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Form **990**

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

2015

Open to Public Inspection

Department of the Treasury

Internal Revenue Service

**A For the 2015 calendar year, or tax year beginning 01-01-2015 , and ending 12-31-2015**

**B** Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Final return/terminated

☐ Amended return

☐ Application pending

**C** Name of organization

Virginia Mason Medical Center

Doing business as

Number and street (or P O box if mail is not delivered to street address)

Room/suite

1100 Ninth Avenue

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

Seattle, WA 98101

**D** Employer identification number

91-0565539

**E** Telephone number

(206) 223-6600

**G** Gross receipts \$

1,199,915,519

**F** Name and address of principal officer

Gary Kaplan MD

1100 Ninth Avenue

Seattle, WA 98101

**H(a)** Is this a group return for subordinates?

No

☐ Yes ☒ No

**H(b)** Are all subordinates included?

☐ Yes ☐ No

If "No," attach a list (see instructions)

**H(c)** Group exemption number ▶

**I** Tax-exempt status

☒ 501(c)(3) ☐ 501(c) ( ) ◀(insert no ) ☐ 4947(a)(1) or ☐ 527

**J Website:** ▶

www.virginiamason.org

**K** Form of organization

☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

**L** Year of formation

1934

**M** State of legal domicile

WA

Part I

Summary

Activities & Governance

**1** Briefly describe the organization's mission or most significant activities

Virginia Mason Medical Centers the Medical Center mission is to improve the health and well-being of the patients it serves through the delivery of high quality, cost-effective care

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

**3** Number of voting members of the governing body (Part VI, line 1a) . . . . .

**4** Number of independent voting members of the governing body (Part VI, line 1b) . . . . .

**5** Total number of individuals employed in calendar year 2015 (Part V, line 2a) . . . . .

**6** Total number of volunteers (estimate if necessary) . . . . .

**7a** Total unrelated business revenue from Part VIII, column (C), line 12 . . . . .

**b** Net unrelated business taxable income from Form 990-T, line 34 . . . . .

**3**

**4**

**5**

**6**

**7a**

**7b**

15

14

6,200

481

26,491,485

13,612,676

Revenue

**8** Contributions and grants (Part VIII, line 1h) . . . . .

**9** Program service revenue (Part VIII, line 2g) . . . . .

**10** Investment income (Part VIII, column (A), lines 3, 4, and 7d ) . . . . .

**11** Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)

**12** Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)

**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3 ) . . . . .

**14** Benefits paid to or for members (Part IX, column (A), line 4) . . . . .

**15** Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)

**16a** Professional fundraising fees (Part IX, column (A), line 11e) . . . . .

**b** Total fundraising expenses (Part IX, column (D), line 25) ▶<sup>0</sup>

**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)

**19** Revenue less expenses Subtract line 18 from line 12 . . . . .

Prior Year

Current Year

5,821,939

6,915,333

972,025,505

1,022,264,133

21,488,522

32,186,123

8,317,230

8,064,268

1,007,653,196

1,069,429,857

Expenses

**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3 ) . . . . .

**14** Benefits paid to or for members (Part IX, column (A), line 4) . . . . .

**15** Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)

**16a** Professional fundraising fees (Part IX, column (A), line 11e) . . . . .

**b** Total fundraising expenses (Part IX, column (D), line 25) ▶<sup>0</sup>

**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)

**19** Revenue less expenses Subtract line 18 from line 12 . . . . .

Beginning of Current Year

End of Year

1,129,053,390

1,141,667,609

716,594,082

696,392,315

412,459,308

445,275,294

Net Assets or Fund Balances

**20** Total assets (Part X, line 16) . . . . .

**21** Total liabilities (Part X, line 26) . . . . .

**22** Net assets or fund balances Subtract line 21 from line 20 . . . . .

Beginning of Current Year

End of Year

1,129,053,390

1,141,667,609

716,594,082

696,392,315

412,459,308

445,275,294

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

Gary Kaplan MD Chairman and CEO

Type or print name and title

2016-10-24

Date

**Paid Preparer Use Only**

Print/Type preparer's name

Jayson Miller

Preparer's signature

Jayson Miller

Date

2016-10-24

Check ☐ if self-employed

PTIN

Firm's name ▶

KPMG LLP

Firm's EIN ▶

Firm's address ▶

1918 8th Avenue Suite 2900

Seattle, WA 98101

Phone no

(206) 913-4000

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

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form **990**(2015)

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

Virginia Mason Medical Centers the Medical Center mission is to improve the health and well-being of the patients it serves through the delivery of high quality, cost-effective care

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 \$ 874,357,493 including grants of \$ ) (Revenue \$ 1,021,994,035 )

Health Care Services. The Medical Center is a tertiary regional referral center which serves a patient community that includes Seattle and its surrounding suburbs, Western Washington and Alaska. The main campus located in Seattle includes a hospital, an outpatient clinic, centers of excellence including the Center for Hyperbaric Medicine, Digestive Disease Institute, Floyd Delores Jones Cancer Institute, Heart Institute, Neuroscience Institute and Urology. The Medical Center also operates seven regional clinics, and Bailey-Boushay House, a 35-bed skilled nursing facility. During 2015, the Medical Center recorded 15,436 hospital inpatient admissions, 24,976 emergency room visits and 857,926 clinic visits. The Medical Center provided charity care and unreimbursed Medicaid services to a total of 4,530 patients. Continued on Schedule O.

4b

(Code ) (Expenses \$ 23,954,491 including grants of \$ 3,502,500 ) (Revenue \$ 180,730 )

Education and Research. The Medical Center is an independent academic medical center with a graduate medical education program that trains over 120 residents in nine accredited programs in anesthesiology, internal medicine, general surgery, diagnostic radiology, preliminary surgery, transitional year, and urology. In addition, the Medical Center trains a number of fellows in areas such as Pain Management and Female Pelvic Medicine/Reconstructive Surgery. The Medical Center is also affiliated with the University of Washington for training of subspecialties in the areas of anesthesiology, orthopedics, obstetrics, gynecology and urology. The Medical Center also provides training in clinical nursing education, allied health fields, continuing medical education, and grand rounds. In addition, the Medical Center conducts medical research through its affiliate Benaoya Research Institute at Virginia Mason, a scientific research institute qualified under Section 501(c)(3) of the Internal Revenue code. Continued on Schedule O.

4c

(Code ) (Expenses \$ 342,294 including grants of \$ ) (Revenue \$ 89,368 )

Community Health Education and Services. The Medical Center contributes to improving the health of the community through sponsorship of community health education and services. Community health education includes classes, forums, presentations and other programs held during the day and evening in the Medical Center neighborhood clinic communities and the Seattle main campus. The Buse Diabetes Teaching Center provides a nationally recognized education program which includes classes covering every aspect of diabetes care including how to support long-term health lifestyle habits and avoid long-term complications. The education programs are open to everyone with diabetes and their family members. Scholarships are available. In 2015, the Medical Center provided 39,000 toward support of the Buse Diabetes Teaching Center. Continued on Schedule O.

4d











Other program services (Describe in Schedule O )

(Expenses \$ 3,810,546 including grants of \$ 3,810,546 ) (Revenue \$ )

4e

Total program service expenses ▶ 902,464,824

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 	2 Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II 	4 Yes	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10 Yes	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI 	11a Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b	No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X 	11e Yes	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X 	11f Yes	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a	No
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	12b	No
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 Yes	
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H 	20a Yes	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? 	20b Yes	

Part IV Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II . . . . .	21	Yes	
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III . . . . .	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J . . . . .	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a . . . . .	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . .	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . .	24d		No
25a	<b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b>			
	Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I . . . . .	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I . . . . .	25b		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II . . . . .	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III . . . . .	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV . . . . .	28a	Yes	
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV . . . . .	28b	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV . . . . .	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M . . . .	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M . . . . .	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I . .	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II . . . . .	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I . . . . .	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1 . . . . .	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		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)? If "Yes," complete Schedule R, Part V, line 2 . . . .	35b		No
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2 . . . . .	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

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

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a	669	
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a	6,200	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O.	3b	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		No
b	If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for 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?	5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7	Organizations that may receive deductible contributions under section 170(c).			
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		No
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9a	Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10	Section 501(c)(7) organizations. Enter			
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b		
11	Section 501(c)(12) organizations. Enter			
a	Gross income from members or shareholders.	11a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.			
a	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.	13a		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b		
c	Enter the amount of reserves on hand.	13c		
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a		No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	14b		

**Part VI Governance, Management, and Disclosure**

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

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

**Section A. Governing Body and Management**

		Yes	No
<b>1a</b>	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	15	
<b>1b</b>	Enter the number of voting members included in line 1a, above, who are independent	14	
<b>2</b>	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?	Yes	
<b>3</b>	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?		No
<b>4</b>	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		No
<b>5</b>	Did the organization become aware during the year of a significant diversion of the organization's assets?		No
<b>6</b>	Did the organization have members or stockholders?	Yes	
<b>7a</b>	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?	Yes	
<b>7b</b>	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	Yes	
<b>8</b>	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
<b>a</b>	The governing body?	Yes	
<b>b</b>	Each committee with authority to act on behalf of the governing body?	Yes	
<b>9</b>	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		No

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

		Yes	No
<b>10a</b>	Did the organization have local chapters, branches, or affiliates?	Yes	
<b>b</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?	Yes	
<b>11a</b>	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	Yes	
<b>b</b>	Describe in Schedule O the process, if any, used by the organization to review this Form 990		
<b>12a</b>	Did the organization have a written conflict of interest policy? If "No," go to line 13	Yes	
<b>b</b>	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	Yes	
<b>c</b>	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	Yes	
<b>13</b>	Did the organization have a written whistleblower policy?	Yes	
<b>14</b>	Did the organization have a written document retention and destruction policy?	Yes	
<b>15</b>	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?		
<b>a</b>	The organization's CEO, Executive Director, or top management official	Yes	
<b>b</b>	Other officers or key employees of the organization	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)		
<b>16a</b>	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		No
<b>b</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?		

