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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

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

OMB No 1545-0047

2014

Open to Public Inspection

A For the 2014 calendar year, or tax year beginning 07-01-2014 , and ending 06-30-2015

B Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization ST LUKE'S QUAKERTOWN HOSPITAL		D Employer identification number 23-1352203
	% THOMAS P LICHTENWALNER Doing business as		
	Number and street (or P O box if mail is not delivered to street address)	Room/suite	E Telephone number (484) 526-4000
	801 OSTRUM STREET		
	City or town, state or province, country, and ZIP or foreign postal code BETHLEHEM, PA 180151000		G Gross receipts \$ 58,117,457
F Name and address of principal officer THOMAS P LICHTENWALNER 801 OSTRUM STREET BETHLEHEM,PA 180151000			
I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () <input type="checkbox"/> (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
J Website: WWW SLHN ORG		H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)	
		H(c) Group exemption number ▶	

K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	L Year of formation 1926	M State of legal domicile PA
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Part I

Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities TO PROVIDE COMPASSIONATE, EXCELLENT QUALITY AND COST EFFECTIVE HEALTHCARE TO THE RESIDENTS OF THE COMMUNITIES WE SERVE IN A NON-DISCRIMINATORY MANNER		
2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets			
Revenue	3 Number of voting members of the governing body (Part VI, line 1a)	3	15
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	12
	5 Total number of individuals employed in calendar year 2014 (Part V, line 2a)	5	451
	6 Total number of volunteers (estimate if necessary)	6	104
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
	b Net unrelated business taxable income from Form 990-T, line 34	7b	
	Expenses	8 Contributions and grants (Part VIII, line 1h)	Prior Year
9 Program service revenue (Part VIII, line 2g)		100,116	77,548
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)		58,512,947	56,806,459
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		2,695,736	589,109
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)		706,717	635,584
13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)		62,015,516	58,108,700
14 Benefits paid to or for members (Part IX, column (A), line 4)		29,830	65,207
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		0	0
16a Professional fundraising fees (Part IX, column (A), line 11e)		28,728,302	27,209,748
b Total fundraising expenses (Part IX, column (D), line 25) ▶ ⁰		0	0
Net Assets or Fund Balances	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)		
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	28,680,539	32,295,091
	19 Revenue less expenses Subtract line 18 from line 12	57,438,671	59,570,046
		4,576,845	-1,461,346
		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	42,771,497	37,465,706
	21 Total liabilities (Part X, line 26)	8,210,470	4,688,622
22 Net assets or fund balances Subtract line 21 from line 20	34,561,027	32,777,084	

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	2016-05-13 Date			
	THOMAS LICHTENWALNER CFO Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name Scott J Mariani	Preparer's signature Scott J Mariani	Date	Check <input type="checkbox"/> if self-employed	PTIN P00642486
	Firm's name ▶ WithumSmithBrown PC			Firm's EIN ▶	
	Firm's address ▶ 465 South St Ste 200 Mornstown, NJ 079606497			Phone no (973) 898-9494	

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 PROVIDE COMPASSIONATE, EXCELLENT QUALITY AND COST EFFECTIVE HEALTHCARE TO THE RESIDENTS OF THE COMMUNITIES WE SERVE REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY PLEASE REFER TO SCHEDULE O FOR THE ORGANIZATION'S COMMUNITY BENEFIT STATEMENT

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 \$ 10,368,812	including grants of \$ 0	(Revenue \$ 10,964,119)
Same Day Surgery the hospital offers a variety of surgical services, from general surgery to laparoscopic procedures In addition, highly specialized procedures not usually performed at a community hospital are offered at the hospital through its membership in St Luke's UNIVERSITY Health Network These include vascular surgery and leading-edge radio frequency ablation surgery for liver cancer Also available is sentinel node lymph node biopsy, a new surgical technique for determining the spread of melanoma, breast and colon cancer Additional frequent surgical diagnoses include kidney and urinary tract procedures, prostatectomy, transurethral procedures, major bladder procedures, thyroid procedures and procedures related to the hospital's extensive wound care program PLEASE REFER TO SCHEDULE O FOR THE ORGANIZATION'S COMMUNITY BENEFIT STATEMENT				
























4b	(Code)	(Expenses \$ 7,893,782	including grants of \$ 0	(Revenue \$ 7,916,891)
General medicine the hospital has a well-earned reputation for providing quality general medical care with outstanding customer service to adults Coordinated care is provided for common medical illnesses and ongoing management for complex disease states As is typical of general community hospitals, St Luke's Quakertown Hospital's most common medical diagnoses include appendectomy, respiratory, esophageal and duodenal procedures, major and large bowel procedures, anal and stomach procedures, hernia and cholecystectomy PLEASE REFER TO SCHEDULE O FOR THE ORGANIZATION'S COMMUNITY BENEFIT STATEMENT				

4c	(Code)	(Expenses \$ 5,163,882	including grants of \$ 0	(Revenue \$ 3,998,956)
Behavioral Health The Hospital helps people with a wide variety of mental and behavioral health issues, including anger management, anxiety disorders, including phobias, attention deficit disorder with hyperactivity (ADHD), bipolar disorder, depression, grief and bereavement, headaches and migraines, obsessive compulsive disorder (OCD), panic disorder, post-traumatic stress disorder (PTSD), stress management and work/life balance PLEASE REFER TO SCHEDULE O FOR THE ORGANIZATION'S COMMUNITY BENEFIT STATEMENT				

4d	Other program services (Describe in Schedule O)			
	(Expenses \$ 30,193,085	including grants of \$	(Revenue \$ 33,926,493)	

4e	Total program service expenses	53,619,561		
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Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 	2 Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I 	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II 	4 Yes	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III 	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II 	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10 Yes	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI 	11a Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII 	11b	No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII 	11c Yes	
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX 	11d	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	No
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional 	12b Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions) 	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II 	18 Yes	
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 domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		No
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35b		
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

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

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
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.		
2b	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).	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		No
3b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O.		
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)?		No
b	If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		No
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		No
5c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
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?		No
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
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?		No
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		No
7d	If "Yes," indicate the number of Forms 8282 filed during the year.		
7e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		No
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		No
7g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
9a	Did the sponsoring organization make any taxable distributions under section 4966?		
9b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter		
10a	Initiation fees and capital contributions included on Part VIII, line 12.		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		
11	Section 501(c)(12) organizations. Enter		
11a	Gross income from members or shareholders.		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
13a	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.		
13b	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.		
13c	Enter the amount of reserves on hand.		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		No
14b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.		

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

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

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

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed▶
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> Other (explain in Schedule O)
19	Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year
20	State the name, address, and telephone number of the person who possesses the organization's books and records ▶THOMAS P LICHTENWALNER 801 OSTRUM STREET BETHLEHEM, PA 180151000 (484) 526-4000

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			
(1) SUSAN DALE CHAIR - DIRECTOR	1 0 0 0	X		X				0	0	0
(2) KATHLEEN EHRHARDT CO-CHAIR - DIRECTOR	1 0 0 0	X		X				0	0	0
(3) DAVID FREEMAN CO-CHAIR - DIRECTOR	1 0 0 0	X		X				0	0	0
(4) JOSEPH G O'NEILL DO CO-CHAIR - DIRECTOR	55 0 0 0	X		X				0	220,999	60,912
(5) PETER M CIANFRANI MD DIRECTOR	55 0 0 0	X						0	203,982	55,215
(6) GUY COBY DMD DIRECTOR	1 0 0 0	X						0	0	0
(7) CHERI FREEH DIRECTOR	1 0 0 0	X						0	0	0
(8) SCOTT MCELREE DIRECTOR	1 0 0 0	X						0	0	0
(9) BRIDGET O'CONNELL DIRECTOR	1 0 0 0	X						0	0	0
(10) LEONARD PAPARO DO DIRECTOR	1 0 0 0	X						0	0	0
(11) KEVIN REINOLD MD DIRECTOR	1 0 0 0	X						0	0	0
(12) DAVID SLIFER DIRECTOR	1 0 0 0	X						0	0	0
(13) STEPHEN SMITH MD DIRECTOR	1 0 0 0	X						0	0	0
(14) LUANNE STAUFFER DIRECTOR	1 0 0 0	X						0		0

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			
(15) JOHN B SYLVIA DIRECTOR, EX-OFFICIO - PRES	55 0 0 0	X		X				0	296,887	42,943
(16) HEATHER VASSA DIRECTOR (TERMED 09/25/2014)	1 0 0 0	X						0	0	0
(17) THOMAS P LICHTENWALNER SVP FINANCE/CFO	55 0 0 0			X				0	652,435	194,453
(18) THOMAS A FILIPOWICZ MD VICE PRESIDENT MEDICAL AFFAIRS	55 0 0 0				X			0	342,898	68,566
(19) KATHY P RAMSON VP PATIENT SERVICES	55 0 0 0				X			165,357	0	30,529
(20) KENNETH CHECKEYE PHARMACY MANAGER	55 0 0 0					X		144,212	0	54,336
(21) ROBERT T COLEMAN PHARMACY MANAGER	55 0 0 0					X		129,731	0	57,004
(22) PAMELA J ASTL-REIMER PHYSICIAN ASSISTANT	55 0 0 0					X		122,973	0	30,775
(23) LAURA B HILLEN PHARMACIST	55 0 0 0					X		120,488	0	42,336
(24) JAMES C WORTHINGTON PHARMACIST	55 0 0 0					X		116,461	0	40,860
(25) EDWARD R NAWROCKI FORMER OFFICER	0 0 0 0						X	0	433,047	48,825
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								799,222	2,150,248	726,754

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▶10

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3 Yes	
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4 Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	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
2	Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ▶0		

Part VIII

Statement of Revenue

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

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns 1a				
	b	Membership dues 1b				
	c	Fundraising events 1c	6,373			
	d	Related organizations 1d				
	e	Government grants (contributions) 1e	44,108			
	f	All other contributions, gifts, grants, and similar amounts not included above 1f	27,067			
	g	Noncash contributions included in lines 1a-1f \$				
	h	Total. Add lines 1a-1f	77,548			
Program Service Revenue	2a	NET PATIENT SERVICE REVENUE	541900	55,666,539	55,666,539	
	b	OTHER HEALTHCARE RELATED REVENUE	541900	1,139,920	1,139,920	
	c					
	d					
	e					
	f	All other program service revenue				
	g	Total. Add lines 2a-2f	56,806,459			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)	142,475			142,475
	4	Income from investment of tax-exempt bond proceeds	0			
	5	Royalties	0			
	6a	Gross rents	(i) Real 437,569	(ii) Personal		
	b	Less rental expenses				
	c	Rental income or (loss)	437,569	0		
	d	Net rental income or (loss)	437,569			437,569
	7a	Gross amount from sales of assets other than inventory	(i) Securities 372,298	(ii) Other 74,336		
	b	Less cost or other basis and sales expenses				
	c	Gain or (loss)	372,298	74,336		
	d	Net gain or (loss)	446,634			446,634
	8a	Gross income from fundraising events (not including \$ 6,373 of contributions reported on line 1c) See Part IV, line 18	a 8,757			
	b	Less direct expenses b	8,757			
	c	Net income or (loss) from fundraising events	0			
	9a	Gross income from gaming activities See Part IV, line 19	a			
	b	Less direct expenses b				
	c	Net income or (loss) from gaming activities	0			
	10a	Gross sales of inventory, less returns and allowances	a			
	b	Less cost of goods sold b				
	c	Net income or (loss) from sales of inventory	0			
		Miscellaneous Revenue	Business Code			
	11a	CAFETERIA REVENUE	900099	172,206		172,206
	b	GIFT SHOP REVENUE	453220	25,809		25,809
	c					
	d	All other revenue				
	e	Total. Add lines 11a-11d	198,015			
	12	Total revenue. See Instructions	58,108,700	56,806,459		1,224,693

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 domestic organizations and domestic governments See Part IV, line 21	63,707	63,707		
2	Grants and other assistance to domestic individuals See Part IV, line 22	1,500	1,500		
3	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	195,886	176,297	19,589	0
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	22,121,544	19,909,390	2,212,154	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	707,786	637,007	70,779	
9	Other employee benefits	2,883,410	2,595,069	288,341	
10	Payroll taxes	1,301,122	1,171,010	130,112	
11	Fees for services (non-employees)				
a	Management	326,331	293,698	32,633	
b	Legal	0			
c	Accounting	0			
d	Lobbying	0			
e	Professional fundraising services See Part IV, line 17	0			
f	Investment management fees	0			
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	0			
12	Advertising and promotion	7,171	6,454	717	
13	Office expenses	2,291,221	2,062,099	229,122	
14	Information technology	28,408	25,567	2,841	
15	Royalties	0			
16	Occupancy	1,818,979	1,637,081	181,898	
17	Travel	15,287	13,758	1,529	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	22,422	20,180	2,242	
20	Interest	1,177,714	1,059,943	117,771	
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	3,749,398	3,374,458	374,940	
23	Insurance	658,173	592,356	65,817	
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	MEDICAL SUPPLIES	10,168,157	9,151,341	1,016,816	
b	OTHER SERVICES/SUPPORT	3,458,041	3,112,237	345,804	
c	PURCHASED SERVICES	3,163,300	2,846,970	316,330	
d	REPAIRS & MAINTENANCE	890,397	801,357	89,040	
e	All other expenses	4,520,092	4,068,082	452,010	
25	Total functional expenses. Add lines 1 through 24e	59,570,046	53,619,561	5,950,485	0
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X

