575	$ 68,930,018

Stormont-Vail HealthCare, Inc.
and Affiliates

Consolidating Statement of Changes in Net Assets/Stockholders' Equity
Year Ended September 30, 2014
With Comparative Totals for Year Ended September 30, 2013

	Stormont-Vail HealthCare, Inc.	Stormont-Vail Foundation
Unrestricted net assets		
Excess of revenues over (under) expenses	$ 45,359,667	$ (51,238)
Change in unrecognized funded status of pension plan	(20,269,965)	-
Income associated with noncontrolling interests	-	-
Unrestricted contributions to (from) affiliates	(420,000)	420,000
Contributions to (from) affiliates for capital expenditures	81,209	(81,209)
Dividends paid to shareholders'	-	-
Net assets released from restriction for capital expenditures	-	81,209
Donation of property and equipment received	145,685	-
Capital contributions	-	-
Equity in net income (loss) of consolidated affiliates	(182,783)	-
Increase (decrease) in unrestricted net assets/equity	24,713,813	368,762
Temporarily restricted net assets:		
Contributions	52,907	1,272,654
Change of restriction by donor	-	(5,000)
Investment income	9,008	179,771
Change in net unrealized gains (losses) on investments	-	310,145
Net assets released from restriction for operating activities	(34,265)	(581,764)
Net assets released from restriction for capital expenditures	-	(81,209)
Increase in temporarily restricted net assets	27,650	1,094,597
Permanently restricted net assets:		
Contributions, net	-	723,231
Change of restriction by donor	-	5,000
Investment income	-	278,056
Increase in permanently restricted net assets	-	1,006,287
Noncontrolling interest - unrestricted net assets, income associated with noncontrolling interests	-	-
Increase (decrease) in net assets/equity	24,741,463	2,469,646
Net assets/stockholders' equity, beginning of year	282,509,106	16,138,914
Net assets/stockholders' equity, end of year	$ 307,250,569	$ 18,608,560

* Other Affiliates includes Dechairo Hospital, Inc., KOSM, Inc., UAT, Inc., Urish Medical Plaza, L.L.C. and Cotton-O'Neil ACO, L.L.C.

Schedule 3

Stormont-Vail, Inc.	Century Health Solutions, Inc.	Other Affiliates*	Eliminations	Total 2014	Total 2013
$ 544,656	$ (454,305)	$ (247,908)	$ -	$ 45,150,872	$ 28,741,546
-	-	-	-	(20,269,965)	39,923,803
-	-	-	(25,226)	(25,226)	(25,441)
-	-	-	-	-	-
-	-	-	-	-	-
(985,898)	-	(128,547)	1,114,445	-	-
-	-	-	-	81,209	116,852
-	-	-	-	145,685	173,258
-	391,624	-	(391,624)	-	-
(384,198)	-	-	566,981	-	-
(825,440)	(62,681)	(376,455)	1,264,576	25,082,575	68,930,018
-	-	-	-	1,325,561	744,298
-	-	-	-	(5,000)	(40,000)
-	-	-	-	188,779	520,603
-	-	-	-	310,145	(57,307)
-	-	-	-	(616,029)	(415,059)
-	-	-	-	(81,209)	(116,852)
-	-	-	-	1,122,247	635,683
-	-	-	-	723,231	205,000
-	-	-	-	5,000	40,000
-	-	-	-	278,056	632,463
-	-	-	-	1,006,287	877,463
-	-	-	11,471	11,471	(826,576)
(825,440)	(62,681)	(376,455)	1,276,047	27,222,580	69,616,588
14,375,470	52,688	2,185,937	(16,299,571)	298,962,544	229,345,956
$ 13,550,030	$ (9,993)	$ 1,809,482	$ (15,023,524)	$ 326,185,124	$ 298,962,544

Stormont-Vail HealthCare, Inc. Schedule 4
(Parent Company Only)

Revenue and Expenses
Years Ended September 30, 2014 and 2013

	2014			
	In-Patient	Out-Patient	Total	2013
Revenue				
Revenue from services to patients:				
Anesthesia	$ 5,859,601	$ 7,527,598	$ 13,387,199	$ 12,256,480
Cardiovascular services	55,274,247	77,181,583	132,455,830	125,971,744
Critical care	32,825,930	395,612	33,221,542	31,666,351
Emergency room	20,696,848	45,573,631	66,270,479	63,325,535
Endoscopy and pain management	2,231,120	5,548,927	7,780,047	7,186,398
Enterostomal therapy	1,278,351	426,782	1,705,133	1,420,407
Laboratory	84,266,537	41,362,519	125,629,056	113,437,502
Materials management	50,566,745	3,216,441	53,783,186	48,702,677
Medical/surgical	95,635,880	14,283,155	109,919,035	95,725,668
Neonatal intensive care unit	32,358,032	-	32,358,032	33,440,275
Obstetrics/gynecology	20,686,227	1,843,558	22,529,785	21,175,028
Pediatric and adolescent	5,160,007	1,335,424	6,495,431	5,782,682
Perfusion	4,471,121	28,492	4,499,613	5,077,912
Pharmacy and IV therapy	84,117,792	67,389,950	151,507,742	141,975,706
Post anesthesia care unit	4,790,399	7,514,273	12,304,672	10,983,058
Psychiatric	30,467,594	977,102	31,444,696	26,945,463
Radiology	46,703,978	133,458,068	180,162,046	176,636,105
Rehabilitation services	9,732,831	6,577,772	16,310,603	11,958,031
Respiratory care	46,715,836	2,809,998	49,525,834	46,938,017
Sleep disorders center	-	5,690,832	5,690,832	5,482,299
Surgery	104,452,486	83,019,735	187,472,221	165,053,984
Medical services division	6,370,337	314,279,410	320,649,747	311,955,874
Woundcare	-	3,782,042	3,782,042	4,088,309
Less provision for charity care relating to classifications above			(33,809,230)	(31,913,392)
Total revenue from services to patients - forward			$ 1,535,075,573	$ 1,435,272,113

