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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
WILLIS-KNIGHTON MEDICAL CENTER

Doing Business As
WILLIS-KNIGHTON HEALTH SYSTEM

Number and street (or P O box if mail is not delivered to street address) | Room/suite
POST OFFICE BOX 32600

City or town, state or province, country, and ZIP or foreign postal code
SHREVEPORT, LA 711302600

D Employer identification number
72-0400933

E Telephone number
(318) 212-4000

G Gross receipts $ 977,195,482

F Name and address of principal officer
JAMES K ELROD
POST OFFICE BOX 32600
SHREVEPORT, LA 711302600

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 WKHS COM

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

L Year of formation 1949

M State of legal domicile LA

Part I Summary

1 Briefly describe the organization's mission or most significant activities
THE MEDICAL CENTER PROVIDES A FULL-RANGE OF HEALTH CARE SERVICES TO THE GENERAL PUBLIC

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**	13
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	10
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	7,083
6	Total number of volunteers (estimate if necessary)	**6**	272
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	1,188,569
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	0

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	12,857	12,100
9	Program service revenue (Part VIII, line 2g)	891,166,400	927,927,793
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	283,508	1,181,510
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	4,132,928	5,884,289
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	895,595,693	935,005,692
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	1,841,191	1,776,850
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)	375,192,529	373,219,732
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)	444,496,160	476,822,688
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	821,529,880	851,819,270
19	Revenue less expenses Subtract line 18 from line 12	74,065,813	83,186,422

		Beginning of Current Year	End of Year
20	Total assets (Part X, line 16)	1,006,411,418	1,094,232,338
21	Total liabilities (Part X, line 26)	280,746,051	320,919,969
22	Net assets or fund balances Subtract line 21 from line 20	725,665,367	773,312,369

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

Signature of officer — Date: 2015-05-11

JAMES K ELROD 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
C WILLIAM GERARDY JR				P00024591

Firm's name ▶ COLE EVANS & PETERSON — Firm's EIN ▶ 72-0506596

Firm's address ▶ POST OFFICE DRAWER 1768
SHREVEPORT, LA 711661768 — Phone no (318) 222-8367

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

TO CONTINUOUSLY IMPROVE THE HEALTH AND WELL-BEING OF THE PEOPLE WE SERVE

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 $ 717,010,023 including grants of $ 1,776,850) (Revenue $ 928,421,233)

WILLIS-KNIGHTON MEDICAL CENTER STRIVES TO PROVIDE HIGH QUALITY, COST-EFFECTIVE MEDICAL CARE TO THE COMMUNITIES OF NORTHWEST LOUISIANA, NORTHEAST TEXAS, AND SOUTHWEST ARKANSAS THE MEDICAL CENTER OFFERS SOPHISTICATED TECHNOLOGY AND PROCEDURES THAT MAKE IT A TERTIARY CARE REFERRAL CENTER GENERAL THE MEDICAL CENTER PROVIDES 24-HOUR EMERGENCY CARE, REGARDLESS OF THE PATIENT'S ABILITY TO PAY, AT ITS FOUR HOSPITALS THE MEDICAL CENTER PROVIDES AN ORGAN TRANSPLANT PROGRAM, OBSTETRICS, COMPREHENSIVE HEART AND CANCER PROGRAMS, EXTENSIVE SURGICAL OPTIONS, LEADING-EDGE DIAGNOSTICS AS WELL AS A BROAD NETWORK OF PHYSICIANS ENCOMPASSING MOST SPECIALTIES AND SUBSPECIALTIES THE MEDICAL CENTER PROVIDES THESE SERVICES REGARDLESS OF RACE, COLOR, CREED, RELIGION, GENDER, NATIONAL ORIGIN, DISABILITY OR AGE THE MEDICAL CENTER HAD 53,253 ADMITTANCES DURING THE YEAR ENDED SEPTEMBER 30, 2014 WITH A TOTAL OF 211,347 PATIENT DAYS AND 3,429 BIRTHS THE MEDICAL CENTER PARTICIPATES IN THE MEDICAID PROGRAM AND ADMINISTERS A CHARITY CARE POLICY WHEREBY FREE OR DISCOUNTED SERVICES ARE AVAILABLE TO QUALIFIED INDIVIDUALS WITH LIMITED FINANCIAL MEANS DURING THE YEAR ENDED SEPTEMBER 30, 2014, THE MEDICAL CENTER PROVIDED AN ESTIMATED $21,500,000 IN UNREIMBURSED COSTS ATTRIBUTABLE TO CHARITY CARE (EXCLUDING PROJECT NEIGHBORHEALTH) AND AN ESTIMATED $26,600,000 IN UNREIMBURSED COSTS ATTRIBUTABLE TO MEDICAID PATIENTS THESE ESTIMATES ARE BASED ON THE MEDICAL CENTER'S OVERALL COST-TO-CHARGE RATIO IN ADDITION TO THESE SERVICES, WILLIS-KNIGHTON PROJECT NEIGHBORHEALTH OPERATES FOUR CLINICS IN COMMUNITIES THAT ARE ECONOMICALLY DISTRESSED AND/OR DESIGNATED AS MEDICALLY UNDER-SERVED AREAS WITH HEALTH PROFESSIONAL SHORTAGES SEE SCHEDULE H FOR DETAILED INFORMATION REGARDING PROJECT NEIGHBORHEALTH REGIONAL TRANSPLANT CENTER THE MEDICAL CENTER OPERATES THE JOHN C MCDONALD REGIONAL TRANSPLANT CENTER AT WILLIS-KNIGHTON MEDICAL CENTER ALL TRANSPLANT PATIENTS RECEIVE TRANSPLANTS WITHOUT REGARD TO THEIR ECONOMIC STATUS THE REGIONAL TRANSPLANT CENTER PROVIDES KIDNEY, PANCREAS, AND LIVER TRANSPLANTS SUBSTANTIALLY ALL THE COSTS OF OPERATING THE REGIONAL TRANSPLANT CENTER ARE BORNE BY WILLIS-KNIGHTON MEDICAL CENTER DURING THE FISCAL YEAR ENDED SEPTEMBER 30, 2014, 46 PATIENTS RECEIVED ORGAN TRANSPLANTS, CONSISTING OF 38 KIDNEYS (7 OF THOSE PATIENTS ALSO HAD A PANCREAS TRANSPLANT) AND 8 LIVERS OF THE 46 TRANSPLANT SURGERIES PERFORMED AT THE MEDICAL CENTER DURING THE YEAR ENDED SEPTEMBER 30, 2014, 35 PATIENTS WERE BENEFICIARIES OF THE MEDICARE PROGRAM AS SUCH, THESE TRANSPLANTS WERE PERFORMED AT VERY LITTLE, IF ANY, COST TO THE PATIENTS EMERGENCY CARE THE MEDICAL CENTER PROVIDES EMERGENCY SERVICES AT FOUR LOCATIONS ON A 24-HOUR BASIS STAFFED BY FULL-TIME EMERGENCY ROOM PHYSICIANS EMERGENCY PATIENTS ARE TREATED REGARDLESS OF THEIR ABILITY TO PAY DURING THE YEAR ENDED SEPTEMBER 30, 2014, THE MEDICAL CENTER'S EMERGENCY ROOMS WERE VISITED BY 179,554 PATIENTS, OF WHOM 21,385 WERE ADMITTED TO THE HOSPITAL FOR FURTHER TREATMENT WOMEN AND CHILDREN'S HEALTH THE MEDICAL CENTER PROVIDES A VARIETY OF MEDICAL SERVICES FOR WOMEN AND CHILDREN, INCLUDING OBSTETRICS, GYNECOLOGY, NEONATOLOGY, MATERNAL/FETAL HEALTH SERVICES FOR HIGH RISK PREGNANCY, PEDIATRIC INTENSIVE CARE AND PEDIATRIC SUPPORT SERVICES SUCH AS PEDIATRIC GASTROENTEROLOGY AND PEDIATRIC SURGERY THESE SERVICES INCLUDE BOTH HIGH-RISK AND LOW-RISK OBSTETRICS MATERNAL TRANSPORTS ARE ACCEPTED THE LABOR AND DELIVERY (L&D) UNITS ARE DIRECTED BY BOARD CERTIFIED OB-GYN PHYSICIANS AND THE MAJORITY OF THE NURSES ARE CERTIFIED BY THE ASSOCIATION OF WOMEN'S HEALTH, OBSTETRIC & NEONATAL NURSES (AWHON) THERE WERE 3,429 BIRTHS, 9,724 OBSTETRICAL VISITS TO THE L&D UNITS, AND 3,280 OBSTETRICAL AND GYNECOLOGICAL INPATIENTS DURING THE FISCAL YEAR ENDED SEPTEMBER 30, 2014HEALTH AND WELLNESS CENTERS THE MEDICAL CENTER HAS SIX MEDICALLY-SUPERVISED HEALTH AND WELLNESS CENTERS DEDICATED TO THE PREVENTION OF HEALTH PROBLEMS, FOUR IN SHREVEPORT, ONE IN BOSSIER CITY, AND ONE IN HOMER WITH A TOTAL MEMBER ENROLLMENT AT SEPTEMBER 30, 2014 OF 5,939 THE CENTERS ARE LOCATED ON EACH OF THE FOUR HOSPITAL CAMPUSES, IN THE WK PIERRE AVENUE COMMUNITY CENTER, AND IN THE WK CLAIBORNE REGIONAL HEALTH CENTER A MEDICAL EVALUATION, INCLUDING A BLOOD CHEMISTRY WORK-UP, IS REQUIRED FOR MEMBERSHIP THE CENTERS SERVE PULMONARY AND CARDIAC REHABILITATION PATIENTS AND PROVIDE HEALTH AND WELLNESS SERVICES TO THE COMMUNITIES IN WHICH THEY ARE LOCATED NEONATAL INTENSIVE CARE UNIT WILLIS-KNIGHTON'S CENTER FOR WOMEN'S HEALTH HOUSES A 42-BED LEVEL III REGIONAL OBSTETRICAL AND NEONATAL UNIT THIS UNIT ACCEPTS REFERRALS FROM THE ARK-LA-TEX AREA AND IS SERVICED BY BOTH AIR AND GROUND EMERGENCY TRANSPORT ON A 24-HOUR BASIS THIS UNIT IS DIRECTED BY A BOARD CERTIFIED NEONATOLOGIST THE MAJORITY OF THE NURSING STAFF IS CERTIFIED BY AWHON THE AVERAGE LENGTH OF STAY PER ADMIT IS 20 7 DAYS HOSPICE HOSPICE OF LOUISIANA IS A DEPARTMENT OF WILLIS-KNIGHTON MEDICAL CENTER THAT PROVIDES COMPREHENSIVE END-OF-LIFE CARE INCLUDING SKILLED AND SUPPORTIVE SERVICES TO TERMINALLY ILL PATIENTS AND THEIR FAMILIES THE HOSPICE TEAM, UNDER THE GUIDANCE OF THE ATTENDING PHYSICIAN, FOCUSES ON THE ALLEVIATION OF THE PAIN AND DISCOMFORT CONNECTED WITH LIFE-ENDING ILLNESS QUALITY OF LIFE, EMOTIONAL AND SPIRITUAL BALANCE, SYMPTOM MANAGEMENT, AND PAIN CONTROL ARE THE GOALS THAT TEAM MEMBERS STRIVE FOR AS THEY ASSIST DYING PATIENTS AND THEIR FAMILIES BEREAVEMENT SUPPORT FOR THE IMMEDIATE FAMILY AND COMPANIONS IS PROVIDED FOR AT LEAST ONE YEAR FOLLOWING THE PATIENT'S DEATH FOR THE YEAR ENDED SEPTEMBER 30, 2014, HOSPICE OF LOUISIANA SERVED 259 PATIENTS AND THEIR FAMILIES AS DIRECT ADMITS, NOT INCLUDING VISITATION AND COUNSELING PROVIDED THROUGH PRE-ADMIT AND/OR BEREAVEMENT SERVICES THE TEAM INCLUDES REGISTERED NURSES, CERTIFIED NURSING ASSISTANTS, SOCIAL WORKERS, CHAPLAINS, VOLUNTEERS, ATTENDING PHYSICIANS, AND MEDICAL DIRECTOR BEHAVIORAL MEDICINE CENTER THE BEHAVIORAL MEDICINE CENTER AT WILLIS-KNIGHTON MEDICAL CENTER OFFERS INPATIENT AND OUTPATIENT SERVICES TO INDIVIDUALS IN NEED OF MENTAL HEALTH CARE DURING THE YEAR ENDED SEPTEMBER 30, 2014, THE BEHAVIORAL MEDICINE CENTER SPONSORED NUMEROUS INFORMATION SESSIONS FOR VARIOUS GROUPS IN THE SHREVEPORT/BOSSIER AND NORTHWEST LOUISIANA AREAS SUCH SESSIONS AMOUNTED TO APPROXIMATELY 556 HOURS AND WERE ATTENDED BY APPROXIMATELY 3,850 PEOPLE TOPICS INCLUDED MARRIAGE/FAMILY - DEVELOPMENT OF SKILLS TO ENRICH MARRIAGE AND FAMILY LIFE SELF-ESTEEM - CONCENTRATES ON HOW GOOD SELF-ESTEEM CAN ENHANCE AN INDIVIDUAL'S QUALITY OF LIFE PARENTING - FOCUSES ON APPROPRIATE PARENTING SKILLS AT VARIOUS DEVELOPMENTAL STAGES STRESS MANAGEMENT - DEVELOPING SKILLS TO COPE WITH EVERYDAY STRESSES IN LIFE PERSONAL ENRICHMENT - EMPOWERING OURSELVES TO REACH MAXIMUM POTENTIAL MOTIVATION/ATTITUDE - HOW ATTITUDE AFFECTS OUR MENTAL AND PHYSICAL HEALTH COUNSELING ISSUES/TECHNIQUES - ISSUES CONCERNING PROFESSIONAL DEVELOPMENT FOR COUNSELORS/THERAPISTS AGING - DEVELOPMENT OF A POSITIVE ATTITUDE TO DEAL WITH ISSUES OF AGING DEPRESSION/SUICIDE - ASSESSMENT OF DEPRESSION AND SUICIDE, AND LEGAL AND ETHICAL ISSUES SURROUNDING SUICIDE

4b (Code) (Expenses $ 11,427,877 including grants of $) (Revenue $ 4,270,693)

THE MEDICAL CENTER PROVIDES HOUSING, HEALTHCARE, AND RELATED SERVICES TO THE ELDERLY THROUGH THE OAKS OF LOUISIANA THE OAKS OF LOUISIANA IS A RESIDENTIAL COMMUNITY DESIGNED SPECIFICALLY FOR ADULTS AGED 55 AND OVER THIS RESIDENTIAL COMMUNITY PROVIDES SECURE, MAINTENANCE-FREE LIVING AND PROMOTES AN ACTIVE, HEALTHY LIFESTYLE THE CAMPUS OF THE OAKS OF LOUISIANA INCLUDES THE TOWER AT THE OAKS, A RESIDENTIAL COMMUNITY, AND SAVANNAH AT THE OAKS, AN ASSISTED LIVING FACILITY

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** ▶ 728,437,900

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		No
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		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		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a	Yes	
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**	Yes	
22	Did the organization report more than $5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? *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**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *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**	Yes	
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
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**	Yes	
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	499		
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	7,083		
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			No
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			No
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	13		
	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	10		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .	3			No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	5			No
6	Did the organization have members or stockholders?	6			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	Yes	
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		No

Section C. Disclosure

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

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

☐ 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

▶MR JAMES K ELROD 2611 GREENWOOD ROAD
SHREVEPORT, LA 711033908 (318) 212-4000

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)** . . . . . ▶								13,315,762	6,000	343,073

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 ▶ 497

			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
TEG ARCHITECTS LLC 903 SPRING STREET JEFFERSONVILLE IN 47130	ARCHITECTUAL FEES	4,801,502
LSU HEALTH SCIENCES CENTER PO BOX 33932 SHREVEPORT LA 71130	MEDICAL STAFFING	4,771,615
SHREVEPORT ANESTHESIA SERVICE 2600 GREENWOOD ROAD SHREVEPORT LA 71103	PHYSICIAN SERVICES	4,632,428
RED RIVER CARDIOVASCULAR SURGEONS 2751 ALBERT BICKNELL DR SUITE 5C SHREVEPORT LA 71103	PHYSICIAN SERVICES	3,464,780
MAYO MEDICAL LABORATORIES PO BOX 9146 MINNEAPOLIS MN 55480	LABORATORY TESTING SERVICES	2,616,100

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 ▶ 118

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				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f 12,100				
	g Noncash contributions included in lines 1a-1f $					
	h **Total.** Add lines 1a-1f		12,100			
Program Service Revenue		Business Code				
	2a HOSPITAL SERVICES	900099	923,657,100	923,657,100		
	b RESIDENTIAL COMMUNITY	900099	4,270,693	4,270,693		
	c					
	d					
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a–2f		927,927,793			
	3 Investment income (including dividends, interest, and other similar amounts)		1,113,097			1,113,097
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
		(i) Real / (ii) Personal				
	6a Gross rents	2,165,486				
	b Less rental expenses	1,895,821				
	c Rental income or (loss)	269,665				
	d Net rental income or (loss)		269,665	269,665		
		(i) Securities / (ii) Other				
	7a Gross amount from sales of assets other than inventory	40,362,382				
	b Less cost or other basis and sales expenses	40,273,797 / 20,172				
	c Gain or (loss)	88,585 / -20,172				
	d Net gain or (loss)		68,413	68,413		
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 LABORATORY REVENUE	621500	472,623		472,623	
	b (LOSS) FROM SUBSIDIARY - VIRGINIA	623000	-129,139	-129,139		
	c (LOSS) FROM SUBSIDIARY - MULTI-FA	623000	-512,876	-512,876		
	d All other revenue		5,784,016	5,068,070	715,946	
	e **Total.** Add lines 11a–11d		5,614,624			
	12 **Total revenue.** See Instructions		935,005,692	932,691,926	1,188,569	1,113,097

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns All other organizations must complete column (A)

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States See Part IV, line 21	1,775,475	1,775,475		
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	1,375	1,375		
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	5,296,107		5,296,107	
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	277,023,494	243,591,066	33,432,428	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	13,348,541	11,517,391	1,831,150	
9 Other employee benefits	53,744,875	46,372,166	7,372,709	
10 Payroll taxes	23,806,715	20,540,916	3,265,799	
11 Fees for services (non-employees)				
a Management				
b Legal	493,097		493,097	
c Accounting	2,063,450		2,063,450	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)				
12 Advertising and promotion	2,447,771	1,166,575	1,281,196	
13 Office expenses				
14 Information technology	7,649,529		7,649,529	
15 Royalties . .				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	464,966		464,966	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	46,361,676	24,138,154	22,223,522	
23 Insurance	5,419,981		5,419,981	
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 DIRECT DEPARTMENTAL EXP	377,434,492	377,434,492		
b TAXES & LICENSES	8,403,353		8,403,353	
c BUSINESS OFFICE	4,767,676		4,767,676	
d				
e All other expenses	21,316,697	1,900,290	19,416,407	
25 **Total functional expenses.** Add lines 1 through 24e	851,819,270	728,437,900	123,381,370	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		5,326,613	1	5,813,034
	2	Savings and temporary cash investments		118,581,569	2	164,779,181
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		141,524,578	4	132,883,301
	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		7,798,107	7	4,871,535
	8	Inventories for sale or use		21,296,159	8	21,626,553
	9	Prepaid expenses and deferred charges		3,864,762	9	4,236,493
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 1,145,842,085			
	b	Less accumulated depreciation	10b 578,746,331	527,278,672	10c	567,095,754
	11	Investments—publicly traded securities		165,730,061	11	178,520,552
	12	Investments—other securities See Part IV, line 11		12,754,760	12	12,241,757
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets		1,443,318	14	1,370,819
	15	Other assets See Part IV, line 11		812,819	15	793,359
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		1,006,411,418	16	1,094,232,338
Liabilities	17	Accounts payable and accrued expenses		92,060,255	17	102,674,340
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		164,265,868	20	154,586,270
	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			23	22,748,604
	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		24,419,928	25	40,910,755
	26	**Total liabilities.** Add lines 17 through 25		280,746,051	26	320,919,969
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		725,665,367	27	773,312,369
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		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		725,665,367	33	773,312,369
	34	Total liabilities and net assets/fund balances		1,006,411,418	34	1,094,232,338

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	935,005,692
2	Total expenses (must equal Part IX, column (A), line 25)	2	851,819,270
3	Revenue less expenses Subtract line 2 from line 1	3	83,186,422
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	725,665,367
5	Net unrealized gains (losses) on investments	5	-116,930
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	-35,422,490
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	773,312,369

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: 72-0400933
Name: WILLIS-KNIGHTON MEDICAL CENTER

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			
JAMES K ELROD PRESIDENT/CEO/TRUSTEE	53 00	X		X				1,356,085	6,000	14,847
PIERRE V BLANCHARDIV MD TRUSTEE/PHYSICIAN	40 00	X						205,174	0	7,225
PHILLIP A ROZEMAN MD TRUSTEE	4 00	X						0	0	0
TIGNER A WALKER TRUSTEE	4 00	X						0	0	0
FRANK B HUGHES MD TRUSTEE/CHAIRMAN	4 00	X						0	0	0
RAND H FALBAUM TRUSTEE	4 00	X						0	0	0
TWAIN K GIDDENS JR TRUSTEE/SECRETARY	4 00	X		X				0	0	0
WILLIS L MEADOWS JR TRUSTEE	4 00	X						0	0	0
SAM J TALBOT MD TRUSTEE	4 00	X						0	0	0
VINCENT MARSALA PHD TRUSTEE	4 00	X						0	0	0
JOHN C MICIOTTO MD TRUSTEE	4 00	X						0	0	0
GILBERT R SHANLEY CPA TRUSTEE	4 00	X						0	0	0
WILLIAM J COLE CPA TRUSTEE/TREASURER	4 00	X		X				0	0	0
RICHARD H SALE TRUSTEE	4 00	X						0	0	0
EUGENE W BRYSON JR TRUSTEE	4 00	X						0	0	0
CHARLES D DAIGLE SR VP OF OPERATIONS & COO	40 00			X				993,825	0	23,057
STEPHEN R RANDALL SR VP-SPECIAL OPERATIONS	40 00			X				320,091	0	22,086
MARGARET G ELROD VP/IND WELLNESS/COMMUNITY	40 00			X				179,382	0	9,364
JERRY A FIELDER II VP/ADMINISTRATOR WKMC	40 00			X				170,607	0	23,691
CLIFFORD M BROUSSARD VP/ADMIN WK BOSSIER	40 00			X				182,896	0	15,388
JANET K ELROD VP/ADMIN WK SOUTH	40 00			X				179,194	0	9,479
IRA L MOSS VP/ADMIN WK PIERREMONT	40 00			X				212,201	0	17,587
JILL K ELROD VP OF LEGAL AFFAIRS	40 00			X				235,978	0	10,106
PEGGY J GAVIN VP OF PHYSICIAN SERVICES	40 00			X				181,335	0	9,269
DEBORAH D OLDS VP OF NURSING	40 00			X				139,780	0	17,011