Balance Sheet

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

				(A)		(B)
				Beginning of year		End of year
Assets	1	Cash—non-interest-bearing		2,385	1	2,385
	2	Savings and temporary cash investments		129,043	2	350,918
	3	Pledges and grants receivable, net		66,751	3	84,332
	4	Accounts receivable, net		15,985,962	4	11,343,595
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		0	6	0
	7	Notes and loans receivable, net		0	7	0
	8	Inventories for sale or use		790,904	8	817,193
	9	Prepaid expenses and deferred charges		208,346	9	212,707
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a75,168,779			
	b	Less accumulated depreciation	10b56,776,532	19,456,744	10c	18,392,247
	11	Investments—publicly traded securities		0	11	0
	12	Investments—other securities See Part IV, line 11		0	12	0
	13	Investments—program-related See Part IV, line 11		6,022,925	13	6,205,509
	14	Intangible assets		0	14	0
	15	Other assets See Part IV, line 11		108,437	15	56,820
	16	Total assets. Add lines 1 through 15 (must equal line 34)		42,771,497	16	37,465,706
Liabilities	17	Accounts payable and accrued expenses		5,508,361	17	2,652,107
	18	Grants payable		0	18	0
	19	Deferred revenue		0	19	0
	20	Tax-exempt bond liabilities		0	20	0
	21	Escrow or custodial account liability Complete Part IV of Schedule D		0	21	0
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		0	23	0
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		2,702,109	25	2,036,515
	26	Total liabilities. Add lines 17 through 25		8,210,470	26	4,688,622
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets		30,325,914	27	28,363,607
	28	Temporarily restricted net assets		1,122,645	28	1,190,260
	29	Permanently restricted net assets		3,112,468	29	3,223,217
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		34,561,027	33	32,777,084
	34	Total liabilities and net assets/fund balances		42,771,497	34	37,465,706

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	58,108,700
2	Total expenses (must equal Part IX, column (A), line 25)	2	59,570,046
3	Revenue less expenses Subtract line 2 from line 1	3	-1,461,346
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	34,561,027
5	Net unrealized gains (losses) on investments	5	-330,750
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	8,153
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	32,777,084

Part XII Financial Statements and Reporting

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

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

SCHEDULE A
(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.
▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization ST LUKE'S QUAKERTOWN HOSPITAL	Employer identification number 23-1352203
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Part I

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

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

- 1

☐

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

☐

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

☒

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

☐

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

☐

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

☐

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

☐

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

☐

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

☐

An organization that normally receives (1) more than 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 in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g
- a

☐

Type I. A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B.**
- b

☐

Type II. A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C.**
- c

☐

Type III functionally integrated. A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E.**
- d

☐

Type III non-functionally integrated. A supporting organization operated in connection with its supported organization(s) that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V.**
- e

☐

Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization
- f

Enter the number of supported organizations _____
- g

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 listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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 VI)						
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 section 501(c)(3) organization, check this box and stop here						▶

Section C. Computation of Public Support Percentage						
14 Public support percentage for 2014 (line 6, column (f) divided by line 11, column (f))		14				
15 Public support percentage for 2013 Schedule A, Part II, line 14		15				
16a 33 1/3% support test—2014. 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—2013. 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—2014. 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 VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization						▶
b 10%-facts-and-circumstances test—2013. 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 VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization						▶
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions						▶

Part IIISupport Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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 VI.)						
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 section 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage		
15 Public support percentage for 2014 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2013 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage		
17 Investment income percentage for 2014 (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from 2013 Schedule A, Part III, line 17	18	
19a 33 1/3% support tests—2014. 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—2013. 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

Supporting Organizations

(Complete only if you checked a box on line 11 of Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.	1	
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).	2	
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.	3a	
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.	3b	
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.	3c	
4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.	4a	
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations. . . .	4b	
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.	4c	
5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).	5a	
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?	5b	
c Substitutions only. Was the substitution the result of an event beyond the organization's control?	5c	
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations, (b) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (c) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI .	6	
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990) .	7	
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part II of Schedule L (Form 990).	8	
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI .	9a	
b Did one or more disqualified persons (as defined in line 9(a)) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI .	9b	
c Did a disqualified person (as defined in line 9(a)) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI .	9c	
10a Was the organization subject to the excess business holdings rules of IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer b below.	10a	
b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings).	10b	
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?	11a	
b A family member of a person described in (a) above?	11b	
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI.	11c	

Part IV Supporting Organizations (continued)

Section B. Type I Supporting Organizations

	Yes	No
1 Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization.		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (1) a written notice describing the type and amount of support provided during the prior tax year, (2) a copy of the Form 990 that was most recently filed as of the date of notification, and (3) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).		
3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.		

Section E. Type III Functionally-Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions)			
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.			
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.			
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).			
2 <u>Activities Test</u> Answer (a) and (b) below.		Yes	No
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.	2a		
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.	2b		
3 <u>Parent of Supported Organizations</u> Answer (a) and (b) below.			
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI.	3a		
b Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.	3b		

Part V – Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov 20, 1970 **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)	1	
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI) _____		
2	Acquisition indebtedness applicable to non-exempt use assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for exempt use Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)		

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI) See instructions	
7 Total annual distributions. Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
9 Distributable amount for 2014 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2014	(iii) Distributable Amount for 2014
1 Distributable amount for 2014 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2014 (reasonable cause required--see instructions)			
3 Excess distributions carryover, if any, to 2014			
a From 2009.			
b From 2010.			
c From 2011.			
d From 2012.			
e From 2013.			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2014 distributable amount			
i Carryover from 2009 not applied (see instructions)			
j Remainder Subtract lines 3g, 3h, and 3i from 3f			
4 Distributions for 2014 from Section D, line 7 \$			
a Applied to underdistributions of prior years			
b Applied to 2014 distributable amount			
c Remainder Subtract lines 4a and 4b from 4			
5 Remaining underdistributions for years prior to 2014, if any Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)			
6 Remaining underdistributions for 2014 Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions)			
7 Excess distributions carryover to 2015. Add lines 3j and 4c			
8 Breakdown of line 7			
a From 2010.			
b From 2011.			
c From 2012.			
d From 2013.			
e From 2014.			

Part VI **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Return Reference

Explanation

SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

▶ **Information about Schedule C (Form 990 or 990-EZ) and its instructions is at**

www.irs.gov/form990.

OMB No 1545-0047

2014

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) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then

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

Name of the organization ST LUKE'S QUAKERTOWN HOSPITAL	Employer identification number 23-1352203
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Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

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

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

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

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

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

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

Part II-A

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

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

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

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?	Yes		
i	Other activities?		No	
j	Total. Add lines 1c through 1i.			
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, lines 1 and 2 (see instructions), and Part II-B, line 1. Also, complete this part for any additional information.

Return Reference	Explanation
SCHEDULE C, PART II-B, QUESTION 1	THE ORGANIZATION IS AN AFFILIATE IN THE ST LUKE'S UNIVERSITY HEALTH NETWORK ("NETWORK"), A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY NETWORK. ST LUKE'S HOSPITAL OF BETHLEHEM, PENNSYLVANIA PAYS ALL LOBBYING EXPENDITURES ON BEHALF OF ALL AFFILIATES WITHIN THE NETWORK AND ALLOCATES A PERCENTAGE OF THESE EXPENDITURES TO VARIOUS AFFILIATES. THESE LOBBYING EXPENDITURES INCLUDE (1) PAYMENT TO AN OUTSIDE INDEPENDENT FIRM, (2) AN ALLOCATED PORTION OF THE DUES PAID TO THE HOSPITAL AND HEALTHSYSTEM ASSOCIATION OF PENNSYLVANIA AND (3) A PERCENTAGE OF TOTAL COMPENSATION OF TWO ST LUKE'S UNIVERSITY HEALTH NETWORK SENIOR MANAGEMENT PERSONNEL. THE AMOUNT ALLOCATED TO THIS ORGANIZATION ATTRIBUTABLE TO LOBBYING ACTIVITY FOR THE YEAR ENDED JUNE 30, 2015 IS \$15,018.

[illegible]

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization ST LUKE'S QUAKERTOWN HOSPITAL	Employer identification number 23-1352203
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Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of 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?		<input type="checkbox"/> Yes <input type="checkbox"/> 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?		<input type="checkbox"/> Yes <input type="checkbox"/> 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) Revenue 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 Revenue 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

d

☐

Loan or exchange programs

b

☐

Scholarly research

e

☐

Other

c

☐

Preservation for future generations
- 4
- Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII
- 5
- During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?
- ☐ Yes

☐ No

Part IV

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

- 1a
- Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?
- ☐ Yes

☐ No
- b
- If "Yes," explain the arrangement in Part XIII and complete the following table
- | | |
|----|--------|
| | Amount |
| 1c | |
| 1d | |
| 1e | |
| 1f | |
- 2a
- Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?
- ☐ 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	4,235,113	3,571,488	3,188,234	2,957,210	1,803,655
b Contributions	70,819	50,230	5,281	244,566	1,186,273
c Net investment earnings, gains, and losses	127,778	656,892	405,746	69,669	282,771
d Grants or scholarships					
e Other expenditures for facilities and programs	20,233	43,497	27,773	83,211	315,489
f Administrative expenses					
g End of year balance	4,413,477	4,235,113	3,571,488	3,188,234	2,957,210

- 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

73 030 %

c

Temporarily restricted endowment

26 970 %

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

3a

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

(i) unrelated organizations

3a(i)

Yes

No

(ii) related organizations

3a(ii)

Yes

No

b

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

3b

Yes

No

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		6,295,812		6,295,812
b Buildings		23,019,850	17,542,185	5,477,665
c Leasehold improvements		1,388,134	567,647	820,487
d Equipment		43,497,016	38,666,700	4,830,316
e Other		967,967		967,967
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				18,392,247

Schedule D (Form 990) 2014

Part XI

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

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

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

Part XII

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

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

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

Part XIII

Supplemental Information

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

Return Reference	Explanation
SCHEDULE D, PART V, QUESTION 4	ENDOWMENT FUNDS ARE TO BE USED CONSISTENT WITH INTENT AND IN FURTHERANCE OF THE ORGANIZATION'S CHARITABLE TAX-EXEMPT PURPOSES

[illegible]

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding
Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the
organization entered more than \$15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ.

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

OMB No 1545-0047

2014

Open to Public
Inspection

Name of the organization
ST LUKE'S QUAKERTOWN HOSPITAL

Employer identification number

23-1352203

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

- 1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.

a ☐ Mail solicitations

b ☐ Internet and email solicitations

c ☐ Phone solicitations

d ☐ In-person solicitations

e ☐ Solicitation of non-government grants

f ☐ Solicitation of government grants

g ☐ Special fundraising events
- 2a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ **Yes** ☐ **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total ▶						

- 3** List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.
-
-

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		ARTIST (event type)	(event type)	0 (total number)	(add col (a) through col (c))
Revenue	1	Gross receipts	15,130		15,130
	2	Less Contributions . . .	6,373		6,373
	3	Gross income (line 1 minus line 2)	8,757		8,757
Direct Expenses	4	Cash prizes			
	5	Noncash prizes . . .			
	6	Rent/facility costs . . .			
	7	Food and beverages .	6,752		6,752
	8	Entertainment	1,620		1,620
	9	Other direct expenses .	385		385
	10	Direct expense summary Add lines 4 through 9 in column (d) ▶			
	11	Net income summary Subtract line 10 from line 3, column (d) ▶			

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

Revenue		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<div><div><div>Yes</div><div>No</div></div><div>%</div></div>	<div><div><div>Yes</div><div>No</div></div><div>%</div></div>	<div><div><div>Yes</div><div>No</div></div><div>%</div></div>	
	7 Direct expense summary Add lines 2 through 5 in column (d) ▶				
	8 Net gaming income summary Subtract line 7 from line 1, column (d) ▶				

9 Enter the state(s) in which the organization conducts gaming activities _____

a Is the organization licensed to conduct gaming activities in each of these states?