**Section C. Disclosure**

**17** List the States with which a copy of this Form 990 is required to be filed **GA , OR**

**18** Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

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

**20** State the name, address, and telephone number of the person who possesses the organization's books and records  
**MaryAnne Olmstead 1100 Olive Way Suite 605 Seattle, WA 98101 (206) 625-7371**

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

**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

[illegible]



## Part VII

[illegible]

<b>1b</b>	<b>Sub-Total</b>			
<b>c</b>	<b>Total from continuation sheets to Part VII, Section A</b>			
<b>d</b>	<b>Total (add lines 1b and 1c)</b>	17,073,990		2,828,327

**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 ► 1,242

		Yes	No
<b>3</b>	Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> . . . . .	<b>3</b> Yes	
<b>4</b>	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> . . . . .	<b>4</b> Yes	
<b>5</b>	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> . . . . .	<b>5</b>	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)	(B)	(C)
Name and business address	Description of services	Compensation
Crothall Healthcare Inc 955 Chesterbrook Blvc Suite 300 Wayne, PA 19087	Staffing Services	14,027,128
Skanska USA Building Inc 221 Yale Ave N Suite 400 Seattle, WA 98109	Construction Services	6,522,980
Turner Construction Company 8330 4th Ave S Seattle, WA 98134	Construction Services	4,205,717
Cerner Corporation PO Box 9591556 St Louis, MO 63195	Application Services	4,329,471
LifeCenter Northwest, 3650 131st Se SE Ste 200 Bellevue, WA 98006	Professional Services	2,856,800

**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 ► 64

Part VIII

Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . . .	1a				
	b	Membership dues . . . . .	1b				
	c	Fundraising events . . . . .	1c				
	d	Related organizations . . . .	1d	6,915,333			
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f . . . . .			6,915,333		
Program Service Revenue	2a	Operating Revenues	Business Code 561499	1,051,302,266	1,038,000,515	13,301,751	
	b	Medicare/Medicaid Payments	621300	327,798,500	327,798,500		
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f . . . . .			1,022,264,133		
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) . . . . .		28,672,648		13,184,518
4		Income from investment of tax-exempt bond proceeds . .		285,696			285,696
5		Royalties . . . . .					
6a		(i) Real					
		1,495,389					
		(ii) Personal					
		1,924,859					
b		Less rental expenses					
c		Rental income or (loss)					
d		Net rental income or (loss) . . . . .		-429,470		-486,004	56,534
7a		(i) Securities					
		131,556,132					
		(ii) Other					
		128,328,353					
b		Less cost or other basis and sales expenses					
c		Gain or (loss)					
d		Net gain or (loss) . . . . .		3,227,779			3,227,779
8a		Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18 . . . . .					
a							
b		Less direct expenses . . . . .					
c		Net income or (loss) from fundraising events . .					
9a		Gross income from gaming activities See Part IV, line 19 . . . . .					
a							
b	Less direct expenses . . . . .						
c	Net income or (loss) from gaming activities . . .						
10a	Gross sales of inventory, less returns and allowances . . . . .						
	a	410,853					
	b	Less cost of goods sold . . . . .	232,450				
c	Net income or (loss) from sales of inventory . .		178,403		178,403		
Miscellaneous Revenue		Business Code					
11a	Cafeteria	722100	3,694,930			3,694,930	
b	Parking	721110	4,392,440		312,817	4,079,623	
c	Medical Records	561499	217,827			217,827	
d	All other revenue . . . . .		10,138			10,138	
e	Total. Add lines 11a-11d . . . . .		8,315,335				
12	Total revenue. See Instructions . . . . .		1,069,429,857	1,008,962,382	26,491,485	27,060,657	

**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
<b>1</b>	Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.	7,313,046	7,313,046		
<b>2</b>	Grants and other assistance to domestic individuals. See Part IV, line 22.	0			
<b>3</b>	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16.	0			
<b>4</b>	Benefits paid to or for members.	0			
<b>5</b>	Compensation of current officers, directors, trustees, and key employees.	13,266,995	11,978,079	1,288,916	
<b>6</b>	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	0			
<b>7</b>	Other salaries and wages.	467,492,637	409,495,554	57,997,083	
<b>8</b>	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	26,105,351	22,866,724	3,238,627	
<b>9</b>	Other employee benefits.	23,273,351	20,386,062	2,887,289	
<b>10</b>	Payroll taxes.	30,111,239	26,375,642	3,735,597	
<b>11</b>	Fees for services (non-employees):				
<b>a</b>	Management.	1,837,815	1,609,816	227,999	
<b>b</b>	Legal.	1,693,109		1,693,109	
<b>c</b>	Accounting.	569,656		569,656	
<b>d</b>	Lobbying.	154,765		154,765	
<b>e</b>	Professional fundraising services. See Part IV, line 17.				
<b>f</b>	Investment management fees.	0			
<b>g</b>	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	53,358,120	46,738,518	6,619,602	
<b>12</b>	Advertising and promotion.	5,541,581	4,854,093	687,488	
<b>13</b>	Office expenses.	208,812,685	182,907,407	25,905,278	
<b>14</b>	Information technology.	28,124,711	24,635,563	3,489,148	
<b>15</b>	Royalties.	0			
<b>16</b>	Occupancy.	21,947,833	19,224,987	2,722,846	
<b>17</b>	Travel.	2,810,020	2,461,409	348,611	
<b>18</b>	Payments of travel or entertainment expenses for any federal, state, or local public officials.	0			
<b>19</b>	Conferences, conventions, and meetings.	405,906	355,549	50,357	
<b>20</b>	Interest.	24,145,475	21,149,990	2,995,485	
<b>21</b>	Payments to affiliates.	0			
<b>22</b>	Depreciation, depletion, and amortization.	45,158,992	39,556,574	5,602,418	
<b>23</b>	Insurance.	11,222,588	9,830,315	1,392,273	
<b>24</b>	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).				
<b>a</b>	Taxes.	43,104,167	43,104,167		
<b>b</b>	Medical Purchased Services.	618,838	542,065	76,773	
<b>c</b>	Dues and subscriptions.	2,208,726	1,934,712	274,014	
<b>d</b>	Bad Debt Expense.	270,004	270,004		
<b>e</b>	All other expenses.	5,564,934	4,874,548	690,386	
<b>25</b>	<b>Total functional expenses.</b> Add lines 1 through 24e.	1,025,112,544	902,464,824	122,647,720	0
<b>26</b>	<b>Joint costs.</b> 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 . . . . .		45,300,738	1	36,693,580	
	2	Savings and temporary cash investments . . . . .		72,958,680	2	53,924,422	
	3	Pledges and grants receivable, net . . . . .			3		
	4	Accounts receivable, net . . . . .		116,762,830	4	108,761,492	
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .			5		
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L . . . . .			6		
	7	Notes and loans receivable, net . . . . .			7		
	8	Inventories for sale or use . . . . .		15,839,121	8	17,286,237	
	9	Prepaid expenses and deferred charges . . . . .		4,299,709	9	4,565,121	
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D . . . . .	10a	1,054,906,590			
	b	Less: accumulated depreciation . . . . .	10b	471,574,265	596,390,553	10c	583,332,325
	11	Investments—publicly traded securities . . . . .		223,944,398	11	286,346,658	
	12	Investments—other securities. See Part IV, line 11 . . . . .			12		
	13	Investments—program-related. See Part IV, line 11 . . . . .			13		
	14	Intangible assets . . . . .			14		
	15	Other assets. See Part IV, line 11 . . . . .		53,557,361	15	50,757,774	
16	<b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .		1,129,053,390	16	1,141,667,609		
Liabilities	17	Accounts payable and accrued expenses . . . . .		133,191,273	17	125,147,574	
	18	Grants payable . . . . .			18		
	19	Deferred revenue . . . . .		71,245	19	69,848	
	20	Tax-exempt bond liabilities . . . . .		311,118,911	20	310,105,008	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .			21		
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .			22		
	23	Secured mortgages and notes payable to unrelated third parties . . . . .		136,489,470	23	136,511,339	
	24	Unsecured notes and loans payable to unrelated third parties . . . . .			24		
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17–24). Complete Part X of Schedule D . . . . .		135,723,183	25	124,558,546	
	26	<b>Total liabilities.</b> Add lines 17 through 25 . . . . .		716,594,082	26	696,392,315	
	Net Assets or Fund Balances	<b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>					
27		Unrestricted net assets . . . . .		395,194,749	27	426,428,035	
28		Temporarily restricted net assets . . . . .		12,933,281	28	14,000,186	
29		Permanently restricted net assets . . . . .		4,331,278	29	4,847,073	
<b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>							
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		<b>Total net assets or fund balances . . . . .</b>		412,459,308	33	445,275,294	
34		<b>Total liabilities and net assets/fund balances . . . . .</b>		1,129,053,390	34	1,141,667,609	

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,069,429,857
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,025,112,544
3	Revenue less expenses Subtract line 2 from line 1	3	44,317,313
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	412,459,308
5	Net unrealized gains (losses) on investments	5	-16,993,028
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	5,491,701
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	445,275,294

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 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		No
Separate basis Consolidated basis Both consolidated and separate basis			
b	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	Yes	
Separate basis Consolidated basis Both consolidated and separate basis			
c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? 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	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	Yes	

Additional Data

Software ID: 15000290

Software Version: 15.3.0.0

EIN: 91-0565539

Name: Virginia Mason Medical Center

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Michelle Burns ..... Director	2 00 .....	X						0	0	0
Joshua Jay Green III ..... Director	2 00 .....	X						0	0	0
Tod Hamachek ..... Director	2 00 .....	X						0	0	0
Robert Bob Lemon ..... Director, Treasurer	2 00 ..... 4 00	X		X				0	0	0
Alfred Al E Lopus ..... Director	2 00 .....	X						0	0	0
Dorothy H Mann PhD ..... Director, Secretary	2 00 ..... 2 00	X		X				0	0	0
James Jamie Orlikoff ..... Director, Vice Chair	2 00 ..... 4 00	X		X				0	0	0
Jane Blodgett ..... Director	2 00 ..... 2 00	X						0	0	0
Lewis Lonnie Edelheit PhD ..... Director	2 00 ..... 2 00	X						0	0	0
James Jim Young ..... Director, Chair	2 00 ..... 4 00	X		X				0	0	0

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Julie Morath RN ..... Director	2 00 .....	X						0	0	0
Richard Rich Martinez ..... Director	2 00 .....	X						0	0	0
Kristi Pangrazio ..... Director	2 00 .....	X						0	0	0
Carolyn Corvi ..... Director	3 00 .....	X						0	0	0
Mary McWilliams ..... Director	2 00 .....	X						0	0	0
Gary Kaplan MD ..... Chairman, CEO	2 00 .....			X				1,463,343	0	1,123,646
Suzanne Anderson ..... Executive Vice President, CIO/CFO	50 00 .....			X				793,097	0	126,039
Katene Chapman ..... Senior Vice President, Hospital Administrator	4 00 .....				X			390,218	0	46,177
Lucy Glenn MD ..... Chief of Radiology	50 00 .....				X			733,384	0	68,783
Michael Glenn MD ..... Chief Medical Officer	50 00 .....				X			848,188	0	128,099