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			
RAMONA D FRYER TERM 82514 VP OF REV/QUALITY/COMPLIAN	40 00			X				262,007	0	18,396
DANIEL J MOLLER JR MD CHIEF-MEDICAL AFFAIRS-WKMC	40 00			X				359,468	0	14,851
CHARLES A POWERS MD CHIEF-MED AFFAIRS-WKB	40 00			X				340,058	0	15,611
RANDALL P BREWER MD PHYSICIAN	40 00					X		1,531,563	0	22,693
MILAN G MODY MD PHYSICIAN	40 00					X		1,654,467	0	20,637
CHRISTIAN M BRIERY MD PHYSICIAN	40 00					X		1,469,046	0	20,366
CHRISTOPHER L SHELBY MD PHYSICIAN	40 00					X		1,116,495	0	20,595
CLINT M CORMIER MD PHYSICIAN	40 00					X		1,368,946	0	19,717
ROBERT D HUIE FORMER EXECUTIVE VP & CFO	52 00						X	857,164	0	11,097

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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
WILLIS-KNIGHTON MEDICAL CENTER

Employer identification number
72-0400933

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
WILLIS-KNIGHTON MEDICAL CENTER	72-0400933

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?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		69,880
j	Total Add lines 1c through 1i			69,880
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	DURING THE YEAR ENDED SEPTEMBER 30, 2014, THE MEDICAL CENTER PAID DUES TOTALING $49,225 TO THE LOUISIANA STATE MEDICAL SOCIETY ON BEHALF OF DOCTORS IN THE MEDICAL CENTER'S PHYSICIAN NETWORK, WHICH CONSISTS OF PHYSICIANS EMPLOYED BY OR UNDER CONTRACT WITH THE MEDICAL CENTER A PORTION OF THE DUES, $10,571 WAS RELATED TO LOBBYING ACTIVITIES DURING THE YEAR ENDED SEPTEMBER 30, 2014, THE MEDICAL CENTER PAID DUES TOTALING $4,900 TO THE AMERICAN MEDICAL ASSOCIATION ON BEHALF OF DOCTORS IN THE MEDICAL CENTER'S PHYSICIAN NETWORK, WHICH CONSISTS OF PHYSICIANS EMPLOYED BY OR UNDER CONTRACT WITH THE MEDICAL CENTER A PORTION OF THE DUES, $2,695 WAS RELATED TO LOBBYING ACTIVITIES DURING THE YEAR ENDED SEPTEMBER 30, 2014, THE MEDICAL CENTER PAID DUES TOTALING $269,591 TO THE LOUISIANA HOSPITAL ASSOCIATION FOR THE MEDICAL CENTER'S MEMBERSHIP IN THE ASSOCIATION AND ON BEHALF OF DOCTORS IN THE MEDICAL CENTER'S PHYSICIAN NETWORK, WHICH CONSISTS OF PHYSICIANS EMPLOYED BY OR UNDER CONTRACT WITH THE MEDICAL CENTER A PORTION OF THE DUES, $56,614 WAS RELATED TO LOBBYING ACTIVITIES HEALTHCARE POLICY IS CRITICAL TO THE MISSION OF THE MEDICAL CENTER, AND ITS MANAGEMENT BELIEVES THAT HEALTHCARE PROVIDERS SHOULD PARTICIPATE IN FORMING HEALTHCARE POLICY BY INTERACTING WITH NATIONAL, STATE, AND LOCAL REPRESENTATIVES AND THEIR STAFFS, WHEN POSSIBLE, TO HELP THEM BETTER UNDERSTAND THE COMPLEXITIES AND RAMIFICATIONS OF KEY HEALTHCARE ISSUES THE MEDICAL CENTER'S MANAGEMENT IS AVAILABLE TO LAWMAKERS, GOVERNMENT OFFICIALS, AND THEIR STAFF MEMBERS, FOR INFORMATION AND OCCASIONALLY RESPONDS TO QUESTIONS AND INITIATES COMMUNICATIONS ABOUT HOW PROPOSED LAWS, POLICIES, REGULATIONS, ETC MIGHT AFFECT THE MEDICAL CENTER'S ABILITY TO DELIVER COST-EFFECTIVE, QUALITY HEALTHCARE THE AMOUNT OF TIME AND MONEY RESOURCES INVOLVED IN THESE ACTIVITIES IS INSUBSTANTIAL THE MEDICAL CENTER HAS NOT AND DOES NOT INTERVENE IN ANY POLITICAL CAMPAIGN

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
WILLIS-KNIGHTON MEDICAL CENTER

Employer identification number
72-0400933

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	(b) (c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance					
b	Contributions					
c	Net investment earnings, gains, and losses					
d	Grants or scholarships					
e	Other expenditures for facilities and programs					
f	Administrative expenses					
g	End of year balance					

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

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶
- c Temporarily restricted endowment ▶

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

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
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	1,099,490	49,157,484		50,256,974
b Buildings	9,146,727	658,767,696	324,434,010	343,480,413
c Leasehold improvements		1,912,688	1,328,120	584,568
d Equipment		353,069,927	237,837,033	115,232,894
e Other		72,688,073	15,147,168	57,540,905
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				567,095,754

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		
Other		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶		

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	
CAPITAL LEASE OBLIGATIONS	1,785,022
INVESTMENT IN SUB - VIRGINIA HALL, INC	3,711,822
LIABILITY FOR PENSION BENEFITS	35,413,911
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	40,910,755

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	952,226,452
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a	-116,930		
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d			
e	Add lines **2a** through **2d**			2e	-116,930
3	Subtract line **2e** from line **1**			3	952,343,382
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII)	4b	-17,337,690		
c	Add lines **4a** and **4b**			4c	-17,337,690
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	935,005,692

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	904,579,450
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	52,760,180		
e	Add lines **2a** through **2d**			2e	52,760,180
3	Subtract line **2e** from line **1**			3	851,819,270
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	0
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	851,819,270

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 XI, LINE 4B - OTHER ADJUSTMENTS	UNRELATED BUSINESS INCOME-EXTERNAL HOUSEKEEPING, DATA PROCESSING, LAUNDRY SUBSIDIARIES EXPENSES
PART XII, LINE 2D - OTHER ADJUSTMENTS	SUBSIDIARIES INCOME/EXPENSE UNRELATED BUSINESS INCOME-EXTERNAL HOUSEKEEPING, DATA PROCESSNG, LAUNDRY FASB ASC 715-30 PENSION
FORM 990, SCHEDULE D, PART XI, LINE 4B AND PART XII, LINE 2D	PART XI, LINE 4B UNRELATED BUSINESS GROSS INCOME DATA PROCESSING 472,608 HOUSEKEEPING 81,338 LAUNDRY 266,817 SUBSIDIARIES EXPENSES (18,158,453) TOTAL (17,337,690) PART XII, LINE 2D UNRELATED BUSINESS GROSS INCOME DATA PROCESSING (472,608) HOUSEKEEPING (81,338) LAUNDRY (266,817) SUBSIDIARIES EXPENSES 18,158,453 PENSION RELATED CHANGES 35,422,490 TOTAL 52,760,180

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493131031835

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
WILLIS-KNIGHTON MEDICAL CENTER

Employer identification number
72-0400933

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)			21,528,864		21,528,864	2 530 %
b Medicaid (from Worksheet 3, column a)			83,423,585	56,766,980	26,656,605	3 130 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			104,952,449	56,766,980	48,185,469	5 660 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			3,236,176		3,236,176	0 380 %
f Health professions education (from Worksheet 5)			4,955,527		4,955,527	0 580 %
g Subsidized health services (from Worksheet 6)			2,330,722	872,985	1,457,737	0 170 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			1,775,475		1,775,475	0 210 %
j **Total.** Other Benefits			12,297,900	872,985	11,424,915	1 340 %
k **Total.** Add lines 7d and 7j			117,250,349	57,639,965	59,610,384	7 000 %

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	Yes	
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount 2 20,574,407			
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	234,639,493
6	Enter Medicare allowable costs of care relating to payments on line 5	6	245,919,576
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-11,280,083
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?
4

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 WILLIS-KNIGHTON HEALTH SYSTEM

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) _____

			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) _____			
b	☐ Other website (list url) _____			
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**	Yes	
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	**8a**		No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	**8b**		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $_____			

Part V Facility Information *(continued)*

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**9**	Yes	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	**10**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 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**	Yes	
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? **4**

	Name and address	Type of Facility (describe)
1	OUTPATIENT CLINICS VARIOUS LOCATIONS SHREVEPORT,LA 71130	OUTPATIENT CLINICS
2	THE OAKS OF LOUISIANA 600 EAST FLOURNOY LUCUS ROAD SHREVEPORT,LA 71115	RESIDENTIAL COMMUNITY FOR ADULTS AGE 55 AND OVER
3	SAVANNAH AT THE OAKS 600 EAST FLOURNOY LUCUS ROAD SHREVEPORT,LA 71115	ASSISTED LIVING FACILITY
4	EXTENDED CARE CENTER 2550 KINGS HIGHWAY SHREVEPORT,LA 71103	SUBACUTE REHABILITATION
5		
6		
7		
8		
9		
10		

Part VI Supplemental Information

Provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Form and Line Reference	Explanation
PART I, LINE 7	ALL ITEMS IN THE TABLE, EXCEPT FOR LINE 7G, USE THE COST-TO-CHARGE RATIO COSTING METHOD PROJECT NEIGHBORHEALTH, WHICH IS INCLUDED ON LINE 7G, USES THE ACTUAL COST METHOD

Form and Line Reference	Explanation
PART III, LINE 4	THE MEDICAL CENTER MAINTAINS AN ALLOWANCE FOR DOUBTFUL PATIENT ACCOUNTS RECEIVABLE BASED ON MANAGEMENT'S ASSESSMENT OF COLLECTABILITY, CURRENT ECONOMIC CONDITIONS, AND PRIOR EXPERIENCE AS MANAGEMENT DETERMINES THE COLLECTION OF SPECIFIC PATIENT ACCOUNTS TO BE DOUBTFUL, SUCH ACCOUNTS ARE WRITTEN OFF AGAINST THE ALLOWANCE BASED ON THIS ANALYSIS, BAD DEBT EXPENSE AS A PERCENTAGE OF GROSS PATIENT BILLINGS (EXCLUDING MEDICARE CHARGES, MEDICAID CHARGES, AND CHARITY CARE) WAS 6 3 PERCENT AND 5 8 PERCENT FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND SEPTEMBER 30, 2013, RESPECTIVELY

Form and Line Reference	Explanation
PART III, LINE 8	THE COSTING METHODOLOGY USED TO DETERMINE THE MEDICARE ALLOWABLE COSTS REPORTED IN THE MEDICARE COST REPORT IS BASED ON REGULATORY REQUIREMENTS AND GUIDELINES

Form and Line Reference	Explanation
PART III, LINE 9B	1 MONTHLY STATEMENTS ARE GENERATED AND MAILED BY THE MEDICAL CENTER TO KEEP PATIENTS/GUARANTORS INFORMED OF OUTSTANDING ACCOUNT BALANCES STATEMENT MESSAGES ARE GENERATED FOR EACH ACCOUNT THAT LET THE PATIENT/GUARANTOR KNOW IF THE BALANCE IS PENDING PAYMENT FROM THEIR INSURANCE CARRIER OR DEEMED TO BE THE PATIENT'S RESPONSIBILITY 2 THE ACCOUNTS RECEIVABLE FILE IS REVIEWED MONTHLY FOR ACCOUNTS THAT HAVE AN OUTSTANDING BALANCE SHOWN TO BE THE PATIENT/GUARANTOR'S RESPONSIBILITY AN ACCOUNT IS CONSIDERED TO BE IN THE EARLY STAGES OF DELINQUENCY ONCE IT BECOMES 90 DAYS OLD, RECEIVED AT LEAST THREE STATEMENTS FROM THE HEALTH SYSTEM AND IT HAS BEEN GREATER THAN 45 DAYS SINCE THE LAST PAYMENT WAS RECEIVED FROM INSURANCE OR THE PATIENT/GUARANTOR 3 ACCOUNTS MEETING THE ABOVE CRITERIA ARE REFERRED FOR COLLECTION TO HEALTHCARE REVENUE RECOVERY, LLC FOR FOLLOW UP WITH THE PATIENT/GUARANTOR HEALTHCARE REVENUE RECOVERY, LLC WILL ATTEMPT TO COLLECT THE OUTSTANDING BALANCE FOR A PERIOD OF 75 DAYS HEALTHCARE REVENUE RECOVERY, LLC COLLECTION EFFORTS WILL INCLUDE BOTH PHONE AND WRITTEN COMMUNICATIONS PAYMENTS AND PATIENT CORRESPONDENCE WILL BE DIRECTED TO WILLIS-KNIGHTON HEALTH SYSTEM, NOT HEALTHCARE REVENUE RECOVERY, LLC 4 HEALTHCARE REVENUE RECOVERY, LLC WILL RETURN FILES TO WILLIS-KNIGHTON HEALTH SYSTEM AT THE END OF THE 75 DAY PERIOD WITH STATUS INFORMATION AS FOLLOWS A RETURNED WITH A PAYMENT ARRANGEMENT - ACCOUNTS ARE MAINTAINED IN HOUSE AND MONITORED BY THE BUSINESS OFFICE THE BAD DEBT AGENCY IS CHANGED FROM SP-HCRR TO WK-REG STATEMENTS ARE GENERATED AND MAILED TO THE PATIENT/GUARANTOR MONTHLY ACCOUNTS ARE MONITORED MONTHLY AND WILL BE REFERRED TO AN OUTSIDE COLLECTION AGENCY IF THE PATIENT/GUARANTOR DEFAULTS ON THE PAYMENT AGREEMENT B RETURNED WITH NO PAYMENT ARRANGEMENT - ACCOUNTS ARE REFERRED TO THE CREDIT BUREAU FOR BAD DEBT COLLECTIONS REGARDLESS OF THE PAYER CLASS

Form and Line Reference	Explanation
PART VI, LINE 2	WILLIS-KNIGHTON MEDICAL CENTER OPERATES THROUGHOUT SHREVEPORT, BOSSIER CITY AND NEARBY PARISHES AND PROVIDES FOUR HOSPITALS, NUMEROUS SATELLITE CLINICS, A SKILLED NURSING FACILITY, A RETIREMENT COMMUNITY, AND AN ASSISTED LIVING FACILITY THE ORGANIZATION ASSESSES THE HEALTH CARE NEEDS OF THE COMMUNITIES THAT IT SERVES BY STAYING INFORMED ABOUT THE RELEVANT TRENDS OCCURRING IN THE AREAS IN WHICH IT OPERATES

Form and Line Reference	Explanation
PART VI, LINE 3	WILLIS-KNIGHTON HEALTH SYSTEM IS COMMITTED TO PROVIDING CHARITY CARE TO PERSONS WHO HAVE HEALTHCARE NEEDS AND ARE UNINSURED, UNDERINSURED, INELIGIBLE FOR A GOVERNMENT PROGRAM, OR OTHERWISE UNABLE TO PAY FOR MEDICALLY NECESSARY CARE CONSISTENT WITH ITS MISSION TO DELIVER COMPASSIONATE, HIGH QUALITY, AFFORDABLE HEALTHCARE SERVICES AND TO BE AN ADVOCATE FOR THOSE WHO ARE MOST IN NEED, WILLIS-KNIGHTON HEALTH SYSTEM STRIVES TO ENSURE THAT THE FINANCIAL CAPACITY OF PEOPLE WHO NEED HEALTH CARE SERVICES DOES NOT PREVENT THEM FROM SEEKING OR RECEIVING CARE PATIENTS ARE EXPECTED TO COOPERATE WITH WILLIS-KNIGHTON HEALTH SYSTEM'S PROCEDURES FOR OBTAINING CHARITY OR OTHER FORMS OF PAYMENT OR FINANCIAL ASSISTANCE, AND TO CONTRIBUTE TO THE COST OF THEIR CARE BASED ON THEIR INDIVIDUAL ABILITY TO PAY

Form and Line Reference	Explanation
PART VI, LINE 4	WILLIS-KNIGHTON'S PRIMARY SERVICE AREA COVERS AN APPROXIMATE 35 MILE RADIUS OF SHREVEPORT, COVERING THE LOUISIANA PARISHES OF CADDO, BOSSIER, WEBSTER, CLAIBORNE, RED RIVER, DESOTO AND BIENVILLE, AND WHICH HAD A 2013 ESTIMATED POPULATION OF APPROXIMATELY 486,000 PERSONS THE MEDIAN HOUSEHOLD INCOME ACCORDING TO THE 2013 U S CENSUS PROJECTION DATA FOR SHREVEPORT IS $38,465 THE MEDIAN HOUSEHOLD INCOME ACCORDING TO THE 2013 U S CENSUS PROJECTION DATA FOR BOSSIER PARISH IS $47,290

Form and Line Reference	Explanation
PART VI, LINE 5	OTHER COMMUNITY BENEFITS PROJECT NEIGHBORHEALTH - OVERVIEWDURING 1995, THE MEDICAL CENTER BEGAN A PROGRAM KNOWN AS "PROJECT NEIGHBORHEALTH " THE PROGRAM'S PURPOSE IS TO PROMOTE HEA LTH AND WELL-BEING IN COMMUNITIES THAT ARE ECONOMICALLY DISTRESSED AND/OR DESIGNATED AS ME DICALLY UNDER-SERVED, HEALTH-PROFESSIONAL-SHORTAGE AREAS THE PROGRAM PROVIDES FREE COMMUN ITY PROGRAMS INCLUDING ANTI-DRUG/GANG PROGRAMS, LIFE SKILLS TRAINING, MENTORING PROGRAMS, NUTRITIONAL COUNSELING, POLICE COMMUNITY FORUMS, AND OTHER COMMUNITY-RELATED PROGRAMS AS PART OF PROJECT NEIGHBORHEALTH, THE MEDICAL CENTER OPERATES THE FOLLOWING CLINICS SIMPKIN S COMMUNITY HEALTH & EDUCATION CENTER, WK PIERRE AVENUE HEALTH & WELLNESS CENTER, WK BRADL EY MEDICAL CLINIC, AND THE CHILDREN'S DENTAL CLINIC AND WK COMMUNITY EDUCATION CENTER SIMP KINS COMMUNITY HEALTH & EDUCATION CENTERPROJECT NEIGHBORHEALTH ON SEPTEMBER 1, 1995, AT A COST OF APPROXIMATELY $1,300,000, THE MEDICAL CENTER OPENED A 6,463 SQUARE FOOT, FEDERALL Y DESIGNATED INDIGENT CARE MEDICAL CLINIC AND A 3,914 SQUARE FOOT COMMUNITY EDUCATION BUIL DING ON SHREVEPORT-BLANCHARD ROAD AT DR MARTIN LUTHER KING DRIVE IN SHREVEPORT, LOUISIANA LOCATED IN AN ECONOMICALLY DISTRESSED COMMUNITY, THESE FACILITIES ARE CONVENIENT TO AND PRIMARILY FOR THE BENEFIT OF THE PEOPLE IN THAT COMMUNITY SERVICES ARE PROVIDED WITHOUT R EGARD TO THE PATIENTS' ABILITY TO PAY THE LOCATION OF THE CLINIC (CENSUS TRACT 246 IN THE DR MARTIN LUTHER KING DRIVE AREA IN CADDO PARISH) WAS DESIGNATED BY THE DEPARTMENT OF HE ALTH AND HOSPITALS AS A HEALTH-PROFESSIONAL-SHORTAGE AREA AND AS A MEDICALLY UNDER-SERVED AREA PRIOR TO THE CLINIC'S OPENING, THIS AREA WAS THE SECOND LARGEST CONTIGUOUS POPULATIO N OF MEDICALLY UNDER-SERVED PEOPLE IN THE UNITED STATES THE CLINIC HAS AN EMERGENCY AND S PECIAL PROCEDURES ROOM, AN X-RAY DEPARTMENT, AND A FULLY EQUIPPED LABORATORY AND DENTAL FA CILITY PREVENTATIVE CARE PROGRAMS INCLUDE BLOOD PRESSURE CHECKS, HEALTH SCREENINGS, IMMUN IZATIONS, AND DIABETES COUNSELING THE CLINIC'S STAFF INCLUDES 2 PART-TIME FAMILY PRACTICE PHYSICIANS, A PART-TIME NURSE PRACTITIONER, AND SUPPORT STAFF THE CLINIC HAD 4,240 MEDIC AL PATIENT VISITS DURING THE YEAR ENDED SEPTEMBER 30, 2014 THE EDUCATION FACILITY HOUSES CLASSROOMS, AN AUDITORIUM, A NURSERY, A CONFERENCE ROOM, AND A LIBRARY WITH STUDY AREAS WK COMMUNITY HEALTH & WELLNESS CENTER SHREVEPORT-BLANCHARD ROADPROJECT NEIGHBORHEALTH ON AU GUST 1, 1998, THE MEDICAL CENTER OPENED A 15,062 SQUARE FOOT MEDICAL CLINIC KNOWN AS THE " WK COMMUNITY HEALTH & WELLNESS CENTER SHREVEPORT-BLANCHARD ROAD" ON HILRY HUCKABY III AVEN UE IN SHREVEPORT AT A COST OF APPROXIMATELY $1,375,000 LOCATED IN AN ECONOMICALLY DISTRES SED COMMUNITY, THIS FACILITY IS CONVENIENT TO AND PRIMARILY FOR THE BENEFIT OF THE PEOPLE IN THAT COMMUNITY THIS FACILITY ALSO CONTAINS A HEALTH AND FITNESS CENTER THE MEDICAL CE NTER PROVIDES EQUIPMENT AND MEDICAL STAFF FOR THE CLINIC THE CLINIC'S STAFF INCLUDES 2 PA RT-TIME FAMILY PRACTICE PHYSICIANS, A PART-TIME PHYSICIAN ASSISTANT, AND SUPPORT STAFF TH E CLINIC HAD 3,828 MEDICAL PATIENTS DURING THE YEAR ENDED SEPTEMBER 30, 2014 WK BRADLEY M EDICAL CLINIC ON AUGUST 24, 1998, THE MEDICAL CENTER OPENED A 3,915 SQUARE FOOT MEDICAL CL INIC KNOWN AS THE "WK BRADLEY MEDICAL CLINIC" IN BRADLEY, ARKANSAS AT A COST OF APPROXIMAT ELY $140,000 LOCATED IN AN ECONOMICALLY DISTRESSED COMMUNITY, THIS FACILITY IS CONVENIENT TO AND PRIMARILY FOR THE BENEFIT OF THE PEOPLE IN THAT COMMUNITY THE MEDICAL CENTER PROV IDES EQUIPMENT AND MEDICAL STAFF FOR THE CLINIC THE CLINIC'S STAFF INCLUDES A NURSE PRACT ITIONER AND VARIOUS SUPPORT STAFF THE CLINIC HAD 1,862 MEDICAL PATIENTS DURING THE YEAR E NDED SEPTEMBER 30, 2014 PROJECT NEIGHBORHEALTH DURING THE YEAR ENDED SEPTEMBER 30, 2014, UNDER PROJECT NEIGHBORHEALTH, THE MEDICAL CENTER PROVIDED OVER 3,000 HOURS TO COMMUNITY S ERVICES/PROJECTS AT NO COST TO THE RECIPIENTS BY 3 FULL-TIME EMPLOYEES, 1 PART-TIME EMPLOY EE, AND VOLUNTEERS IN ADDITION TO HOURS PROVIDED BY VARIOUS DEPARTMENTS WITHIN THE MEDICAL CENTER OTHER COMMUNITY SERVICESTHE MEDICAL CENTER MAKES AVAILABLE, FREE-OF-CHARGE, MEETIN G SPACE TO OUTSIDE COMMUNITY OUTREACH ORGANIZATIONS SUCH AS QUEENSBOROUGH NEIGHBORHOOD ASS OCIATION, BOSSIER MEDICAL SOCIETY, CADDO PARISH SHERIFF'S OFFICE, ICE (INNER CITY ENTREPRE NEUR), NORTH LOUISIANA AHEC, LIFESHARE BLOOD CENTER, LSU PSYCHIATRY PROGRAM, TEXAS WESLEYA N UNIVERSITY CRNA PROGRAM, NORTHWEST LOUISIANA COALITION FOR WOMEN AND CHILDREN, NORTHWEST LOUISIANA INTERFAITH PHARMACY, VOLUNTEERS FOR YOUTH JUSTICE, UNITED WAY, ALLIANCE FOR EDU CATION AND OTHER CHARITABLE AND GOVERNMENTAL ORGANIZATIONS ROOMS ARE ALSO PROVIDED FOR OF F CAMPUS CLASSES TAUGHT BY BOSSIER PARISH COMMUNITY COLLEGE AT THE WK CAREER INSTITUTE THE MEDICAL CENTER OFFERS EXTENSIVE ONLINE HEALTH INFORMATION ON ITS WEB SITE FREE HEALTH IN FORMATION IS AVAILABLE, TARGETED TO BOTH ADULTS AND CHILDREN INFORMATION FOR ADULTS INCLU DES A HEALTH LIBRARY, DRUG INTERACTION CHECKER, NU