Yes

No

b If "No," explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?

Yes

No

b If "Yes," explain _____

11

Does the organization conduct gaming activities with nonmembers?

☐ Yes ☐ No

12

Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?

☐ Yes ☐ No

13

Indicate the percentage of gaming activities conducted in

a	The organization's facility	13a	%
b	An outside facility	13b	%

14

Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name

Address

15a

Does the organization have a contract with a third party from whom the organization receives gaming revenue?

☐ Yes ☐ No

b

If "Yes," enter the amount of gaming revenue received by the organization and the amount of gaming revenue retained by the third party

\$ and the \$

c

If "Yes," enter name and address of the third party

Name

Address

16

Gaming manager information

Name

Gaming manager compensation

Description of services provided

☐ Director/officer ☐ Employee ☐ Independent contractor

17

Mandatory distributions

a

Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?

☐ Yes ☐ No

b

Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year

\$

Part IV

Supplemental Information. Provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also provide any additional information (see instructions).

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

Schedule G (Form 990 or 990-EZ) 2014

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
ST LUKE'S QUAKERTOWN HOSPITAL

Employer identification number
23-1352203

Part I

Financial Assistance and Certain Other Community Benefits at Cost

		Yes	No	
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for <i>free</i> care <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>300 %</u> b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input checked="" type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ % c If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used 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	3a	Yes	
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		No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c		
6a	Did the organization prepare a community benefit report during the tax year?	6a		No
b	If "Yes," did the organization make it available to the public?	6b		
	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)			713,345		713,345	1 200 %
b Medicaid (from Worksheet 3, column a)			6,351,168	3,885,417	2,465,751	4 130 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			7,064,513	3,885,417	3,179,096	5 330 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			90,132	8,571	81,561	0 140 %
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)			3,690,348	2,951,477	738,871	1 240 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			70,828		70,828	0 120 %
j Total Other Benefits			3,851,308	2,960,048	891,260	1 500 %
k Total . Add lines 7d and 7j			10,915,821	6,845,465	4,070,356	6 830 %

Part IICommunity Building Activities

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

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

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

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

1Yes

No

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

24,831,295

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

3752,233

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

Section B. Medicare

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

517,510,485

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

618,038,814

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

7-528,329

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

☐ Cost accounting system

☒ Cost to charge ratio

☐ Other

Section C. Collection Practices

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

9aYes

No

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

9bYes

No

Part IVManagement Companies and Joint Ventures

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

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

Part V

Facility Information

Section A. Hospital Facilities

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

1
Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility)

		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)

ST LUKE'S QUAKERTOWN HOSPITAL

Name of hospital facility or letter of facility reporting group

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A):

		Yes	No
Community Health Needs Assessment			
1	Was the hospital facility first licensed, registered, or similarly recognized by a State as a hospital facility in the current tax year or the immediately preceding tax year?	1	No
2	Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C	2	No
3	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 12	3	Yes
	If "Yes," indicate what the CHNA report describes (check all that apply)		
a	<input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b	<input checked="" type="checkbox"/> Demographics of the community		
c	<input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d	<input checked="" type="checkbox"/> How data was obtained		
e	<input checked="" type="checkbox"/> The significant health needs of the community		
f	<input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g	<input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h	<input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i	<input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j	<input type="checkbox"/> Other (describe in Section C)		
4	Indicate the tax year the hospital facility last conducted a CHNA 20 13		
5	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 Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	5	Yes
6a	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	6a	Yes
b	Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C	6b	Yes
7	Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	7	Yes
a	<input checked="" type="checkbox"/> Hospital facility's website (list url) www slhn org		
b	<input type="checkbox"/> Other website (list url)		
c	<input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d	<input type="checkbox"/> Other (describe in Section C)		
8	Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	8	Yes
9	Indicate the tax year the hospital facility last adopted an implementation strategy 20 13		
10	Is the hospital facility's most recently adopted implementation strategy posted on a website?	10	Yes
a	If "Yes" (list url) WWW SLHN ORG		
b	If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?	10b	Yes
11	Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed		
12a	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)?	12a	No
b	If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?	12b	
c	If "Yes" to line 12b, 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)

ST LUKE'S QUAKERTOWN HOSPITAL

Name of hospital facility or letter of facility reporting group			Yes	No
19	Did the hospital facility or other authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged a <input type="checkbox"/> Reporting to credit agency(ies) b <input type="checkbox"/> Selling an individual's debt to another party c <input type="checkbox"/> Actions that require a legal or judicial process d <input type="checkbox"/> Other similar actions (describe in Section C) 20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 18 (check all that apply) a <input type="checkbox"/> Notified individuals of the financial assistance policy on admission b <input checked="" type="checkbox"/> Notified individuals of the financial assistance policy prior to discharge c <input checked="" type="checkbox"/> Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills d <input checked="" type="checkbox"/> Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy e <input type="checkbox"/> Other (describe in Section C) f <input type="checkbox"/> None of these efforts were made	19		No
Policy Relating to Emergency Medical Care				
21	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy? If "No," indicate why a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions b <input type="checkbox"/> The hospital facility's policy was not in writing c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C) d <input type="checkbox"/> Other (describe in Section C)	21	Yes	
Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)				
22	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care a <input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged b <input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged c <input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged d <input checked="" type="checkbox"/> Other (describe in Section C) 23 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Section C 24 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Section C	23		No
		24		No

Part V

Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

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? **5**

Name and address	Type of Facility (describe)
1 ST LUKE'S BONE & JOINT INSTITUTE 1534 PARK AVENUE QUAKERTOWN, PA 18951	REHABILITATION, DIAGNOSTIC & OUTPATIENT CENTER
2 ST LUKE'S UPPER PERKIOMEN OP CENTER 2793 GERYVILLE PIKE PENNSBURG, PA 18073	DIAGNOSTIC CENTER, LAB DRAW SITE, REHABILITATION
3 ST LUKE'S PHYSICAL THERAPY - CV 5848 OLD BETHLEHEM PIKE SUITE 102 CENTER VALLEY, PA 18034	REHABILITATION
4 WOMEN'S IMAGING CENTER 121 S 11TH STREET QUAKERTOWN, PA 18951	DIAGNOSTIC CENTER
5 HEART & VASCULAR CENTER 1532 PARK AVENUE QUAKERTOWN, PA 18951	OUTPATIENT SERVICE - CARDIAC & VASCULAR SERVICES
6	
7	
8	
9	
10	

Part VI

Supplemental Information

Provide the following information

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

Form and Line Reference	Explanation
SCHEDULE H, PART I, LINE 6A	NOT APPLICABLE

Form and Line Reference	Explanation
SCHEDULE H, PART I, LINE 7	The Mckesson, Horizon performance management costing application was the tool utilized to determine the cost of financial assistance, unreimbursed Medicaid, Medicaid HMO and subsidized health services. The entire activity was costed through the Mckesson HPM application, to include inpatient, outpatient, emergency room and all payers. Costing consisted of allocating cost from the departmental level down to the service item level. Once costs were determined at the service item level, we then aggregated encounters into the defined targeted groups. For determination of the unreimbursed costs for Medicaid, Medicaid HMO and subsidized services reported on Part I, Line 7, charity care, bad debt, and all overlapping cases reported elsewhere were excluded. The ratio of patient care cost to charges was utilized to determine the charity care. The development of the ratio conforms to the Form 990 instructions. The Medicare shortfall/surplus was determined using the Medicare complex cost reporting form utilizing allowable Medicare costs. No costs relating to subsidized healthcare services are attributable to any physician clinics.

Form and Line Reference	Explanation
SCHEDULE H, PART II	St Luke's Quakertown Hospital has direct involvement in numerous community building activities that promote and improve the health status and general betterment of the communities served by the hospital. This is accomplished through service on state and regional advocacy committees and boards, volunteerism with local community-based non-profit advocacy groups, and participation in conferences and other educational activities to promote understanding of the root causes of health concerns. This organization provides educational materials, conducts community health fairs and holds health education seminars and outreach sessions for its patients and for community providers. Presentations are provided by physicians, nurses and other healthcare professionals.

Form and Line Reference	Explanation
SCHEDULE H, PART III, LINE 4	<p>Bad debt expense was calculated using the organization's bad debt expense from its audited financial statements. The organization and its affiliates prepare and issue audited consolidated financial statements. The system's allowance for doubtful accounts (bad debt expense) methodology and charity care policies are consistently applied across all hospital affiliates. The attached text was obtained from the footnotes to the audited financial statements of the organization. Patient accounts receivable. The Network's patient accounts receivable consist of unsecured amounts due for patient services billed to patients and other third-party payors such as Medicare, Medical Assistance, Blue Cross and various commercial insurance companies and managed care companies. The primary service area of the Network is located in Lehigh, Northampton, Carbon, Schuylkill and Bucks Counties, Pennsylvania. The ability of these patients to pay is subject to changes in general economic conditions of the Network's service area. The Network performs ongoing credit evaluations and maintains reserves for potential credit losses. Charity care. The Network provides care to all patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Charges for services to patients who meet the Network's guidelines for charity care are not reflected in the accompanying consolidated financial statements. The charges associated with these services for charity care provided by the Network approximate \$78,761,201 and \$105,413,099 in 2015 and 2014, respectively. The costs incurred to provide such care is determined using a cost to charge ratio and were approximately \$10,900,000 and \$16,334,000 for 2015 and 2014, respectively.</p>

Form and Line Reference	Explanation
<p>SCHEDULE H, PART III, LINE 8</p>	<p>Medicare costs were derived from the Medicare cost report filed by the organization. Medicare underpayments and bad debt are community benefit and associated costs are includable on the Form 990, Schedule H, Part I. The organization feels that Medicare underpayments (shortfall) and bad debt are community benefit and associated costs are includable on the Form 990, Schedule H, Part I. As outlined more fully below, the organization believes that these services and related costs promote the health of the community as a whole and are rendered in conjunction with the organization's charitable tax-exempt purposes and mission in providing medically necessary healthcare services to all individuals in a non-discriminatory manner without regard to race, color, creed, sex, national origin, religion or ability to pay and consistent with the community benefit standard promulgated by the IRS. The community benefit standard is the current standard for a hospital for recognition as a tax-exempt and charitable organization under Internal Revenue Code ("IRC") 501(c)(3). The organization is recognized as a tax-exempt entity and charitable organization under 501(c)(3) of the IRC. Although there is no definition in the tax code for the term "charitable", a regulation promulgated by the department of the treasury provides some guidance and states that "[t]he term charitable is used in 501(c)(3) in its generally accepted legal sense," and provides examples of charitable purposes, including the relief of the poor or unprivileged, the promotion of social welfare, and the advancement of education, religion, and science. Note it does not explicitly address the activities of hospitals. In the absence of explicit statutory or regulatory requirements applying the term "charitable" to hospitals, it has been left to the IRS to determine the criteria hospitals must meet to qualify as IRC 501(c)(3) charitable organizations. The original standard was known as the charity care standard. This standard was replaced by the IRS with the community benefit standard which is the current standard. Charity care standard: In 1956, the IRS issued Revenue Ruling 56-185, which addressed the requirements hospitals needed to meet in order to qualify for IRC 501(c)(3) status. One of these requirements is known as the "charity care standard." Under the standard, a hospital had to provide, to the extent of its financial ability, free or reduced-cost care to patients unable to pay for it. A hospital that expected full payment did not, according to the ruling, provide charity care based on the fact that some patients ultimately failed to pay. The ruling emphasized that a low level of charity care did not necessarily mean that a hospital had failed to meet the requirement since that level could reflect its financial ability to provide such care. The ruling also noted that publicly supported community hospitals would normally qualify as charitable organizations because they serve the entire community, and a low level of charity care would not affect a hospital's exempt status if it was due to the surrounding community's lack of charitable demands. Community benefit standard: In 1969, the IRS issued Revenue Ruling 69-545, which "remove[d]" from Revenue Ruling 56-185 "the requirements relating to caring for patients without charge or at rates below cost" under the standard developed in Revenue Ruling 69-545, which is known as the "community benefit standard," hospitals are judged on whether they promote the health of a broad class of individuals in the community. The ruling involved a hospital that only admitted individuals who could pay for the services (by themselves, private insurance, or public programs such as Medicare), but operated a full-time emergency room that was open to everyone. The IRS ruled that the hospital qualified as a charitable organization because it promoted the health of people in its community. The IRS reasoned that because the promotion of health was a charitable purpose according to the general law of charity, it fell within the "generally accepted legal sense" of the term "charitable," as required by Treas. Reg. 1.501(c)(3)-1(d)(2). The IRS ruling stated that the promotion of health, like the relief of poverty and the advancement of education and religion, is one of the purposes in the general law of charity that is deemed beneficial to the community as a whole even though the class of beneficiaries eligible to receive a direct benefit from its activities does not include all members of the community, such as indigent members of the community, provided that the class is not so small that its relief is not of benefit to the community. The IRS concluded that the hospital was "promoting the health of a class of persons that is broad enough to benefit the community" because its emergency room was open to all and it provided care to everyone who could pay, whether directly or through third-party reimbursement. Other characteristics of the hospital</p>