(Continued)

Stormont-Vail HealthCare, Inc.
(Parent Company Only)

Schedule 4, Cont.

Revenue and Expenses
Years Ended September 30, 2014 and 2013

	2014	2013
Total revenue from services to patients - forwarded	**$ 1,535,075,573**	$ 1,435,272,113
Less		
Courtesy and other allowances	**1,947,586**	1,726,758
Contractual adjustments:		
Medicare	**554,102,128**	515,122,807
Medicaid	**153,413,648**	131,023,448
Blue Cross	**153,099,565**	143,486,658
Tri-Care	**19,914,262**	24,347,764
Other	**88,424,795**	74,772,247
Provision for uncollectible accounts	**31,621,754**	34,638,387
	1,002,523,738	925,118,069
Net revenue from services to patients	**532,551,835**	510,154,044
Other operating revenue		
Nutritional services	**2,164,054**	2,179,082
Education services/School of Nursing	**2,107,338**	2,171,316
Pharmacy and IV therapy	**796,358**	438,469
Investment income (loss)	**804,049**	(352,505)
Maternal fetal medicine	**97,484**	94,702
Lifeline	**-**	433,790
Electronic health records incentive payments	**4,819,313**	-
Medical Surgical	**209,160**	-
Other	**1,164,388**	879,114
Total other operating revenue	**12,162,144**	5,843,968
Net assets released from restriction for operating activities	**34,265**	27,666
Total operating revenue	**$ 544,748,244**	$ 516,025,678

(Continued)

Stormont-Vail HealthCare, Inc.
(Parent Company Only)

Schedule 4, Cont.

Revenue and Expenses
Years Ended September 30, 2014 and 2013

	2014	2013
Operating expenses:		
Salaries	$ 258,223,803	$ 256,236,421
Employee benefits	72,505,686	57,748,594
Supplies	89,370,423	87,212,543
Other expenses	54,093,606	57,170,124
Utilities	4,883,387	4,456,259
Professional services	5,740,420	6,293,984
Interest	8,576,661	6,849,253
Depreciation and amortization of intangibles	21,491,998	19,871,902
Program expense	34,265	27,666
Total operating expenses	514,920,249	495,866,746
Income from operations	29,827,995	20,158,932
Nonoperating gains (losses)		
Investment income (loss)		
Interest and dividend income and realized gains (losses) on sale of investments	5,097,129	(169,168)
Current year change in net unrealized gains on trading securities	10,291,446	9,013,817
Investment income	15,388,575	8,844,649
Equity in net gains (losses) of unconsolidated affiliates	154,830	(283,177)
Other income, net	(11,733)	(134,513)
Loss on disposition of unconsolidated affiliates	-	(280,026)
Nonoperating gains, net	15,531,672	8,146,933
Excess of revenues over expenses	45,359,667	28,305,865
Change in unrecognized funded status of retirement plan	(20,269,965)	39,923,803
Contributions to affiliate	(420,000)	(420,000)
Contributions from affiliate for capital expenditures	81,209	116,852
Donation of property and equipment received	145,685	173,258
Equity in net income (loss) of consolidated affiliates	(182,783)	290,181
Increase in unrestricted net assets	$ 24,713,813	$ 68,389,959

Stormont-Vail HealthCare, Inc.
(Parent Company Only)

Schedule 5

Operating Expenses
(Excluding Depreciation and Amortization, Interest and Program Expense)

Year Ended September 30, 2014
With Comparative Totals for Year Ended September 30, 2013