Form and Line Reference	Explanation
PART VI, LINE 5	TRITION AND WELLNESS INFORMATION AND DESCRIPTION OF PROCEDURES, WRITTEN BY HEALTH PROFESSI ONALS AND REVIEWED AND UPDATED REGULARLY THE MEDICAL CENTER ALSO PARTNERS WITH THE NEMOUR S FOUNDATION TO OFFER KIDSHEALTH, A HEALTH AND WELLNESS INFORMATION SITE TARGETED TO CHILD REN, TEENS AND THEIR PARENTS THE WILLIS-KNIGHTON CANCER CENTER WEB SITE OFFERS INFORMATIO N ON VARIOUS TYPES OF CANCER AND TREATMENTS AS WELL AS AN UPDATED LIST OF CLINICAL TRIALS DURING THE PAST YEAR THE MEDICAL CENTER'S ON-LINE HEALTH LIBRARY ATTRACTED 471,200 VISITS FROM A TOTAL OF 260,000 VISITORS KIDSHEALTH ATTRACTED 287,491 VISITS IMMUNIZATIONS FOR C HILDREN WILLIS-KNIGHTON PROVIDES A MOBILE UNIT THAT OFFERS "SHOTS FOR TOTS" USING ITS MOB ILE VAN AND STAFF, VACCINES ARE TAKEN TO VARIOUS NEIGHBORHOODS TO MAKE THEM CONVENIENT FOR PARENTS UNDER THIS PROGRAM, ANY CHILD MAY RECEIVE IMMUNIZATION SHOTS, FREE OF CHARGE, FO R MEASLES, MUMPS, RUBELLA, DIPHTHERIA, PERTUSSIS, TETANUS, HEPATITIS B, POLIO, MENINGITIS, FLU, AND CHICKEN POX THE MEDICAL CENTER SUBSIDIZES ALL EXPENSES OF THE PROGRAM EXCEPT TH E VACCINE, WHICH IS PROVIDED BY THE LOUISIANA DEPARTMENT OF PUBLIC HEALTH DURING THE YEAR ENDED SEPTEMBER 30, 2014, THE MEDICAL CENTER IMMUNIZED 3,039 PATIENTS UNDER THIS PROGRAM HEALTH PROFESSIONS EDUCATIONTHE MEDICAL CENTER PROVIDES VARIOUS EDUCATION PROGRAMS THAT RE SULT IN HEALTH CARE PROFESSIONALS RECEIVING DEGREES, CERTIFICATES OR TRAINING THAT IS NECE SSARY TO BE LICENSED TO PRACTICE AS HEALTH CARE PROFESSIONALS WHILE THE MEDICAL CENTER AL SO PROVIDES A VARIETY OF EDUCATION, TRAINING AND STIPEND PROGRAMS THAT ARE EXCLUSIVE TO TH E MEDICAL CENTER'S EMPLOYEES AND MEDICAL STAFF, THOSE COSTS ARE NOT INCLUDED IN THIS CATEG ORY THE MEDICAL CENTER MAINTAINS AN ASSOCIATION WITH LSU HEALTH SCIENCES CENTER (A PUBLIC TEACHING, RESEARCH, AND INDIGENT CARE FACILITY) BY PROVIDING GRANTS, ASSISTANCE WITH RESI DENTS AND FELLOWS, ALONG WITH UNDERWRITING THE COST OF CLINICAL SETTINGS FOR TRAINING AND INTERSHIPS FOR A VARIETY OF OTHER HEALTH PROFESSIONALS SPORTS MEDICINESPORTS MEDICINE EXPE RTS AT WILLIS-KNIGHTON SPORTS MEDICINE WORK WITH ATHLETES ON THE PREVENTION AND TREATMENT OF SPORTS-RELATED INJURIES, HELPING THEM TO MAINTAIN A HEALTHY LIFESTYLE THIS SERVICE IS OFFERED TO VARIOUS SCHOOLS AND PROGRAMS THROUGHOUT THE LOCAL AREA WK INNOVATION CENTER ON MAY 4, 2014, THE MEDICAL CENTER OPENED THE WK INNOVATION CENTER THE CENTER INCLUDES A VIR TUAL HOSPITAL, WHICH IS ONE OF THE LARGEST VIRTUAL HOSPITALS IN THE NATION COMPLETE WITH 2 2 PATIENT ROOMS, TWO OPERATING SUITES, RECOVERY AND A LABOR AND DELIVERY SUITE THIS STATE -OF-THE-ART VIRTUAL HOSPITAL USES THE LATEST HIGH-FIDELITY SIMULATORS TO RECREATE REAL-LIF E SITUATIONS FOR NURSING STUDENTS TO HONE THEIR SKILLS IT HAS A REAL ICU ENVIRONMENT COMP LETE WITH A VARIETY OF ADVANCE PATIENT SIMULATORS, WHICH CAN HAVE SEIZURES, BLEED, SWEAT, TALK AND MUCH MORE NINE NURSING SCHOOLS THROUGHOUT LOUISIANA AND EAST TEXAS, AS WELL AS T HE LSU SCHOOL OF MEDICINE IN SHREVEPORT, WILL USE THE FACILITY TO TRAIN HEALTH PROFESSIONA LS TALBOT MEDICAL MUSEUM THE TALBOT MEDICAL MUSEUM PRESERVES, REVEALS, AND INTERPRETS THE HISTORY OF MODERN MEDICINE OVER THE PAST CENTURY AND A HALF SPECIAL EMPHASIS IS PLACED ON THOSE PEOPLE, PLACES AND EVENTS THAT HAVE SHAPED MEDICINE IN OUR REGION

Additional Data

Software ID:
Software Version:
EIN: 72-0400933
Name: WILLIS-KNIGHTON MEDICAL CENTER

990 Schedule H, Supplemental Information

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	FACILITY REPORTING GROUP A
FACILITY REPORTING GROUP A CONSISTS OF	- FACILITY 1 WILLIS-KNIGHTON MEDICAL CENTER, - FACILITY 4 WILLIS-KNIGHTON SOUTH, - FACIL ITY 3 WK BOSSIER HEALTH CENTER, - FACILITY 2 WK PIERREMONT HEALTH CENTER
FACILITY 1 -- WILLIS-KNIGHTON MEDICAL CENTER PART V, SECTION B, LINE 3	CONDUCTED 17 INTERVIEWS (LIST OF INTERVIEWEES FOLLOWS) WITH THE THREE GROUPS OUTLINED IN I RS NOTICE 2011-52 DISCUSSED THE HEALTH NEEDS OF THE COMMUNITY, ACCESS ISSUES, BARRIERS AND ISSUES RELATED TO SPECIFIC POPULATIONS GATHERED BACKGROUND INFORMATION, INCLUDING CREDEN TIALS, ON EACH INTERVIEWEE SHERRI BUFFINGTON, STATE SENATOR DISTRICT 38(CADDO AND DESOTO P ARISH), VICE CHAIR HEALTH & WELFAREBARROW PEACOCK, STATE SENATOR DISTICT 37 (SHREVEPORT AN D BOSSIER PARISH)WILLIS BRADFORD, WILLIS-KNIGHTON DIRECTOR OF PROJECT NEIGHBORHEALTHMARTHA MARAK, DIRECTOR OF THE FOOD BANK OF NORTHWEST LOUISIANADR DAN MOLLER, CMO, WILLIS-KNIGHT ON HEALTH SYSTEMDR ANIL NANDA, NEUROSURGEON, LSU HEALTH - SHREVEPORTDR CHARLES POWERS, C MO - WILLIS-KNIGHTON BOSSIER HOSPITALRON WEBB, CITY COUNCILMAN, DISTRICT E, CITY OF SHREVE PORTDR MARTHA WHYTE, DIRECTOR - DEPARTMENT OF PUBLIC HEALTH REGION 7BRIDGET CAUSEY, RN, B SN, NURSING SUPERVISOR, CADDO PARISH PUBLIC SCHOOLSWILLIE WHITE, CEO OF DAVID RAINES COMMU NITY HEALTH CENTERSDR JOHN MICIOTTO, RETIRED OB/GYN, FORMER MEDICAL DIRECTOR, NORTHWEST L OUISIANA DEPT OF HEALTHANTHONY MARTIN, DIRECTOR - WILLIS-KNIGHTON HOME HEALTH/HOSPICETIM WILCOX, DIRECTOR - WILLIS-KNIGHTON BEHAVIORAL HEALTHC O SIMPKINS, SR , DDS - COMMUNITY LE ADER, EX-CITY COUNCILMANBRUCE WILSON, DIRECTOR - UNITED WAY OF NORTHWEST LOUISIANADR PHIL LIP ROZEMAN, CARDIOLOGIST, COMMUNITY LEADER
FACILITY 1 -- WILLIS-KNIGHTON MEDICAL CENTER PART V, SECTION B, LINE 4	WK PIERREMONT HEALTH CENTERWK BOSSIER HEALTH CENTERWILLIS-KNIGHTON SOUTH
FACILITY 2 -- WK PIERREMONT HEALTH CENTER PART V, SECTION B, LINE 3	SAME AS FOR FACILITY 1 - WILLIS-KNIGHTON MEDICAL CENTER
FACILITY 2 -- WK PIERREMONT HEALTH CENTER PART V, SECTION B, LINE 4	WILLIS-KNIGHTON MEDICAL CENTERWK BOSSIER HEALTH CENTERWILLIS-KNIGHTON SOUTH
FACILITY 3 -- WK BOSSIER HEALTH CENTER PART V, SECTION B, LINE 3	SAME AS FOR FACILITY 1 - WILLIS-KNIGHTON MEDICAL CENTER
FACILITY 3 -- WK BOSSIER HEALTH CENTER PART V, SECTION B, LINE 4	WILLIS-KNIGHTON MEDICAL CENTERWK PIERREMONT HEALTH CENTERWILLIS-KNIGHTON SOUTH
FACILITY 4 -- WILLIS-KNIGHTON SOUTH PART V, SECTION B, LINE 3	SAME AS FOR FACILITY 1 - WILLIS-KNIGHTON MEDICAL CENTER
FACILITY 4 -- WILLIS-KNIGHTON SOUTH PART V, SECTION B, LINE 4	WILLIS-KNIGHTON MEDICAL CENTERWK BOSSIER HEALTH CENTERWK PIERREMONT HEALTH CENTER

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

▶ **Attach to Form 990**

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
WILLIS-KNIGHTON MEDICAL CENTER

Employer identification number
72-0400933

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . ☑ Yes ☐ No

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

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Part II can be duplicated if additional space is needed.

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

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . ▶ 39

3 Enter total number of other organizations listed in the line 1 table . . . ▶ 5

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

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

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

Return Reference	Explanation
PART I, LINE 2	THE MEDICAL CENTER HAS A CONTRIBUTION COMMITTEE THAT APPROVES SUBSTANTIALLY ALL CONTRIBUTIONS THE CONTRIBUTION COMMITTEE REQUESTS THAT THE ORGANIZATION REQUESTING THE DONATION COMPLETE A CONTRIBUTION REQUEST FORM THAT IS AVAILABLE ON THE MEDICAL CENTER'S WEBSITE BEFORE THE MEDICAL CENTER'S CONTRIBUTION COMMITTEE WILL APPROVE THE CONTRIBUTIONS THE PURPOSE OF THE CONTRIBUTION MUST BE STATED ON THE CONTRIBUTION REQUEST FORM

Additional Data

Software ID:
Software Version:
EIN: 72-0400933
Name: WILLIS-KNIGHTON MEDICAL CENTER

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ALLIANCE FOR EDUCATION 820 JORDAN STREET SHREVEPORT,LA 71101	72-1466587	501(C)(3)	25,000				DONATION FOR PATHWAY TO EXCELLENCE

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
AMERICAN CANCER SOCIETY 920 PIERREMONT SUITE 300 SHREVEPORT,LA 71106	23-7040934	501(C)(3)	15,000				DONATION FOR BARON BALL

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ARC OF CADDO-BOSSIER 351 JORDAN STREET SHREVEPORT,LA 71101	72-0482891	501(C)(3)	20,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
BOSSIER CHAMBER OF COMMERCE 710 BENTON ROAD BOSSIER CITY,LA 71111	72-0382231	501(C)(6)	10,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CADDO-BOSSIER CANCER FOUNDATION LEAGUE INC 3300 ALBERT BICKNELL DRIVE SHREVEPORT,LA 71103	45-3188641	501(C)(3)	5,250				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CADDO BOSSIER SOCCER ASSOCIATION 1780 EAST BERT KOUNS SUITE 901 SHREVEPORT,LA 71105	58-1652966	501(C)(3)	18,000				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CALVARY ACADEMY 9333 LINWOOD AVENUE SHREVEPORT,LA 71106	72-0482882	501(C)(3)	6,000				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CHILDREN AND ARTHRITIS 2751 ALBERT BICKNELL DRIVE SUITE 2E 2E SHREVEPORT,LA 71103	72-1170530	501(C)(3)	15,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
COUNCIL FOR A BETTER LOUISIANA PO BOX 4308 BATON ROUGE, LA 70821	72-0570930	501(C)(6)	10,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
FORENSIC NURSE EXAMINERS PO BOX 44466 SHREVEPORT,LA 71134	35-2262163	501(C)(3)	15,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
FRIENDS OF THE MANSFIELD FEMALE COLLEGE MUSEUM INC 101 MONROE STREET MANSFIELD,LA 71052	43-2100668	501(C)(3)	10,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
HOLY ANGELS RESIDENTIAL FACILITY INC 10450 ELLERBE ROAD SHREVEPORT,LA 71106	72-0628035	501(C)(3)	49,714				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
INDEPENDENCE BOWL FOUNDATION PO BOX 1723 SHREVEPORT,LA 71166	72-0297228	501(C)(3)	46,250				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
INNER CITY ENTREPRENEUR INSTITUTE 820 JORDAN STREET SUITE 360 SHREVEPORT,LA 71101	72-1418314	501(C)(3)	20,000				BIZCAMP SPONSOR

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
INSTITUTE FOR GLOBAL OUTREACH 1024 PIERRE AVENUE ROOM B SHREVEPORT,LA 71103	33-1180777	501(C)(3)	25,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
JUNIOR ACHIEVEMENT 3003 KNIGHT STREET SHREVEPORT,LA 71105	72-0595081	501(C)(3)	33,600				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
LOUISIANA TECH UNIVERSITY FOUNDATION PO BOX 3046 RUSTON,LA 71272	72-6021176	501(C)(3)	67,000				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
LOUISIANA TROOPER FOUNDATION PO BOX 65076 BATON ROUGE,LA 70896	74-2918404	501(C)(3)	10,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
LOYOLA EDUCATIONAL CORPORATION OF SHREVEPORT 921 JORDAN STREET SHREVEPORT,LA 71101	72-0679392	501(C)(3)	7,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
LSUHSC PO BOX 31650 SHREVEPORT,LA 71115	72-1402222	GOVERNMENT	220,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
MARCH OF DIMES FOUNDATION 1120 SOUTH POINTE PARKWAY BLDG D SHREVEPORT,LA 71105	13-1846366	501(C)(3)	43,500				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
MARTIN LUTHER KING HEALTH CENTER PO BOX 393 SHREVEPORT,LA 71162	72-1079721	501(C)(3)	50,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
NORTH AMERICA IAPB INC 137 HAMPTON ROAD SHREVEPORT,LA 11968	04-3796216	501(C)(3)	50,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
NORTH CADDO MEDICAL CENTER FOUNDATION POST OFFICE BOX 792 VIVIAN,LA 71082	32-0275128	501(C)(3)	51,464				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
NORTH LOUISIANA ECONOMIC PARTNERSHIP INC 415 TEXAS STREET SHREVEPORT,LA 71101	72-0936419	501(C)(3)	40,150				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
NORTHWEST LOUISIANA FOOD BANK 2307 TEXAS AVENUE SHREVEPORT,LA 71103	72-1328890	501(C)(3)	55,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
NORTHWEST LOUISIANA INTERFAITH PHARMACY INC 909 OLIVE STREET SHREVEPORT,LA 71104	72-1479289	501(C)(3)	10,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
NORTHWESTERN FOUNDATION UNIVERSITY PARKWAY NATCHITOCHES,LA 71497	72-6021495	501(C)(3)	90,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
OAKWOOD HOME FOR WOMEN INC 1700 HIGHLAND AVENUE SHREVEPORT,LA 71101	23-7368054	501(C)(3)	10,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
THE ODYSSEY FOUNDATION 401 TEXAS STREET SHREVEPORT,LA 71101	33-1055253	501(C)(6)	10,000				DONATION FOR WALKING FOR AUTISM FUNDRAISER

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
PROVIDENCE HOUSE 814 COTTON STREET SHREVEPORT,LA 71101	72-1205164	501(C)(3)	50,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
RED RIVER REVEL ARTS FESTIVAL 101 CROCKET STREET SUITE C SHREVEPORT,LA 71101	72-0953274	501(C)(3)	25,000				SPONSORSHIP OF REGIONAL CULTURAL EVENT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
SAMARITAN COUNSELING CENTER 1525 STEPHENS AVENUE SHREVEPORT,LA 71101	72-1014069	501(C)(3)	10,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
AFRICAN-AMERICAN CHAMBER OF COMMERCE 1315 MILAM STREET SHREVEPORT,LA 71101	72-6028366	501(C)(3)	7,500				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
SHREVEPORT-BOSSIER RESCUE MISSION 2033 TEXAS AVENUE SHREVEPORT,LA 71103	23-7050551	501(C)(3)	95,359				HEALTH INSURANCE FOR RESCUE MISSION EMPLOYEES

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
SHREVEPORT OPERA 212 TEXAS STREET NO 1 SHREVEPORT,LA 71101	72-6021455	501(C)(3)	10,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
SHREVEPORT POLICE SPECIAL RESPONSE TEAM CITIZENS SUPPORT GROUP 710 MILAM STREET SHREVEPORT,LA 71101	27-1836049	501(C)(3)	39,090				DONATION FOR EQUIPMENT

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
SHREVEPORT SYMPHONY 619 LOUISIANA AVENUE SHREVEPORT,LA 71101	72-6001334	501(C)(3)	93,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
SPRINGHILL MEDICAL SERVICES INC 2001 DOCTORS DRIVE SPRINGHILL,LA 71075	72-1479692	501(C)(3)	203,335				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ST JUDE'S CHILDREN'S RESEARCH HOSPITAL PO BOX 810 MEMPHIS,TN 38101	62-0646012	501(C)(3)	25,000				DREAM HOME DONATION

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
ST LUKE'S EPISCOPAL MOBILE MINISTRY INC PO BOX 53074 SHREVEPORT,LA 71135	45-3786377	501(C)(3)	6,000				DONATION FOR MEDICAL RV

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
VOLUNTEERS OF AMERICA 360 JORDAN STREET SHREVEPORT,LA 71101	72-0506820	501(C)(3)	10,000				DONATION FOR OPERATIONS

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
YMCA 400 MCNEIL SHREVEPORT,LA 71101	72-0408997	501(C)(3)	40,800				SPONSORSHIP

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

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
WESTWOOD ELEMENTARY 3201 LINE AVENUE SHREVEPORT,LA 71103	72-6000224	GOVERNMENT	6,933				DONATION FOR SIGN

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493131031835

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
WILLIS-KNIGHTON MEDICAL CENTER