Form and Line Reference	Explanation
<p>SCHEDULE H, PART III, LINE 8</p>	<p>ital that the IRS highlighted included the following its surplus funds were used to improve patient care, expand hospital facilities, and advance medical training, education, and research, it was controlled by a board of trustees that consisted of independent civic leaders, and hospital medical staff privileges were available to all qualified physicians Medicare underpayments and bad debt are community benefit and associated costs are includable on the Form 990, Schedule H, Part I The American Hospital Association ("AHA") feels that Medicare underpayments (shortfall) and bad debt are community benefit and thus includable on the Form 990, Schedule H, Part I This organization agrees with the AHA position As outlined in the aha letter to the IRS dated August 21, 2007 with respect to the first published draft of the new Form 990 and Schedule H, the AHA felt that the IRS should incorporate the full value of the community benefit that hospitals provide by counting Medicare underpayments (shortfall) and bad debt as quantifiable community benefit for the following reasons - providing care for the elderly and serving medicare patients is an essential part of the community benefit standard - medicare, like medicaid, does not pay the full cost of care Recently, medicare reimburses hospitals only 92 cents for every dollar they spend to take care of medicare patients The medicare payment advisory commission ("medpac") in its march 2007 report to congress cautioned that underpayment will get even worse, with margins reaching a 10-year low at negative 5.4 percent - many medicare beneficiaries, like their medicaid counterparts, are poor More than 46 percent of medicare spending is for beneficiaries whose income is below 200 percent of the federal poverty level Many of those medicare beneficiaries are also eligible for medicaid -- so called "dual eligibles" There is every compelling public policy reason to treat medicare and medicaid underpayments similarly for purposes of a hospital's community benefit and include these costs on form 990, schedule h, part i Medicare underpayment must be shouldered by the hospital in order to continue treating the community's elderly and poor These underpayments represent a real cost of serving the community and should count as a quantifiable community benefit Both the AHA and this organization also feel that patient bad debt is a community benefit and thus includable on the Form 990, Schedule H, Part I There are compelling reasons that patient bad debt should be counted as quantifiable community benefit as follows - a significant majority of bad debt is attributable to low-income patients, who, for many reasons, decline to complete the forms required to establish eligibility for hospitals' charity care or financial assistance programs A 2006 congressional budget office ("cbo") report, nonprofit hospitals and the provision of community benefits, cited two studies indicating that "the great majority of bad debt was attributable to patients with incomes below 200% of the federal poverty line" - the report also noted that a substantial portion of bad debt is pending charity care Unlike bad debt in other industries, hospital bad debt is complicated by the fact that hospitals follow their mission to the community and treat every patient that comes through their emergency department, regardless of ability to pay Patients who have outstanding bills are not turned away, unlike other industries Bad debt is further complicated by the auditing industry's standards on reporting charity care Many patients cannot or do not provide the necessary, extensive documentation required to be deemed charity care by auditors As a result, roughly 10% of bad debt is pending charity care - the cbo concluded that its findings "support the validity of the use of uncompensated care [bad debt and charity care] as a measure of community benefits" assuming the findings are generalizable nationwide, the experience of</p>

Form and Line Reference	Explanation
SCHEDULE H, PART III, LINE 9B	<p>Accounts considered to be charity care are not included in the bad debt expense, but rather, are accounted for as an allowance against the organization's patient service revenue. St. Luke's financial assistance program. St. Luke's is a non-profit organization dedicated to the care and treatment of the sick and the prevention of illness. The first consideration in the admission and placement or treatment of a patient is the medical needs of the patient. Patients shall be provided and encouraged to obtain medically necessary care regardless of ability to pay or eligibility for financial assistance. However, all patients will be required to pay for the care which they receive if they are financially able to do so. Advance payment will not be required for any medically necessary service. Some individuals fail to obtain necessary care due to financial concerns. In order to encourage such patients to obtain appropriate care, St. Luke's shall operate a Financial Assistance program for the uninsured indigent population and a discount program for all other uninsured patients. All patients presenting for medically necessary services with no insurance will have the opportunity to qualify for St. Luke's Financial Assistance Program. Services excluded from the program include but are not limited to: cosmetic, bariatric, IVF, IUDs, tubal ligations and sleep study. St. Luke's reserves the right to exclude services if upon review it is determined that they are not medically necessary. In addition, patients scheduled for elective procedures or studies will be assessed for medical need and timing for the procedure along with ability to pay for a portion of the procedure. Eligibility for the PA Fair Care program will be reviewed and application required if eligible. Medical Assistance application may be required and completed prior to service for elective cases. Patients who meet a hardship exemption for the Affordable Care Act (ACA) may apply for Financial Assistance upon signing an attestation form of hardship eligibility. Patients receiving inpatient or high dollar outpatient services will be evaluated for Medical Assistance eligibility and ACA in order to qualify for the St. Luke's Hospital Financial Assistance Program. Individuals will not be eligible for financial assistance if Medical Assistance or ACA coverage is denied due to lack of cooperation (i.e. timeliness or failure to produce required documentation). Any patient payments made for services that subsequently receive Medical Assistance approval will be refunded to the patient. Financial Assistance. Individuals with family income at or below 300% of the current federal poverty guidelines may be eligible for a 100% financial assistance allowance on the cost of their medically necessary services, after a minimum copay amount for certain outpatient services as follows: Clinic visits, including the hospital family practice centers, rural health centers, women's and children's clinics = \$10. Other programs within the clinics may establish a flat rate minimum amount due for elective procedures that are at or below the Medical Assistance fee schedule for patients not eligible for Medical Assistance but are under the 300% federal poverty guidelines. Urgent care center visits = \$15. Emergency room visits = \$25. Uninsured patients with income exceeding 300% of federal poverty guidelines will automatically receive an 80% discount on hospital charges. No proof of income is required for this discount and this is not considered Financial Assistance. Patients with routine co-pays and deductibles from managed care and commercial insurances are not eligible for financial assistance or a discount unless a financial hardship can be proven. Patients having limited benefit coverage through insurance and who demonstrate a financial hardship may be eligible for the Financial Assistance program. Patients who have received financial assistance in the past but who are having services that are elective or high dollar procedures, visits will be required to comply with the process of Medical Assistance eligibility or eligibility for programs such as ACA. Case by case decisions will be made regarding financial liability in each instance. Determining Eligibility for Financial Assistance. Designated business service department employees will utilize independent third party income estimation software information as the determinant of eligibility. The income estimation software application utilized by St. Luke's is based upon a statistically validated methodology to provide income and family size determination. This information is then automatically cross-walked to St. Luke's financial assistance eligibility matrix ranging from 0% to 300% of the current federal poverty guidelines to determine the level of financial assistance to be applied. When insufficient information is returned via the software application, the manual process below will be utilized to determine eligibility. In determining family income</p>

Form and Line Reference	Explanation
<p>SCHEDULE H, PART III, LINE 9B</p>	<p>come and family size, a family unit will be defined as immediate family members/significant other/domestic partner living in the household. All income of occupants will be considered in determining total household income. In determining income the following will be considered - Wages - Pension - Annuities - Social Security - Interest, Dividend, and other Investment Income such as Capital Gains - Unemployment Compensation - Workers Comp - Disability Benefits - Child Support - Alimony - Public Assistance - Net Rental Income (Income Less Expenses) as calculated for Federal Tax purposes. Assets may be considered in determining eligibility and the level of discount approved for financial assistance. Designated business service department employees may also discuss financial assistance with patients who upon receiving a billing statement express an inability to pay for services rendered. Financial assistance applications may be supplied to these patients along with the information regarding required documentation or the income estimation software may be used to determine eligibility status. Medical Indigence Assessment: If the patient does not qualify for any of the financial assistance categories identified above, but the medical expenses exceed an ability to pay, the patient will be encouraged to write a hardship letter to be submitted to the Associate Vice President of Finance for consideration of a hardship write-off of all or part of the outstanding medical liability. In the case of foreign visitors, the hospital will attempt to identify the person who sponsored the visitor's entry into the United States. If the sponsor is legally responsible for the visitor's medical bills, the hospital will apply its normal collection efforts in attempting to collect from the sponsor. A application for financial assistance will be based on the sponsor's income. St. Luke's Hospital reserves the right to deny an application for financial assistance based upon lack of reasonably required documentation or the submission of fraudulent documentation. If information is not provided, an application may be denied unless the information was not provided for reasons beyond the applicant's control. In these cases the patient will not be eligible for the financial assistance program. Notification to Patient: All patients receiving inpatient or high dollar OP services will receive a notice of determination from the business office with the amount of financial assistance granted and any remaining financial liability. Patients may provide documentation if they feel the automatic estimation of income and assets is incorrect or incomplete. The business office will assess and revise the determination as appropriate for future encounters based on the software information provided. All patient statements will have the phone number to call for patients having difficulty meeting financial obligations. St. Luke's credit and collection policy: The Credit and Collection policy is established and is to be administered in accordance with the mission and values of the hospital as well as federal and state law. The policy is designed to promote appropriate access to medical care for all patients regardless of their ability to pay while maintaining the Network's fiscal responsibility to maximize reimbursement and minimize bad debt. All medically necessary hospital services are provided without consideration of ability to pay and are not delayed pending application and/or approval of Medical Assistance or St. Luke's Financial Assistance Program. Advance payment is not required for any medically necessary service. This Credit and Collection policy is intended to take into account each individual's ability to contribute to the cost of his or her care. Patients will be assisted in obtaining health insurance coverage from privately and publicly funded sources whenever possible. All Patient Business Service department representatives will be educated on all aspects of the Credit and</p>

Form and Line Reference	Explanation
Schedule H, Part VI, Question 2	<p>St Luke's University Health Network's department of community health oversees assessment of the healthcare needs of the communities served by hospitals within the network, including this organization. The department is led by Dr. Bonnie Coyle, board certified in preventative medicine, with 16 years' experience in public and preventative health. Analysis of information from the following sources is part of the department's ongoing health needs assessment process: vital statistics, Pennsylvania Department of Health data, hospital discharge data, the Robert Wood Johnson County health profiles and other county data available from various other state agencies. In addition, the department collects ongoing statistics from its comprehensive community outreach initiatives and from financial support for the Bethlehem partnership for a healthy community. Established in 1996 by the board of directors of St. Luke's University Health Network, the partnership is a national model for collaborative efforts to improve access to healthcare services. Currently more than 165 participating/funding agencies, representing local business, government, educational and community organizations are actively involved in partnership programs which serve the greater Lehigh Valley. Through community ownership and shared responsibility, the partnership strives to enhance the physical, mental, emotional and spiritual wellness of individuals and communities, thereby improving the quality of life for all. The department's healthcare needs assessment process is enhanced by data obtained through the Bethlehem partnership's various school-based programs, such as numbers of children failing dental and vision examinations and number of children not receiving medical examinations. The department also utilizes guidelines for adolescent preventive services (GAPS) in the Bethlehem partnership's various mobile van service programs to collect data on risk factors for students and to monitor community health problems. For example, data has been tracked on risk factors such as smoking, obesity, seatbelt use and drug and alcohol use. GAPS is also used on an ongoing basis to build and modify programs. Most recently, the network has contracted with the Lehigh Valley Research Consortium to conduct a formal health needs assessment for the greater Lehigh Valley and Upper Bucks County area, served by St. Luke's Hospital (Allentown/Bethlehem), St. Luke's Quakertown Hospital and the Visiting Nurse Association of St. Luke's. The process will be completed by the IRS required date.</p>

Form and Line Reference	Explanation
SCHEDULE H, PART VI, QUESTION 3	<p>As a not for-profit entity, St Luke's Quakertown Hospital's first consideration is the admission and placement or treatment of any patient is the patient's medical needs. Some patients hesitate to obtain necessary care because of their financial concerns. In order to encourage such patients to obtain appropriate care, in December 2008, the network's board of directors redesigned the network's charity care program for patient system access to discounted hospital services. This policy is updated annually. The network also established a community benefit tracking system to comply with new IRS Form 990 guidelines (effective 2009) to report community benefit activities/expenditures. The charity care program is widely communicated in both English and Spanish. A bilingual notice of the program is posted in all outpatient and inpatient registration areas. All patient statements include a number for patients to call if they are having difficulty paying their bills. St Luke's website has extensive information regarding the financial assistance program, including eligibility guidelines and contact information. Additionally, St Luke's financial counselors assess each patient for eligibility for coverage through medical assistance, CHIP, adult basic and other programs. Bilingual counselors are available.</p>