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Fred Govier MD ..... Chief of Surgery	50 00 .....				X			793,444	0	60,850
Joyce Lammert MD ..... Medical Director, Hospital	50 00 .....				X			575,689	0	92,758
Sarah Patterson ..... Executive Vice President, COO	1 00 .....				X			928,703	0	131,286
William Poppy ..... Senior Vice President, CTO	4 00 .....				X			504,483	0	48,898
Steve Rupp MD ..... Medical Director, Perioperative Services and Anesthesia	50 00 .....				X			545,804	0	37,544
Donna Smith MD ..... Medical Director, Clinic	50 00 .....				X			566,844	0	152,556
Charleen Tachibana RN ..... Senior Vice President, Quality and Safety	50 00 .....				X			516,716	0	85,873
James P Cote ..... Senior Vice President, Clinic Administrator	50 00 .....				X			356,530	0	85,034
Michael P Ondracek ..... Vice President, Clinic Operations	50 00 .....				X			218,776	0	19,946
Caterine Potts MD ..... Chief, Pnmary Care	50 00 .....				X			417,774	0	58,633



Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Shelly Fagerlund ..... Vice President, Clinic Operations	50 00 .....				X			270,791	0	36,480
Michael Gluck MD ..... Chief of Medicine	50 00 .....				X			931,706	0	75,482
Denise Dubuque ..... Vice President, Surgical and Procedural Services	50 00 .....				X			227,008	0	32,548
Cindy Rockfield ..... Vice President, Clinic Operations	50 00 .....				X			164,841	0	23,893
Chrstopher L Fellows MD ..... Physician	50 00 .....					X		1,240,938	0	52,765
Ulrike I Ochs MD ..... Physician	50 00 .....					X		964,985	0	49,841
Richard A Kozarek MD ..... Physician	50 00 .....					X		1,004,654	0	91,164
Mark Hill MD ..... Physician	50 00 .....					X		905,596	0	101,884
Ravi Kirshnan MD ..... Physician	50 00 .....					X		902,160	0	47,621
Andrew Jacobs MD ..... Physician, Former Key Employee	50 00 .....						X	808,318	0	50,527

SCHEDULE A  
(Form 990 or 990EZ)

Public Charity Status and Public Support

OMB No 1545-0047

2015

Open to Public Inspection

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

Name of the organization  
Virginia Mason Medical Center

Employer identification number  
91-0565539

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 (Form 990 or 990-EZ))
- 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 (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)2011	(b)2012	(c)2013	(d)2014	(e)2015	(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)2011	(b)2012	(c)2013	(d)2014	(e)2015	(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 . . . . . ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage						
14 Public support percentage for 2015 (line 6, column (f) divided by line 11, column (f))		14				0 %
15 Public support percentage for 2014 Schedule A, Part II, line 14		15				
16a 33 1/3% support test—2015.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						► <input type="checkbox"/>
b 33 1/3% support test—2014.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						► <input type="checkbox"/>
17a 10%-facts-and-circumstances test—2015.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						► <input type="checkbox"/>
b 10%-facts-and-circumstances test—2014.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						► <input type="checkbox"/>
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						► <input type="checkbox"/>

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

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

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a)2011	(b)2012	(c)2013	(d)2014	(e)2015	(f)Total
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
<b>2</b> 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						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total.</b> Add lines 1 through 5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</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						
<b>c</b> Add lines 7a and 7b						
<b>8 Public support.</b> (Subtract line 7c from line 6.)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a)2011	(b)2012	(c)2013	(d)2014	(e)2015	(f)Total
<b>9</b> Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.)						
<b>14 First five years.</b> 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 <b>stop here</b> <span style="float: right;">► <input type="checkbox"/></span>						

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2015 (line 8, column (f) divided by line 13, column (f))	<b>15</b>	0 %
<b>16</b> Public support percentage from 2014 Schedule A, Part III, line 15	<b>16</b>	

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for <b>2015</b> (line 10c, column (f) divided by line 13, column (f))	<b>17</b>	0 %
<b>18</b> Investment income percentage from <b>2014</b> Schedule A, Part III, line 17	<b>18</b>	

**19a 33 1/3% support tests—2015.** 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—2014.** 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 <b>Part VI</b> 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 <b>Part VI</b> 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 <b>Part VI</b> 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 <b>Part VI</b> 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 <b>Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?	5b	
c <b>Substitutions only.</b> 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 <b>Part VI</b> .	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 <b>Part VI</b> .	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 <b>Part VI</b> .	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 <b>Part VI</b> .	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
<div>1</div> <div>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? <i>If "No," describe in <b>Part VI</b> 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.</i></div>		
<div>2</div> <div>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? <i>If "Yes," explain in <b>Part VI</b> how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization.</i></div>		

Section C. Type II Supporting Organizations

	Yes	No
<div>1</div> <div>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)? <i>If "No," describe in <b>Part VI</b> how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i></div>		

Section D. All Type III Supporting Organizations

	Yes	No
<div>1</div> <div>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?</div>		
<div>2</div> <div>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? <i>If "No," explain in <b>Part VI</b> how the organization maintained a close and continuous working relationship with the supported organization(s).</i></div>		
<div>3</div> <div>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? <i>If "Yes," describe in <b>Part VI</b> the role the organization's supported organizations played in this regard.</i></div>		

Section E. Type III Functionally-Integrated Supporting Organizations

<div>1</div> <div>Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (<b>see instructions</b>)</div> <div><div>a</div><div><input type="checkbox"/> The organization satisfied the Activities Test. Complete <b>line 2</b> below.</div><div><div>b</div><div><input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete <b>line 3</b> below.</div><div><div>c</div><div><input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).</div></div></div></div>		
<div>2</div> <div>Activities Test. <b>Answer (a) and (b) below.</b></div>		
<div>a</div> <div>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? <i>If "Yes," then in <b>Part VI</b> 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.</i></div>		
<div>b</div> <div>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? <i>If "Yes," explain in <b>Part VI</b> the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i></div>		
<div>3</div> <div>Parent of Supported Organizations. <b>Answer (a) and (b) below.</b></div>		
<div>a</div> <div>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? <i>Provide details in Part VI.</i></div>		
<div>b</div> <div>Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i></div>		

**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. ☐

<b>Section A - Adjusted Net Income</b>		(A) Prior Year	(B) Current Year (optional)
<b>1</b>	Net short-term capital gain	<b>1</b>	
<b>2</b>	Recoveries of prior-year distributions	<b>2</b>	
<b>3</b>	Other gross income (see instructions)	<b>3</b>	
<b>4</b>	Add lines 1 through 3	<b>4</b>	
<b>5</b>	Depreciation and depletion	<b>5</b>	
<b>6</b>	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)	<b>6</b>	
<b>7</b>	Other expenses (see instructions)	<b>7</b>	
<b>8</b>	<b>Adjusted Net Income</b> (subtract lines 5, 6 and 7 from line 4)	<b>8</b>	

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

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

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

Section D - Distributions	Current Year
<b>1</b> Amounts paid to supported organizations to accomplish exempt purposes	
<b>2</b> Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
<b>3</b> Administrative expenses paid to accomplish exempt purposes of supported organizations	
<b>4</b> Amounts paid to acquire exempt-use assets	
<b>5</b> Qualified set-aside amounts (prior IRS approval required)	
<b>6</b> Other distributions (describe in Part VI) See instructions	
<b>7 Total annual distributions.</b> Add lines 1 through 6	
<b>8</b> Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
<b>9</b> Distributable amount for 2015 from Section C, line 6	
<b>10</b> Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2015	(iii) Distributable Amount for 2015
<b>1</b> Distributable amount for 2015 from Section C, line 6			
<b>2</b> Underdistributions, if any, for years prior to 2015 (reasonable cause required--see instructions)			
<b>3</b> Excess distributions carryover, if any, to 2015			
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b> From 2013. . . . .			
<b>e</b> From 2014. . . . .			
<b>f Total</b> of lines 3a through e			
<b>g</b> Applied to underdistributions of prior years			
<b>h</b> Applied to 2015 distributable amount			
<b>i</b> Carryover from 2010 not applied (see instructions)			
<b>j</b> Remainder Subtract lines 3g, 3h, and 3i from 3f			
<b>4</b> Distributions for 2015 from Section D, line 7 \$			
<b>a</b> Applied to underdistributions of prior years			
<b>b</b> Applied to 2015 distributable amount			
<b>c</b> Remainder Subtract lines 4a and 4b from 4			
<b>5</b> Remaining underdistributions for years prior to 2015, if any Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)			
<b>6</b> Remaining underdistributions for 2015 Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions)			
<b>7 Excess distributions carryover to 2016.</b> Add lines 3j and 4c			
<b>8</b> Breakdown of line 7			
<b>a</b>			
<b>b</b>			
<b>c</b> Excess from 2013. . . . .			
<b>d</b> From 2014. . . . .			
<b>e</b> From 2015. . . . .			



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

OMB No 1545-0047  
**2015**  
**Open to Public Inspection**

If the organization answered "Yes" on 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" on 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" on 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 Virginia Mason Medical Center	Employer identification number 91-0565539
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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-
2				
3				
4				
5				
6				

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)	108,173	108,173												
b	Total lobbying expenditures to influence a legislative body (direct lobbying)	46,593	46,593												
c	Total lobbying expenditures (add lines 1a and 1b)	154,766	154,766												
d	Other exempt purpose expenditures	1,024,957,778	1,112,971,638												
e	Total exempt purpose expenditures (add lines 1c and 1d)	1,025,112,544	1,113,126,404												
f	Lobbying nontaxable amount Enter the amount from the following table in both columns	1,000,000	1,000,000												
<table><thead><tr><th>If the amount on line 1e, column (a) or (b) is:</th><th>The lobbying nontaxable amount is:</th></tr></thead><tbody><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></tbody></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)	250,000	250,001												
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) 2012	(b) 2013	(c) 2014	(d) 2015	(e) Total
2a Lobbying nontaxable amount	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
b Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000
c Total lobbying expenditures	133,874	122,035	138,835	154,766	549,510
d Grassroots nontaxable amount	250,000	250,000	250,000	250,000	1,000,000
e Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000
f Grassroots lobbying expenditures	127,874	114,035	119,335	108,173	469,417

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 on 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?			
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c	Media advertisements?			
d	Mailings to members, legislators, or the public?			
e	Publications, or published or broadcast statements?			
f	Grants to other organizations for lobbying purposes?			
g	Direct contact with legislators, their staffs, government officials, or a legislative body?			
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
i	Other activities?			
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)?			
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).