	2014				
	Salaries, Wages and Employee Benefits	Supplies and Other Expenses	Professional Services	Total	Total 2013
Administration	$ 5,866,360	$ 10,797,910	$ 289,100	$ 16,953,370	$ 17,611,756
Anesthesia	-	498,086	1,955,600	2,453,686	2,470,827
Cardiovascular services	4,393,534	11,832,855	-	16,226,389	15,535,065
Case management	2,684,213	308,050	-	2,992,263	1,954,407
Critical care	5,293,443	1,128,283	-	6,421,726	6,360,066
Educational services	947,650	150,787	-	1,098,437	1,566,192
Emergency room	6,521,783	598,088	-	7,119,871	7,113,358
Employee benefits	72,394,071	65,037	-	72,459,108	62,675,048
Endoscopy and pain management	608,858	467,213	-	1,076,071	1,075,656
Environmental services	2,594,031	1,122,980	-	3,717,011	3,653,799
Enterostomal therapy	302,349	24,083	-	326,432	298,022
Facilities management	2,947,817	5,614,882	-	8,562,699	8,165,526
Fiscal operations	6,824,864	3,812,544	-	10,637,408	11,249,016
Health connections	1,013,460	7,918	-	1,021,378	1,084,338
Health sciences library	149,422	120,705	-	270,127	278,212
Human resources	1,583,923	254,792	-	1,838,715	1,741,306
Information systems	6,043,577	10,781,398	-	16,824,975	15,680,001
Laboratory	7,080,652	8,714,645	567,635	16,362,932	15,910,237
Laundry-linen services	469,531	291,053	-	760,584	766,062
Marketing	633,884	968,400	75,504	1,677,788	1,471,415
Materials management	1,418,109	4,476,186	-	5,894,295	5,946,376
Medical records and transcription	1,445,002	454,955	-	1,899,957	2,076,567
Medical staff office	230,854	23,574	36,000	290,428	308,962
Medical/surgical	22,814,405	1,207,430	-	24,021,835	23,405,865
Medical services division	118,678,662	20,001,773	608,625	139,289,060	137,539,385
Neonatal intensive care unit	5,119,395	361,716	145,744	5,626,855	5,777,962
Nursing	1,965,285	410,418	-	2,375,703	2,221,075
Nutritional services	2,284,535	3,123,822	-	5,408,357	5,492,938
Obstetrics/gynecology	4,851,154	568,217	-	5,419,371	5,472,081
Operating expenses forward	$ 287,160,823	$ 88,187,800	$ 3,678,208	$ 379,026,831	$ 364,901,520

(Continued)

Stormont-Vail HealthCare, Inc.
(Parent Company Only)

Schedule 5, Cont.

Operating Expenses
(Excluding Depreciation and Amortization, Interest and Program Expense)

Year Ended September 30, 2014
With Comparative Totals for Year Ended September 30, 2013

	Salaries, Wages and Employee Benefits	Supplies and Other Expenses	Professional Services	2014 Total	2013 Total
Operating expenses forwarded	$ 287,160,823	$ 88,187,800	$ 3,678,208	$ 379,026,831	$ 364,901,520
Pediatric and adolescent	2,156,347	120,330	750,224	3,026,901	3,028,034
Perfusion	429,674	508,817	-	938,491	880,078
Pharmacy and IV therapy	6,520,731	29,205,867	-	35,726,598	37,319,041
Post anesthesia care unit	1,190,554	40,106	-	1,230,660	1,210,869
Psychiatric	3,991,965	485,385	-	4,477,350	4,737,374
Radiology	5,336,514	3,328,164	-	8,664,678	8,336,633
Registration and pre-access	2,920,499	64,425	-	2,984,924	2,918,851
Rehabilitation services	2,767,914	215,283	-	2,983,197	2,584,237
Research	2,800	22,955	-	25,755	-
Respiratory care	2,939,706	319,285	-	3,258,991	3,294,615
Risk management and infection control	517,252	10,518	-	527,770	576,222
Safety and employee health	178,162	561,077	-	739,239	947,246
School of Nursing	1,637,608	30,916	-	1,668,524	1,588,668
Security	1,607,809	62,077	-	1,669,886	1,368,409
Sleep disorders center	756,933	58,845	-	815,778	800,377
Surgery	8,424,440	23,938,359	492,600	32,855,399	30,236,860
Telecommunications	415,259	522,670	-	937,929	958,388
Transportation	649,079	326,699	-	975,778	981,965
Volunteers	240,721	36,252	-	276,973	358,782
Women's center	884,699	301,586	819,388	2,005,673	2,089,756
Total	$ 330,729,489	$ 148,347,416	$ 5,740,420	$ 484,817,325	$ 469,117,925

Stormont-Vail HealthCare, Inc.
(Parent Company Only)

Schedule 6

Patient Accounts Receivable
September 30, 2014 and 2013

An aging of patient receivables at September 30, 2014, with comparative 2013 totals, follows:

	Private Pay	Third Party	Medical Services Division	Totals 2014	Totals 2013
Current	$ 6,918,264	$ 92,277,392	$ 27,158,791	$ 126,354,447	$ 120,527,654
31-60 days	6,198,657	20,236,472	2,613,629	29,048,758	24,174,048
61-90 days	5,423,303	9,005,821	2,519,081	16,948,205	16,165,422
91-150 days	3,700,870	4,250,572	2,177,268	10,128,710	19,159,471
151 days and over	13,475,039	14,104,524	48,021,698	75,601,261	71,645,115
Gross patient accounts receivable				258,081,381	251,671,710
Less allowance for contractual adjustments				(109,209,279)	(102,402,414)
Patient accounts receivable, net of allowance for contractual adjustments				148,872,102	149,269,296
Less allowance for uncollectible accounts				(71,508,242)	(76,278,490)
Patient accounts receivable, net				$ 77,363,860	$ 72,990,806