Form and Line Reference	Explanation
SCHEDULE H, PART VI, QUESTION 4	St Luke's Quakertown Hospital's primary service area consists of a suburban population in Upper Bucks County in Southeastern Pennsylvania with a total population of 116,588 The average household income is \$83,271 and 6.4 percent of the population has income below the poverty level Four hospitals serve the primary service area and 17 percent of hospital discharges are Medicaid patients and 4 percent are uninsured The median age of the population is 39.8 years and 92.15 percent are Caucasian Growth in population ages 65 years and older in Upper Bucks and Montgomery County is projected to increase by 19 percent by 2014 Quakertown is considered a fast-growing bedroom community and regional shopping and service center for Bucks County and Philadelphia

Form and Line Reference	Explanation
Schedule H, Part VI, Q uestion 5	The organization and the entire St Luke's University Health Network promote the health of the community on a daily basis throughout the year The network coordinates and offers numerous community benefit programs, activities and support groups to the community Please refer to schedule o for a detailed community benefit statement

Form and Line Reference	Explanation
SCHEDULE H, PART VI, QUESTION 6	<p>Outlined below is a summary of the entities which comprise the St Luke's University Health Network Not for-profit St Luke's University Health Network entities =====</p> <p>===== St Luke's Health Network, Inc St Luke's Health Network, Inc is the tax-exempt parent of the St Luke's University Health Network ("St Luke's") This integrated healthcare delivery system consists of a group of affiliated healthcare organizations This organization is the sole member or stockholder of each affiliated entity St Luke's is an integrated network of healthcare providers throughout the states of Pennsylvania and New Jersey St Luke's Health Network, Inc is an organization recognized by the Internal Revenue Service as tax-exempt pursuant to Internal Revenue Code 501(c)(3) and as a non-private foundation pursuant to Internal Revenue Code 509(a)(3) As the parent organization, St Luke's Health Network, Inc strives to continually develop and operate a multi-hospital healthcare network which provides substantial community benefit through the provision of a comprehensive spectrum of healthcare services to the residents of Pennsylvania and New Jersey and surrounding communities St Luke's Health Network, Inc ensures that its network provides medically necessary healthcare services to all individuals regardless of race, color, creed, sex, national origin, religion or ability to pay No individuals are denied necessary medical care, treatment or services St Luke's active hospitals include St Luke's Hospital of Bethlehem, PA, St Luke's Quakertown Hospital, Carbon-Schuylkill Community Hospital, Inc, St Luke's Hospital Anderson Campus and St Luke's Warren Hospital Each of these hospitals operates consistently with the following criteria outlined in IRS Revenue Ruling 69-545 1 Each provides medically necessary healthcare services to all individuals regardless of ability to pay, including charity care, self-pay, Medicare and Medicaid patients, 2 Each operates an active emergency room for all persons, which is open 24 hours a day, 7 days a week, 365 days per year, 3 Each maintains an open medical staff, with privileges available to all qualified physicians, 4 Control of each rests with its board of directors and the board of directors of St Luke's Health Network, Inc Both boards are comprised of a majority of independent civic leaders and other prominent members of the community, and 5 Surplus funds are used to improve the quality of patient care, expand and renovate facilities and advance medical care, programs and activities St Luke's Care, LLC A limited liability company disregarded for federal income tax purposes owned by St Luke's Health Network, Inc This entity is located in Allentown Pennsylvania and was created on June 1, 2015 In the current year the organization was inactive but will be a clinically integrated network going forward St Luke's Hospital of Bethlehem, Pennsylvania St Luke's Hospital of Bethlehem, Pennsylvania is comprised of two non-profit hospital campuses a 480-bed campus in Bethlehem, Pennsylvania and a 158 bed campus in Allentown, Pennsylvania St Luke's Hospital of Bethlehem, Pennsylvania is recognized by the Internal Revenue Service as an Internal Revenue Code 501(c)(3) tax-exempt organization Pursuant to its charitable purposes, the organization provides medically necessary healthcare services to all individuals regardless of race, color, creed, sex, national origin, religion or ability to pay Moreover, St Luke's Hospital of Bethlehem, Pennsylvania operates consistently with the criteria outlined in IRS Revenue Ruling 69-545 Cancer Immunotherapies, LLC A limited liability company disregarded for federal income tax purposes owned by St Luke's Hospital of Bethlehem, Pennsylvania This entity is currently inactive St Luke's Armed, LLC A limited liability company disregarded for federal income tax purposes owned by St Luke's Hospital of Bethlehem, Pennsylvania This entity is currently active St Luke's Homestar Services, LLC A limited liability company disregarded for federal income tax purposes owned by St Luke's Hospital of Bethlehem, Pennsylvania This entity provides outpatient services in Bethlehem, Pennsylvania St Luke's Windgap Property, LLC A limited liability company disregarded for federal income tax purposes owned by St Luke's Hospital of Bethlehem, Pennsylvania This entity is currently inactive Pocono MRI Imaging and Diagnostic Center, LLC A limited liability company disregarded for federal income tax purposes owned by St Luke's Hospital of Bethlehem, Pennsylvania This entity provides outpatient services in Bethlehem, Pennsylvania Eantage Health, LLC A limited liability company disregarded for federal income tax purposes owned by St Luke's Hospital of Bethlehem, Pennsylvania This entity is currently inactive St Luke's Hospital Anderson Campus St Luke's Hospital Anderson Campus is a 108-bed</p>

Form and Line Reference	Explanation
<p>SCHEDULE H, PART VI, QUESTION 6</p>	<p>non-profit hospital located in Easton, Pennsylvania St Luke's Hospital Anderson Campus is recognized by the Internal Revenue Service as an Internal Revenue Code 501(c)(3) tax-exempt organization Pursuant to its charitable purposes, the organization provides medically necessary healthcare services to all individuals regardless of race, color, creed, sex, national origin, religion or ability to pay Moreover, St Luke's Hospital Anderson Campus operates consistently with the criteria outlined in IRS Revenue Ruling 69-545 St Luke's Quakertown Hospital St Luke's Quakertown Hospital is a 62-bed non-profit hospital located in Quakertown, Pennsylvania St Luke's Quakertown Hospital is recognized by the Internal Revenue Service as an Internal Revenue Code 501(c)(3) tax-exempt organization Pursuant to its charitable purposes, the organization provides medically necessary healthcare services to all individuals regardless of race, color, creed, sex, national origin, religion or ability to pay Moreover, St Luke's Quakertown Hospital operates consistently with the criteria outlined in IRS Revenue Ruling 69-545 Carbon-Schuylkill Community Hospital, Inc Carbon-Schuylkill Community Hospital, Inc is a 45-bed non-profit acute care hospital located in Coaldale, Pennsylvania Carbon-Schuylkill Community Hospital, Inc is recognized by the Internal Revenue Service as an Internal Revenue Code 501(c)(3) tax-exempt organization Pursuant to its charitable purposes, the organization provides medically necessary healthcare services to all individuals regardless of race, color, creed, sex, national origin, religion or ability to pay Moreover, Carbon-Schuylkill Community Hospital, Inc operates consistently with the criteria outlined in IRS Revenue Ruling 69-545 St Luke's Hospital Monroe Campus St Luke's Hospital Monroe Campus is currently under construction and is a proposed 108-bed non-profit community hospital located in Bartonsville, Pennsylvania, Monroe County St Luke's Hospital Monroe Campus is recognized by the Internal Revenue Service as an Internal Revenue Code 501(c)(3) tax-exempt organization Pursuant to its charitable purposes, the organization will provide medically necessary healthcare services to all individuals regardless of race, color, creed, sex, national origin, religion or ability to pay when construction is completed, likely in 2016 St Luke's Warren Hospital, Inc St Luke's Warren Hospital, Inc is a 198-bed non-profit acute care hospital located in Phillipsburg, New Jersey St Luke's Warren Hospital, Inc is recognized by the Internal Revenue Service as an Internal Revenue Code 501(c)(3) tax-exempt organization Pursuant to its charitable purposes, the organization provides medically necessary healthcare services to all individuals regardless of race, color, creed, sex, national origin, religion or ability to pay Moreover, St Luke's Warren Hospital, Inc operates consistently with the criteria outlined in IRS Revenue Ruling 69-545 St Luke's Warren Hospital Foundation, Inc St Luke's Warren Hospital Foundation, Inc is an organization recognized by the Internal Revenue Service as tax-exempt pursuant to Internal Revenue Code 501(c)(3) and as a non-private foundation pursuant to Internal Revenue Code 509(a)(3) The organization supports St Luke's Warren Hospital, a related Internal Revenue Code Section 501(c)(3) tax-exempt organization, and its affiliates in providing medically necessary healthcare services to the community in a non-discriminatory manner regardless of race, color, creed, sex, national origin, religion or ability to pay St Luke's Physician Group, Inc St Luke's Physician Group, Inc is an organization recognized by the Internal Revenue Service as tax-exempt pursuant to Internal Revenue Code 501(c)(3) and as a non-private foundation pursuant to Internal Revenue Code 509(a)(3) The organization provides medically necessary healthcare services to all individuals regardless of race, color,</p>

Form and Line Reference	Explanation
SCHEDULE H, PART VI, QUESTION 7	Not applicable The entity and related provider organizations are located in Pennsylvania and New Jersey No community benefit report is required to be filed with either Pennsylvania or New Jersey

Additional Data

Software ID:
Software Version:
EIN: 23-1352203
Name: ST LUKE'S QUAKERTOWN HOSPITAL

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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
SCH H, PT V, SECT B, QUESTIONS 2, 3J, 7D, 13B, 13H, 15E, 18D, 19D, 20E, 21C, 21D, 23&24	Not applicable

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
SCHEDULE H, PART V, SECTION B, QUESTIONS 5, 6A & 6B	<p>The St Luke's University Health Network's Quakertown Campus has conducted a community health needs assessment (CHNA) pursuant to the requirement of Section 501 (r) of the Internal Revenue Code St Luke's Hospital commissioned the Lehigh Valley Research Consortium (LVRC) to conduct a CHNA for the St Luke's Network service areas The Lehigh Valley Research Consortium, (LVRC) is a Lehigh Valley focused research center, administered through the Lehigh Valley Association of Independent Colleges (LVAIC) Over the last six years, LVRC engaged in meaningful community-based research to inform the community about political, economic, social, health and environmental issues and solutions in a regional context Recognizing the growing regional identity of the Lehigh Valley and the interdependence of people, organizations and markets, the Lehigh Valley Research Consortium (LVRC) serves as a resource to improve the lives of residents of Lehigh and Northampton Counties Through its efforts the LVRC provides Lehigh Valley governments, non-profits and citizens with research and information that facilitates improving the overall quality of life in the region They provide three primary services for our community Data collection and analysis including the creation of a meta-data set of over 300 community indicators at the county, municipal and school district level free to the community Community outreach through the collaboration of LVAIC faculty, the LVRC has completed research studies for many local organizations including St Luke's University Health Network, Good Shepherd Rehabilitation Hospital, United Way of the Lehigh Valley, Northampton County, the city of Allentown, and the city of Easton Research reports are available to the entire community on its website www.lehighvalleyresearch.org Student and faculty development The LVRC provides undergraduate and graduate students the chance for hands-on research experience in empirical studies and enhances opportunities for both interdisciplinary and cross-institutional collaboration for faculty and students University participation in local issues creates possibilities for community members to build relations with faculty and participate in LVRC events held on local college campuses Visit the LVRC website for information about the healthcare expertise of the organization and individuals involved with the preparation of the community health needs assessment - www.lehighvalleyresearch.org Three separate documents comprise the CHNA for the Quakertown campus 1 A random survey of Lehigh Valley and portions of Bucks and Montgomery County households 2 An analysis of existing community health measures and secondary data 3 A focus group conducted by LVRC with key community leaders in the Quakertown campus service area Qualifications and areas of public health expertise for participants are listed in Appendix A of the focus group report</p>

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
SCHEDULE H, PART V, SECTION B, QUESTION 11	The required community health needs assessment ("chna") was completed and made widely available prior to fiscal year end June 30, 2013. A multi-disciplinary team met and through a rigorous process an implementation plan was adopted to meet some of the identified unmet needs which were within the hospital's mission and ability to positively impact. Hospitals are not required to, nor can they meet all unmet needs in the community. Any unmet needs not addressed by the adopted implementation plan are already being addressed in the service area by the hospital, other healthcare providers, government, and local non-profit organizations, amongst others. There have been no new programs implemented by the hospital during the current year that address the unmet needs identified in the attached implementation plan. Our priority unmet needs in the implementation plan are integral to our community benefit strategy. St. Luke's leaders continue to monitor new program developments and services. Please see the adopted implementation plan attached to this federal form 990, which further explains how the hospital facility is addressing the significant needs identified in the CHNA and the reasons why some unmet needs are not being addressed.