1	Were substantially all (90% or more) dues received nondeductible by members?	1	Yes	No
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).	2a	
a	Current year	2b	
b	Carryover from last year	2c	
c	Total	3	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues		
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
II-A A	Virginia Mason Medical Center, EIN 91-0565539, 1100 Ninth Avenue, Seattle, WA 98101. Electing Member. Grassroots Lobbying Expenditures 46,593. Excess Lobbying Expenditures 0. Tax year ending December 31, 1998 was the first year in which Virginia Mason Medical Center made the election under Section 501(h). The election was not revoked before the start of the tax year ending December 31, 2015. Virginia Mason Medical Center pays membership dues to Washington State Hospital Association, a portion of which was used for legislative and lobbying activities. Virginia Mason Medical Center also pays membership dues to other professional health care organizations, a portion of which may be used for legislative and lobbying activities.
II-A A continued	Virginia Mason Institute, EIN 26-3763656, 1100 Ninth Avenue, Seattle, WA 98101. Non-electing member. 0 Lobbying Expenditures, 0 Excess Lobbying Expenditures.
II-A A continued	Virginia Mason Health System, EIN 91-1351110, 1100 Ninth Avenue, Seattle, WA 98101. Non-electing member. 0 Lobbying Expenditures, 0 Excess Lobbying Expenditures.
II-A A continued	Benaroya Research Institute at Virginia Mason, EIN 91-0653422, 1201 Ninth Avenue, Seattle, WA 98101. Non-electing member. 0 Lobbying Expenditures. 0 Excess Lobbying Expenditures.

TY 2015 Affiliated Group Schedule

Name: Virginia Mason Medical Center

EIN: 91-0565539

Software ID: 15000290

Software Version: 15.3.0.0

Affiliated Group Business Name: Virginia Mason Medical Center

Address. Either US or Foreign Type: 1100 Ninth Avenue  
 Seattle, WA 98101

EIN: 91-0565539

Electing Organization Checkbox: ☒

Total Grassroots Lobbying: 108,173

Total Direct Lobbying: 46,593

Total Lobbying Expenditures: 154,766

Other Exempt Purpose Expenditures: 1,024,957,778

Total Exempt Purpose Expenditures: 1,025,112,544

Lobbying Nontaxable Amount: 920,931

Grassroots Nontaxable Amount: 230,233

Tot Lobbying Grassroot Minus Non Tx: 0

Tot Lobby Expend Mns Lobbying Non Tx: 0

Share Of Excess Lobbying: 0

Affiliated Group Business Name: Virginia Mason Institute

Address. Either US or Foreign Type: 1100 Ninth Avenue  
 Seattle, WA 98101

EIN: 26-3763656

Electing Organization Checkbox: ☐

Total Grassroots Lobbying: 0

Total Direct Lobbying: 0

Total Lobbying Expenditures: 0

Other Exempt Purpose Expenditures: 6,526,468

Total Exempt Purpose Expenditures: 6,526,468

Lobbying Nontaxable Amount: 5,863

Grassroots Nontaxable Amount: 1,466

Tot Lobbying Grassroot Minus Non Tx: 0

Tot Lobby Expend Mns Lobbying Non Tx: 0

Share Of Excess Lobbying: 0

<b>Affiliated Group Business Name:</b>	Virginia Mason Health System		
<b>Address. Either US or Foreign Type:</b>	1100 Ninth Avenue Seattle, WA 98101		
<b>EIN:</b>	91-1351110		
<b>Electing Organization Checkbox:</b>	<input type="checkbox"/>		
<b>Total Grassroots Lobbying:</b>			0
<b>Total Direct Lobbying:</b>			0
<b>Total Lobbying Expenditures:</b>			0
<b>Other Exempt Purpose Expenditures:</b>		14,005,171	
<b>Total Exempt Purpose Expenditures:</b>		14,005,171	
<b>Lobbying Nontaxable Amount:</b>		12,582	
<b>Grassroots Nontaxable Amount:</b>		3,146	
<b>Tot Lobbying Grassroot Minus Non Tx:</b>		0	
<b>Tot Lobby Expend Mns Lobbying Non Tx:</b>		0	
<b>Share Of Excess Lobbying:</b>		0	
<b>Affiliated Group Business Name:</b>	Benaroya Research Institute at Virginia Mason		
<b>Address. Either US or Foreign Type:</b>	1100 Ninth Avenue Seattle, WA 98101		
<b>EIN:</b>	91-0653422		
<b>Electing Organization Checkbox:</b>	<input type="checkbox"/>		
<b>Total Grassroots Lobbying:</b>			0
<b>Total Direct Lobbying:</b>			0
<b>Total Lobbying Expenditures:</b>			0
<b>Other Exempt Purpose Expenditures:</b>		67,482,221	
<b>Total Exempt Purpose Expenditures:</b>		67,482,221	
<b>Lobbying Nontaxable Amount:</b>		60,624	
<b>Grassroots Nontaxable Amount:</b>		15,156	
<b>Tot Lobbying Grassroot Minus Non Tx:</b>		0	
<b>Tot Lobby Expend Mns Lobbying Non Tx:</b>		0	
<b>Share Of Excess Lobbying:</b>		0	

**Affiliated Group Business Name:** Virginia Mason Medical Center  
**Address. Either US or Foreign Type:** 1100 Ninth Avenue  
Seattle, WA 98101  
**EIN:** 91-0565539  
**Electing Organization Checkbox:** ☒

**Total Grassroots Lobbying:** 108,173  
**Total Direct Lobbying:** 46,593  
**Total Lobbying Expenditures:** 154,766  
**Other Exempt Purpose Expenditures:** 1,024,957,778  
**Total Exempt Purpose Expenditures:** 1,025,112,544  
**Lobbying Nontaxable Amount:** 920,931  
**Grassroots Nontaxable Amount:** 230,233  
**Tot Lobbying Grassroot Minus Non Tx:** 0  
**Tot Lobby Expend Mns Lobbying Non Tx:** 0  
**Share Of Excess Lobbying:** 0

**Affiliated Group Business Name:** Virginia Mason Institute  
**Address. Either US or Foreign Type:** 1100 Ninth Avenue  
Seattle, WA 98101  
**EIN:** 26-3763656  
**Electing Organization Checkbox:** ☐

**Total Grassroots Lobbying:** 0  
**Total Direct Lobbying:** 0  
**Total Lobbying Expenditures:** 0  
**Other Exempt Purpose Expenditures:** 6,526,468  
**Total Exempt Purpose Expenditures:** 6,526,468  
**Lobbying Nontaxable Amount:** 5,863  
**Grassroots Nontaxable Amount:** 1,466  
**Tot Lobbying Grassroot Minus Non Tx:** 0  
**Tot Lobby Expend Mns Lobbying Non Tx:** 0  
**Share Of Excess Lobbying:** 0

**Affiliated Group Business Name:** Virginia Mason Health System  
**Address. Either US or Foreign Type:** 1100 Ninth Avenue  
Seattle, WA 98101  
**EIN:** 91-1351110  
**Electing Organization Checkbox:** ☐

**Total Grassroots Lobbying:** 0  
**Total Direct Lobbying:** 0  
**Total Lobbying Expenditures:** 0  
**Other Exempt Purpose Expenditures:** 14,005,171  
**Total Exempt Purpose Expenditures:** 14,005,171  
**Lobbying Nontaxable Amount:** 12,582  
**Grassroots Nontaxable Amount:** 3,146  
**Tot Lobbying Grassroot Minus Non Tx:** 0  
**Tot Lobby Expend Mns Lobbying Non Tx:** 0  
**Share Of Excess Lobbying:** 0

**Affiliated Group Business Name:** Benaroya Research Institute at Virginia Mason  
**Address. Either US or Foreign Type:** 1100 Ninth Avenue  
Seattle, WA 98101  
**EIN:** 91-0653422  
**Electing Organization Checkbox:** ☐

**Total Grassroots Lobbying:** 0  
**Total Direct Lobbying:** 0  
**Total Lobbying Expenditures:** 0  
**Other Exempt Purpose Expenditures:** 67,482,221  
**Total Exempt Purpose Expenditures:** 67,482,221  
**Lobbying Nontaxable Amount:** 60,624  
**Grassroots Nontaxable Amount:** 15,156  
**Tot Lobbying Grassroot Minus Non Tx:** 0  
**Tot Lobby Expend Mns Lobbying Non Tx:** 0  
**Share Of Excess Lobbying:** 0

Name of the organization Virginia Mason Medical Center	Employer identification number 91-0565539
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Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" on 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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

Part II Conservation Easements.

Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

1	Purpose(s) of conservation easements held by the organization (check all that apply) <div><input type="checkbox"/> Preservation of land for public use (e g , recreation or education)<div><input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of open space</div><input type="checkbox"/> Preservation of an historically important land area <input type="checkbox"/> Preservation of a certified historic structure</div>	
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	
a	Total number of conservation easements	Held at the End of the Year
b	Total acreage restricted by conservation easements	2a
c	Number of conservation easements on a certified historic structure included in (a)	2b
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2c
3	Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ►	2d
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? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
6	Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ►	
7	Amount of expenses incurred in monitoring, inspecting, handling of violations, 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)? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
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" on 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 on 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 on Form 990, Part VIII, line 1	► \$
b	Assets included in Form 990, Part X	► \$



Part III

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

(continued)

3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

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

5

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

☐ Yes

☐ No

Part IV

Escrow and Custodial Arrangements.

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

1a

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

☐ Yes

☐ No

b

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

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21, 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	14,366,911	14,515,607	13,453,135	12,043,176	12,672,073
b Contributions	541,000	61,150		100,706	
c Net investment earnings, gains, and losses	-427,461	350,255	1,797,810	1,800,839	-146,637
d Grants or scholarships	566,474	560,101	735,338	491,586	482,260
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	13,913,976	14,366,911	14,515,607	13,453,135	12,043,176

2

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

a

Board designated or quasi-endowment

57 000 %

b

Permanent endowment

31 000 %

c

Temporarily restricted endowment

12 000 %

The percentages on 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

(ii) related organizations

3a(i)

Yes

No

3a(ii)

No

b

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

3b

4

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

Part VI

Land, Buildings, and Equipment.

Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a)Cost or other basis (investment)	(b)Cost or other basis (other)	Accumulated (c)depreciation	(d)Book value
1a Land		40,817,679		40,817,679
b Buildings		596,714,352	174,785,903	421,928,449
c Leasehold improvements		22,430,010	13,355,342	9,074,668
d Equipment		379,559,530	282,608,724	96,950,806
e Other		15,385,019	824,296	14,560,723
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				583,332,325

Schedule D (Form 990) 2015



**Part II Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**

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

<b>1</b>	Total revenue, gains, and other support per audited financial statements . . . . .	<b>1</b>	1,063,981,678
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
<b>a</b>	Net unrealized gains (losses) on investments . . . . .	<b>2a</b>	-16,993,028
<b>b</b>	Donated services and use of facilities . . . . .	<b>2b</b>	
<b>c</b>	Recoveries of prior year grants . . . . .	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII ) . . . . .	<b>2d</b>	13,976,875
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	-3,016,153
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	1,066,997,831
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line <b>1</b>		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIII ) . . . . .	<b>4b</b>	2,432,026
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	2,432,026
<b>5</b>	Total revenue. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12 ) . . . . .	<b>5</b>	1,069,429,857

**Part III Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

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

<b>1</b>	Total expenses and losses per audited financial statements . . . . .	<b>1</b>	1,029,206,583
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25		
<b>a</b>	Donated services and use of facilities . . . . .	<b>2a</b>	
<b>b</b>	Prior year adjustments . . . . .	<b>2b</b>	
<b>c</b>	Other losses . . . . .	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII ) . . . . .	<b>2d</b>	6,526,065
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	6,526,065
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	1,022,680,518
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line <b>1</b> :		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIII ) . . . . .	<b>4b</b>	2,432,026
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	2,432,026
<b>5</b>	Total expenses. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18 ) . . . . .	<b>5</b>	1,025,112,544

**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
V 4	Support health care mission of Virginia Mason Medical Center and research mission of Benaroya Research Institute at Virginia Mason

**Part XIII**   **Supplemental Information** *(continued)*

Return Reference	Explanation
XI 2d	Restricted Capital Transfers 6,633 Additional Pension Adjustment 5,485,058 Virginia Mason Institute Revenues 8,485,184
XI 4b	Rental expenses 1,926,058 Financial reclasses 49,410 Cost of Goods Sold 232,450 Non-operating expenses 6,406,571 Rebate transfers 772,653 Donation Transfers 2,638,100
XII 2d	Virginia Mason Institute Expenses 6,526,065
XII 4b	Rental expense 1,926,058 Financial reclasses 49,410 Cost of Goods Sold 232,450 Non-operating expenses 6,406,571 Rebate transfers 772,653 Donation Transfers 2,638,100

SCHEDULE F  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Statement of Activities Outside the United States
 

▶ Complete if the organization answered "Yes" to Form 990,  
Part IV, line 14b, 15, or 16.  
▶ Attach to Form 990.

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

OMB No 1545-0047  
  

2015

Open to Public Inspection

Name of the organization  
Virginia Mason Medical Center

Employer identification number  
  
91-0565539

Part I

General Information on Activities Outside the United States.  
Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

- 1

**For grantmakers.** Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees’ eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☐ Yes
☐ No
- 2

**For grantmakers.** Describe in Part V the organization’s procedures for monitoring the use of its grants and other assistance outside the United States
- 3

Activites per Region (The following Part I, line 3 table can be duplicated if additional space is needed )

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
( 1 ) See Add'l Data					
( 2 )					
( 3 )					
( 4 )					
( 5 )					
3a Sub-total					79,614
b Total from continuation sheets to Part I					
c Totals (add lines 3a and 3b)					79,614

**Part II** **Grants and Other Assistance to Organizations or Entities Outside the United States.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

<b>1</b>	<b>(a)</b> Name of organization	<b>(b)</b> IRS code section and EIN (if applicable)	<b>(c)</b> Region	<b>(d)</b> Purpose of grant	<b>(e)</b> Amount of cash grant	<b>(f)</b> Manner of cash disbursement	<b>(g)</b> Amount of non-cash assistance	<b>(h)</b> Description of non-cash assistance	<b>(i)</b> Method of valuation (book, FMV, appraisal, other)
<b>( 1 )</b>									
<b>( 2 )</b>									
<b>( 3 )</b>									
<b>( 4 )</b>									

**2** Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . ▶ \_\_\_\_\_

**3** Enter total number of other organizations or entities . . . . . ▶ \_\_\_\_\_

**Part III** **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16.  
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
( 1 )							
( 2 )							
( 3 )							
( 4 )							
( 5 )							
( 6 )							
( 7 )							
( 8 )							
( 9 )							
( 10 )							
( 11 )							
( 12 )							
( 13 )							
( 14 )							
( 15 )							
( 16 )							
( 17 )							
( 18 )							

**Part IV Foreign Forms**

- 1

Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U S Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*

☐

Yes

☒

No
- 2

Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U S Owner (see Instructions for Forms 3520 and 3520-A, do not file with Form 990)*

☐

Yes

☒

No
- 3

Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U S Persons with Respect to Certain Foreign Corporations (see Instructions for Form 5471)*

☐

Yes

☒

No
- 4

Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (see Instructions for Form 8621)*

☐

Yes

☒

No
- 5

Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U S Persons with Respect to Certain Foreign Partnerships (see Instructions for Form 8865)*

☐

Yes

☒

No
- 6

Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713, do not file with Form 990)*

☐

Yes

☒

No



**Part V**   **Supplemental Information**

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

**990 Schedule F, Supplemental Information**

Return Reference	Explanation
Part I Line 3	Expenditures are actual expenses incurred in the region based on individual expense reports and tracking of expenditures by the department

## Additional Data

**Software ID:** 15000290

**Software Version:** 15.3.0.0

**EIN:** 91-0565539

**Name:** Virginia Mason Medical Center

### Form 990 Schedule F Part I - Activities Outside The United States

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
East Asia and the Pacific			Program Services	Education	16,975
Europe Including Iceland and Greenland			Program Services	Education	13,372
North America			Program Services	Education	26,670

**Form 990 Schedule F Part I - Activities Outside The United States**

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i e , fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service (s) in region	(f) Total expenditures for region
Central America and the Caribbean			Program Services	Education	2,258
Middle East and North Africa			Program Services	Education	9,749
South America			Program Services	Education	4,372

**Form 990 Schedule F Part I - Activities Outside The United States**

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i e , fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service (s) in region	(f) Total expenditures for region
South Asia			Program Services	Education	1,392
Sub-Saharan Africa			Program Services	Education	4,826

SCHEDULE H  
(Form 990)

Department of the  
Treasury  
Internal Revenue  
Service

Hospitals

▶ Complete if the organization answered "Yes" on 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](http://www.irs.gov/form990).

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization Virginia Mason Medical Center	Employer identification number 91-0565539
---	--

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 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 type="checkbox"/> Other _____ %	3a	Yes	
b	Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %	3b		No
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			
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	Yes	
b	If "Yes," did the organization make it available to the public?	6b	Yes	
Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.				

7 Financial Assistance and Certain Other Community Benefits at Cost						
Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)		4,530	5,761,942		5,761,942	0 560 %
b Medicaid (from Worksheet 3, column a)		10,604	59,281,920	40,538,008	18,743,912	1 830 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs		15,134	65,043,862	40,538,008	24,505,854	2 390 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	5	215	660,460	89,368	571,092	0 060 %
f Health professions education (from Worksheet 5)	34	1,485	11,189,664	6,348,601	4,841,063	0 470 %
g Subsidized health services (from Worksheet 6)	1	6,039	1,598,729	1,387,182	211,547	0 020 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			4,233,774		4,233,774	0 410 %
j Total. Other Benefits	40	7,739	17,682,627	7,825,151	9,857,476	0 960 %
k Total. Add lines 7d and 7j	40	22,873	82,726,489	48,363,159	34,363,330	3 350 %

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
1	Physical improvements and housing					
2	Economic development					
3	Community support	1	325,255		325,255	0.030 %
4	Environmental improvements					
5	Leadership development and training for community members					
6	Coalition building					
7	Community health improvement advocacy					
8	Workforce development					
9	Other					
10	Total	1	325,255		325,255	0.030 %

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

1

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

1

Yes

No

2

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

2

4,696,514

3

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

3

4

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

Section B. Medicare

5

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

5

164,854,553

6

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

6

208,962,638

7

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

7

-44,108,085

8

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

Section C. Collection Practices

9a

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

9a

Yes

No

b

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

9b

Yes

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				

## Section A. Hospital Facilities

**1**

See Additional Data Table

Schedule H (Form 990) 2015

Part V

Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or letter of facility reporting group

A

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

1

	Yes	No
<b>Community Health Needs Assessment</b>		
<b>1</b> 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? .....	<b>1</b>	No
<b>2</b> 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 .....	<b>2</b>	No
<b>3</b> During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12 ..... If "Yes," indicate what the CHNA report describes (check all that apply) <b>a</b> <input type="checkbox"/> A definition of the community served by the hospital facility <b>b</b> <input type="checkbox"/> Demographics of the community <b>c</b> <input type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community <b>d</b> <input type="checkbox"/> How data was obtained <b>e</b> <input type="checkbox"/> The significant health needs of the community <b>f</b> <input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups <b>g</b> <input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs <b>h</b> <input type="checkbox"/> The process for consulting with persons representing the community's interests <b>i</b> <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs <b>j</b> <input type="checkbox"/> Other (describe in Section C) <b>4</b> Indicate the tax year the hospital facility last conducted a CHNA 20 <u>13</u> <b>5</b> In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted .....	<b>3</b> Yes	
<b>6a</b> Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C .....	<b>5</b> Yes	
<b>b</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 .....	<b>6a</b>	No
<b>7</b> Did the hospital facility make its CHNA report widely available to the public? ..... If "Yes," indicate how the CHNA report was made widely available (check all that apply) <b>a</b> <input type="checkbox"/> Hospital facility's website (list url) <u>virginiamason.org</u> <b>b</b> <input type="checkbox"/> Other website (list url) _____ <b>c</b> <input type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility <b>d</b> <input type="checkbox"/> Other (describe in Section C) <b>8</b> 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 ..... <b>9</b> Indicate the tax year the hospital facility last adopted an implementation strategy 20 <u>14</u> <b>10</b> Is the hospital facility's most recently adopted implementation strategy posted on a website? ..... <b>a</b> If "Yes" (list url) <u>virginiamason.org</u> <b>b</b> If "No," is the hospital facility's most recently adopted implementation strategy attached to this return? .....	<b>6b</b>	No
<b>11</b> 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 <b>12a</b> Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? ..... <b>b</b> If "Yes" on line 12a, did the organization file Form 4720 to report the section 4959 excise tax? ..... <b>c</b> If "Yes" on line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____	<b>7</b> Yes	
	<b>8</b> Yes	
	<b>10</b> Yes	
	<b>10b</b>	No
	<b>12a</b>	No
	<b>12b</b>	



Part V

Facility Information (continued)

Financial Assistance Policy (FAP)