Employer identification number
72-0400933

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**		No
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**	Yes	
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**	Yes	
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**	Yes	
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**		No
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 1A	THE VALUE OF EACH PERSON'S FREE MEMBERSHIP IN THE MEDICAL CENTER'S HEALTH & WELLNESS CENTERS IS ADDED TO THE EMPLOYEE'S W-2 WAGES
PART I, LINE 3	THE EXECUTIVE COMPENSATION COMMITTEE OF THE BOARD OF TRUSTEES DETERMINES THE COMPENSATION OF THE TOP TWO EXECUTIVES (CEO AND CFO) OF THE MEDICAL CENTER A SECOND COMPENSATION COMMITTEE, CONSISTING OF THE CEO AND CFO, DETERMINES THE COMPENSATION OF OTHER OFFICERS AND KEY EMPLOYEES THE COMPENSATION COMMITTEES STUDY DATA FROM INDEPENDENT SALARY SURVEYS OFFICERS AND OTHER KEY EMPLOYEES ARE PROVIDED WITH A WRITTEN EMPLOYMENT CONTRACT BEFORE EMPLOYMENT COMMENCES
PART I, LINES 4A-B	CERTAIN OFFICERS INCLUDED IN FORM 990, PART VII, SECTION A, LINE 1A, PARTICIPATE IN A SECTION 457(B) DEFERRED COMPENSATION PLAN
PART I, LINE 5	PHYSICIANS INCLUDED IN FORM 990, PART VII, SECTION A, LINE 1A, ARE COMPENSATED BASED ON THEIR OWN PERSONAL PRODUCTIVITY THE PHYSICIANS ARE PAID A PERCENTAGE OF THEIR INDIVIDUAL COLLECTIONS BASED ON THE CONDITIONS OF EACH PHYSICIAN CONTACT
FORM 990, SCHEDULE J, PART II, COLUMN (B)(III)	EXPLANATION OF PART II, COLUMN (B)(III) OTHER COMPENSATION JAMES K ELROD UNUSED VACATION PAY-$161,261 UNUSED SICK PAY-$26,151 VALUE ADDED FOR COMPUTER USAGE-$200 VALUE ADDED FOR CELL PHONE USAGE-$1,535 COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$16,099 SECTION 457(B) DEFERRED COMPENSATION PLAN-$17,500 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(1,155) CABLE/INTERNET-$1,319 TOTAL--$222,910 ROBERT D HUIE VALUE ADDED FOR COMPUTER USAGE-$200 VALUE ADDED FOR CELL PHONE USAGE-$928 COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$4,333 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(3,928) NONQUALIFIED DEFERRED COMPENSATION PLAN-$364,909 (PLEASE SEE EXPLANATION FOLLOWING) TOTAL--$366,442 CHARLES D DAIGLE UNUSED SICK PAY-$11,220 VALUE ADDED FOR CELL PHONE USAGE-$1,119 COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$558 SECTION 457(B) DEFERRED COMPENSATION PLAN-$17,500 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(6,936) BONUS CHECK-$30,300 GIFT CERTIFICATE-$125 SEVERANCE PAY-$485,000** TOTAL--$538,886 **THE GROSS SEVERANCE BENEFIT, TO BE PAID TO MR DAIGLE ON TERMINATION OF EMPLOYMENT (AS ADDITIONAL COMPENSATION FOR EACH OF HIS YEARS OF SERVICE TO WILLIS-KNIGHTON MEDICAL CENTER), WAS TAXABLE DURING 2013, AND, ACCORDINGLY, WAS INCLUDED IN HIS 2013 FORM W-2 WILLIS-KNIGHTON DISBURSED TO THE INTERNAL REVENUE SERVICE AND TO THE LOUISIANA DEPARTMENT OF REVENUE THE REQUIRED TAX WITHHOLDING WILLIS-KNIGHTON DID NOT PAY MR DAIGLE THE NET-OF-TAX AMOUNT OF THIS COMPENSATION, BUT, UNDER THE TERMS OF THE AGREEMENT, THE MEDICAL CENTER IS RETAINING THE NET-OF-TAX AMOUNT UNTIL HIS EMPLOYMENT TERMINATES ACCORDINGLY, THERE WAS NO CURRENT DISBURSEMENT TO MR DAIGLE FOR SEVERANCE PAY STEPHEN R RANDALL UNUSED SICK PAY-$6,894 VALUE ADDED FOR HEALTH & FITNESS USAGE-$1,200 VALUE ADDED FOR CELL PHONE USAGE-$1,092 COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$562 SECTION 457(B) DEFERRED COMPENSATION PLAN-$17,500 GIFT CERTIFICATE-$125 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(6,036) TOTAL--$21,337 MARGARET G ELROD UNUSED SICK PAY-$3,616 VALUE ADDED FOR CELL PHONE USAGE-$1,911 COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$2,684 SECTION 457(B) DEFERRED COMPENSATION PLAN-$17,500 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(2,654) PERSONAL USE OF EMPLOYER VEHICLES-$393 GIFT CERTIFICATE-$125 TOTAL--$23,575 JERRY A FIELDER,II UNUSED SICK PAY-$3,894 VALUE ADDED FOR CELL PHONE USAGE-$1,384 COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$686 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(5,336) VALUE ADDED FOR CABLE/INTERNET- $1,319 VALUE ADDED FOR HEALTH & FITNESS USAGE-$695 GIFT CERTIFICATE-$125 TOTAL--$2,767 CLIFFORD M BROUSSARD UNUSED SICK PAY-$4,082 VALUE ADDED FOR HEALTH & FITNESS USAGE-$1,200 VALUE ADDED FOR CELL PHONE USAGE-$849 COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$3,164 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(3,392) GIFT CERTIFICATE-$125 TOTAL--$6,028 JANET K ELROD UNUSED SICK PAY-$3,628 VALUE ADDED FOR HEALTH & FITNESS USAGE-$660 VALUE ADDED FOR CELL PHONE USAGE-$2,082 COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$619 SECTION 457(B) DEFERRED COMPENSATION PLAN-$17,500 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(2,654) GIFT CERTIFICATE-$125 TOTAL--$21,960 IRA L MOSS UNUSED SICK PAY-$4,291 VALUE ADDED FOR HEALTH & FITNESS USAGE-$1,200 VALUE ADDED FOR CELL PHONE USAGE-$1,091 COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$6,478 SECTION 457(B) DEFERRED COMPENSATION PLAN-$17,500 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(4,926) PERSONAL USE OF EMPLOYER VEHICLES-$508 GIFT CERTIFICATE-$125 TOTAL--$26,267 JILL K ELROD UNUSED SICK PAY-$4,820 VALUE ADDED FOR HEALTH & FITNESS USAGE-$660 VALUE ADDED FOR CELL PHONE USAGE-$3,337 COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$1,242 SECTION 457(B) DEFERRED COMPENSATION PLAN-$17,500 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(3,655) VALUE ADDED FOR CABLE/INTERNET- $1,319 PERSONAL USE OF EMPLOYER VEHICLES-$2,653 GIFT CERTIFICATE-$125 TOTAL--$28,001 PEGGY J GAVIN UNUSED SICK PAY-$3,600 VALUE ADDED FOR HEALTH & FITNESS USAGE-$1,200 VALUE ADDED FOR CELL PHONE USAGE-$938 COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$2,677 SECTION 457(B) DEFERRED COMPENSATION PLAN-$17,500 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(1,654) PERSONAL USE OF EMPLOYER VEHICLES-$1,823 GIFT CERTIFICATE-$125 TOTAL--$26,209 RAMONA D FRYER UNUSED SICK PAY-$6,346 VALUE ADDED FOR HEALTH & FITNESS USAGE-$660 VALUE ADDED FOR CELL PHONE USAGE-$1,028 COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$1,050 SECTION 457(B) DEFERRED COMPENSATION PLAN-$17,500 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(5,892) GIFT CERTIFICATE-$125 TOTAL--$20,817 DEBORAH D OLDS UNUSED SICK PAY-$1,561 VALUE ADDED FOR HEALTH & FITNESS USAGE-$660 VALUE ADDED FOR CELL PHONE USAGE-$2,216 COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$2,447 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(2,426) TOTAL--$4,458 DANIEL J MOLLER, JR , M D VALUE ADDED FOR HEALTH & FITNESS USAGE-$660 COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$9,985 SECTION 457(B) DEFERRED COMPENSATION PLAN-$17,500 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(2,426) GIFT CERTIFICATE-$125 TOTAL--$25,844 CHARLES A POWERS, M D VALUE ADDED FOR HEALTH & FITNESS USAGE-$1,200 VALUE ADDED FOR CELL PHONE USAGE-$1,978 COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$7,772 SECTION 457(B) DEFERRED COMPENSATION PLAN-$17,500 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(3,392) TOTAL--$25,058 PIERRE V BLANCHARD,IV, M D COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$6,329 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(1,155) TOTAL--$5,174 RANDALL P BREWER, M D VALUE ADDED FOR HEALTH & FITNESS USAGE-$660 COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$822 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(6,940) TOTAL--($5,458) MILAN G MODY, M D VALUE ADDED FOR HEALTH & FITNESS USAGE-$1,200 COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$555 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(4,536) TOTAL--($2,781) CHRISTIAN M BRIERY, M D VALUE ADDED FOR HEALTH & FITNESS USAGE-$660 COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$562 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(4,228) TOTAL--($3,006) CLINT M CORMIER, M D COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$504 VALUE ADDED FOR HEALTH & FITNESS USAGE-$660 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(3,569) TOTAL--($2,405) CHRISTOPHER L SHELBY, M D COST OF GROUP TERM LIFE INSURANCE IN EXCESS OF $50,000-$562 VALUE ADDED FOR HEALTH & FITNESS USAGE-$1,200 EMPLOYEE CAFETERIA PLAN CONTRIBUTIONS-$(4,536) TOTAL--($2,774) EXPLANATION OF PART II, COLUMN (B)(III) OTHER COMPENSATION THE AMOUNT CONTRIBUTED FOR MR HUIE'S SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN IS INCLUDED IN THE DETAILS FOR PART II, COLUMN (B)(III) UPON MR HUIE'S DEATH, THERE WAS A TECHNICAL TERMINATION OF THE TRUST, THEREFORE, THE FUNDS WERE PAID DIRECTLY TO THE SUCCESSION OF ROBERT D HUIE EXPLANATION OF PART II, COLUMN (C) DEFERRED COMPENSATION THIS EMPLOYEE PARTICIPATES IN A DEFINED BENEFIT PENSION PLAN, THE CONTRIBUTIONS TO WHICH ARE ACTUARIALLY DETERMINED THE AMOUNT SHOWN IS THE INCREASE IN THE ANNUAL VESTED BENEFIT AT NORMAL RETIREMENT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013 (NOT DISCOUNTED TO PRESENT VALUE) (NORMAL RETIREMENT IS AGE 65 WITH 5 YEARS OF PARTICIPATION) MR ELROD HAS REACHED THE MAXIMUM BENEFIT UNDER THE PLAN EXPLANATION OF PART II, COLUMN (D) NONTAXABLE BENEFITS INCLUDED IN THIS COLUMN IS THE COST OF THE FOLLOWING NONTAXABLE BENEFITS LONG-TERM DISABILITY INCOME INSURANCE PLAN, GROUP TERM-LIFE INSURANCE, AND THE ESTIMATED COST OF SELF-FUNDED HEALTH INSURANCE PLAN

Additional Data

Software ID:
Software Version:
EIN: 72-0400933
Name: WILLIS-KNIGHTON MEDICAL CENTER

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				
JAMES K ELROD PRESIDENT/CEO/TRUSTEE	(I) (II)	1,133,175 6,000	0 0	222,910 0	0 0	14,847 0	1,370,932 6,000	0 0
PIERRE V BLANCHARDIV MD TRUSTEE/PHYSICIAN	(I) (II)	200,000 0	0 0	5,174 0	1,953 0	5,272 0	212,399 0	0 0
CHARLES D DAIGLE SR VP OF OPERATIONS & COO	(I) (II)	454,939 0	0 0	538,886 0	1,592 0	21,465 0	1,016,882 0	0 0
STEPHEN R RANDALL SR VP-SPECIAL OPERATIONS	(I) (II)	298,754 0	0 0	21,337 0	1,521 0	20,565 0	342,177 0	0 0
MARGARET G ELROD VP/IND WELLNESS/COMMUNITY	(I) (II)	155,807 0	0 0	23,575 0	2,482 0	6,882 0	188,746 0	0 0
JERRY A FIELDER II VP/ADMINISTRATOR WKMC	(I) (II)	167,840 0	0 0	2,767 0	3,938 0	19,753 0	194,298 0	0 0
CLIFFORD M BROUSSARD VP/ADMIN WK BOSSIER	(I) (II)	176,868 0	0 0	6,028 0	1,791 0	13,597 0	198,284 0	0 0
JANET K ELROD VP/ADMIN WK SOUTH	(I) (II)	157,234 0	0 0	21,960 0	2,591 0	6,888 0	188,673 0	0 0
IRA L MOSS VP/ADMIN WK PIERREMONT	(I) (II)	185,934 0	0 0	26,267 0	2,425 0	15,162 0	229,788 0	0 0
JILL K ELROD VP OF LEGAL AFFAIRS	(I) (II)	207,977 0	0 0	28,001 0	2,071 0	8,035 0	246,084 0	0 0
PEGGY J GAVIN VP OF PHYSICIAN SERVICES	(I) (II)	155,126 0	0 0	26,209 0	3,390 0	5,879 0	190,604 0	0 0
DEBORAH D OLDS VP OF NURSING	(I) (II)	135,322 0	0 0	4,458 0	4,540 0	12,471 0	156,791 0	0 0
RAMONA D FRYER TERM 82514 VP OF REV/QUALITY/COMPLIAN	(I) (II)	241,190 0	0 0	20,817 0	2,325 0	16,071 0	280,403 0	0 0
DANIEL J MOLLER JR MD CHIEF-MEDICAL AFFAIRS-WKMC	(I) (II)	333,624 0	0 0	25,844 0	1,865 0	12,986 0	374,319 0	0 0
CHARLES A POWERS MD CHIEF-MED AFFAIRS-WKB	(I) (II)	315,000 0	0 0	25,058 0	1,866 0	13,745 0	355,669 0	0 0
RANDALL P BREWER MD PHYSICIAN	(I) (II)	975,000 0	562,021 0	-5,458 0	1,577 0	21,116 0	1,554,256 0	0 0
MILAN G MODY MD PHYSICIAN	(I) (II)	675,000 0	982,248 0	-2,781 0	1,572 0	19,065 0	1,675,104 0	0 0
CHRISTIAN M BRIERY MD PHYSICIAN	(I) (II)	700,000 0	772,052 0	-3,006 0	1,609 0	18,757 0	1,489,412 0	0 0
CHRISTOPHER L SHELBY MD PHYSICIAN	(I) (II)	640,000 0	479,269 0	-2,774 0	1,530 0	19,065 0	1,137,090 0	0 0
CLINT M CORMIER MD PHYSICIAN	(I) (II)	700,000 0	671,351 0	-2,405 0	1,619 0	18,098 0	1,388,663 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				
ROBERT D HUIE	(I)	490,722	0	366,442	0	11,097	868,261	58,229
FORMER EXECUTIVE	(II)	0	0	0	0	0	0	0
VP & CFO								

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
WILLIS-KNIGHTON MEDICAL CENTER

Employer identification number
72-0400933

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

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

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

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

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

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

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
See Additional Data Table					

Part V Supplemental Information

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

Return Reference	Explanation

Additional Data

Software ID:
Software Version:
EIN: 72-0400933
Name: WILLIS-KNIGHTON MEDICAL CENTER

Form 990, Schedule L, Part IV - Business Transactions Involving Interested Persons

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) FRANK B HUGHES MD	TRUSTEE	124,616	RENT-BUILDING		No
(2) PHILLIP A ROZEMAN MD	TRUSTEE	79,641	RENT-BUILDING		No
(3) GREGORY J GAVIN	FAMILY MEMBER OF PEGGY GAVIN, OFFICER	194,495	EMPLOYMENT		No
(4) KIMBERLY M MULLINS	FAMILY MEMBER OF PEGGY GAVIN, OFFICER	58,165	EMPLOYMENT		No
(5) CHARLES E MULLINS	FAMILY MEMBER OF PEGGY GAVIN, OFFICER	83,515	EMPLOYMENT		No
(6) SHARLENE A BROUSSARD	FAMILY MEMBER OF CLIFFORD BROUSSARD, OFFICER	58,852	EMPLOYMENT		No
(7) TODD J BLANCHARD	FAMILY MEMBER OF PIERRE BLANCHARD, M D , TRUSTEE	136,376	EMPLOYMENT		No
(8) PIERRE V BLANCHARD MD	TRUSTEE	5,012,922	RENT-BUILDING, PURCHASED SERVICE AGREEMENT WITH LIFECARE HOSPITALS, INC , FOR WHICH PIERRE BLANCHARD, M D IS THE MEDICAL DIRECTOR		No
(9) SARAH GLORIOSO MD	FAMILY MEMBER OF TWAIN K GIDDENS, JR , TRUSTEE	1,176,456	EMPLOYMENT		No
(10) WILLIAM J COLE CPA	TRUSTEE	1,974,382	FEES PAID TO COLE, EVANS & PETERSON, FOR WHICH WILLIAM J COLE IS THE MANAGING PARTNER, FOR CONTINUOUS EXECUTIVE LEVEL ASSISTANCE IN THE ACCOUNTING AND FINANCE DEPARTMENTS, ROUTINE SERVICES TO PERSONNEL, PAYROLL PROCESSING AND ADMINISTRATION, PREPARATION OF QUARTERLY AND ANNUAL FINANCIAL STATEMENTS, AND A WIDE RANGE OF FINANCIAL AND NONFINANCIAL SERVICES		No

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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
WILLIS-KNIGHTON MEDICAL CENTER

Employer identification number
72-0400933

990 Schedule O, Supplemental Information

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 2	
FORM 990, PART VI, SECTION B, LINE 11	THE MEDICAL CENTER'S CPA FIRM PREPARES THE FORM 990 WITH THE ASSISTANCE OF SEVERAL OF THE MEDICAL CENTER'S EMPLOYEES THE FORM 990 IS THEN REVIEWED BY THE MEDICAL CENTER'S PRESIDEN T AFTER THIS REVIEW, A COMPLETE COPY OF THE FORM 990 IS PROVIDED TO EACH MEMBER OF THE BO ARD OF TRUSTEES, AND THE PRESIDENT, VICE-PRESIDENT AND CPA FIRM REVIEW AND DISCUSS THE FOR M 990 WITH THE TRUSTEES BEFORE THE FORM 990 IS FILED
FORM 990, PART VI, SECTION B, LINE 12C	THE CONFLICTS OF INTEREST POLICY COVERS ALL "INTERESTED PERSONS " AN "INTERESTED PERSON" I S DEFINED AS ANY TRUSTEE, PRINCIPAL OFFICER, OR MEMBER OF A COMMITTEE WITH BOARD DESIGNATE D POWERS WHO HAS A DIRECT OR INDIRECT FINANCIAL INTEREST IN AN ENTITY WITH WHICH THE MEDIC AL CENTER HAS A TRANSACTION OR ARRANGEMENT, OR A COMPENSATION ARRANGEMENT WITH THE MEDICAL CENTER OR WITH ANY ENTITY OR INDIVIDUAL WITH WHICH THE MEDICAL CENTER HAS A TRANSACTION O R ARRANGEMENT, OR A POTENTIAL OWNERSHIP OR INVESTMENT INTEREST IN, OR COMPENSATION ARRANGE MENT WITH, ANY ENTITY OR INDIVIDUAL WITH WHICH THE MEDICAL CENTER IS NEGOTIATING A TRANSAC TION OR ARRANGEMENT INTERESTED PERSONS HAVE A DUTY TO DISCLOSE ANY ACTUAL OR POSSIBLE CON FLICTS OF INTEREST AND ALL MATERIAL FACTS RELATED TO THE PROPOSED TRANSACTION OR ARRANGEME NT TO THE TRUSTEES AND MEMBERS OF COMMITTEES WITH BOARD DESIGNATED POWERS THE INTERESTED PERSON IS ALLOWED TO MAKE A PRESENTATION AT THE BOARD OR COMMITTEE MEETING, BUT AFTER SUCH PRESENTATION THE INTERESTED PERSON SHALL LEAVE THE MEETING DURING THE DISCUSSION OF, AND THE VOTE ON, THE TRANSACTION OR ARRANGEMENT THAT RESULTS IN THE CONFLICT OF INTEREST IF T HE BOARD OR COMMITTEE BELIEVES A MEMBER HAS VIOLATED THE CONFLICTS OF INTEREST POLICY, IT SHALL INFORM THE MEMBER OF THE BASIS FOR SUCH BELIEF AND AFFORD THE MEMBER AN OPPORTUNITY TO EXPLAIN THE ALLEGED FAILURE IF THE BOARD OR COMMITTEE DETERMINES THAT THE MEMBER HAS, IN FACT, FAILED TO DISCLOSE AN ACTUAL OR POSSIBLE CONFLICT OF INTEREST, IT SHALL TAKE APPR OPRIATE DISCIPLINARY AND CORRECTIVE ACTION PERIODIC REVIEWS ARE CONDUCTED WHICH, AT A MIN IMUM, INCLUDE THE FOLLOWING SUBJECTS 1 WHETHER COMPENSATION ARRANGEMENTS AND BENEFITS AR E REASONABLE AND ARE THE RESULT OF ARM'S-LENGTH BARGAINING 2 WHETHER ACQUISITIONS OF GOO DS OR SERVICES RESULT IN INUREMENT OR IMPERMISSIBLE PRIVATE BENEFIT 3 WHETHER PARTNERSHI P AND JOINT VENTURE ARRANGEMENTS AND ARRANGEMENTS WITH MANAGEMENT SERVICE ORGANIZATIONS AN D PHYSICIAN HOSPITAL ORGANIZATIONS CONFORM TO WRITTEN POLICIES, ARE PROPERLY RECORDED, REF LECT REASONABLE PAYMENTS FOR GOODS AND SERVICES, FURTHER THE CORPORATION'S CHARITABLE PURP OSES AND DO NOT RESULT IN INUREMENT OR IMPERMISSIBLE PRIVATE BENEFIT 4 WHETHER AGREEMENT S TO PROVIDE HEALTH CARE AND AGREEMENTS WITH OTHER HEALTH CARE PROVIDERS, EMPLOYEES, AND T HIRD PARTY PAYORS FURTHER THE CORPORATION'S CHARITABLE PURPOSES AND DO NOT RESULT IN INURE MENT OR IMPERMISSIBLE PRIVATE BENEFIT
FORM 990, PART VI, SECTION B, LINE 15	THE EXECUTIVE COMPENSATION COMMITTEE OF THE BOARD OF TRUSTEES DETERMINES THE COMPENSATION OF THE TOP TWO EXECUTIVES (CEO AND CFO) OF THE MEDICAL CENTER A SECOND COMPENSATION COMMI TTEE, CONSISTING OF THE CEO AND CFO, DETERMINES THE COMPENSATION OF OTHER OFFICERS AND KEY EMPLOYEES THE COMPENSATION COMMITTEES STUDY DATA FROM INDEPENDENT SALARY SURVEYS (SUCH A S "MANAGER AND EXECUTIVE COMPENSATION IN HOSPITALS AND HEALTH SYSTEMS," WHICH IS AN ANNUAL SURVEY PREPARED BY SULLIVAN COTTER) TO UNDERSTAND COMPENSATION PAID TO SIMILARLY QUALIFIE D INDIVIDUALS IN COMPARABLE POSITIONS AT SIMILARLY SITUATED ORGANIZATIONS THE COMPENSATIO N COMMITTEES ALSO COMPILE DATA FROM OTHER TAX-EXEMPT HEALTH SYSTEMS OF SIMILAR SIZE AND CO MPLEXITY AND USE THAT INFORMATION AS COMPARATIVE COMPENSATION THE COMMITTEES USE THE INFO RMATION FROM THESE SOURCES AS BENCHMARKS IN DETERMINING OFFICER AND KEY EMPLOYEE COMPENSAT ION THE COMMITTEES ALSO CONSIDER OTHER FACTORS IN DETERMINING OFFICER AND KEY EMPLOYEE CO MPENSATION, SUCH AS LENGTH OF EMPLOYMENT AND THEIR RESPONSIBILITIES THE EXECUTIVE COMPENS ATION COMMITTEE PERIODICALLY HIRES INDEPENDENT CONSULTANTS FOR ANALYSIS OF THE COMPENSATIO N OF THE MEDICAL CENTER'S TOP TWO EXECUTIVES (CEO AND CFO) THE COMMITTEES MAINTAIN CONTEM PORANEOUS DOCUMENTATION OF THE BASIS FOR THEIR DECISIONS REGARDING COMPENSATION ARRANGEMEN TS
FORM 990, PART VI, SECTION C, LINE 19	WILLIS-KNIGHTON MEDICAL CENTER'S GOVERNING DOCUMENTS AND ITS CONFLICT OF INTEREST POLICY A RE AVAILABLE ON ITS WEBSITE WWW WKHS COM THE FINANCIAL STATEMENTS ARE AVAILABLE ON THE F OLLOWING WEBSITE HTTP://WWW EMMA MSRB ORG
FORM 990, PART XI, LINE 9	FASB ASC 715-30 PENSION CHANGES OTHER THAN THE NET PERIODIC PENSION COST -35,422,490
FORM 990, PART XII, LINE 2C	WILLIS-KNIGHTON MEDICAL CENTER DID NOT CHANGE ITS OVERSIGHT PROCESS OR SELECTION PROCESS DUING THE YEAR ENDED 9/30/14