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
SCHEDULE H, PART V, SECTION B, QUESTION 16I	Other measures to publicize the hospital's financial assistance policy include individual financial counseling meetings with patients without health insurance to review the financial assistance policy and to discuss payment options

Form 990 Part V Section C Supplemental Information for Part V, Section B.

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

Form and Line Reference	Explanation
SCHEDULE H, PART V, SECTION B, QUESTION 22D	Individuals with family income at or below 300% of the current federal poverty guidelines may be eligible for a 100% financial assistance allowance on the cost of their medically necessary services, after a minimum copay amount for certain outpatient services as follows Clinic visits, including the hospital family practice centers, rural health centers, women's and children's clinics = \$10 Other programs within the clinics may establish a flat rate minimum amount due for elective procedures that are at or below the Medical Assistance fee schedule for patients not eligible for Medical Assistance but are under the 300% federal poverty guidelines Urgent care center visits = \$15 Emergency room visits= \$25 Uninsured Patients with income exceeding 300% of federal poverty guidelines will automatically receive an 80% discount on hospital charges No proof of income is required for this discount and this is not considered Financial Assistance

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
ST LUKE'S QUAKERTOWN HOSPITAL

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

2014

Open to Public
Inspection

Employer identification number
23-1352203

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 Domestic Organizations and Domestic Governments. 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 section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) BUCKS COUNTY HEALTH IMPROVEMENT PARTNERSHIP INC 1201 LANGHORNE-NEWTOWN ROAD LANGHORNE, PA 19047	23-2862339	501(C)(3)	25,000				PROGRAM SUPPORT
(2) BOROUGH OF QUAKERTOWN 35 N THIRD STREET QUAKERTOWN, PA 19851	23-6003005	501(C)(3)	10,000				PROGRAM SUPPORT
(3) PHILADELPHIA FREEDOM VALLEY YMCA 400 FAYETTE STREET NO 250 CONSHOCKEN, PA 19428	23-1243965	501(C)(3)	20,000				PROGRAM SUPPORT

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

3

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

0

Part III

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

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

Part IV

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

Return Reference	Explanation
SCHEDULE I, PART I, QUESTION 2	GRANTS ARE MONITORED BY THE ORGANIZATION'S FINANCE PERSONNEL THROUGH THE UTILIZATION OF COST CENTERS AND OTHER INFORMATION, INCLUDING WRITTEN DOCUMENTATION AND RECEIPTS

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.

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization
ST LUKE'S QUAKERTOWN HOSPITAL

Employer identification number
23-1352203

Part I

Questions Regarding Compensation

	Yes	No
<div><div>1a</div><div>Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.</div><div><div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div><div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div></div></div>		
<div><div>1b</div><div>If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain.</div></div>		
<div><div>2</div><div>Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?</div></div>		
<div><div>3</div><div>Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.</div><div><div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input checked="" type="checkbox"/> Form 990 of other organizations</div></div><div><div><input type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div></div></div>		
<div><div>4</div><div>During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization:</div></div>		
<div><div>4a</div><div>Receive a severance payment or change-of-control payment?</div></div>		No
<div><div>4b</div><div>Participate in, or receive payment from, a supplemental nonqualified retirement plan?</div></div>	Yes	
<div><div>4c</div><div>Participate in, or receive payment from, an equity-based compensation arrangement?</div></div> <div>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.</div>		No
<div><div></div><div>Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.</div></div>		
<div><div>5</div><div>For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:</div></div>		
<div><div>5a</div><div>The organization?</div></div>		No
<div><div>5b</div><div>Any related organization?</div></div> <div>If "Yes," to line 5a or 5b, describe in Part III.</div>		No
<div><div>6</div><div>For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:</div></div>		
<div><div>6a</div><div>The organization?</div></div>	Yes	
<div><div>6b</div><div>Any related organization?</div></div> <div>If "Yes," to line 6a or 6b, describe in Part III.</div>	Yes	
<div><div>7</div><div>For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III.</div></div>	Yes	
<div><div>8</div><div>Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III.</div></div>		No
<div><div>9</div><div>If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?</div></div>		

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

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

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

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column(B) 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 VII AND SCHEDULE J	TAXABLE COMPENSATION REPORTED HEREIN IS DERIVED FROM 2014 FORMS W-2
SCHEDULE J, PART I, QUESTION 3	Compensation Review Executive compensation for the health network consists of fixed salary, at-risk compensation and other deferred compensation arrangements. Total compensation for network executives is approved annually by the network's Board of directors. The recommended compensation is established through a multi-faceted approach including use of an independent consultant engaged on an ongoing basis by the Board of DIRECTORS and who works directly with the Executive Compensation Committee of the board. Also included is the review of forms 990 and compensation surveys of other comparable healthcare organizations. Bonus/Incentive The at-risk compensation is approved by the Executive Compensation Committee of the board and is based on several qualitative and quantitative components, including Joint Commission, Pennsylvania Department of Health and Pennsylvania Trauma Systems Foundation accreditations, evidence-based hospital process of care measures, outcome measures, such as patient satisfaction, mortality rate, and length of stay, efficiency measures as demonstrated by cost-per-adjusted discharge and net income. Other Reportable Compensation Other benefits include deferred compensation benefits that had accumulated over years of service and was reported and distributed in accordance with vesting requirements and Internal Revenue Service rules and regulations. Deferred Compensation Deferred compensation represents retirement benefits earned during the reporting period, yet not recognized as compensation on the employee's 2014 form W-2. Nontaxable Benefits Health and welfare benefits.
SCHEDULE J, PART I, QUESTION 4B	COLUMN B(III) FOR CERTAIN INDIVIDUALS INCLUDED IN SCHEDULE J, PART II INCLUDES A VESTED CAPITAL ACCUMULATION ACCOUNT AMOUNT FOR POST-RETIREMENT DEATH BENEFITS WHICH WAS INCLUDED IN EACH INDIVIDUAL'S 2014 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES. THE DEFERRED COMPENSATION AMOUNT IN COLUMN C FOR THE FOLLOWING INDIVIDUAL INCLUDES UNVESTED BENEFITS IN AN INTERNAL REVENUE CODE SECTION 457(F) PLAN (NON-QUALIFIED DEFERRED COMPENSATION PLAN) WHICH ARE SUBJECT TO A SUBSTANTIAL RISK OF COMPLETE FORFEITURE. ACCORDINGLY, THE INDIVIDUAL MAY NEVER ACTUALLY RECEIVE THIS UNVESTED BENEFIT AMOUNT. THE AMOUNT OUTLINED HEREIN WAS NOT INCLUDED IN THE INDIVIDUAL'S 2014 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES. THOMAS P. LICHTENWALNER, \$127,214.
SCHEDULE J, PART I, QUESTIONS 6A AND 6B	The executive compensation package for the health network consists of both a fixed salary and additional at-risk compensation that is based on several qualitative and quantitative components. The components of the at-risk compensation plan includes JCAHO, Department of Health and Trauma Center accreditations, evidence based hospital process of care measures, outcome measures such as patient satisfaction, mortality rate, and length of stay, efficiency measures as demonstrated by cost per adjusted discharge and finally net income.
SCHEDULE J, PART I, QUESTION 7	CERTAIN INDIVIDUALS INCLUDED IN SCHEDULE J, PART II RECEIVED AT-RISK COMPENSATION DURING CALENDAR YEAR 2014 WHICH AMOUNTS WERE INCLUDED IN COLUMN B(II) HEREIN AND IN EACH INDIVIDUAL'S 2014 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES. PLEASE REFER TO THIS SECTION OF THE FORM 990, SCHEDULE J FOR THIS INFORMATION BY PERSON BY AMOUNT.

Additional Data

Software ID:
Software Version:
EIN: 23-1352203
Name: ST LUKE'S QUAKERTOWN HOSPITAL

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

(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 in column (B) reported as deferred in prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
JOSEPH G O'NEILL DO, CO-CHAIR - DIRECTOR	(i)	0	0	0	0	0	0	0
	(ii)	145,101	75,628	270	38,734	22,178	281,911	0
PETER M CIANFRANI MD, DIRECTOR	(i)	0	0	0	0	0	0	0
	(ii)	179,443	7,425	17,114	45,801	9,414	259,197	0
JOHN B SYLVIA, DIRECTOR, EX-OFFICIO - PRES	(i)	0	0	0	0	0	0	0
	(ii)	227,841	68,746	300	19,755	23,188	339,830	0
THOMAS P LICHTENWALNER, SVP FINANCE/CFO	(i)	0	0	0	0	0	0	0
	(ii)	418,353	145,312	88,770	184,297	10,156	846,888	0
THOMAS A FILIPOWICZ MD, VICE PRESIDENT MEDICAL AFFAIRS	(i)	0	0	0	0	0	0	0
	(ii)	324,002	17,606	1,290	49,298	19,268	411,464	0
KATHY P RAMSON, VP PATIENT SERVICES	(i)	147,144	17,536	677	27,802	2,727	195,886	0
	(ii)	0	0	0	0	0	0	0
KENNETH CHECKEYE, PHARMACY MANAGER	(i)	136,885	6,620	707	37,938	16,398	198,548	0
	(ii)	0	0	0	0	0	0	0
ROBERT T COLEMAN, PHARMACY MANAGER	(i)	129,074	0	657	33,140	23,864	186,735	0
	(ii)	0	0	0	0	0	0	0
PAMELA J ASTL-REIMER, PHYSICIAN ASSISTANT	(i)	122,906	0	67	6,736	24,039	153,748	0
	(ii)	0	0	0	0	0	0	0
LAURA B HILLEN, PHARMACIST	(i)	120,122	0	366	18,893	23,443	162,824	0
	(ii)	0	0	0	0	0	0	0
JAMES C WORTHINGTON, PHARMACIST	(i)	116,266	0	195	12,066	28,794	157,321	0
	(ii)	0	0	0	0	0	0	0
EDWARD R NAWROCKI, FORMER OFFICER	(i)	0	0	0	0	0	0	0
	(ii)	278,880	89,134	65,033	22,462	26,363	481,872	0

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 990-EZ 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