		A	
Name of hospital facility or letter of facility reporting group			
		Yes	No
13	Did the hospital facility have in place during the tax year a written financial assistance policy that explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? If "Yes," indicate the eligibility criteria explained in the FAP	13	Yes
a	<input type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of 0000000200 000000000000 % and FPG family income limit for eligibility for discounted care of %		
b	<input type="checkbox"/> Income level other than FPG (describe in Section C)		
c	<input type="checkbox"/> Asset level		
d	<input type="checkbox"/> Medical indigency		
e	<input type="checkbox"/> Insurance status		
f	<input type="checkbox"/> Underinsurance discount		
g	<input type="checkbox"/> Residency		
h	<input type="checkbox"/> Other (describe in Section C)		
14	Explained the basis for calculating amounts charged to patients?	14	Yes
15	Explained the method for applying for financial assistance? If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply)	15	Yes
a	<input type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b	<input type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c	<input type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d	<input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e	<input type="checkbox"/> Other (describe in Section C)		
16	Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)	16	Yes
a	<input type="checkbox"/> The FAP was widely available on a website (list url) virginiamason.org/FinancialAssistance		
b	<input type="checkbox"/> The FAP application form was widely available on a website (list url) virginiamason.org/FinancialAssistance		
c	<input type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url) virginiamason.org/FinancialAssistance		
d	<input type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e	<input type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f	<input type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g	<input type="checkbox"/> Notice of availability of the FAP was conspicuously displayed throughout the hospital facility		
h	<input type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i	<input type="checkbox"/> Other (describe in Section C)		
Billing and Collections			
17	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon non-payment?	17	Yes
18	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP		
a	<input type="checkbox"/> Reporting to credit agency(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)		
e	<input type="checkbox"/> None of these actions or other similar actions were permitted		

Part V

Facility Information (continued)

A

Name of hospital facility or letter of facility reporting group

		Yes	No
19	Did the hospital facility or other authorized 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	19	No
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 19 (check all that apply)		
a	<input type="checkbox"/> Notified individuals of the financial assistance policy on admission		
b	<input type="checkbox"/> Notified individuals of the financial assistance policy prior to discharge		
c	<input type="checkbox"/> Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills		
d	<input 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		
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	21	Yes
a	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b	<input type="checkbox"/> The hospital facility's policy was not in writing		
c	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)		
d	<input type="checkbox"/> Other (describe in Section C)		
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 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	23	No
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	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

**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? 8

Name and address	Type of Facility (describe)
<b>1</b> Virginia Mason Federal Way 33501 First Way S Federal Way, WA 98003	Outpatient Medical Center
<b>2</b> Virginia Mason Lynnwood 19116 33rd Ave W Lynnwood, WA 98036	Outpatient Medical Center
<b>3</b> Virginia Mason Issaquah 100 NE Gilman Blvd Issaquah, WA 98027	Outpatient Medical Center
<b>4</b> Virginia Mason Kirkland 11800 NE 128th St Suite 300 Kirkland, WA 98034	Outpatient Medical Center
<b>5</b> Virginia Mason Bellevue 222 112th Ave NE Bellevue, WA 98004	Outpatient Medical Center
<b>6</b> Virginia Mason Bainbridge Island 380 Winslow Way E Bainbridge Island, WA 98110	Outpatient Medical Center
<b>7</b> Virginia Mason University Village 2671 NE 46th St Seattle, WA 98105	Outpatient Medical Center
<b>8</b> Bailey Boushay House 2720 East Madison Seattle, WA 98112	Skilled Nursing Facility
<b>9</b>	
<b>10</b>	

**Part VI**   **Supplemental Information**

Provide the following information

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

Form and Line Reference	Explanation
Part I Line 3c	Charity Care discounts that are less than 100 will be taken after any uninsured discounts are applied Additional full or partial Charity Care may be provided to patients with gross family incomes from 201 to 300 of the federal poverty level when circumstances as determined by the Medical Center indicate that full payment may cause financial hardship so as to significantly harm the patient or patients family Additional full or partial discounts may be provided to patients who are not otherwise eligible for Charity Care, i e , with gross family incomes above three hundred percent 300 of the federal poverty guidelines adjusted for family size Such discounts may be provided to patients with catastrophic costs or conditions when circumstances as determined by the Medical Center indicate that full payment may cause extraordinary financial hardship to the patient or the patients family The Medical Center shall determine, on a case by case basis, whether a patient qualifies as Medically Indigent pursuant to its policy and shall, through Patient Financial Services, determine the amount of the discount, if any Determinations shall be made expeditiously after submission of financial information by the patient, but shall not be subject to any appeal rights

Form and Line Reference	Explanation
Part I Line 7	The Medical Center used the direct expenses and revenues of the hospital to calculate the cost-to-charges ratio for the amounts included in the table reflected in Part I. The cost-to-charge ratio used was derived using Worksheet 2, Ratio of Patient Care Cost-to-Charge ratio per the instructions.

Form and Line Reference	Explanation
Part II	The Medical Center supports community building activities by providing operational support to a daycare program which provides daycare for vulnerable populations

Form and Line Reference	Explanation
Part III Line 2	The Medical Center calculate the bad debt expense based on the actual write-offs for bad debt expense incurred during the year. The bad debt write-offs as a percentage of total write-offs is allocated to the total deductions from revenue recorded for the year.



Form and Line Reference	Explanation
Part III Line 4	<p>The Medical Centers financial statement includes the following statement on estimated uncollectible</p> <p>The Medical Center provides an allowance for potential uncollectible patient accounts receivable whereby such receivables are reduced to their estimated net realizable value For accounts receivable associated with patients who have insurance coverage, the Medical Center analyzes contractually due amounts based on historical collection experience and provides an allowance for uncollectible accounts based on aging and other relevant factors, if necessary For accounts receivable associated with self-pay patients, the Medical Center records an allowance for uncollectible accounts in the period of service based on aging, historical collection experience and other relevant factors There are various factors that can impact the collection trends, such as changes in the economy, which in turn have an impact on unemployment rates and the number of uninsured and underinsured patients, the increased burden of co-payments to be made by patients with insurance, and business practices related to collection efforts These factors continuously change and can have an impact on collection trends and the estimation process The difference between the standard or contractual rates and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for uncollectible accounts The following information summarizes the changes in allowance for uncollectible accounts during the year ended December 31, 2014 Allowance for uncollectible accounts at beginning of the year 4,287,000 Write-offs of accounts deemed uncollectible 9,737,000 Provision for bad debt 12,990,000 Allowance for uncollectible accounts at the end of the year 7,540,000 For the year ended December 31, 2015 Allowance for uncollectible accounts at the beginning of the year 7,540,000 Write-offs of accounts deemed uncollectible 11,650,000 Provision for bad debt 10,185,000 Allowance for uncollectible accounts at end of the year 6,075,000</p>

Form and Line Reference	Explanation
Part III Line 8	<p>The Medical Centers calculation of the Medicare shortfall related to Hospital based inpatient and outpatient shortfall is 49,729,204 The Medical Center employs over 400 physicians who provide professional services to patients which are not covered in this number In addition, the Medical Center operates satellite clinics and ambulatory surgery centers which are not reported in the Medicare cost report For all of its patient services, the Medical Center utilizes a comprehensive electronic cost reporting package which uses the directly assigned general ledger costs and allocates all overhead costs to operating costs using a model inspired by the Medicare cost report This model with the Medical Centers calculation shows a Medicare shortfall of 18 million which is not included in the traditional cost report primarily due to shortfall of Medicare professional fees versus costs</p>

Form and Line Reference	Explanation
Part III Line 9b	<p>Virginia Masons mission is to improve the health and well-being of the patients we serve To ensure the Medical Center continues to have the resources to fulfill our mission, we must balance the financial needs of our patients with those of the Medical Center In all instances, we will treat our patients with dignity, compassion and respect The Medical Center expects payment in full upon receipt of the patients first billing Patients will receive monthly Medical Center statements upon determination of the patients private responsibility A Virginia Mason Clinic statement will be sent representing the professional component of services provided If services were provided or processed at the downtown campus except the Health Resources Building, which is not licensed as part of the hospital, a Hospital statement will also be sent representing the facility/technical component of services As outstanding balances age, statement messages dunning, collection letters and/or telephone calls may be used at appropriate intervals as determined by the Medical Center Delinquent accounts may be forwarded to a third party where a series of collection contacts letters and phone calls will be initiated Delinquent self pay accounts that have not been paid in full or established an approved installment payment plan may be referred to a collection agency This occurs approximately 130 days from determination of patient responsibility Patient Financial Services management team has responsibility for determining under what circumstances a balance may be referred for collection agency resolution The Medical Center recognizes there are occasions when a patient is not financially able to pay their medical bill in full Those patients who indicate they are experiencing financial hardship will be offered the opportunity to apply for charity care assistance Collection activity will be suspended pending eligibility determination If the patients income is greater than 300 of the current years federal poverty guideline FPG, charity is denied and alternative payment arrangements are discussed If the patients income is less than 300 of the current years FPG, the patient will complete the charity application and send supporting documentation If charity determination is approved, the charity care discount is applied to the outstanding account balance based on the FPG determination and a confirmatory letter is sent to the patient If charity is denied, the Medical Center will send a denial letter to the patient A summary report of collection activities taken will be provided to the Medical Center Board on an annual basis per the Washington State Hospital Association WSHA guidelines</p>

Form and Line Reference	Explanation
Part VI Line 2	<p>Virginia Mason conducts a Community Health Needs Assessment CHNA every three years. The CHNA can be found at <a href="http://VirginiaMason.org/connectingwithourcommunities">VirginiaMason.org/connectingwithourcommunities</a>. Our CHNA drives our community work and serves as a guideline to help us achieve three basic goals: 1 Improve the community's health status and overall quality of life; 2 Reduce health disparities within the community; and 3 Increase access to preventive services. The latest CHNA was published in 2013. It was developed in partnership with The Center for Community Health and Evaluation (CCHE). The Virginia Mason 2013-2015 CHNA includes secondary data from a variety of local, state, and federal agencies, including Public Health-Seattle King County. It also includes key informant interviews with individuals representing public health, city government, the healthcare safety net, cultural communities, schools, and health advocacy. A 2013-2015 CHNA Implementation Strategy was also developed and serves as a living document to guide our community benefit programs. In 2013, Virginia Mason partnered with other King County hospitals and Public Health - Seattle King County to form Hospitals for a Healthier Community. This hospital collaborative developed a 2016 CHNA, and is developing collaborative community programs to comprehensively address community health issues. Our community benefit program focuses our resources on the needs of the community and the strengths of Virginia Mason. Some examples:</p> <p><b>A Subsidized Health Services:</b> Every community needs certain health care services that typically cost more to deliver than the provider of the services receives. These subsidized health services are part of Virginia Mason's mission because they are needed in the community and otherwise would not be available to meet patient needs. They include:</p> <ol style="list-style-type: none"> <li>1 Emergency Department open to all</li> <li>2 Bailey-Boushay House (BBH), an inpatient and outpatient center for people living with HIV/AIDS</li> <li>3 Partnership with Public Health-Seattle King County to provide the Edward Thomas House respite program for homeless adults in King County</li> <li>4 Partnership with Project Access Northwest (PANW) to provide specialty care services to community clinic patients and premium assistance to low income patients</li> </ol> <p><b>B Uncompensated Care:</b> As a nonprofit organization, Virginia Mason is committed to serving patients who are uninsured, underinsured or otherwise unable to pay for their medical care.</p> <p><b>C Research:</b> Virginia Mason conducts medical research through its affiliate, Benaroya Research Institute at Virginia Mason (BRI).</p>