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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
WILLIS-KNIGHTON MEDICAL CENTER

Employer identification number
72-0400933

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) WK ARBORS LLC 2600 GREENWOOD ROAD SHREVEPORT, LA 71103 46-4783413	APARTMENT COMPLEX	LA	694,866	11,232,457	WILLIS-KNIGHTON MEDICAL CENTER

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) VIRGINIA HALL NURSING HOME DBA PROGRESSIVE CARE CENTER 2715 ALBERT BICKNELL DRIVE SHREVEPORT, LA 711033925 72-1047744	NURSING CARE-SKILLED NURSING FACILITY FOR THE ELDERLY AND DISABLED	LA	501(C)(3)	9	WILLIS-KNIGHTON MEDICAL CENTER		No
(2) MULTI-FAITH RETIREMENT SERVICES DBA LIVE OAK RETIREMENT 600 E FLOURNOY LUCAS ROAD SHREVEPORT, LA 711153855 72-0809402	PROVIDE HOUSING, HEALTHCARE AND RELATED SERVICES TO THE ELDERLY	LA	501(C)(3)	9	WILLIS-KNIGHTON MEDICAL CENTER		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

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) SOUTH SHREVEPORT PHARMACY INC PO BOX 1768 SHREVEPORT, LA 711661768 72-1131182	INACTIVE	LA	WILLIS-KNIGHTON MEDICAL CENTER	C			100 000 %		No
(2) CLAIMS & BENEFITS ADMINISTRATORS OF LOUISIANA INC PO BOX 32600 SHREVEPORT, LA 711302600 72-1296277	INACTIVE	LA	WILLIS-KNIGHTON MEDICAL CENTER	C			100 000 %		No
(3) WILLIS-KNIGHTON LAB AND X-RAY SERVICES INC PO BOX 32600 SHREVEPORT, LA 711302600 72-1137503	INACTIVE	LA	WILLIS-KNIGHTON MEDICAL CENTER	C			100 000 %		No
(4) HEALTH PLUS OF LOUISIANA INC 2219 LINE AVENUE SHREVEPORT, LA 711042128 72-1264135	THIRD-PARTY ADMINISTRATOR	LA	WILLIS-KNIGHTON MEDICAL CENTER	C	29	110,029	100 000 %		No
(5) HPL INSURANCE AGENCY INC PO BOX 32625 SHREVEPORT, LA 711302625 20-2199735	HEALTH INSURANCE AGENT	LA	HEALTH PLUS OF LOUISIANA INC	C	524	40,371	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	Yes	
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		No
i Exchange of assets with related organization(s)	1i		No
j Lease of facilities, equipment, or other assets to related organization(s)	1j	Yes	
k Lease of facilities, equipment, or other assets from related organization(s)	1k	Yes	
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	Yes	
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		No
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		No
r Other transfer of cash or property to related organization(s)	1r	Yes	
s Other transfer of cash or property from related organization(s)	1s		No

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

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

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: 72-0400933
Name: WILLIS-KNIGHTON MEDICAL CENTER

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
VIRGINIA HALL NURSING HOME DBA PROGRESSIVE CARE CENTER	A	213,111	FAIR MARKET VALUE
VIRGINIA HALL NURSING HOME DBA PROGRESSIVE CARE CENTER	K	404,375	FAIR MARKET VALUE
VIRGINIA HALL NURSING HOME DBA PROGRESSIVE CARE CENTER	B	171,491	FAIR MARKET VALUE
VIRGINIA HALL NURSING HOME DBA PROGRESSIVE CARE CENTER	O	1,276,653	FAIR MARKET VALUE
VIRGINIA HALL NURSING HOME DBA PROGRESSIVE CARE CENTER	L	1,407,726	FAIR MARKET VALUE
VIRGINIA HALL NURSING HOME DBA PROGRESSIVE CARE CENTER	J	213,111	FAIR MARKET VALUE
MULTI-FAITH RETIREMENT SERVICES DBA LIVE OAK RETIREMENT COMMUNITY	K	381,600	FAIR MARKET VALUE
WK ARBORS LLC	R	5,666,288	FAIR MARKET VALUE
MULTI-FAITH RETIREMENT SERVICES DBA LIVE OAK RETIREMENT COMMUNITY	C	3,000,000	FAIR MARKET VALUE

WILLIS-KNIGHTON HEALTH SYSTEM

Financial Statements

September 30, 2014

P&N Postlethwaite & Netterville

A Professional Accounting Corporation

www.pncpa.com

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

SHREVEPORT, LOUISIANA

FINANCIAL STATEMENTS

SEPTEMBER 30, 2014

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

INDEX

P&N Postlethwaite & Netterville

A Professional Accounting Corporation
Associated Offices in Principal Cities of the United States
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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Willis-Knighton Medical Center
Shreveport, Louisiana

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of the Willis-Knighton Medical Center and its Subsidiaries (the Medical Center), which comprise the consolidated statements of financial position as of September 30, 2014 and 2013, the related consolidated statements of operations and changes in net assets, and cash flows for the years then ended, and the related notes to the 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

8550 United Plaza Blvd, Suite 1001 • Baton Rouge, LA 70809 • Tel: 225.922.4600 • Fax: 225.922.4611

Opinion

In our opinion, the consolidated financial statements referred to on the previous page present fairly, in all material respects, the consolidated financial position of the Willis-Knighton Medical Center and its Subsidiaries as of September 30, 2014 and 2013, and the results of its operations and changes in its net assets, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Postlethwaite & Netterville

Baton Rouge, Louisiana
January 23, 2015

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AT SEPTEMBER 30, 2014 AND SEPTEMBER 30, 2013

	September 30	
	2014	2013
ASSETS		
Current Assets:		
Cash and Cash Equivalents (Note 29)	53,551,050	42,754,928
Certificates of Deposit (Note 29)	663,175	890,752
Investment in Debt Securities (Notes 4 and 31)	225,505,699	180,231,579
Accounts Receivable from Patient Services-Net of Estimated Allowances and Uncollectible Accounts (Notes 3 and 13)	116,074,199	128,001,740
Estimated Third-Party Payor Settlements (Note 3)	2,302,591	1,368,103
Accounts Receivable-Other-Net (Note 3)	4,292,317	4,380,331
Arbitrage Rebate Recovery (Note 13)		24,861
Notes Receivable-Current Portion (Note 5)	84,000	164,682
Insurance Recoveries Receivable-Current Portion (Note 9)	1,127,000	1,151,000
Inventories-Drugs and Supplies	21,637,980	21,307,057
Prepaid Expenses	4,075,287	3,818,394
Assets Whose Use is Limited-Current Portion	12,246,157	11,721,622
Total Current Assets	441,559,455	395,815,049
Fixed Assets: (Notes 18, 22, and 33)		
Land	51,741,776	50,643,222
Parking Lot Improvements	38,038,529	35,931,200
Buildings and Improvements	698,180,472	642,021,708
Equipment	359,471,895	317,336,935
	1,147,432,672	1,045,933,065
Less-Accumulated Depreciation	600,788,027	563,694,785
Net Fixed Assets	546,644,645	482,238,280
Assets Whose Use is Limited: (Notes 14 and 31)		
Depreciation Fund (Note 6)	22,240,640	22,160,707
Development Fund (Note 7)	1,852,120	1,843,093
Bond Funds (Note 8)	20,222,805	20,135,522
Malpractice and General Liability Claims Fund (Note 9)	12,926,619	11,263,876
Escrow Deposits	515,808	
	57,757,992	55,403,198
Less-Portion Required for Current Liabilities	12,246,157	11,721,622
Noncurrent Assets Whose Use is Limited	45,511,835	43,681,576
Other Assets:		
Insurance Recoveries Receivable (Note 9)	4,812,000	4,725,000
Notes Receivable (Note 5)	1,887,535	1,733,425
Assets Not in Service (Note 10)	37,966,209	63,947,917
Sundry Assets (Notes 11 and 31)	2,219,281	2,304,460
Total Other Assets	46,885,025	72,710,802
Total Assets	1,080,600,960	994,445,707

The Accompanying Notes Are An Integral Part Of These Financial Statements

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AT SEPTEMBER 30, 2014 AND SEPTEMBER 30, 2013

	September 30 2014	2013
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable	35,378,966	28,346,062
Accrued Salaries and Withholdings	13,017,633	13,723,986
Accrued Employee Vacation Benefits	16,557,313	16,018,050
Accrued Employee Health Benefit Claims (Note 26)	7,100,000	5,600,000
Accrued Worker's Compensation Claims (Note 28)	1,245,000	1,238,000
Accrued Malpractice and General Liability Claims (Note 9)	3,107,000	3,152,000
Accrued Interest Payable	16,157	20,622
Deferred Revenue-Prepaid Rent	13,166	
Capital Lease Obligations-Current Portion (Note 21)	874,467	819,037
Bonds and Notes Payable-Current Portion (Note 13)	15,202,770	9,700,000
Deposits Payable	136,549	95,507
Total Current Liabilities	92,649,021	78,713,264
Long-Term Liabilities:		
Bonds and Notes Payable (Notes 13 and 31)	177,448,604	164,400,000
Less-Unamortized Discount	113,730	134,132
Less-Current Portion	15,202,770	9,700,000
Long-Term Portion of Bonds and Notes Payable	162,132,104	154,565,868
Accrued Worker's Compensation Claims (Note 28)	3,115,000	2,763,000
Accrued Malpractice and General Liability Claims (Note 9)	13,068,000	12,720,000
Liability for Pension Benefits (Note 15)	35,413,911	18,742,880
Capital Lease Obligations (Note 21)	910,555	1,275,328
Total Long-Term Liabilities	214,639,570	190,067,076
Commitments and Contingent Liabilities (Note 25)		
Total Liabilities	307,288,591	268,780,340
Net Assets:		
Donor-Restricted	- 0 -	- 0 -
Unrestricted: (Note 14)		
Board Designated	24,512,108	24,924,027
Contractually Designated	33,245,884	30,479,171
Undesignated	715,554,377	670,262,169
Total Unrestricted	773,312,369	725,665,367
Total Net Assets	773,312,369	725,665,367
Total Liabilities and Net Assets	1,080,600,960	994,445,707

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND SEPTEMBER 30, 2013

	Year Ended September 30 2014	2013
Changes in Unrestricted Net Assets:		
Operating Revenues and Expenses:		
Direct Patient Health Care:		
Net Patient Revenues (Note 3) (Schedule 1)	1,007,747,602	959,455,240
Provision for Bad Debts (Note 17)	(68,672,922)	(57,364,124)
Net Patient Revenues Less Provision for Bad Debts	939,074,680	902,091,116
Direct Departmental Expenses (Schedule 1)	634,106,168	(596,550,743)
Net Direct Patient Health Care	304,968,512	305,540,373
Other Operating Revenues (Losses):		
Electronic Health Records Incentive Payments (Note 27)	4,242,197	1,812,501
Resident Services-Net (Note 33)	(6,070,097)	(5,737,920)
Total Other Operating Revenues (Losses)	(1,827,900)	(3,925,419)
General and Administrative:		
Housekeeping	5,479,566	5,487,850
Maintenance	12,111,973	12,706,983
Other General and Administrative (Notes 9, 15, 19, 20, 26, 28, and 32)	204,343,707	210,900,551
Total General and Administrative	221,935,246	229,095,384
Operating Revenue	81,205,366	72,519,570
Nonoperating Revenues and Expenses:		
Commercial Rental Income-Net (Note 22)	1,176,442	1,309,497
Gain (Loss) on Disposal of Assets	68,413	(624,192)
Interest Income (Note 23)	1,113,110	909,169
Interest Expense (Note 16)	(464,966)	(710,315)
Contributions Received-Unrestricted	14,900	12,857
Other Income-Net	73,157	649,229
Nonoperating Revenue	1,981,056	1,546,245
Excess of Revenues over Expenses	83,186,422	74,065,815

The Accompanying Notes Are An Integral Part Of These Financial Statements

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND SEPTEMBER 30, 2013

	Year Ended September 30	
	2014	2013
Other Changes in Unrestricted Net Assets:		
Pension-Related Changes Other than Net Periodic Pension Cost (Note 15)	(35,422,490)	71,859,477
Change in Net Unrealized (Losses) on Investment Securities	(116,930)	(338,762)
Other Changes in Unrestricted Net Assets	(35,539,420)	71,520,715
Increase in Unrestricted Net Assets	47,647,002	145,586,530
Changes in Donor-Restricted Net Assets		
Temporarily	- 0 -	- 0 -
Permanently	- 0 -	- 0 -
Increase in Net Assets	47,647,002	145,586,530
Net Assets at Beginning of Period	725,665,367	580,078,837
Net Assets at End of Period	773,312,369	725,665,367

The Accompanying Notes Are An Integral Part Of These Financial Statements

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND SEPTEMBER 30, 2013

	Year Ended September 30 2014	2013
Cash Flows from Operating Activities:		
Increase in Net Assets for the Period (Exhibit B)	47,647,002	145,586,530
Adjustments to Reconcile Increase in Net Assets to Cash Flows from Operating Activities:		
Depreciation (Note 18)	52,477,011	49,873,606
Amortization	1,150,251	1,074,516
Provision for Bad Debts	68,672,922	57,364,124
(Gain) Loss on Disposition of Assets	(68,413)	624,192
Fair Value Adjustments to Carrying Amounts of Securities	137,166	320,312
(Increase) Decrease in Operating Assets:		
Accounts Receivable	(57,629,835)	(71,020,342)
Inventories	(330,923)	(721,008)
Prepaid Expenses	(256,894)	(511,265)
Increase (Decrease) in Operating Liabilities:		
Accounts Payable	7,583,629	2,247,612
Accrued Expenses	1,894,938	2,757,951
Liability for Pension Benefits	16,671,031	(78,739,518)
Net Cash Flows Provided by Operating Activities	137,947,885	108,856,710
Cash Flows from Investing Activities: (Note 34)		
Acquisition of Fixed Assets	(67,936,644)	(68,700,611)
Transfers to Assets Whose Use is Limited	(13,860,882)	(11,970,306)
Transfers from Assets Whose Use is Limited	11,514,270	16,517,285
Loans to Physicians and Students	(1,158,952)	(1,314,203)
Collections on Notes Receivable	165,094	582,272
Proceeds from Sale of Assets	750	36,852
Purchases of Certificate of Deposit	(128,051)	(362,786)
Redemption of Certificates of Deposit	355,628	1,459,637
Purchase of Debt Securities	(125,344,194)	(125,924,607)
Redemption and Sale of Debt Securities	80,013,328	95,508,496
Net Cash Flows (Used) by Investing Activities	(116,379,653)	(94,167,971)

The Accompanying Notes Are An Integral Part Of These Financial Statements

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED SEPTEMBER 30, 2014 AND SEPTEMBER 30, 2013

	Year Ended September 30 2014	2013
Cash Flows from Financing Activities: (Note 34)		
Principal Payments on Bonds Payable	(9,700,000)	(13,200,000)
Principal Payments on Other Debt	(947,698)	(796,220)
Financing Costs Paid	(124,412)	
Net Cash Flows (Used) by Financing Activities	(10,772,110)	(13,996,220)
Increase in Cash and Cash Equivalents	10,796,122	692,519
Cash and Cash Equivalents at Beginning of Year	42,754,928	42,062,409
Cash and Cash Equivalents at End of Year	53,551,050	42,754,928
Additional Cash Flows Information:		
Interest Paid in Cash	592,091	865,836
Income Tax Paid in Cash	- 0 -	- 0 -

The Accompanying Notes Are An Integral Part Of These Financial Statements

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

Use of Estimates

The accompanying financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. Application of those principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates. See Note 30 concerning significant estimates.

Consolidation

These financial statements include the accounts of Willis-Knighton Medical Center and its wholly-owned subsidiaries, Virginia Hall Nursing Home, Health Plus of Louisiana, Inc., Multi-Faith Retirement Services, and WK Arbors, LLC. See Note 2. Intercompany transactions and balances have been eliminated in consolidation.

Statement of Operations Classifications

Revenues and expenses deemed by management to be ongoing, major, or central to the provision of health care services, including health awareness promotion through specially designed senior living facilities and other means, are reported as components of operating revenue. Transactions and activities that are peripheral, incidental or unrelated to providing health care services are reported as nonoperating.

Performance Indicator

The Medical Center's performance indicator, "excess of revenues over expenses," includes operating and nonoperating revenues and expenses and excludes, consistent with industry practice, unrealized gains and losses on investment securities and pension-related changes other than net periodic pension cost.

Patient Revenue

Patient revenues are reported net of free services and contractual adjustments, including estimated retroactive adjustments under payment agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period in which the related services are rendered and adjusted in future periods as settlements are determined. See Notes 3 and 30.

Net patient revenues for services to Medical Center employees and their families who participate in the Medical Center's group health care plan are measured using a discount schedule that is comparable to those included in payment agreements with third-party insurers. These foregone net patient revenues are recorded as an employee benefit and included in general and administrative expense. See Note 26.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies (Continued)

Accounts Receivable

All charges to accounts receivable are recorded contemporaneously with the services provided based on the established rates for those services. Reductions to accounts receivable result from cash collections, discounts under contractual agreements, bad debts, and charity care (free services) adjustments. The Medical Center does not make its accounts receivable available for sale. Interest on unpaid balances is generally not charged. Accounts receivable are reported in the financial statements at their estimated net realizable value through the use of allowances for uncollectibles expected to result from contractual discounts and bad debts. In evaluating the collectability of accounts receivable, the Medical Center analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate appropriate allowances for uncollectibles. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowances.

The allowance for contractual discounts on accounts receivable from third-party payors (Medicare, Medicaid and private medical benefit insurers) is based primarily on the latest discount percentages experienced with each third-party payor.

The allowance for bad debts is based on management's assessment of collectability, current economic conditions, and prior experience. For receivables from third-party payors, bad debt losses have not been material in the Medical Center's experience; accordingly, an allowance for bad debts on accounts from third-party payors is not maintained. For receivables associated with self-pay patients (patients without insurance), the allowance for bad debts resulting from management's assessments is a function of estimated uncollectibility percentages applied to various age groups of the account balances. See Notes 3 and 17.

For most charges to insured patients, the Medical Center files claims with those patients' insurance companies and abstains from billing those patients until all insurance benefits have been collected or established. Once billed, all patients' (both insured and uninsured) charges are due within 30 days of the billing and are considered delinquent after 90 days. Patient account balances are charged against the allowance for bad debts when all internal collection efforts have failed and the account is referred to a collection agency or when the debtor is found to be bankrupt.

The allowance for uncollectibles related to nonpatient accounts receivable is based on an account aging and other factors. Charges to nonpatient accounts receivable are due within 30 days of the billing date and are considered delinquent after that time period. Bad debts related to nonpatient receivables are included in general and administrative expenses. See Note 3.

Notes Receivable

Notes receivable are recorded in the amount of cash expended or, in the case of real estate sales, in the amount of the portion of the sales price financed by the Medical Center. The Medical Center does not make its notes receivable available for sale. Allowances for bad debts are periodically evaluated based on each note's payment performance and underlying security. Interest earned on notes receivable is determined in accordance with each note's terms and recorded on the accrual basis. Past due status is based on the note's contractual terms and the decision to suspend or resume interest accruals on past due notes is made on a case-by-case basis. Note balances are charged off as uncollectible after all foreclosure recoveries have been received, and it is determined that no other productive collection efforts are available. See Note 5.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies (Continued)

Recognition of Electronic Records Incentive

See Note 27 concerning the recognition of revenue from incentive payments for implementation of electronic health records.

Interest Income

Interest income, including that earned on assets whose use is limited, is reported as nonoperating revenue. See Note 23.

Interest Expense

Interest expense is considered peripheral to the provision of health care services and, as such, is reported as a nonoperating item. See Note 16.

Rental Income

Income from rental of independent living and assisted living apartments that are restricted to residents who are mature adults is included in operating revenues. See Note 33.

The Medical Center and its Subsidiaries have acquired various real estate properties for investments and for possible future use in its operations. Rental income from such properties is included in nonoperating revenues. Also included in nonoperating revenues are rentals of hospital floor space and equipment to outside medical providers. See Note 22.

Recognition of Donor-Restricted Contributions

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires or is satisfied during the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in either temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Fixed Assets and Depreciation

Fixed assets, other than those held under capital leases, are included at cost or, if donated, at fair value on the date of receipt. Depreciation is computed using the straight-line method over the assets' estimated useful lives. See Note 18. Significant interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

Gains and losses on the disposals of fixed assets are considered incidental to the provision of health care services and, as such, are reported as nonoperating.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies (Continued)

Capital Leases and Amortization

Assets and liabilities under capital leases are recorded at the present values of the minimum lease payments. The assets are amortized over their related lease terms, which approximate their estimated productive lives. Amortization of assets under capital leases is included in depreciation. See Notes 18 and 21.

Inventories

Inventories are reported principally at cost using a first-in, first-out cost flow assumption.

Income Taxes

The Internal Revenue Service has determined that the Medical Center and its subsidiaries, Virginia Hall Nursing Home and Multi-Faith Retirement Services, are exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code.

Full provision is made for income taxes on any unrelated business income of the exempt entities and on taxable income generated by the non-tax-exempt subsidiaries, Health Plus of Louisiana, Inc. and WK Arbors, LLC.

Assets Whose Use is Limited

Assets whose use is limited include assets designated by the Board of Trustees for future capital expenditures and/or debt service, over which the Board retains control and may at its discretion subsequently use for other purposes; assets designated and held by a trustee in accordance with indenture agreements; escrow reserves for real estate taxes, insurance, and capital replacement reserves; and assets specifically identified as having donor-imposed use restrictions. Amounts required to meet current liabilities are reclassified as current assets in the statements of financial position. See Notes 6, 7, 8, 9 and 14.