2014

**Open to Public
Inspection**

Name of the organization ST LUKE'S QUAKERTOWN HOSPITAL	Employer identification number 23-1352203
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Return Reference	Explanation	
	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	<p>St Luke's Quakertown Hospital ("SL-Quakertown") is a Joint Commission-accredited, not-for-profit, 62-licensed bed acute care hospital located in Quakertown, Bucks County, Pennsylvania. SL-Quakertown provides care primarily to residents of Upper Bucks County, Upper Montgomery County and the southern sections of Lehigh Valley, Lehigh County. SL-Quakertown annually provides care for more than 3,220 observations and admissions, 74,530 outpatient visits and 14,720 emergency department visits. SL-Quakertown is recognized by the Internal Revenue Service ("IRS") as an Internal Revenue code section 501(C)(3) tax-exempt organization. Pursuant to its charitable purposes, SL-Quakertown provides medically necessary healthcare services to all individuals in a non-discriminatory manner regardless of race, color, creed, sex, national origin, religion or ability to pay. Moreover, SL-Quakertown operates consistently with the following criteria outlined in the IRS Revenue Ruling 69-545: 1. St Luke's Quakertown Hospital provides medically necessary healthcare services to all individuals regardless of ability to pay, including charity care, self-pay, Medicare and Medicaid patients; 2. St Luke's Quakertown Hospital operates an active emergency room for all persons, which is open 24 hours a day, 7 days a week, 365 days per year; 3. St Luke's Quakertown Hospital maintains an open medical staff, with privileges available to all qualified physicians; 4. Control of St Luke's Quakertown Hospital rests with its Board of Directors and the Board of Directors of St Luke's Health Network, Inc., dba St Luke's University Health Network. These boards are comprised of a majority of independent civic leaders and other prominent members of the community, as well as physicians on the Hospital/Network medical staff; and 5. Surplus funds are used to improve the quality of patient care, expand and renovate facilities and advance medical care, programs and activities. The operations of SL-Quakertown, as shown through the factors outlined above and other information contained herein, clearly demonstrate that the use and control of SL-Quakertown is for the benefit of the public and that no part of the income or net earnings of the organization is for the benefit of any private individual nor is any private interest being served other than incidentally. Founded in 1930, SL-Quakertown was acquired by nationally recognized St Luke's University Health Network ("Network") in 1995. The Hospital provides patients with access to more than 370 physicians across 47 medical specialties. The Hospital achieved an "A" rating for four consecutive years (2011 - 2014) as determined by its Leapfrog Hospital Safety Score. Additionally, in 2015, SL-Quakertown received the QUEST Citation of Merit for High-Value Healthcare at the Annual Premier Breakthroughs Collaborative in National Harbor, MD. This award is given to those organizations that have achieved Top Performance Threshold (TPT) for five of the seven QUEST domains (Mortality, Cost and Efficiency, Inpatient and Outpatient Evidence Based Care, Mortality, safety, Patient & Family Engagement). SL-Quakertown is also Chest Pain Accredited by the Society of Cardiovascular Patient Care, as well as a NICHE (Nurses Improving Care for Health System Elders) designated hospital. Currently, SL-Quakertown is also pursuing Level IV Trauma Certification from the Pennsylvania Trauma Systems Foundation, Primary Stroke Certification from the Joint Commission, and Certification as a Hernia Center of Excellence from the Surgical Review Corporation. The Hospital's specialty services include the following: - Behavioral Health - Cardiology - Dialysis and Hemodialysis - Emergency Services - Endocrinology - Infusion Services - Nephrology - Neurology/Neurosurgery - Oncology/Hematology - Orthopedics, joint and muscle disorders - Otolaryngology/ENT - Pain Management - Pulmonology - Radiology (advanced) - Sleep Disorders - Sports Medicine, Physical and Occupational Therapy, Rehabilitation - Surgery (general and laparoscopic) - Urology - Vascular Services - Women's Health - Wound Management. The Network has invested approximately \$75 million in technical and facility improvements at SL-Quakertown since 1995, including outpatient centers which offer advanced technology and physician services, further enhancing patients' ability to easily access state-of-the-art healthcare. Recent major improvements include: - a 22,905 sq ft, \$8.5 million St Luke's Bone & Joint Institute; - a 6,620 sq ft, \$775,000 renovation of St Luke's Heart & Vascular Center; - a 21,728 Sq ft, \$8.7 million St Luke's Upper Merion Outpatient center; and - an urgent care center which opened in November 2014. Additional improvements included nearly \$1 million in new patient monitoring equipment in FY '13 and in FY '14, installation of new cardiac monitors and new HEV boards, purchase of life support medical simulator, upgrade to barcode scanners and purchase of</p>

Return Reference	Explanation	
	CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	<p>a new PICC line insertion system</p> <p>The Hospital has significantly expanded medical expertise through the addition of the following services - Direct access to orthopedic surgeons providing the most advanced diagnosis, treatment and rehabilitation for patients with musculoskeletal disorders and injuries, - Direct access to highly trained cardiac team which includes experienced and skilled cardiologists, cardiac and vascular surgeons, interventional radiologists and electrophysiologists, and - Direct access to oncologists and a wide range of oncology specialists</p> <p>Mission ----- The mission of SL-Quakertown is to provide compassionate, excellent quality and cost-effective healthcare to residents of the communities served regardless of race, color, creed, sex, national origin, religion or ability to pay</p> <p>The mission of SL-Quakertown is an unwavering commitment to excellence as we care for the sick and injured, educate physicians, nurses and other healthcare providers, and improve access to care in the communities we serve regardless of a patient's ability to pay for care</p>

Return Reference	Explanation
CORE FORM, PART III, STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	<p>Community Outreach ----- In keeping with its commitment to the communities it serves SL-Quakertown annually reaches more than 10,000 people through its community outreach endeavors. The Hospital offers a variety of free screenings/services for community-run events throughout the year. Community outreach includes, but is not limited to, the following - utilized numerous media outlets to educate the community about health issues that may impact them, - hosted numerous community events such as Tail on the Trail, Harvest Fest, Monster Mash and 5K Dash and St. Luke's Land and Lake Adventure Event as well as multiple community leader meetings, - participated or sponsored more than 25 community events such as the Upper Bucks YMCA 5K, Upper Bucks YMCA Healthy Kids Day, the Upper Perkiomen YMCA Senior Citizen Prom, and Relay for Life's National Night Out event, - hosted Network's dental van traveled to area high/middle schools in Bucks County and onsite at St. Luke's Quakertown Hospital providing dental visits to at-risk, uninsured students, - provided free screenings and diagnostic services to free clinic patients, - supported the Open Link - a multi-service agency offering programs, resources and services designed to meet the basic needs of individuals and families in the Upper Perkiomen Valley, - conducted CPR and first aid courses, - provided educational programs on various topics and participated in various community health fairs, and - provided flu and/or pneumonia immunizations to community residents. The Hospital has actively pursued expanded relationships and health improvement advocacy with the communities it serves through various coalition building activities including - conducting Community Leaders meetings, - Membership on the Upper Perkiomen and Upper Bucks YMCA boards of directors and committee participation, - Chair of the Bucks County Health Improvement Partnership (BCHIP), - participation in 25 community events including community days celebrated by Pennsburg, Springfield Township, Coopersburg, Richlinton Borough, Richland Township, and Quakertown Borough, - hospital employees sponsorship of several types of collections to support community non-profits such as the eyeglasses for the Lions Eye Bank, book drives for at-risk children and food to support area food banks, - participation in National Night Out Fight Against Crime, Upper Bucks YMCA, Quakertown Alive, Bucks County Health Improvement Partners, Upper Perkiomen and Upper Bucks chambers of commerce, - conducted a health fair/in-service day at Southern Lehigh Intermediate School providing information that included diabetes education and health screenings, and - hosted Medical Career Pathways Program for Palisades High School seniors.</p>

Return Reference	Explanation
CORE FORM, PART III, QUESTION 4D	EXPENSES INCURRED IN PROVIDING VARIOUS OTHER MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, NATIONAL ORIGIN, RELIGION OR ABILITY TO PAY PLEASE REFER TO THE ORGANIZATION'S COMMUNITY BENEFIT STATEMENT INCLUDED IN SCHEDULE O

Return Reference	Explanation
CORE FORM, PART VI, SECTION A, QUESTION 2	SUSAN DALE AND GUY COBY, D M D - FAMILY RELATIONSHIP

Return Reference	Explanation
CORE FORM, PART VI, SECTION A, QUESTIONS 6 & 7	ST. LUKE'S HEALTH NETWORK, INC. IS THE SOLE MEMBER OF THIS ORGANIZATION. ST. LUKE'S HEALTH NETWORK, INC. HAS THE RIGHT TO ELECT THE MEMBERS OF THIS ORGANIZATION'S BOARD OF TRUSTEES AND HAS CERTAIN RESERVED POWERS AS DEFINED IN THIS ORGANIZATION'S BYLAWS.

Return Reference	Explanation
CORE FORM, PART VI, SECTION B, QUESTION 11B	<p>THE ORGANIZATION IS AN AFFILIATE IN THE ST LUKE'S UNIVERSITY HEALTH NETWORK ("NETWORK"), A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY NETWORK. ST LUKE'S HEALTH NETWORK, INC. IS THE PARENT ENTITY OF THE NETWORK. THE ORGANIZATION'S FEDERAL FORM 990 WAS PROVIDED TO EACH VOTING MEMBER OF THE ORGANIZATION'S GOVERNING BODY (ITS BOARD OF DIRECTORS) PRIOR TO THE FILING WITH THE IRS. IN ADDITION, THE ST LUKE'S UNIVERSITY HEALTH NETWORK FINANCE COMMITTEE WAS UPDATED AS TO THIS ORGANIZATION'S CURRENT YEAR FORM 990 PRIOR TO FILING. ST LUKE'S HEALTH NETWORK, INC. BOARD OF DIRECTORS HAS DELEGATED TO THE FINANCE COMMITTEE THE RESPONSIBILITY TO OVERSEE AND COORDINATE THE FEDERAL FORM 990 PREPARATION AND FILING PROCESS FOR THE TAX-EXEMPT AFFILIATES OF THE NETWORK. AS PART OF THE ORGANIZATION'S FEDERAL FORM 990 TAX RETURN PREPARATION PROCESS, THE ORGANIZATION HIRED A PROFESSIONAL CPA FIRM WITH EXPERIENCE AND EXPERTISE IN BOTH HEALTHCARE AND NOT-FOR-PROFIT TAX RETURN PREPARATION TO PREPARE THE FEDERAL FORM 990. THE CPA FIRM'S TAX PROFESSIONALS WORKED CLOSELY WITH THE ORGANIZATION'S VICE PRESIDENT FINANCE AND SENIOR VICE PRESIDENT FINANCE AND VARIOUS OTHER INDIVIDUALS OF THE NETWORK TO OBTAIN THE INFORMATION NEEDED IN ORDER TO PREPARE A COMPLETE AND ACCURATE TAX RETURN. THE CPA FIRM PREPARED A DRAFT FEDERAL FORM 990 AND FURNISHED IT TO THE ORGANIZATION'S INTERNAL WORKING GROUP, INCLUDING, BUT NOT LIMITED TO, THOSE INDIVIDUALS OUTLINED ABOVE, FOR THEIR REVIEW. THE ORGANIZATION'S INTERNAL WORKING GROUP AND OTHER INDIVIDUALS REVIEWED THE DRAFT FEDERAL FORM 990 AND DISCUSSED QUESTIONS AND COMMENTS WITH THE CPA FIRM. REVISIONS WERE MADE TO THE DRAFT FEDERAL FORM 990 WHERE NECESSARY AND A FINAL DRAFT WAS FURNISHED BY THE CPA FIRM TO THE ORGANIZATION'S INTERNAL WORKING GROUP AND VARIOUS OTHER INDIVIDUALS FOR FINAL REVIEW AND APPROVAL PRIOR TO PRESENTATION OF THE FEDERAL FORM 990 TO THE MEMBERS OF THE ST LUKE'S HEALTH NETWORK, INC. FINANCE COMMITTEE. FOLLOWING THE FINANCE COMMITTEE'S REVIEW, THE FINAL FEDERAL FORM 990 WAS PROVIDED TO EACH VOTING MEMBER OF THE ORGANIZATION'S GOVERNING BODY PRIOR TO THE FILING WITH THE IRS.</p>

Return Reference	Explanation
CORE FORM, PART VI, SECTION B, QUESTION 12	THE ORGANIZATION HAS A WRITTEN CONFLICT OF INTEREST POLICY AND REGULARLY MONITORS AND ENFORCES COMPLIANCE WITH THAT POLICY. THE POLICY REQUIRES THAT A CONFLICT OF INTEREST DISCLOSURE FORM CONSISTENT WITH BEST GOVERNANCE PRACTICES AND INTERNAL REVENUE SERVICE GUIDELINES BE CIRCULATED TO OFFICERS, DIRECTORS, AND KEY EMPLOYEES ANNUALLY. THE NETWORK'S CORPORATE COMPLIANCE OFFICER AND SENIOR VICE PRESIDENT/GENERAL COUNSEL ASSUME RESPONSIBILITY FOR THE COMPLETION OF THE CONFLICT OF INTEREST QUESTIONNAIRES AND ENFORCEMENT WITH THE POLICY. IF A DIRECTOR DISCLOSES AN INTEREST THAT COULD GIVE RISE TO A CONFLICT, THE DIRECTOR'S POTENTIAL CONFLICT MAY BE DISCLOSED TO THE BOARD OF DIRECTORS, WHICH EVALUATES THE CONFLICT AND ITS POTENTIAL IMPACT ON THE DIRECTOR'S PARTICIPATION ON THE BOARD. AFTER CONSULTATION AND DISCUSSION, THE BOARD OF DIRECTORS MAY TAKE ACTION, IF APPROPRIATE AND NECESSARY, TO ADDRESS ANY SUCH CONFLICT IN A MANNER CONSISTENT WITH THE ORGANIZATION'S CONFLICT OF INTEREST POLICY.