Form and Line Reference	Explanation
Part VI Line 2	<p>continued D Education 1 Virginia Mason is a premier teaching hospital that offers postgraduate education programs through its Graduate Medical Education Department GME All GME postgraduate training programs are accredited by the Accreditation Council on Graduate Medical Education ADGME 2 Virginia Masons GME program partners with Public Health - Seattle King County Health Services Division, providing 12 residents for the Eastgate Public Health Center E Community Partnerships Virginia Mason is a member of the King County Community Health Needs Assessment Collaborative, a partnership that includes all King County hospitals, Public Health - Seattle King County, and the Washington State Hospital Association In addition to collaborating on the future CHNAs, this partnership has formed Hospitals for a Healthier Community HHC and is researching and planning collaborative community benefit activities that will comprehensively address community health issues F Community Health Improvement Services 1 Community health education, such as our diabetes prevention program at the Mexican Consulate, Nutrition and Fitness for Life pediatric program and classes in the Buse Diabetes Teaching Center 2 Nutrition and fitness education at Marys Place, a day shelter for homeless women and children 3 Partnership with Washington Ceasefire to provide educational information to parents regarding firearm safety in homes where their children visit and play 4 Healthy cooking demonstrations at Plymouth Housing Group 5 Free health screenings and health fair sponsorships in the community 6 Free flu shots and health screenings for uninsured/underinsured and the homeless 7 United Way - Organizational support and participation in Day of Caring and the Community Resource Exchange 8 Providing supplies to Medical Teams International for local and global programs and 9 Bereavement support through our Separation and Loss Services</p>

Form and Line Reference	Explanation
Part VI Line 3	<p>The Medical Center 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 Medical Centers charity care policy at various points beginning with scheduling and continuing through the patient billing process. At scheduling, if a patient indicates they are without insurance and unable to pay for the services, their account is flagged for a Patient Account Specialist to contact them to discuss assistance. At arrival for an appointment, the Medical Centers admissions lobby areas have signage regarding availability of charity care, a copy of the charity care policy and information regarding who to contact for assistance. During the arrival process, the Medical Centers admissions personnel will confirm ability to pay. If financial need or financial hardship is indicated, the Medical Center Financial counselors will work with the patient to determine whether Medicaid, state program options, or charity care would be appropriate. The Medical Centers charity policy and financial assistance contact information is also included on patient bills. The Medical Centers Patient Guide to Fees and Billings include information on charity availability and contact information to initiate an assessment. The brochure is available in all patient lobbies for the patient to pick up. The brochure is also sent out by Patient Account Services staff based on a patients expressed concerns either via phone or letter. The Medical Centers website also includes information about charity availability and the contact number to initiate an assessment.</p>

Form and Line Reference	Explanation
Part VI Line 4	In 2015, Virginia Mason served over 221,000 individuals in its hospital and medical centers Virginia Masons service area encompasses the communities where its facilities are located and where 75 percent of its patients reside King County, the southwest region of Snohomish County, and Bainbridge Island in Kitsap County Residences of Virginia Mason patients 2015 data are 1 Seattle 66,944 2 Seattle Suburbs King County outside of Seattle 78,963 3 Snohomish County 19,605 4 Bainbridge Island 9,017 5 Service area total 174,529 6 Other Washington State 40,298 7 Rest of the Northwest 4,039 8 Rest of United States 2,548 8 Other 256 for a total of 221,670

Form and Line Reference	Explanation
Part VI Line 4	<p>continued The service area King County population in 2012 was 1,957,001 The age and racial/ethnic profile of the total population of the three counties was as follows King County 1 Total population 1,947,001 2 Under 18 years 417,529 3 Age 18-64 1,729,710 4 65 years or older 227,291 5 White 1,404,136 6 Hispanic 181,065 7 Black 127,210 8 Asian 294,336 9 American Indian/Alaska Native 20,379 10 Native Hawaiian/Pacific Island 15,838 11 Two or more races 95,101 Just under a quarter of residents are under age 18, and over 10 percent are 65 or older The highest proportion of the population that is nonwhite is in King County According to the United States Census Bureau, the median household income for King County 2009-2013 was 71,811 with 11 5 living below the poverty level Within King county, median income was lowest for blacks and American Indians/Alaska natives and in urban south King County In King County, poverty rates are highest in White Center/Boulevard Park, several central and Southeast Seattle neighborhoods and Auburn In March 2014, the unemployment rate in King County was 4 9 percent, down from 5 0 percent in March 2013</p>



Form and Line Reference	Explanation
Part V I Line 5	Virginia Masons community benefit program is designed to improve our communitys health status and overall quality of life, reduce health disparities within the community and increase access to preventive services To accomplish this, our organization contributes time, energy and money in the areas of improving health, providing free and subsidized care, health professionals education and research

Form and Line Reference	Explanation
Part VI Line 5	<p>continued Uncompensated Care As a non-profit organization, Virginia Mason is committed to serving patients who are uninsured, underinsured or otherwise unable to pay for their medical care Under Virginia Masons charity care policy, free or reduced-cost medically necessary care after all health insurance has been exhausted is provided to individuals making up to 300 percent of the federal poverty level in keeping with the Washington State Hospital Association voluntary guidelines on billing the uninsured In 2015, Virginia Mason provided charity care to 4,540 patients at a cost of 5,761,943 In addition, Virginia Masons unreimbursed Medicaid was provided at a cost of 24,340,347</p>

Form and Line Reference	Explanation
Part VI Line 5	<p>continued Community Health Improvement Services Improving health and quality of life extends beyond diagnosis and treatment It also requires community health education and outreach services Health improvement and outreach services provided by Virginia Mason include the following 1 community health education, such as classes in the Buse Diabetes Teaching Center 2 free health screenings at community health fairs 3 free flu shots and health screenings for the homeless in conjunction with United Way of King Countys Community Resource Exchange 4 sponsorship of many professionally facilitated support groups, including diabetes prevention and management 5 bereavement support through our Separation and Loss Services and 6 leadership roles in several community organizations, which focus on health care</p>

Form and Line Reference	Explanation
Part VI Line 5	<p>continued Health Professions Education Virginia Mason strongly supports medical education to ensure our patients and the community benefit from advances in medical care Virginia Mason is a premier teaching hospital that offers postgraduate education programs through its Graduate Medical Education Department GME All GME postgraduate training programs are fully approved by the Accreditation Council on Graduate Medical Education ADGME Virginia Mason trains more than 120 residents and fellows annually VMs GME program is partnered with Public Health - Seattle King County Health Services Division, providing 12 residents for the Eastgate Public Health Center, as well as providing residents at the Carolyn Downs Family Medical Center, Pike Market Medical Clinic and North Public Health Center Virginia Masons collaboration with the Eastgate Public Health Center combines the Medical Centers commitment to teaching and community benefit through an innovative public-private program which allows residents to be more involved in the care of the underserved and uninsured The Eastgate clinic is the largest of three county public health clinics in east King County and offers a variety of primary care services to adults and children Approximately 50 percent of patients seen at the clinic do not have insurance or the means to pay, and approximately the same percentage do not speak English and require interpretive services This resident clinic improves overall health in the community and gives back to our community in a meaningful way Virginia Mason serves as an internship site for students in a variety of other health programs, such as nursing, pharmacy, respiratory therapy and laboratory technology</p>

Form and Line Reference	Explanation
Part VI Line 5	continued Subsidized Health Services Every community needs certain health care services that typically cost more to deliver than the provider of these services receives These subsidized health services include 1 Bailey-Boushay House BBH, a nursing residence and Adult Day Health center for people living with HIV/AIDS and 2 Tender Loving Care, a day-care program for mildly ill children

Form and Line Reference	Explanation
Part V I Line 5	

Form and Line Reference	Explanation
Part VI Line 5	<p>continued Environmental Improvements Virginia Masons environmental stewardship initiative, EnviroMason, provides the framework for making unique energy and waste management decisions, such as setting policies on reliability and use, making efficiency improvements, supporting capital planning and infrastructure design, and encouraging employee participation and innovation In 2013, Virginia Mason hired a full time sustainability director The goal of EnviroMason is to reduce waste, recycle and conserve resources of our community In 2007, Virginia Mason became the first hospital in the Pacific Northwest to eliminate garbage cans and Styrofoam use and begin composting food waste Since 2011, our energy conservation projects have saved over 4 5 million kilowatt hours per year Our water conservation projects in the same period have saved more than 6 million gallons of water per year Between 2011 and 2015, Virginia Mason diverted more than 4,439 tons of waste from the landfill We accomplished this by expanding recycling across our facilities improving our electronics recycling providing composting to all lunch and break rooms implementing a construction debris recycling program recycling the fiber from our shredded office paper and reprocessing medical supplies that can be reused Additionally, Virginia Mason was the first hospital in the region to implement an operating room OR recycling program</p>

Form and Line Reference	Explanation
Part VI Line 5	<p>continued EnviroMasons team approach extends from strong support from senior leadership to active engagement of our team members Team engagement is facilitated by the Virginia Mason Production System VMPS, our Green Team and special sustainability events One of the elements of the VMPS is our Everyday Lean Idea ELI system, which is a tool for every team member to test, implement, and share process improvement ideas The Green Ideas category of the system enables team members to test sustainability ideas in their department, and to share them across the organization Our Green Team is a cross-disciplinary group of more than 50 volunteers from across our organization They meet monthly to share and work on environmental sustainability initiatives and issues Their goal is to reduce the environmental impact of Virginia Masons operations by educating and empowering team members to make more sustainable choices EnviroMason special events also help us engage our team members and Green Team with sustainability efforts We sponsor events such as our farmers market, community supported agriculture CSA program, efficient light bulb giveaways, commuter information days, mercury thermometer exchanges, and a variety of Earth Day events Virginia Mason signed on to EPAs Food Recovery Challenge and donate our excess food to local charities, like the Millionair Club As an organization dedicated to preserving health, Virginia Mason is reducing our carbon footprint in operations through energy conservation commute trip reduction landfill diversion activities, like recycling, composting, and food donation and buying local goods and services</p>



Form and Line Reference	Explanation
Part VI Line 5	continued Medical Staff Virginia Mason has 739 members on its active hospital staff, including Virginia Mason physicians, 193 Group Health physicians, 23 Pacific Medical Centers physicians, and other community providers