Investments in Debt Securities

Investments in debt securities are reported at fair value. Fair values are based on active market quotes. See Notes 4 and 31.

Amortization of Intangibles

Bond discounts are included at the difference between the face amount of the bonds and cash received from their issuance. Bond issuance costs are included at cost. Amortization of the discounts and costs of issuance is computed using the interest method over the life of the bonds.

Finance costs are being amortized using the straight-line method over the 237 month life of the related mortgage note. See Note 13.

Advertising

Costs of advertising and marketing are expensed as incurred. See Note 20.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies (Continued)

Cash Equivalents

Cash and cash equivalents include investments in highly liquid debt instruments acquired with maturities of three months or less, excluding assets whose use is limited by board designation, arrangements under trust agreements, or donor restrictions. However, to provide a more complete view of the Medical Center's cash flows, cash inflows received directly by and cash outflows disbursed directly from assets whose use is limited are treated as constructively received or disbursed in cash by the Medical Center and are included in the cash activities presented in the statement of cash flows.

Accrued Employee Health Benefit Claims

The Medical Center makes provision for accrued and unpaid medical claims and related expenses of its employees who participate in a group health care benefit plan. See Note 26. Such provisions are actuarially determined and include amounts for claims filed and not paid and an estimate of claims incurred but not filed at the balance sheet date.

Stop-Loss Insurance (Reinsurance)

Stop-loss insurance premiums are paid by the Medical Center to limit loss exposure on worker's compensation, professional liability, general liability and health care claims of the employees who participate in the Medical Center's group health care benefit plan. Recoveries from the stop-loss insurance are reported as reductions to claims expense. See Notes 9, 26 and 28.

Note 2 - Organization and Operations

Willis-Knighton Medical Center is organized and operated as a not-for-profit corporation under Louisiana law and is the parent of several wholly owned subsidiaries. The principal activity of the Medical Center and its subsidiaries, which accounts for substantially all of its consolidated operating revenues, is providing a full-range of health care services to the general public, including Medicare and Medicaid recipients, in the northwest Louisiana vicinity. The Medical Center owns and operates the following facilities that generate operating revenues:

Facility	Location	Number of Licensed Acute Care Beds	Number of Acute Care Beds Available
Willis-Knighton Medical Center	2600 Greenwood Road Shreveport, Louisiana	344	230
Willis-Knighton South	2510 Bert Kouns Industrial Loop Shreveport, Louisiana	152	152
WK Bossier Health Center	2400 Hospital Drive Bossier City, Louisiana	166	152
WK Pierremont Health Center	8001 Youree Drive Shreveport, Louisiana	200	193
		862	727

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 2 - Organization and Operations (Continued)

Other Facilities	Location	Beds	Apartments
Willis-Knighton Skilled Nursing	2600 Greenwood Road Shreveport, Louisiana	24	
Oaks of Louisiana (Independent Living; Note 33)	600 East Flournoy Lucas Road Shreveport, Louisiana		123
Savannah at the Oaks (Assisted Living; Note 33)	600 East Flournoy Lucas Road Shreveport, Louisiana		44
		24	167

Following are brief descriptions of the Medical Center's wholly-owned subsidiaries and their operations:

Virginia Hall Nursing Home, d/b/a Progressive Care Center, is a skilled nursing facility adjacent to the Medical Center's Greenwood Road location and provides 131 patient beds. Its results of operations are included in consolidated operating revenue.

Multi-Faith Retirement Services, d/b/a Live Oak Retirement Community, operates a retirement complex in southeast Shreveport adjacent to The Oaks of Louisiana and Savannah at the Oaks that provides housing, health care, and other related services to elderly residents through its 118 independent living apartments and 150 bed nursing facility. Its results of operations are included in consolidated operating revenue.

Health Plus of Louisiana, Inc. provides third-party administrator services. Its results of operations are included in consolidated operating revenue.

WK Arbors, LLC operates a 172 unit apartment complex in South Shreveport adjacent to Willis-Knighton South. Its results of operations are included in nonoperating revenues. See Note 22.

Note 3 - Patient Revenues and Accounts Receivable

The Medical Center has agreements with third-party payors that provide for payments to the Medical Center at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments. A summary of the payment arrangements with major third-party payors follows:

Medicare. Under the Medicare program, inpatient acute care services and outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Inpatient nonacute services and defined capital and medical education costs related to Medicare beneficiaries are paid based upon a cost reimbursement method under which the Medical Center is reimbursed for cost-reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports by the Medical Center and audits by the Medicare fiscal intermediary. These rates vary according to an ambulatory classification system.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 3 - Patient Revenues and Accounts Receivable (Continued)

For the years ended September 30, 2014 and September 30, 2013, the Medical Center received approximately 48 percent and 49 percent, respectively, of its gross patient revenue (44 percent and 46 percent, respectively, of its net patient revenue) from the Medicare program. These revenues are subject to health insurance program fiscal intermediary review and retroactive adjustment. Cost reports for the years ended September 30, 2012, 2013, and 2014 are subject to examination. Provisions have been made for estimated settlements and adjustments.

Medicaid. Under the Louisiana Medicaid program, inpatient services, excluding those for organ transplant patients, are paid at a set per diem rate, and outpatient services and organ transplant services are paid under a cost reimbursement method. Under the cost reimbursement method, the Medical Center is reimbursed at a tentative rate with final settlement determined after submission of its cost reports to and audits by the Medicaid fiscal intermediary. Under the per diem method, an established rate is used for the patient stay, regardless of the magnitude or complexity of the services provided. The Medical Center's Medicaid cost reports for the years ended September 30, 2012, 2013, and 2014 are subject to examination by the Medicaid fiscal intermediary. Provisions have been made for estimated settlements and adjustments.

Other Payors. The Medical Center has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, preferred provider organizations, and employers, which result in contractual adjustments from established rates. Payments to the Medical Center under these agreements are based primarily on agreed-upon discounts from established charges and rates prescribed for each service.

A summary of patient revenues for the years ended September 30, 2014 and September 30, 2013 follows:

	Year Ended September 30	
	2014	2013
Patient Revenues at Established Rates	$2,775,222,957	$2,507,202,148
Less-Free Services (Charity Care)	71,895,342	57,875,191
	2,703,327,615	2,449,326,957
Less-Provisions for Contractual Adjustments (Note 30)		
Current Provision	1,696,473,313	1,493,116,674
Changes in Prior Estimates of Cost Report Settlements	(893,300)	(3,244,957)
Total Provisions for Contractual Adjustments	1,695,580,013	1,489,871,717
Net Patients Revenues	1,007,747,602	959,455,240
Less-Provision for Bad Debts	68,672,922	57,364,124
Net Patient Revenues Less Provision for Bad Debts	$ 939,074,680	$ 902,091,116

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 3 - Patient Revenues and Accounts Receivable (Continued)

Patient revenues, net of charity care and contractual adjustments (but before the provision for bad debts), are from the following major payor sources for the year ended September 30, 2014:

	Year Ended September 30 2014	2013
Third Party Payors	$ 945,982,345	$ 907,884,195
Self-Pay	61,765,297	51,571,045
Total	$1,007,747,642	$ 959,455,240

As mentioned above, the Medical Center participates in the Medicaid program and administers a charity care policy whereby free or discounted services are available to qualified individuals with limited financial means. During the years ended September 30, 2014 and September 30, 2013, estimated unreimbursed costs attributed to charity care and Medicaid patients total $48,000,000 and $42,000,000, respectively. These estimates are based on the Medical Center's cost-to-charge ratio calculated using gross charges.

The Medical Center grants credit without collateral to its patients, most of whom are from the northwest Louisiana vicinity. The mix of receivables from patients and third-party payors at September 30, 2014 and September 30, 2013 is as follows:

	At September 30 2014	2013
Medicare	42.9%	41.8%
Medicaid	11.1	9.3
Blue Cross	16.6	15.3
Other Third-Party Payors	21.6	23.6
Patients (Uninsured)	7.8	10.0
	100.0%	100.0%

Net accounts receivable from patient services is comprised as follows:

	At September 30 2014	2013
Gross Patient Accounts Receivable	$ 365,979,804	$ 326,930,525
Less-Estimated Allowances (Note 30) for:		
Bad Debts	13,135,439	13,933,431
Contractual Adjustments	236,770,166	184,995,354
Net Accounts Receivable from Patient Services	$ 116,074,199	$ 128,001,740

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 3 - Patient Revenues and Accounts Receivable (Continued)

As mentioned at the Accounts Receivable section of Note 1, an allowance for bad debts related to self-pay accounts receivable is maintained. The activity in this allowance for the years ended September 30, 2014 and September 30, 2013 follows:

	Year Ended September 30	
	2014	2013
Allowance at Beginning of Period	$ 13,933,431	$ 15,960,940
Current Period Provision	68,672,922	57,364,124
Uncollectibles Charged Off-Net of Recoveries	(69,470,914)	(59,391,633)
Allowance at End of Period	$ 13,135,439	$ 13,933,431

The Medical Center's allowance for bad debts for self-pay patients increased from 45 percent of self-pay accounts receivable at September 30, 2013 to 48 percent of self-pay accounts receivable at September 30, 2014. The primary cause of the increase stems from the effects of the increase in additional uninsured patients due to the closing of Christus Schumpert's St. Mary 601-bed hospital and the 106-bed Christus Sutton Children's Hospital effective in September 2013.

"Accounts Receivable-Other-Net" on the statements of financial position result from the Medical Center providing certain services to physicians and other health care organizations. Accounts Receivable-Other is net of an allowance for doubtful accounts at September 30, 2014 and September 30, 2013 of $231,731 and $128,828, respectively. See Note 24 concerning amounts receivable from a related party.

Note 4 - Investment in Debt Securities

A summary of investments in debt securities at September 30, 2014 follows:

	Amortized Cost	Fair Value
Undesignated		
Treasury Notes, $224,985,000 Face	$225,273,788	$225,505,699
Depreciation Fund (Note 6)		
Treasury Notes, $18,074,000 Face	18,063,011	18,089,561
Development Fund (Note 7)		
Treasury Notes, $1,650,000 Face	1,647,287	1,651,913
Malpractice and General Liability Claims Fund (Note 9)		
Treasury Notes, $11,3750,000 Face	11,557,303	11,555,307
Bond Funds (Note 8)		
Treasury Notes, $18,615,000 Face	19,239,862	19,230,059
Total of All Categories	$275,781,251	$276,032,539

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 4 - Investment in Debt Securities (Continued)

A summary of investments in debt securities at September 30, 2013 follows:

	Amortized Cost	Fair Value
Undesignated		
Treasury Notes, $179,985,000 Face	$180,003,891	$180,231,579
Depreciation Fund (Note 6)		
Treasury Notes, $18,074,000 Face	18,058,792	18,088,887
Development Fund (Note 7)		
Treasury Notes, $1,650,000 Face	1,645,486	1,648,491
Bond Funds (Note 8)		
Treasury Notes, $18,339,000 Face	18,833,315	18,868,332
Malpractice and General Liability Claims Fund (Note 9)		
Treasury Notes, $10,650,000 Face	10,881,211	10,953,624
Total of All Categories	$229,422,695	$229,790,913

Note 5 - Notes Receivable

Notes receivable at September 30, 2014 and September 30, 2013 are summarized below:

	At September 30 2014	2013
Notes Receivable:		
North Caddo Medical Center (Note 24)	$ - 0 -	$ 95,956
Education Loans	1,947,810	1,773,425
Other Loans	23,725	28,726
Totals	1,971,535	1,898,107
Less-Allowance for Uncollectibles	- 0 -	- 0 -
Less-Current Portion	84,000	164,682
Notes Receivables-Long-Term Portion	$ 1,887,535	$ 1,733,425

Education loans are unsecured loans to physicians in certain residency programs and to students in nursing programs. The loan agreements call for the physician or nurse, upon completion of the residency or nursing program, to join the staff of the Medical Center for a specified period of time. Once the physician's or nurse's obligation is fulfilled, the loan is discharged. To best match cost with the services acquired, the Medical Center recognizes its expense of discharged loans ratably over the period that the debtors' obligations are fulfilled. Under this methodology an allowance for uncollectibles is considered unnecessary.

There was no activity in the allowance for uncollectible notes receivable for the year ended September 30, 2014 and there was no change in the policy for estimating the allowance for credit losses during the year.

The credit quality indicator the Company uses to monitor its notes receivable is its collection experience. Information about collection experience is current as of September 30, 2014.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 6 - Depreciation Fund

Effective September 30, 1975, by resolution of the Board of Trustees, the Medical Center created a depreciation fund.

Composition of the fund at September 30, 2014 and 2013 is as follows:

	At September 30	
	2014	2013
Cash	$ 4,141,327	$ 4,060,654
U.S. Government Securities (Note 4)	18,089,561	18,088,887
Accrued Interest	9,752	11,166
	$22,240,640	$22,160,707

Withdrawals from this fund are for replacement of depreciated assets or for capital asset acquisition. There were no withdrawals from the fund for the years ended September 30, 2014 and September 30, 2013.

Note 7 - Development Fund

Certain contributions received by the Medical Center have been Board-designated to a development fund consisting of the following segregated assets:

	At September 30	
	2014	2013
Cash	$ 28,902	$ 23,264
U.S. Government Securities (Note 4)	1,651,913	1,648,491
Accrued Interest	1,305	1,338
Land	170,000	170,000
	$ 1,852,120	$ 1,843,093

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 8 - Bond Funds

Bond funds are those assets held by a trustee in accordance with indenture agreements for the bond issues (Note 13) or as agent at the request of the Medical Center's Board. Such funds at September 30, 2014 and September 30, 2013 are presented as follows:

Funds	At September 30 2014	2013
Board-Designated General Reserve Fund (Agency)	$ 419,348	$ 920,227
Series 1993 Bonds:		
Debt Service Reserve Fund (Trust)	4,456,655	4,332,743
Rebate Fund (Trust)	184	183
Interest Fund (Trust)	40,608	184
Series 1995 Bonds:		
Debt Service Reserve Fund (Trust)	6,025,992	5,911,331
Rebate Fund (Trust)	50,750	50,750
Interest Fund (Trust)	56,817	1,975
Series 1997 Bonds:		
Debt Service Reserve Fund (Trust)	9,039,246	8,866,263
Interest Fund (Trust)	82,120	781
Rebate Fund (Trust)	51,085	51,085
	$20,222,805	$20,135,522
Holdings		
U.S. Government Securities (Note 4)	$19,230,059	$18,868,332
Cash and Money Market Accounts (Note 29)	951,546	1,233,024
Accrued Interest	41,200	34,166
	$20,222,805	$20,135,522

The portion of these funds that is required for specific obligations classified as current liabilities is reported in current assets.

Note 9 - Malpractice and General Liability

The Medical Center self-funds the first $100,000 of each non-physician medical malpractice claim and the first $2,000,000 per occurrence for general liability claims. Current Louisiana law limits damages payable under a medical malpractice suit to $500,000 plus future medical costs per claimant. The Medical Center has purchased insurance to cover the remaining $400,000 of non-physician medical malpractice exposure.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 9 - Malpractice and General Liability (Continued)

The Medical Center has also purchased $10,000,000 of insurance to cover general liability claims in excess of $2,000,000. At September 30, 2014 and September 30, 2013, management estimates its liability claims for unpaid asserted or unasserted general liability claims to be $987,000 and $885,000, respectively, portions of which are classified as current liabilities. See Note 30. The provision for general liability claims expense for the years ended September 30, 2014 and September 30, 2013 is $166,898 and $554,994, respectively.

At September 30, 2014 and September 30, 2013, management estimates its gross liability for claims losses for unpaid asserted or unasserted medical malpractice claims to be $15,188,000 and $14,987,000, respectively, portions of which are classified as current liabilities. At September 30, 2014 and September 30, 2013, management estimates its receivable from related insurance recoveries to be $5,939,000 and $5,876,000, respectively, portions of which are classified as current assets. The provision for medical malpractice claims expense for the years ended September 30, 2014 and September 30, 2013 is $1,063,120 and $484,135, respectively. See Note 30.

As required by the Loan Agreements for the Series 1995 and 1997 Bonds (Note 13), the Medical Center has deposited with a trustee funds to pay actuarially estimated medical malpractice and general liability claims. Composition of the fund at September 30, 2014 and September 30, 2013 is as follows:

	At September 30	
	2014	2013
Cash and Money Market Accounts (Note 29)	$ 1,307,863	$ 246,634
U.S. Government Securities (Note 4)	11,555,307	10,953,624
Accrued Interest	63,449	63,618
	$12,926,619	$11,263,876

The estimated portion of these funds that will be used to pay current claims is reported in current assets.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 10- Assets Not In Service

Assets in this category consist of the following:

	At September 30 2014	2013
Projects Under Development: (Note 25)		
WK South Pediatric Center	$12,420,253	$ 206,459
WK South Suite Renovations	194,824	272,303
WK South Parking Structure	4,871,062	
WK South Behavioral Medicine	400,117	
WK South Patient Room Cabinets	223,465	
WK South NICU	135,189	
WK Surgery Expansion	986,595	
WK Parking Garage	126,290	
WKB Patient Room Cabinets	386,486	
WK Emergency Room		763,973
WK Bossier Hyperbaric Suite		448,698
WK Pierremont Ambulatory Surgery	538,282	
WK Pierremont Orthopedic Group	342,765	184,083
Proton Beam Therapy Addition		36,951,862
Tower at the Oaks – D Wing	156,217	
WK Bossier Innovation Center		10,019,629
WK Bossier Innovation Center Equipment	870,045	870,045
WKHS Clinical Software	14,399,673	12,737,124
Patient Room Equipment	343,775	
Various Other Projects	866,190	788,237
Total Projects Under Development	37,261,228	63,242,413
Other Assets Not in Service:		
WK Bossier 1513-B Doctors Drive Building	236,479	236,479
Greenwood Road Building	80,039	80,039
Various Other Equipment	388,463	388,986
Total Other Assets Not in Service	704,981	705,504
Total Assets Not in Service	$37,966,209	$63,947,917

Note 11- Sundry Assets

Sundry assets consist of the following:

	At September 30 2014	2013
Equity Investments (Note 12)	$ 14,467	$ 14,594
Trust Funds	15,075	15,092
Unamortized Bond Issuance Costs	1,229,053	1,421,756
Museum Assets	662,578	662,578
Unamortized Cost of Virginia Hall Certificate of Need and Trade Name	139,468	151,972
Unamortized Finance Cost	121,328	
Other Assets	37,312	38,468
	$ 2,219,281	$ 2,304,460

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 12- Equity Investments

The Medical Center has a 50 percent ownership in Willis-Knighton Physician/Hospital Organization, Inc. that is accounted for on the equity method, under which the investment in the entity is increased or decreased based on the net income or loss of the entity. Willis-Knighton Physician/Hospital Organization, Inc. is inactive and has no liabilities. Its only asset is cash which totals approximately $29,000.

Note 13- Long-Term Borrowings

Bonds Payable

The Louisiana Public Facilities Authority (LPFA) has made the following loans to the Medical Center totaling $260,000,000:

Series 1993 Bonds. $60,000,000 on September 1, 1993 from the proceeds of the "Louisiana Public Facilities Authority Hospital Revenue and Refunding Bonds (Willis-Knighton Medical Center Project) Series 1993" issued in the aggregate principal amount of $60,000,000 under a Trust Indenture dated September 1, 1993 from LPFA to The Bank of New York Trust Company, N.A., as Trustee thereunder. The bonds were issued for the purpose of (i) financing the costs of acquisition, construction, renovation, installation, and equipping of the Medical Center complex, (ii) refunding the remaining debt of the Willis-Knighton Medical Center Series 1985A hospital revenue bonds, (iii) funding the debt service reserve fund (Note 8), and (iv) paying certain costs associated with the issuance, liquidity for, and insurance on the bonds. In a loan agreement with the LPFA, the Medical Center has agreed to make all principal and interest payments on the bonds.

Series 1995 Bonds. $75,000,000 on December 19, 1995 from the proceeds of the "Louisiana Public Facilities Authority Hospital Revenue Bonds (Willis-Knighton Medical Center Project) Series 1995" issued in the aggregate principal amount of $75,000,000 under a Trust Indenture dated December 1, 1995 from LPFA to The Bank of New York Trust Company, N.A., as Trustee thereunder. The bonds were issued for the purpose of (i) financing the costs of acquisition, construction, installation, and renovation of certain additions and improvements to the existing facilities, located in Shreveport, Louisiana and the construction and equipping of WK Bossier Health Center, located in Bossier City, Louisiana, (ii) funding the debt service reserve fund (Note 8), and (iii) paying certain costs associated with the issuance, liquidity for, and insurance on the bonds. In a loan agreement with the LPFA, the Medical Center has agreed to make all principal and interest payments on the bonds.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 13- Long-Term Borrowings (Continued)

Bonds Payable (Continued)

Series 1997 Bonds. $125,000,000 on December 23, 1997 from the proceeds of the "Louisiana Public Facilities Authority Hospital Revenue Bonds (Willis-Knighton Medical Center Project) Series 1997" issued in the aggregate principal amount of $125,000,000 under a Trust Indenture dated December 1, 1997 from LPFA to The Bank of New York Trust Company, N.A., as Trustee thereunder. The bonds were issued to (a) finance or reimburse a portion of the costs of (i) constructing and equipping WK Pierremont Health Center, (ii) expanding, renovating, and equipping the emergency room at the existing Willis-Knighton Medical Center facility, (iii) constructing and equipping a Cardiology Institute, and (iv) acquiring and installing various equipment, including medical, diagnostic, and related equipment at each health care facility operated by the Medical Center; (b) fund a debt service reserve fund (Note 8), and (c) pay the necessary costs in connection with the issuance of the Bonds. In a loan agreement with the LPFA, the Medical Center has agreed to make all principal and interest payments on the bonds.

Payments under each of the loan agreements described above are secured equally and ratably by the Medical Center's assignment unto the Trustee for the bonds a first lien on all its present and future gross receipts and its pledge of its interest in the funds held in trust in accordance with indenture agreements (Note 8). The Medical Center has made certain covenants in connection with the above-described LPFA loans that are contained in the Loan Agreements and Tax Regulatory Agreements with the LPFA and Trustee. Among those covenants are requirements that certain measures of financial performance be satisfied, that no action be permitted that could cause the bonds to be arbitrage bonds or that could cause the interest on the bonds to be taxable to the owners of the bonds, that the debt service reserve funds held by the Trustee be kept at balances not less than as required by the Trust Indenture, and that additional debt be incurred only in accordance with certain rules described in the Loan Agreements. Payments of principal and interest on the Series 1993, Series 1995, and Series 1997 bonds are insured under municipal bond insurance policies.