Return Reference	Explanation
CORE FORM, PART VI, SECTION B, QUESTION 15	<p>Compensation Review Executive compensation for the health network consists of fixed salary, at-risk compensation and other deferred compensation arrangements Total compensation for network executives is approved annually by the network's Board of directors The recommended compensation is established through a multi-faceted approach including use of an independent consultant engaged on an ongoing basis by the Board of DIRECTORS and who works directly with the Executive Compensation Committee of the board Also included is the review of forms 990 and compensation surveys of other comparable healthcare organizations Please refer to the schedule J, part III response to Schedule J, Part I, Question 3 for a more detailed description</p>

Return Reference	Explanation
CORE FORM, PART VI, SECTION C, QUESTION 19	THE ORGANIZATION'S FILED CERTIFICATE OF INCORPORATION AND ANY AMENDMENTS CAN BE OBTAINED AND REVIEWED THROUGH THE COMMONWEALTH OF PENNSYLVANIA SECRETARY OF STATE

Return Reference	Explanation
CORE FORM, PART VII AND SCHEDULE J	PART VII AND SCHEDULE J REFLECT CERTAIN BOARD MEMBERS AND OFFICERS RECEIVING COMPENSATION AND BENEFITS FROM A RELATED ORGANIZATION PLEASE NOTE THIS REMUNERATION WAS FOR SERVICES RENDERED AS FULL-TIME EMPLOYEES OF THIS ORGANIZATION AND RELATED ORGANIZATIONS AND NOT FOR SERVICES RENDERED AS A VOTING MEMBER OR OFFICER OF THIS ORGANIZATION'S BOARD OF DIRECTORS

Return Reference	Explanation
CORE FORM, PART VII, SECTION A, COLUMN B	THE ORGANIZATION IS AN AFFILIATE IN THE ST LUKE'S UNIVERSITY HEALTH NETWORK ("NETWORK"), A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY NETWORK. THE NETWORK INCLUDES BOTH FOR-PROFIT AND NOT FOR-PROFIT ORGANIZATIONS. CERTAIN BOARD OF DIRECTOR MEMBERS, OFFICERS AND/OR DIRECTORS LISTED ON CORE FORM, PART VII AND SCHEDULE J OF THIS FORM 990 MAY HOLD SIMILAR POSITIONS WITH BOTH THIS ORGANIZATION AND OTHER AFFILIATES WITHIN THE NETWORK. THE HOURS SHOWN ON THIS FORM 990 FOR BOARD MEMBERS WHO RECEIVE NO COMPENSATION FOR SERVICES RENDERED IN A NON-BOARD CAPACITY, REPRESENTS THE ESTIMATED HOURS DEVOTED PER WEEK FOR THIS ORGANIZATION. TO THE EXTENT THESE INDIVIDUALS SERVE AS A MEMBER OF THE BOARD OF DIRECTORS OF OTHER RELATED ORGANIZATIONS IN THE NETWORK, THEIR RESPECTIVE HOURS PER WEEK PER ORGANIZATION ARE APPROXIMATELY THE SAME AS REFLECTED ON PART VII OF THIS FORM 990. THE HOURS REFLECTED ON PART VII OF THIS FORM 990, FOR BOARD MEMBERS WHO RECEIVE COMPENSATION FOR SERVICES RENDERED IN A NON-BOARD CAPACITY, PAID OFFICERS AND KEY EMPLOYEES, REFLECT TOTAL HOURS WORKED PER WEEK ON BEHALF OF THE NETWORK, NOT SOLELY THIS ORGANIZATION.

Return Reference	Explanation
CORE FORM, PART VII AND SCHEDULE J	EDWARD R. NAWROCKI, FORMER PRESIDENT OF THIS ORGANIZATION, IS STILL EMPLOYED WITHIN THE ST. LUKE'S UNIVERSITY HEALTH NETWORK AS PRESIDENT OF ST. LUKE'S HOSPITAL ANDERSON CAMPUS, A RELATED INTERNAL REVENUE CODE SECTION 501(C)(3) TAX-EXEMPT HOSPITAL ORGANIZATION

Return Reference	Explanation
CORE FORM, PART VII, SECTION B	THIS ORGANIZATION IS AN AFFILIATE WITHIN THE ST LUKE'S UNIVERSITY HEALTH NETWORK ("NETWORK"), A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY NETWORK. THIS ORGANIZATION'S FORM 990 REFLECTS NO TOP FIVE INDEPENDENT CONTRACTORS FOR SERVICES AND THAT NO FORMS 1099 WERE FILED WITH THE INTERNAL REVENUE SERVICE. A TAX-EXEMPT AFFILIATE WITHIN THE NETWORK, ST LUKE'S HOSPITAL OF BETHLEHEM, PENNSYLVANIA, PAYS ALL OUTSTANDING ACCOUNTS PAYABLE INVOICES ON BEHALF OF THIS ORGANIZATION. IN CONJUNCTION WITH THIS SERVICE, ST LUKE'S HOSPITAL OF BETHLEHEM, PENNSYLVANIA ALSO PREPARES AND ISSUES FORMS 1099 TO THESE VENDORS RECEIVING PAYMENTS WHERE APPLICABLE AND ALSO FILES THESE FORMS 1099 WITH THE INTERNAL REVENUE SERVICE. ST LUKE'S HOSPITAL OF BETHLEHEM, PENNSYLVANIA ALLOCATES THESE PAYMENTS TO THIS ORGANIZATION VIA AN INTERCOMPANY ACCOUNT.

Return Reference	Explanation
CORE FORM, PART XI, QUESTION 9	OTHER CHANGES IN NET ASSETS OR FUND BALANCES INCLUDE - PLEDGES RECEIVED - TEMPORARILY RESTRICTED, (\$9,979), - NEW PLEDGES - TEMPORARILY RESTRICTED, \$28,387, - NET ASSETS RELEASED FROM RESTRICTIONS USED FOR OPERATIONS - TEMPORARILY RESTRICTED, (\$9,607), - ALLOWANCE FOR PLEDGES WRITTEN OFF AND ACTUAL WRITE-OFFS - TEMPORARILY RESTRICTED, (\$648), - APPRECIATED TRANSFER FROM ENDOWMENT - TEMPORARILY RESTRICTED, \$27,229, AND - APPRECIATION TRANSFER TO ENDOWMENT - PERMANENTLY RESTRICTED, (\$27,229)

Return Reference	Explanation
CORE FORM, PART XII, QUESTION 2	THE ORGANIZATION IS AN AFFILIATE WITHIN THE ST. LUKE'S UNIVERSITY HEALTH NETWORK ("NETWORK"), A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY NETWORK. THE NETWORK'S PARENT ENTITY IS ST. LUKE'S HEALTH NETWORK, INC. AN INDEPENDENT CPA FIRM AUDITED THE CONSOLIDATED FINANCIAL STATEMENTS OF THE TAXPAYER AND ALL AFFILIATES FOR THE YEARS ENDED JUNE 30, 2015 AND JUNE 30, 2014, RESPECTIVELY AND ISSUED A CONSOLIDATED FINANCIAL STATEMENT WITH CONSOLIDATING SCHEDULES BY ENTITY. AN UNQUALIFIED OPINION WAS ISSUED EACH YEAR BY THE INDEPENDENT CPA FIRM. THE NETWORK'S FINANCE COMMITTEE ASSUMES RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT OF THE NETWORK'S CONSOLIDATED FINANCIAL STATEMENTS AND THE SELECTION OF AN INDEPENDENT AUDITOR.

Return Reference	Explanation
CORE FORM, PART XII, QUESTION 3	THIS ORGANIZATION IS AN AFFILIATE IN THE ST. LUKE'S UNIVERSITY HEALTH NETWORK ("NETWORK"). THE NETWORK'S FINANCE COMMITTEE ENGAGED AN INDEPENDENT ACCOUNTING FIRM TO PREPARE AND ISSUE A NETWORK WIDE CONSOLIDATED A-133 AUDIT. THIS ORGANIZATION WAS INCLUDED IN THE NETWORK WIDE A-133 AUDIT.

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

OMB No 1545-0047

2014

Open to Public Inspection

Name of the organization ST LUKE'S QUAKERTOWN HOSPITAL	Employer identification number 23-1352203
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Part I

Identification of Disregarded Entities

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II

Identification of Related Tax-Exempt Organizations

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

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

Part III

Identification of Related Organizations Taxable as a Partnership

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) WIND GAP PROF 3435 WINCHESTER ROAD SUITE 300 ALLENTOWN, PA 181042284 23-2641715	HEALTHCARE SVCS	PA	BETHLEHEM									

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
(1) ST LUKE'S HEALTH NETWORK INSURANCE COMP 801 OSTRUM STREET BETHLEHEM, PA 180151000 75-2993150	FINANCIAL VEHICLE	VT		C CORP					No
(2) ST LUKE'S PHYSICIAN HOSPITAL ORG INC 801 OSTRUM STREET BETHLEHEM, PA 180151000 23-2786818	HEALTHCARE SVCS	PA		C CORP					No
(3) HILLCREST EMERGENCY SERVICES PC 185 ROSEBERRY STREET PHILLIPSBURG, NJ 08865 20-4429976	HEALTHCARE SVCS	NJ		C CORP					No
(4) TWO RIVERS ENTERPRISES INC 185 ROSEBERRY STREET PHILLIPSBURG, NJ 08865 52-1552606	REAL ESTATE	NJ		C CORP					No
(5) WARREN PA PROFESSIONAL ALLIANCE INC 185 ROSEBERRY STREET PHILLIPSBURG, NJ 08865 20-2652788	HEALTHCARE SVCS	NJ		C CORP					No
(6) ST LUKE'S WARREN PHYSICIAN GROUP PC 185 ROSEBERRY STREET PHILLIPSBURG, NJ 08865 22-3837316	HEALTHCARE SVCS	NJ		C CORP					No

Part V

Transactions With Related Organizations

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

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

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

- a** Receipt of **(i)** interest, **(ii)** annuities, **(iii)** royalties, or **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)

- f** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)

- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)

- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses

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

	Yes	No
1a		No
1b		No
1c		No
1d	Yes	
1e	Yes	
1f		No
1g		No
1h		No
1i		No
1j		No
1k		No
1l		No
1m		No
1n	Yes	
1o	Yes	
1p	Yes	
1q	Yes	
1r	Yes	
1s	Yes	

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

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

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) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Additional Data

Software ID:

Software Version:

EIN: 23-1352203

Name: ST LUKE'S QUAKERTOWN HOSPITAL

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) ST LUKE'S HEALTH NETWORK INC 801 OSTRUM STREET BETHLEHEM, PA 18015 23-2384282	HEALTH SVCS	PA	501(C)(3)	509(A)(3)	NA		No
(1) ST LUKE'S HOSPITAL OF BETHLEHEM PA 801 OSTRUM STREET BETHLEHEM, PA 18015 23-1352213	HEALTH SVCS	PA	501(C)(3)	HOSPITAL	SLHN INC		No
(2) CARBON-SCHUYLKILL COMMUNITY HOSPITAL 801 OSTRUM STREET BETHLEHEM, PA 18015 25-1550350	HEALTH SVCS	PA	501(C)(3)	HOSPITAL	SLHN INC		No
(3) QUAKERTOWN REHABILITATION CENTER 801 OSTRUM STREET BETHLEHEM, PA 18015 23-2543924	HEALTH SVCS	PA	501(C)(3)	170B1AIII	SLHN INC		No
(4) ST LUKE'S EMERGENCY & TRANSPORT SVCS 801 OSTRUM STREET BETHLEHEM, PA 18015 23-2179542	HEALTH SVCS	PA	501(C)(3)	170B1AIII	SLHN INC		No
(5) ST LUKE'S PHYSICIAN GROUP INC 801 OSTRUM STREET BETHLEHEM, PA 18015 23-2380812	HEALTH SVCS	PA	501(C)(3)	509(A)(3)	SLHN INC		No
(6) VNA OF ST LUKE'S - HOME HEALTHHOSPICE 801 OSTRUM STREET BETHLEHEM, PA 18015 24-0795497	HEALTH SVCS	PA	501(C)(3)	509(A)(1)	BETHLEHEM		No
(7) HOMESTAR MEDICAL EQUIP & INFUSION SVCS 801 OSTRUM STREET BETHLEHEM, PA 18015 23-2418254	INACTIVE	PA	501(C)(3)	509(A)(2)	VNA		No
(8) ST LUKE'S HHN AUXILIARY INC 801 OSTRUM STREET BETHLEHEM, PA 18015 23-2134479	FUNDRAISING	PA	501(C)(3)	170B1AIII	NA		No
(9) ST LUKE'S WARREN HOSPITAL INC 185 ROSEBERRY STREET PHILLIPSBURG, NJ 08865 22-1494454	HEALTH SVCS	NJ	501(C)(3)	HOSPITAL	SLHN INC		No
(10) ST LUKE'S WARREN HOSPITAL FDN INC 185 ROSEBERRY STREET PHILLIPSBURG, NJ 08865 22-2522476	SUPPORT SLWH	NJ	501(C)(3)	509(A)(3)	SLWH INC		No
(11) ST LUKE'S HOSPITAL ANDERSON CAMPUS 801 OSTRUM STREET BETHLEHEM, PA 18015 45-4394739	HEALTH SVCS	PA	501(C)(3)	HOSPITAL	SLHN INC		No
(12) ST LUKE'S HOSPITAL MONROE CAMPUS 801 OSTRUM STREET BETHLEHEM, PA 18015 46-5143606	INACTIVE	PA	501(C)(3)	HOSPITAL	SLHN INC		No