Stated maturity dates are September 1, 2023 for the Series 1993 Bonds, September 1, 2025 for the Series 1995 Bonds, and September 1, 2027 for the Series 1997 Bonds. However, provided certain conditions are met, the bonds are subject to optional redemption, in whole or in part, at the direction of the Medical Center.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 13- Long-Term Borrowings (Continued)

Bonds Payable (Continued)

The remaining mandatory redemptions prior to the stated maturity dates are as follows:

Redemption Date (September 1 or Next Interest Payment Date)	Principal Amount			
	Series 1993 Bonds	Series 1995 Bonds	Series 1997 Bonds	Total
2015	$ 2,600,000	$ 3,100,000	$ 4,550,000	$ 10,250,000
2016	2,800,000	3,200,000	4,800,000	10,800,000
2017	2,900,000	3,300,000	5,050,000	11,250,000
2018	3,100,000	3,500,000	5,300,000	11,900,000
2019	3,300,000	3,700,000	5,600,000	12,600,000
2020	3,400,000	3,900,000	5,900,000	13,200,000
2021	3,650,000	4,000,000	6,200,000	13,850,000
2022	3,850,000	4,200,000	6,500,000	14,550,000
2023	4,050,000	4,400,000	6,900,000	15,350,000
2024		4,700,000	7,250,000	11,950,000
2025		4,900,000	7,650,000	12,550,000
2026			8,050,000	8,050,000
2027			8,400,000	8,400,000
	$ 29,650,000	$ 42,900,000	$ 82,150,000	$154,700,000

On March 6, 2002, the Medical Center converted the interest rate mode for the Bonds from a weekly rate to an auction rate. The initial auction rate interest periods began April 9, 2002 for the Series 1993 Bonds, April 16, 2002 for the Series 1995 Bonds, and April 23, 2002 for the Series 1997 Bonds. Interest on the bonds is payable every 35 days at an auctioned rate that is subject to a maximum of 12 percent per annum. If the auction does not produce sufficient bids, the auction is considered to have failed and the default rate of interest is implemented. The default rate of interest is the lesser of (i) an applicable percentage (175 percent when the prevailing credit rating on the bonds is A or better) of the Kenny Index or (ii) 12 percent. Alternate interest rate modes, including fixed rate, may be elected by the Medical Center in accordance with the Trust Indenture. The effective interest rate during the years ended September 30, 2014 and September 30, 2013 is 0.24 percent and 0.38 percent, respectively.

The bonds described above are designed to yield tax-exempt (for Federal income tax purposes) interest income to their holders. The bonds would lose their tax-exempt nature if they were allowed to become "arbitrage bonds." Generally, an arbitrage bond is any bond that is part of an issue where any portion of the proceeds of that issue are invested to yield earnings in excess of the interest paid on those bonds. Section 148 of the Internal Revenue Code allows certain excess earnings (i.e., arbitrage) to occur without consequences to the bonds' nature if such arbitrage is rebated to the federal government. A rebate installment payment is due every five years. At September 30, 2014 and September 30, 2013, there is no estimated arbitrage rebate liability. At September 30, 2013, due to recent "negative" arbitrage which has offset earlier arbitrage rebate payments, the Medical Center is entitled to a recovery of $24,861 of those payments.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 13- Long-Term Borrowings (Continued)

Mortgage Note

In connection with its purchase of the Arbors apartment complex on April 10, 2014, WK Arbors, LLC assumed a mortgage note held by Fannie Mae with a balance of $5,481,219. This balance is payable over the note's remaining 237 monthly principal and interest installments of $38,116. The mortgage note bears interest at the rate of 5.66 percent per annum and is secured by the apartment complex real estate and by an assignment of its rent income.

Equipment Notes

During the year ended September 30, 2014, the Medical Center entered into three separate notes payable for purchases of medical equipment and software. The first note, in the amount of $10,500,000, was for the purchase of proton therapy equipment from IBA PT, Inc. The note is payable over a ten year period and bears no interest. The second note, in the amount of $5,387,528, was for the purchase of Carefusion Alaris IV Pump Technology equipment from General Electric. The note is payable over a three year period and bears no interest. The third note, in the amount of $2,344,468, was for the purchase of a cardiac cath lab management system from Merge Healthcare. The note is payable over a three year period and bears no interest. These notes are secured by the equipment financed, the carrying value of which is $32,749,927.

Capital Lease Obligations

See Note 21 concerning long-term capital lease obligations

Long-term borrowings at September 30, 2014 mature as follows:

For the Year Ended September 30	Bonds (All Series)	Mortgage Note	Equipment Notes	Capital Leases	Total
2015	$ 10,250,000	$ 142,076	$ 4,810,694	$ 874,467	$ 16,077,237
2016	10,800,000	163,614	3,419,517	455,239	14,838,370
2017	11,250,000	173,118	3,161,626	431,054	15,015,798
2018	11,900,000	183,175	850,000	24,262	12,957,437
2019	12,600,000	193,816	850,000		13,643,816
Thereafter	97,900,000	4,550,968	4,250,000		106,700,968
	$154,700,000	$ 5,406,767	$ 17,341,837	$ 1,785,022	$179,233,626

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 14- Unrestricted Net Assets

Unrestricted net assets are those net assets on which there are no donor-imposed restrictions and include such assets whose use is limited. Changes in unrestricted net assets for the years ended September 30, 2014 and September 30, 2013 are summarized as follows:

	Unrestricted Net Assets			
	Board Designated	Contractually Designated	Undesignated	Total
Balances at October 1, 2013	$ 24,924,027	$ 30,479,171	$ 670,262,169	$ 725,665,367
Increase (Decrease) in Unrestricted Net Assets for the Period (Exhibit B)	(379,176)	(1,174,962)	49,201,140	47,647,002
Bond Principal Payments	(9,700,000)		9,700,000	- 0 -
Transfer to WK Arbors Escrow Funds		515,808	(515,808)	- 0 -
Transfers to Malpractice and General Liability Claims Fund (Note 9)		2,493,124	(2,493,124)	- 0 -
Transfer to Bond Fund	10,600,000		(10,600,000)	- 0 -
Other Transfers between Funds	(932,743)	932,743		- 0 -
Balances at September 30, 2014	$ 24,512,108	$ 33,245,884	$ 715,554,377	$ 773,312,369
Specific Asset Groups Comprising Designated Net Assets at September 30, 2014:				
Depreciation Fund (Note 6)	$ 22,240,640	$		
Development Fund (Note 7)	1,852,120			
Malpractice and General Liability Claims Fund (Note 9)		12,926,619		
Bond Funds (Note 8)	419,348	19,803,457		
Escrow Deposits		515,808		
	$ 24,512,108	$ 33,245,884		

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 14- Unrestricted Net Assets (Continued)

	Unrestricted Net Assets			
	Board Designated	Contractually Designated	Undesignated	Total
Balances at October 1, 2012	$ 29,024,492	$ 30,923,203	$ 520,131,142	$ 580,078,837
Increase (Decrease) in Unrestricted Net Assets for the Period (Exhibit B)	(417,429)	(2,829,519)	148,833,478	145,586,530
Bond Principal Payments	(13,200,000)		13,200,000	- 0 -
Transfer to Malpractice and General Liability Claims Fund (Note 9)		1,902,451	(1,902,451)	- 0 -
Transfers to Bond Funds (Note 8)	10,000,000		(10,000,000)	- 0 -
Other Transfers	(483,036)	483,036		- 0 -
Balances at September 30, 2013	$ 24,924,027	$ 30,479,171	$ 670,262,169	$ 725,665,367
Specific Asset Groups Comprising Designated Net Assets at September 30, 2013:				
Depreciation Fund (Note 6)	$ 22,160,707	$		
Development Fund (Note 7)	1,843,093			
Bond Funds (Note 8)	920,227	19,215,295		
Malpractice and General Liability Claims Fund (Note 9)		11,263,876		
	$ 24,924,027	$ 30,479,171		

Note 15- Pension Plan

General

During the fiscal year ended September 30, 1973, the Medical Center established a defined benefit pension plan that covers all full-time employees with at least one year of service. The benefits are based on years of service and the employees' compensation during the last five years of participation.

Pension expense for the periods ended September 30, 2014 and September 30, 2013 is $13,348,541 and $22,693,749, respectively.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 15- Pension Plan (Continued)

Liability for Pension Costs

The following table sets forth the plan's funded status at September 30, 2014 and September 30, 2013:

	Fiscal Year Ended September 30	
	2014	2013
Fair Value of Plan Assets at Beginning of Year	$ 250,476,284	$ 206,073,373
Investment Return on Plan Assets	27,472,673	19,977,900
Employer Contribution	32,100,000	29,400,000
Benefits Paid	(5,781,190)	(4,974,989)
Fair Value of Plan Assets at End of Year	304,267,767	250,476,284
Projected Benefit Obligation at End of Year	339,681,678	269,219,164
Net (Liability) for Pension Benefits	$(35,413,911)	$(18,742,880)

Accounting standards require the Medical Center to recognize the underfunded status of its defined benefit pension plan as a liability on its statements of financial position. Changes in the liability for pension benefits at September 30, 2014 and September 30, 2013 are as follow:

	At September 30	
	2014	2013
Liability for Pension Benefits at Beginning of Year	$ 18,742,880	$ 97,482,398
Cash Contribution to the Plan During the Year	(32,100,000)	(29,400,000)
Net Periodic Pension Cost	13,348,541	22,519,959
Pension-Related Changes Other than Net Periodic Pension Cost	35,422,490	(71,859,477)
Liability for Pension Benefits Included in the Statements of Financial Position	$ 35,413,911	$ 18,742,880

The Pension-Related Changes Other than Net Periodic Pension Cost are primarily attributable to the effects of changes in financial markets on both invested plan assets and assumed discount rates used in the actuarial calculation of the plan's funded status.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 15- Pension Plan (Continued)

Actuarial Computation of Net Periodic Pension Cost

The actuarially computed components of net pension cost for the years ended September 30, 2014 and September 30, 2013 are estimated as follows:

	Year Ending September 30	
	2014	2013
Service Cost-Benefits Earned During the Period	$ 13,409,364	$ 15,593,936
Interest Cost on the Projected Benefit Obligation	14,397,638	12,553,517
Return on Plan Assets (assumed at 6.25 percent)	(15,893,388)	(12,978,872)
Amortization of Prior Service Costs	(1,484,677)	(1,767,465)
Amortization of Unrecognized Loss	2,919,604	9,118,843
Net Periodic Pension Cost	$ 13,348,541	$ 22,519,959

	At September 30	
	2014	2013
Weighted-Average Assumptions Used in Determining Benefit Obligations are as follows:		
Discount Rate	4.50%	5.25%
Rate of Increase in Future Compensation Levels	3.50%	3.50%
Weighted-Average Assumptions Used in Calculating Funding Status and Net Pension Cost are as follows:		
Discount Rate	5.25%	4.25%
Expected Long-Term Rate of Return on Assets	6.25%	6.25%
Rate of Increase in Future Compensation Levels	3.50%	3.50%

The overall expected long-term rate of return on assets is based on the actual average annual rate of return on plan assets for the 26-year period beginning October 1, 1987 and ending September 30, 2013.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

Note 15- Pension Plan (Continued)

The Medical Center's pension plan asset allocations at September 30, 2014 and September 30, 2013, are as follow:

	Plan Assets at September 30			
	2014		2013	
Asset Category	Amount	Percent	Amount	Percent
Equity Securities	$192,565,889	63%	$136,106,448	55%
Debt Securities	101,561,437	33%	105,980,796	42%
Other-Cash and Accrued Income	10,140,441	4%	8,389,040	3%
Total	$304,267,767	100%	$250,476,284	100%

The Medical Center's investment policy targets 65 percent of the plan assets to equity securities and 35 percent to debt securities. With regards to debt securities, the Medical Center typically purchases U.S. Treasury securities with maturities ranging from one to seven years so that approximately 15 percent of the holdings will mature each year.

The expected future pension benefit payments, which reflect expected future service, as appropriate, are as follow:

Year Ending September 30	Pension Benefits
2015	$ 7,238,000
2016	8,328,000
2017	9,802,000
2018	10,946,000
2019	12,489,000
Years 2020-2024	82,396,000

Note 16- Interest Expense

Interest expense included in the statements of operations is summarized as follows:

	Years Ended September 30	
	2014	2013
Interest Incurred on Bonds (Note 13)	$ 403,277	$ 656,954
Other Interest Incurred	184,349	170,164
Total Interest Incurred	587,626	827,118
Less-Amount Capitalized to Fixed Assets Constructed	122,660	116,803
Interest Expense	$ 464,966	$ 710,315

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 17- Bad Debts

As mentioned at the Accounts Receivable section of Note 1, the Medical Center maintains an allowance for bad debts on self-pay patient accounts receivable. As management determines the collection of specific patient accounts to be doubtful, such accounts are written off against the allowance. Based on this analysis, bad debt expense as a percentage of gross patient billings (excluding Medicare charges, Medicaid charges, and charity care) is 6.3 percent and 5.8 percent for the years ended September 30, 2014 and September 30, 2013, respectively. See Note 30.

Note 18- Depreciation

Depreciation expense and the estimated useful lives of the major categories of fixed assets are as follows:

	Years Ended September 30	
	2014	2013
Parking Lots, Buildings and Improvements (10 - 47 Years) (Including Leased Property, Note 22)	$29,653,697	$27,731,340
Equipment and Furniture (3 - 15 Years)	22,823,314	22,142,266
	$52,477,011	$49,873,606

Note 19- Income Taxes

The Medical Center did not incur any income taxes for the years ended September 30, 2014 and September 30, 2013.

See Note 25 concerning income tax returns subject to examination by the taxing authorities.

Note 20- Advertising

Advertising costs for the years ended September 30, 2014 and September 30, 2013 are approximately $2,160,000 and $2,577,000, respectively.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 21- Leases

Operating Leases

The Medical Center leases medstations and supply stations from Pyxis Corporation under various leases with five-year terms expiring at various dates through September 30, 2019. Lease payments range from $3,284 to $25,439 per month.

The Medical Center leases office space for several of its health care clinics under leases with terms ranging from month-to-month to 10 years that expire at various dates through July 31, 2018. Lease payments range from $28 to $24,689 per month.

Minimum future rental payments under these noncancelable operating leases are as follows:

	Year Ending September 30				
	2015	2016	2017	2018	2019
Medstation and Supply Station Leases	$1,319,808	$1,319,808	$1,319,808	$ 947,972	$ 204,300
Health Care Clinic Leases	554,254	267,848	1,401	1,168	
Total	$1,874,062	$1,587,656	$1,321,209	$ 949,140	$ 204,300

Total rental expense on all operating leases for the years ended September 30, 2014 and September 30, 2013 is approximately $3,282,000 and $3,334,000, respectively.

Capital Leases

A summary of the Medical Center's capital lease arrangements follows:

Year Ending September 30	Lab Equipment	Cardiology Equipment	Gastroenterology Equipment	Total
2015	$ 426,745	$ 290,217	$ 165,022	$ 881,984
2016		290,217	165,022	455,239
2017		266,032	165,022	431,054
2018			24,261	24,261
Less-Amount Representing Interest	7,516	- 0 -	- 0 -	7,516
Net Present Value of Minimum Lease Payments	$ 419,229	$ 846,466	$ 519,327	$1,785,022
Imputed Rate of Interest	2.82%	0.00%	0.00%	

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 22- Rental Income

See Note 33 concerning apartment rentals included in resident services activities.

The Medical Center leases medical floor space and equipment to outside providers and office and retail space and equipment to other businesses under operating leases with terms ranging from month-to-month to 15 years. WK Arbors, LLC rents apartments to the general public under leases with terms of generally less than one year that may be converted to month-to-month status under certain conditions. Rental income from these leases for the years ended September 30, 2014 and September 30, 2013 and the related fixed assets being leased are summarized as follows:

	Years Ended September 30	
	2014	2013
Rental Activities:		
Rental Income	$ 5,816,570	$ 5,310,876
Rental Expenses:		
Depreciation	(2,710,930)	(2,405,707)
Other	(1,929,198)	(1,595,672)
Net Rental Income	$ 1,176,442	$ 1,309,497

	At September 30	
Fixed Assets Rented:	2014	2013
Land, Buildings and Improvements, and Equipment	$ 60,856,344	$ 49,323,197
Less-Accumulated Depreciation	23,887,369	21,443,500
	$ 36,968,975	$ 27,879,697

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 22- Rental Income (Continued)

See Note 24 concerning commercial leases with related parties.

Minimum future rentals from noncancelable commercial leases by building are as follows:

	Year Ending September 30				
	2015	2016	2017	2018	2019
WK Medical Arts Building	$ 5,348	$	$	$	$
820 Jordan Building	248,915	68,984			
Diagnostic & Surgical Building	72,203	15,646			
Bicknell Fair Building	15,272				
Healthpark West	12,100				
2915 Missouri Avenue	84,000	84,000	38,500		
Claiborne Parish Regional Health	65,917				
WK Heart Institute	205,592	205,592	205,592	205,592	205,592
6821 Pines Road Building	11,326				
Canterbury Square Shopping Center	91,222				
WK Physicians Center	85,258				
WK Bossier Medical Office Building	144,054				
WK Bossier Medical Office Building II	37,482				
WK Bossier Medical Pavilion	64,000	58,416	53,548		
WK Pierremont Medical Office	873,345				
Youree Center	39,185				
WK Medical Arts Building	375,840	216,206	208,039	121,356	
Portico Shopping Center	418,360	120,048	55,071	55,071	9,179
Total	$2,849,419	$ 768,892	$ 560,750	$ 382,019	$ 214,771

Note 23- Interest Income

Interest income for the years ended September 30, 2014 and September 30, 2013 is comprised as follows:

	Year Ended September 30	
	2014	2013
Interest Income from Assets Whose Use is Limited:		
Contractually Designated Bond Funds (Note 8)	$ 107,983	$ 149,256
Contractually Designated Malpractice and General Liability Claims Funds (Note 9)	182,317	198,391
Board-Designated Depreciation Fund (Note 6)	75,392	77,349
Board-Designated Development Fund (Note 7)	7,406	8,880
Interest Income from Other Sources (Notes 4 and 5)	740,012	475,293
Total Interest Income	$1,113,110	$ 909,169

The effective yield on investments for the years ended September 30, 2014 and September 30, 2013 is 0.44 percent and 0.47 percent, respectively.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 24- Related Party Transactions

The Medical Center entered into a purchased services agreement in May 1999 with LifeCare Hospitals, Inc. (LifeCare). A physician who serves on the Medical Center's Board of Trustees is the Medical Director of LifeCare. Under this agreement the Medical Center has agreed to provide certain ancillary and other services to LifeCare at varying rates. Net revenues under this purchased services agreement for the years ended September 30, 2014 and September 30, 2013, are approximately $3,687,000 and $4,226,000, respectively. At September 30, 2014 and September 30, 2013, LifeCare owes the Medical Center $1,487,326 and $1,181,598, respectively, for the above services.

The Medical Center leases approximately 15,000 square feet and furnishings for 20 patient rooms in WK Pierremont Health Center to LifeCare. The lease terms provide for month-to-month rentals of $60,788. Rental income under this leasing arrangement for each of the periods ended September 30, 2014 and September 30, 2013 totals $729,450.

The Medical Center also leases to LifeCare approximately 17,140 square feet of the WK Extended Care Center (Center). The lease terms provide for month-to-month rentals of $49,706. Rental income under this leasing arrangement for each of the years ended September 30, 2014 and September 30, 2013 totals $596,472.

On April 24, 2000, the Medical Center entered into a management contract with North Caddo Medical Center (NCMC). NCMC is a 25-bed hospital located in Vivian, Louisiana. Under this contract, the Medical Center has agreed to manage the operation of NCMC and to provide NCMC with a qualified administrator. The administrator is an employee of the Medical Center and acts on behalf of the Medical Center in NCMC's best interest. The contract is on a month-to-month term and requires NCMC to reimburse the Medical Center for the salary and benefits of the administrator. Additionally, NCMC incurs telephone charges, laundry services and various patient services, all of which are reimbursable to the Medical Center. During the years ended September 30, 2014 and September 30, 2013, NCMC incurred $269,280 and $261,069, respectively, for these charges. At September 30, 2014 and September 30, 2013, NCMC owes the Medical Center $227,831 and $205,541, respectively, for the administrator's salary and benefits, various services and charges which are included in Accounts Receivable-Other.

On February 21, 2008, the Medical Center sold the Vivian, Louisiana Medical and Surgical Clinic (excluding the clinic building) to NCMC. The transaction involved NCMC purchasing the clinic's receivables for $248,891 and NCMC issuing a $95,956 promissory note to the Medical Center for the purchase of the clinic's equipment and furnishings. The equipment and furnishings note was secured by the equipment and furnishings purchased and bore interest at 8 percent per annum. The note has been paid in full. See Note 5.

The Medical Center leases the Vivian, Louisiana Medical and Surgical Clinic building to NCMC under an operating lease. The lease terms provide for month-to-month rentals of $6,420. Rental income under this lease for each of the years ended September 30, 2014 and September 30, 2013 totals $77,038.

During the year ended September 30, 2014, the managing partner of the accounting firm, Cole, Evans & Peterson began serving on the Board of Directors of the Medical Center. For the year ended September 30, 2014, Cole, Evans & Peterson provided the Medical Center with accounting, payroll, and consulting services totaling $1,974,382. At September 30, 2014, the Medical Center owes Cole, Evans & Peterson $143,630 for these services.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 25- Commitments and Contingent Liabilities

At September 30, 2014 the following remaining amounts are committed for the purchase, construction or completion of the named projects:

Project	Approximate Amount
WK ICU Addition	$21,159,000
WK Parking Garage	13,382,000
WK South Women's & Children's Addition	24,806,000
WK South 4th Floor Renovation	4,147,000
WK Pierremont Portico Orthopedic	1,026,000
WK Oaks D Wing Renovation	3,131,000
Various Other Projects	1,121,000
Various Equipment	14,934,000
	$83,706,000

The Medical Center and its subsidiaries' annual information returns, unrelated business income tax returns, and income tax returns for the years ended September 30, 2011 through September 30, 2014 which are subject to examination, have not been examined.

The healthcare industry is subject to numerous laws and regulations which include, among other things, matters such as government healthcare participation requirements, various licensure and accreditations, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Government action has increased with respect to investigations and/or allegations concerning possible violations of fraud and abuse and false claims statutes and/or regulations by healthcare providers. Providers that are found to have violated these laws and regulations might be excluded from participating in government healthcare programs, subjected to fines or penalties, or required to repay amounts received from the government for previously billed patient services. While management of the Medical Center believes that its policies, procedures, and practices comply with governmental regulations, no assurance can be given that the Medical Center will not be subjected to governmental inquiries or actions.

At September 30, 2014, there are approximately 170 malpractice and general liability claims pending against the Medical Center. Management believes that the liabilities that have been accrued for malpractice and general liability claims (Note 9) are appropriate estimates of losses that will occur from these pending claims.

During the year ended September 30, 2014, the Medical Center entered into an agreement with IBA PT, Inc. for maintenance of the Medical Center's proton therapy equipment. The maintenance agreement is for an eleven-year period and totals $17,937,500. Payments under the agreement are due as follows:

Year Ending September 30	Amount Due
2015	$ 437,500
2016	1,750,000
2017	1,750,000
2018	1,750,000
2019	1,750,000
Thereafter	10,500,000
	$17,937,500

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 25- Commitments and Contingent Liabilities (Continued)

See Note 3 regarding contingencies concerning the Medical Center's Medicare and Medicaid cost reports.

See Note 9 regarding self-funded medical malpractice and general liability claims.

See Note 13 concerning the variable interest rate on bonds payable.

See Note 15 concerning contributions to the employee pension plan.

See Note 21 concerning lease commitments.

See Note 26 regarding self-funded employee health benefit claims.

See Note 28 regarding self-funded workers' compensation claims.

See Note 32 regarding self-funded unemployment claims.

Note 26- Employees' Health Benefits

The Medical Center provides its employees the opportunity to participate in a group health care benefits plan. The Medical Center self-funds its employees' health benefit claims. Management estimates its liability under the self-funded plan for unpaid asserted and unasserted claims at September 30, 2014 and September 30, 2013 to be $7,100,000 and $5,600,000, respectively. See Note 30. The Medical Center measures its cost of health care services provided in its own facilities to participating employees based on the net foregone revenues from those services using a discount schedule that is comparable to those included in payment agreements with third-party insurers. The cost of providing this plan is included in general and administrative expenses and for the years ended September 30, 2014 and September 30, 2013 is as follows:

	Year Ended September 30	
	2014	2013
Net Foregone Revenues for Services Provided to the Medical Center's Employee Participants in its Facilities	$ 33,830,294	$ 29,453,453
Costs of Medical Services Incurred by Employee Participants with Outside Providers and and Other Expenses	25,641,661	23,455,311
Amount Paid by Employee Participants for Plan Coverage	(12,956,132)	(9,715,676)
Net Cost	$ 46,515,823	$ 43,193,088

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 27- Electronic Health Records Incentive Payments

The Medicare and Medicaid programs offer incentive payments to providers whose implementation of electronic health records (EHR) meet certain criteria. Providers can earn incentives for satisfying the requirements of one or more of the three stages of EHR implementation defined by the Centers for Medicare and Medicaid Services. The more stages that are completed, the greater the amount of the incentive payments. The incentive payments are initially tentative with final settlement determined after submission of annual cost reports and audits thereof by the fiscal intermediaries. The Medical Center recognizes revenue from EHR incentives only after completion of all the requirements for a particular stage of implementation. Revenues from EHR incentives for the years ended September 30, 2014 and September 30, 2013 total $4,242,197 and $1,812,501, respectively.

Note 28- Self-Funded Worker's Compensation Claims

The Medical Center self-funds its worker's compensation claims. Stop-loss insurance purchased by the Medical Center limits its loss exposure to $350,000 per claim and to $1,000,000 in the aggregate. At September 30, 2014 and September 30, 2013, management estimates its liability under the self-funded plan for unpaid asserted and unasserted claims to be $4,360,000 and $4,001,000, respectively, portions of which are classified as current liabilities. The provision for worker's compensation claims expense for the years ended September 30, 2014 and September 30, 2013 is $1,922,780 and $1,204,268, respectively. See Note 30.

Note 29- Concentrations of Credit Risk

At September 30, 2014 and September 30, 2013, cash in banks, excluding the repo accounts described below, is in excess of FDIC insurance limits by approximately $16,762,000 and $18,435,000, respectively.

The Medical Center has entered into contracts with various banks under which the bank account balances, based on what the banks consider to be the "collected balance," are transferred each day to overnight repurchase agreement accounts (repo account). The funds that are held in a repo account are not bank deposits and are not insured by the FDIC. However, the banks collateralize the repo account balances with assignments of U.S. Government Securities. The repo account balances at September 30, 2014 and September 30, 2013 are $43,273,570 and $34,833,023, respectively. The repo account balances are included in cash on the statements of financial position.

At September 30, 2014 and September 30, 2013, $951,546 and $1,233,024, respectively, of the Medical Center's bond funds (Note 8) are invested in JPM U.S. Treasury Plus Money Market Fund. This fund invests in a diversified portfolio of U.S. Treasury instruments. The investment in this money market fund is not insured or guaranteed by the U.S. Government.

At September 30, 2014 and September 30, 2013, $1,223,499 and $240,484, respectively, of the Medical Center's malpractice and general liability claims funds (Note 9) are invested in the Fidelity Institutional Money Market Treasury Portfolio Class I. This fund invests in a diversified portfolio of U.S. Treasury instruments. The balance in this money market fund is not insured or guaranteed by the U.S. Government.

See Note 3 concerning accounts receivable from patient services.

See Note 5 concerning notes receivable.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 30- Significant Estimates

As described at Note 3, estimated allowances from accounts receivable for bad debts and contractual discounts and settlements have been provided as well as estimates for settlements with third party payors. Due to uncertainties inherent in the estimation of such amounts, it is at least reasonably possible that actual bad debts and contractual discounts and settlements that materialize in the near term could differ materially from the estimates.

Due to the uncertainties inherent in estimation of the following assets and liabilities, it is at least reasonably possible that actual amounts that materialize in the near-term could differ materially from the estimates at September 30, 2014 and September 30, 2013:

	Estimates At September 30	
	2014	2013
Accrued Employee Health Benefit Claims	$ 7,100,000	$ 5,600,000
Accrued Worker's Compensation Claims	4,360,000	4,001,000
Accrued General Liability Claims	987,000	885,000
Accrued Medical Malpractice Claims	15,188,000	14,987,000
Liability for Pension Benefits	35,413,911	18,742,880
Insurance Recoveries Receivable	5,939,000	5,876,000

Note 31- Fair Values of Financial Instruments

Accounting standards establish a framework for measuring fair value reported in financial statements. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Medical Center has the ability to access (observe).

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 31- Fair Values of Financial Instruments (Continued)

The fair values of assets and liabilities measured on a recurring basis are estimated as described in the preceding section and are summarized as follows:

Financial Instruments Included in These Statement of Financial Position Items	At September 30 2014 Carrying Amount	2014 Fair Value	2013 Carrying Amount	2013 Fair Value
Assets				
Level 1 Valuation Inputs				
Cash and Cash Equivalents	$ 53,551,050	$ 53,551,050	$ 42,754,928	$ 42,754,928
Certificates of Deposit	663,175	663,175	890,752	890,752
Investments in Debt Securities	225,505,699	225,505,699	180,231,579	180,231,579
Assets Whose Use is Limited	57,587,992	57,587,992	55,233,198	55,233,198
	337,307,916	337,307,916	279,110,457	279,110,457
(Not Practical to Estimate Fair Value)				
Notes Receivable	1,971,535		1,898,107	
Sundry Assets-Nonmarketable Equity Investments	14,467		14,594	
Liabilities				
Level 1 Valuation Inputs (Not Practical to Estimate Fair Value)				
Notes Payable	22,748,604		22,748,604	
Level 2 Valuation Inputs				
Bonds Payable	154,586,270	154,586,270	164,265,868	164,265,868

The following methods and assumptions were used by the Medical Center to estimate the fair value of its financial instruments:

Cash and Cash Equivalents:
The carrying amounts reported in the statements of financial position for cash and cash equivalents approximate fair value because these assets are highly liquid.

Certificates of Deposit:
The carrying amounts reported in the statements of financial position for certificates of deposit approximate fair value because these assets are highly liquid.

Investments in Debt Securities:
The fair values are estimated based on quoted market prices for those investments in an active market. See Notes 1 and 4.

Assets Whose Use is Limited:
This category is comprised of investments in debt securities whose fair values are estimated based on quoted market prices for those investments in an active market. See Notes 1, 6, 7, 8 and 9.

Notes Receivable:
A reasonable estimate of fair value for notes receivable could not be made without incurring excessive costs. See Note 5.

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 31- Fair Values of Financial Instruments (Continued)

Nonmarketable Equity Investments:
A reasonable estimate of the fair value of nonmarketable equity investments could not be made without incurring excessive costs. See Note 12.

Notes Payable:
A reasonable estimate of fair value for notes payable could not be made without incurring excessive costs.

Bonds Payable:
The carrying amounts reported in the statements of financial position for the Medical Center's bonds approximate fair value because the bonds bear interest at rates adjusted every 35 days to market. See Note 13.

Note 32- Self-Funded Unemployment Claims

The Medical Center is self-funded with respect to unemployment claims. As a self-funded employer, the Medical Center must reimburse the Louisiana Department of Labor on a dollar-for-dollar basis for unemployment benefits paid to former employees. For the years ended September 30, 2014 and September 30, 2013, the Medical Center reimbursed the Louisiana Department of Labor $72,869 and $143,423, respectively, for claims paid on behalf of the Medical Center.

Management does not believe that any significant contingent liabilities exist under this arrangement at September 30, 2014 and September 30, 2013.

Note 33- Resident Services

The Medical Center operates two independent-living apartment complexes for mature adults, one at The Oaks of Louisiana and one at Live Oak Retirement Community (Note 2) and an assisted living facility at Savannah at The Oaks. A summary of the combined operations of these facilities for the years ended September 30, 2014 and September 30, 2013 follows:

	Year Ended September 30	
Operations	2014	2013
Resident Services Income (Primarily Rentals)	$ 6,580,483	$ 6,620,700
Resident Services Expenses:		
Depreciation	(4,352,389)	(4,349,057)
Other	(8,298,191)	(8,009,563)
Net (Loss)	$(6,070,097)	$(5,737,920)

A summary of property leased is as follows:

	At September 30	
Fixed Assets Employed	2014	2013
Land, Buildings, Improvements and Equipment	$ 77,351,899	$ 76,684,389
Less-Accumulated Depreciation	17,730,799	13,488,014
	$ 59,621,100	$ 63,196,375

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 34- Noncash Investing and Financing Transactions

The Medical Center formed and capitalized WK Arbors, LLC which, on April 10, 2014, purchased a multi-family apartment complex for $10,500,000. Settlement of the purchase price included the assumption of a mortgage note payable in the amount of $5,481,219.

During the year ended September 30, 2014 the Medical Center financed equipment purchases totaling $18,231,996.

During the years ended September 30, 2014 and September 30, 2013, the Medical Center entered into capital leases that resulted in capitalizing equipment totaling $563,902 and $1,360,618, respectively.

Note 35- Subsequent Events

Management has evaluated subsequent events through January 23, 2015, the date of financial statements were available to be issued, and determined that no events occurred subsequent to September 30, 2014 that would require adjustment to, or disclosure in, the financial statements.

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INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION

Board of Trustees
Willis-Knighton Medical Center
Shreveport, Louisiana

We have audited the consolidated financial statements of the Willis-Knighton Medical Center and its Subsidiaries (the Medical Center) as of and for the years ended September 30, 2014 and 2013, and have issued our report thereon dated January 23, 2015, which contained an unmodified opinion on those consolidated financial statements. Our audits were performed for the purposes of forming an opinion on the consolidated financial statements as a whole. The supplementary information included on pages 45 through 46 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.

Postlethwaite & Netterville

Baton Rouge, Louisiana
January 23, 2015

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WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF PATIENT REVENUES AND DIRECT DEPARTMENTAL EXPENSES

FOR THE YEARS MONTHS ENDED SEPTEMBER 30, 2014 AND SEPTEMBER 30, 2013

	Year Ended September 30, 2014			Year Ended September 30, 2013		
Function	Patient Revenues	Direct Departmental Expenses	Net Departmental Income	Patient Revenues	Direct Departmental Expenses	Net Departmental Income
Anesthesiology	103,314,663	16,808,382	86,506,281	87,922,375	14,884,184	73,038,191
Behavioral Medicine	9,568,638	3,100,056	6,468,582	10,245,784	3,447,129	6,798,655
Cancer Treatment Center	45,090,064	8,149,156	36,940,908	41,520,945	6,751,695	34,769,250
Cardiology	180,321,620	39,646,324	140,675,296	157,282,193	37,358,307	119,923,886
Central Supply	23,809,265	2,396,741	21,412,524	22,409,739	2,412,650	19,997,089
Chemical Dependency Unit	366,196	254,965	111,231	405,482	262,467	143,015
Coronary Care	4,148,601	1,640,853	2,507,748	4,014,716	1,667,882	2,346,834
CT Scanner	132,504,468	4,091,733	128,412,735	115,350,000	4,408,620	110,941,380
Delivery Room	21,107,055	6,374,328	14,732,727	18,533,355	6,077,959	12,455,396
Dialysis	11,795,975	3,202,438	8,593,537	11,879,624	3,136,395	8,743,229
Dietary	11,494,798	17,203,336	(5,708,538)	13,847,736	16,941,037	(3,093,301)
EEG-ENG	17,455,269	1,120,387	16,334,882	17,573,971	1,221,573	16,352,398
Emergency Room	161,587,474	37,675,999	123,911,475	145,443,289	35,422,557	110,020,732
Emergency Transportation	934,074	1,200,980	(266,906)	639,578	1,096,495	(456,917)
Eye Surgery	16,717,905	3,379,715	13,338,190	13,311,164	2,963,216	10,347,948
Gastroenterology	32,426,954	5,858,429	26,568,525	27,867,783	5,083,385	22,784,398
Health Care Clinics	294,259,273	161,898,476	132,360,797	276,217,977	149,113,433	127,104,544
Home Health Services	5,540,552	3,559,917	1,980,635	5,360,379	3,669,465	1,690,914
Hyperbaric Chamber	7,547,022	905,402	6,641,620	6,440,711	724,514	5,716,197
Inpatient Routine Care	117,914,814	63,775,946	54,138,868	110,244,369	61,635,967	48,608,402
Intensive Care	34,422,461	12,548,763	21,873,698	32,536,261	12,806,681	19,729,580
Lab	346,083,630	33,666,549	312,417,081	318,556,846	32,123,611	286,433,235
MRI	38,644,451	1,790,092	36,854,359	36,054,855	1,744,567	34,310,288
NCV-EMG	101,995	69,555	32,440	229,010	78,280	150,730
Nuclear Medicine	43,784,991	5,072,078	38,712,913	42,684,454	4,749,447	37,935,007
Nursery	22,294,449	7,718,109	14,576,340	16,783,711	6,664,766	10,118,945
Operating Room	284,774,441	69,308,651	215,465,790	241,976,996	66,843,663	175,133,333
Organ Transplant	1,200,543	3,905,934	(2,705,391)	1,051,276	3,550,898	(2,499,622)
Pharmacy	434,050,115	52,039,407	382,010,708	384,231,481	44,755,288	339,476,193
Physical Therapy	34,615,344	8,482,709	26,132,635	31,391,325	8,173,825	23,217,500
Radiology	127,464,298	14,623,940	112,840,358	116,539,945	14,640,709	101,899,236
Recovery Room	30,105,016	5,503,802	24,601,214	25,891,369	5,339,341	20,552,028
Rehabilitation Therapy	15,968,045	4,847,730	11,120,315	15,262,377	5,030,178	10,232,199
Respiratory Therapy	133,791,367	7,965,380	125,825,987	127,554,499	7,797,588	119,756,911
Skilled Nursing-ECC	9,433,946	2,347,350	7,086,596	9,067,686	2,242,541	6,825,145
Skilled Nursing-PCC	7,060,254	6,070,536	989,718	6,369,391	5,881,556	487,835
Skilled Nursing-Live Oak	9,341,072	11,073,048	(1,731,976)	9,922,894	10,939,813	(1,016,919)
Other Functions	4,181,859	4,828,972	(647,113)	4,586,602	4,909,061	(322,459)
Medicare Discounts	(882,527,905)		(882,527,905)	(790,149,540)		(790,149,540)
Medicaid Discounts	(221,589,993)		(221,589,993)	(178,951,257)		(178,951,257)
Other Discounts and Allowances	(591,462,115)		(591,462,115)	(520,770,920)		(520,770,920)
Free Services	(71,895,342)		(71,895,342)	(57,875,191)		(57,875,191)
	1,007,747,602	634,106,168	373,641,434	959,455,240	596,550,743	362,904,497

WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

RESULTS OF OPERATIONS-NATURAL CLASSIFICATIONS

FOR THE YEAR ENDED SEPTEMBER 30, 2014 AND SEPTEMBER 30, 2013

	Year Ended September 30, 2014			Year Ended September 30, 2013		
	Revenues and Expenses	Percent to Net Patient Revenues	Percent of Total Operating Expenses **	Revenues and Expenses	Percent to Net Patient Revenues	Percent of Total Operating Expenses **
Patient Revenues:						
Inpatient Revenues	1,315,719,978	47 69*		1,187,342,866	47.67*	
Outpatient Revenues	1,443,101,653	52.31*		1,303,566,997	52 33*	
Total Patient Revenues	2,758,821,631	100.00*		2,490,909,863	100 00*	
Deductions from Revenues						
Medicare Contractual Discounts	881,544,139	31 95*		789,335,848	31 69*	
Medicaid Contractual Discounts	221,589,993	8 03*		178,951,257	7 18*	
Other Discounts	591,462,135	21 44*		520,770,920	20.91*	
Bad Debts	68,672,922	2 49*		57,364,124	2 30*	
Free Services	71,895,342	2 61*		57,875,192	2 32*	
Total Deductions from Revenues	1,835,164,531	66.52*		1,604,297,341	64.40*	
Net Patient Revenues	923,657,100	100 00		886,612,522	100.00	
Other Revenues						
Interest Income	1,112,529	0 12		907,278	0 10	
Miscellaneous	14,647,489	1 59		11,516,814	1.30	
Total Other Revenues	15,760,018	1.71		12,424,092	1.40	
Total Revenues	939,417,118	101.71		899,036,614	101.40	
Expenses (Excluding Depreciation and Interest Expense)						
Physician Salaries and Fees	140,066,399	15.16	17.39	112,117,837	12.65	14.44
Other Salaries and Benefits	364,588,227	39 47	45 27	375,297,774	42.33	48.33
Insurance	12,070,575	1 31	1.50	11,674,713	1.32	1 50
Utilities	12,706,931	1 38	1.58	12,074,740	1.36	1.56
Other Expenses	275,907,332	29.87	34.26	265,288,828	29 92	34.17
Total	805,339,464	87.19	100.00	776,453,892	87.58	100.00
Excess Revenues Over Expenses Before Depreciation, Interest Expense, Pension Related Changes Other than Net Periodic Pension Cost, and Income (Loss) of Subsidiaries	134,077,654	14.52		122,582,722	13.82	
Depreciation, Interest Expense, and Pension Related Changes Other than Net Periodic Pension Cost						
Depreciation	50,430,699	5.46		47,728,241	5.38	
Pension Related Changes Other than Net Periodic Pension Costs	35,422,490	3.84		(71,859,477)	(8.10)	
Interest Expense	319,357	0.03		710,315	0.08	
Total Depreciation, Interest Expense, and Pension Related Charges Other than Net Periodic Pension Cost	86,172,546	9.33		(23,420,921)	(2.64)	
Excess Revenues Before Income (Loss) of Subsidiaries	47,905,108	5.19		146,003,643	16 46	
Income (Loss) of Subsidiaries:						
Virginia Hall Nursing Home-Net	(129,139)	(0.01)		(434,968)	(0.05)	
South Shreveport Pharmacy, Inc -Net	(246)			(953)		
WK Arbors, LLC-Net	(92,564)	(0.01)				
Health Plus of Louisiana, Inc -Net	476,719	0.05		69,559	0 01	
Multi-Faith Retirement Services-Net	(512,876)	(0 06)		(50,751)	(0.01)	
Total Income (Loss) of Subsidiaries	(258,106)	(0 03)		(417,113)	(0.05)	
Increase in Net Assets	47,647,002	5.16		145,586,530	16.41	

*Percent to Total Patient Revenues
**Excluding Depreciation and Interest Expense

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INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTAL INFORMATION

Board of Trustees
Willis-Knighton Medical Center
Shreveport, Louisiana

We have audited the consolidated financial statements of the Willis-Knighton Medical Center and its Subsidiaries (the Medical Center) as of and for the years ended September 30, 2014 and 2013, and have issued our report thereon dated January 23, 2015, which contained an unmodified opinion on those consolidated financial statements. Our audits were conducted for the purposes of forming an opinion on the consolidated financial statements as a whole. The nonstatistical data included on page 48, as well as the financial data for years ended prior to September 30, 2013, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audits of these consolidated financial statements and, accordingly, we do not express an opinion on provide any assurance on it.

Postlethwaite & Netterville

Baton Rouge, Louisiana
January 23, 2015

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WILLIS-KNIGHTON MEDICAL CENTER AND SUBSIDIARIES

SUMMARY OF OPERATING RESULTS

	Fiscal Year Ended September 30				
	2014	2013	2012	2011	2010
Patient Revenue at Established Rates	2,758,821,631	2,490,909,863	2,353,786,484	2,237,126,545	2,110,376,950
Deductions from Revenues	1,835,164,531	1,604,297,341	1,502,176,268	(1,429,984,494)	(1,346,793,713)
Net Patient Revenues	923,657,100	886,612,522	851,610,216	807,142,051	763,583,237
Other Revenues	15,760,018	12,424,092	10,784,047	8,647,482	6,075,401
Costs and Expenses	(856,089,520)	(824,892,448)	(779,176,181)	(742,067,092)	(716,204,156)
Income Excluding Subsidiaries and Pension -Related Changes Other than Net Periodic Pension Cost	83,327,598	74,144,166	83,218,082	73,722,441	53,454,482
Income (Loss) of Subsidiaries	(258,106)	(417,113)	(162,238)	2,212,208	(5,038,722)
Increase in Net Assets Before Pension-Related Changes Other than Net Periodic Pension Cost	83,069,492	73,727,053	83,055,844	75,934,649	48,415,760
Pension-Related Changes Other than Net Periodic Pension Cost	(35,422,490)	71,859,477	(27,182,365)	(27,257,252)	(2,520,050)
Increase in Net Assets	47,647,002	145,586,530	55,873,479	48,677,397	45,895,710
Increase in Net Assets Before Depreciation, Interest Expense and Pension-Related Changes Other than Net Periodic Pension Cost	136,011,469	124,310,974	132,888,609	125,367,957	94,998,518
Total Hospital Patient Days (Including Observations)	211,347	202,918	203,603	206,940	207,552
Admissions and Observation Stays	53,253	50,997	51,343	51,109	50,417
Births	3,429	3,291	3,897	3,962	3,952
Inpatient Revenue:					
per Admission[1]	32,600	30,481	28,077	27,131	26,571
per Patient Day[1]	6,630	6,221	5,962	5,781	5,766
as a Percent of Total Patient Revenue	47.69%	47.67%	48.96%	51.17%	54.81%
Increase in Net Assets per Patient Day[2]	393	363	408	367	233
Increase in Net Assets as a Percent of Net Patient Revenues[2]	9.00%	8.32%	9.75%	9.41%	6.34%
Number of Days Net Patient Revenues (Before Bad Debts) in Net Patient Receivables	41.61	48.11	44.99	43.04	44.59
Net Bad Debts as a Percent of Patient Revenues (Excluding Medicare, Medicaid and Free Services)	6.29%	5.83%	6.88%	6.16%	6.13%
Average Length of Patient Stay in Days[1]	4.92	4.90	4.71	4.69	4.61

(1) Excludes Observations

(2) Before Pension-Related Changes Other than Net Periodic Pension Costs