Form and Line Reference	Explanation
Part VI Line 5	<p>continued Accountability to the Community The Medical Center is accountable to the public through its Board, the voting members of which are community members who represent the diverse populations and needs of communities served by the Medical Center The Medical Center is also accountable to the community through its sole voting member, the Health System whose Board is composed primarily of community members In furtherance of its commitment to responsible governance practices, the Medical Centers Audit and Compliance Committee, composed entirely of community members of the organizations Board, is charged with overseeing the selection and discharge of the Medical Centers independent financial auditors and oversight of the Medical Centers compliance programs In addition, the Medical Center has chartered a Governance Committee, responsible for reviewing and evaluating the organizations corporate governance policies and guidelines, and providing oversight of procedures for disclosure and management of conflict of interest The voting members of the Governance Committee are independent community members of the Medical Centers board As a further mechanism for community involvement and leadership, Virginia Mason has established a Board of Governors, an advisory body of community representatives The Board of Governors regularly participates in extensive tours of various areas of the Medical Center facilities and becomes involved in forums for in-depth discussion of issues of importance to these organizations and the communities they serve Bailey-Boushay House, a division of the Medical Center which provides day health and skilled nursing facility services to individuals living with HIV/AIDS, also has an advisory board comprised primarily of representatives of the community who provide input and guidance on serving the community</p>

Form and Line Reference	Explanation
Part VI Line 5	<p>continued Use of Financial Surpluses All financial surpluses from the operation of the Medical Center are used exclusively to further its charitable purposes No individual receives any portion of the organizations respective surplus as a result of ownership or any other insider relationship The Compensation and Benefits Committee of the Medical Center Board, which directs the performance review and approves the compensation and benefits of the Medical Centers senior leadership, is composed entirely of community members of the Board who have no financial ties to the Medical Center, either directly or through family or business relationships</p>

Form and Line Reference	Explanation
Part VI, Line 7	WA

**Schedule H (Form 990) 2015**

Additional Data

Software ID: 15000290  
Software Version: 15.3.0.0  
EIN: 91-0565539  
Name: Virginia Mason Medical Center

Form 990 Schedule H, Part V Section A. Hospital Facilities

Section A. Hospital Facilities

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

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

	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
1	Virginia Mason Medical Center 1100 Ninth Avenue Seattle, WA 98101 virginiamason.org HAC FS 00000010	X	X	X			X			A

# 2015

**Open to Public Inspection**

91-0565539

☒ Yes      ☐ No

**Part II** **Grants and Other Assistance to Domestic Organizations and Domestic Governments.** Complete if the organization answered "Yes" on 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.

<b>2</b>	Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . .	▶	34
<b>3</b>	Enter total number of other organizations listed in the line 1 table . . . . .	▶	

Part III

Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" on 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)A mount of cash grant	(d)A mount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance

Part IV

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

Return Reference	Explanation
Part I Line 2	The funds provided to Virginia Mason Health System and Benaroya research Institute at Virginia Mason are for operational support or specific activities Assistance provided to other non-profit organizations consisted of donations made to support specific events sponsored by the recipient organizations



**Additional Data**

**Software ID:** 15000290  
**Software Version:** 15.3.0.0  
**EIN:** 91-0565539  
**Name:** Virginia Mason Medical Center

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
Benaroya Research Institute at Virginia Mason 1201 Ninth Avenue Seattle, WA 98101	91-0653422	501c3	3,502,500				Operating Grant
Virginia Mason Health System 1100 Ninth Avenue Seattle, WA 98101	91-1351110	501c3	3,204,166				Operating Grant
Project Access Northwest 1111 Harvard Ave Seattle, WA 98122	20-4377921	501c3	81,500				General Support

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
Public Health - Seattle & King County 401 5th Ave Ste 1200 Seattle, WA 98104	91-6001327	Washington	81,000				General Support
JDRF International 1200 Sixth Ave Suite 605 Seattle, WA 98101	23-1907729	501c3	44,000				General Support
Northwest Healthcare Response Network 7100 Fort Dent Way Ste 210 Tukwila, WA 98188	46-3002271	501c3	35,000				General Support

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
American Heart Association 710 Second Ave Ste 900 Seattle, WA 98104	13-5613797	501c3	32,107				General Support
Kasey Kahne Foundation 130 Infield Court Mooresville, NC 28117	25-1926392	501c3	30,000				General Support
National Multiple Sclerosis Society 192 Nickerson St Ste 100 Seattle, WA 98109	91-0742424	501c3	27,500				General Support

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV , appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
Neighborcare Health 1537 Western Ave Seattle, WA 98101	91-0893287	501c3	25,000				General Support
Washington Youth Soccer 500 S 336th St Federal Way, WA 98003	23-7303150	501c3	25,000				General Support
Group Health Foundation PO Box 34015 Seattle, WA 98124	91-1246278	501c3	15,000				General Support

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
Northwest Kidney Centers PO Box 3035 Seattle, WA 98114	91-6057438	501c3	15,000				General Support
Pancreatic Cancer Action Network 1500 Rosecrans Ave Ste 200 Manhattan Beach, CA 90266	33-0841281	501c3	15,000				General Support
Bainbridge Island Downtown Association 120 Madrone Lane N Ste 203 Bainbridge Island, WA 98110	91-1390519	501c3	10,600				General Support

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV , appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
Foundation for Health Care Quality 705 Second Ave Suite 703 Seattle, WA 98104	91-1419327	501c3	10,000				General Support
Crohn's & Colitis 9 Lake Bellevue Dr Suite 203 Seattle, WA 98005	13-6193105	501c3	9,500				General Support
EvergreenHealth Foundation 12040 NE 128th St Kirkland, WA 98034	91-1519430	501c3	8,000				General Support

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
Encompass 1407 Boalch Ave NW North Bend, WA 98045	91-0825232	501c3	7,500				General Support
Girls on the Run Puget Sound 8757 15th Ave NW Seattle, WA 98117	84-1618574	501c3	7,500				General Support
Robert Vasen Foundation 2807 102nd Ave SE Bellevue, WA 98004	20-8656415	501c3	7,500				General Support

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
Seattle Pacific University 3307 Third Ave Ste 106 Seattle, WA 98117	91-0565553	501c3	6,000				General Support
American Red Cross 1900 25th Ave S Seattle, WA 98144	53-0196605	501c3	5,000				General Support
ArtsFund PO Box 19780 Seattle, WA 98109	91-0839644	501c3	5,000				General Support



**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
Autoimmune Advocacy Alliance - A3 PO Box 3658 Wenatchee, WA 98807	45-4710734	501c3	5,000				General Support
Bellevue Arts Museum 510 Bellevue Way NE Bellevue, WA 98004	91-6028261	501c3	5,000				General Support
Community Foundation of NCW 9 S Wenatchee Ave Wenatchee, WA 98801	91-1349486	501c3	5,000				General Support

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
Mary's Place 1830 9th Ave Seattle, WA 98101	27-2087950	501c3	5,000				General Support
National Patient Safety Foundation 268 Summer Street 6th Floor Boston, MA 02210	36-7166993	501c3	5,000				General Support
Northwest Parkinson's Foundation 400 Mercer Street Ste 502 Seattle, WA 98109	91-1923159	501c3	5,000				General Support

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
Robert Chinn Foundation PO Box 14084 Seattle, WA 98121	91-1364167	501c3	5,000				General Support
Seattle Center Foundation 05 Harrison St 302 Seattle, WA 98109	91-1003385	501c3	5,000				General Support
The Seattle Foundation 1200 5th Ave Ste 1300 Seattle, WA 98101	91-6013536	501c3	5,000				General Support

**Form 990, Schedule I, Part II, Grants and Other Assistance to Domestic Organizations and Domestic Governments.**

<b>(a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section if applicable	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of non-cash assistance	<b>(h)</b> Purpose of grant or assistance
YWCA of Seattle-KC-Snohomish Cty 1118 Fifth Ave Seattle, WA 98101	91-0482890	501c3	5,000				General Support

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

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization  
Virginia Mason Medical Center

Employer identification number  
91-0565539

Part I Questions Regarding Compensation

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

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

For each individual whose compensation must be reported on 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 on prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
See Additional Data Table							

**Part III**   **Supplemental Information**

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

Return Reference	Explanation
Part I Line 1a	Social club dues are provided to two members of the senior leadership team who use the club memberships for business purposes. These payments are treated as non-taxable.
Part I Line 1b	All invoices for payment of social club dues and associated monthly expenses are paid pursuant to the Medical Center Business Expense Policy and Social Club Dues Policy.
Part I Line 4b	The Medical Center has a Supplemental Executive Retirement Plan (SERP). The SERP is a 457(f) nonqualified deferred compensation plan pursuant to which plan benefits are subject to a substantial risk of forfeiture. The plan was approved by the Board's Compensation and Benefits Committee, a committee composed of independent board members to whom the Board delegates the authority to approve compensation and benefits for the Medical Center's most senior executives. The Committee receives advice from an independent compensation consultant to ensure that compensation and benefits, including the SERP, are market competitive and reasonable. Supplemental Executive Retirement Plans such as this are customary for senior executives in the health care industry.

Additional Data

Software ID: 15000290

Software Version: 15.3.0.0

EIN: 91-0565539

Name: Virginia Mason Medical Center

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 on prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1Gary Kaplan MD Chairman, CEO	(i)	1,040,152	403,531	19,660	1,081,178	42,468	2,586,989	
	(ii)	-----	-----	-----	-----	-	-	-----
1Suzanne Anderson Executive Vice President, CIO/CFO	(i)	508,403	264,934	19,760	92,181	33,858	919,136	
	(ii)	-----	-----	-----	-----	-	-	-----
2Katerie Chapman Senior Vice President, Hospital Administrator	(i)	315,217	69,513	5,488	14,931	31,246	436,395	
	(ii)	-----	-----	-----	-----	-	-	-----
3Lucy Glenn MD Chief of Radiology	(i)	572,032	142,408	18,944	59,754	9,029	802,167	
	(ii)	-----	-----	-----	-----	-	-	-----
4Michael Glenn MD Chief Medical Officer	(i)	628,399	200,674	19,114	118,239	9,861	976,287	
	(ii)	-----	-----	-----	-----	-	-	-----
5Fred Govier MD Chief of Surgery	(i)	619,092	155,238	19,114	39,240	21,610	854,294	
	(ii)	-----	-----	-----	-----	-	-	-----
6Joyce Lammert MD Medical Director, Hospital	(i)	443,634	112,527	19,528	83,331	9,427	668,447	
	(ii)	-----	-----	-----	-----	-	-	-----
7Sarah Patterson Executive Vice President, COO	(i)	516,256	167,328	245,119	100,626	30,660	1,059,989	171,331
	(ii)	-----	-----	-----	-----	-	-	-----
8William Poppy Senior Vice President, CTO	(i)	353,815	92,382	58,286	14,931	33,967	553,381	
	(ii)	-----	-----	-----	-----	-	-	-----
9Steve Rupp MD Medical Director, Perioperative Services and Anesthesia	(i)	427,591	117,099	1,114	14,931	22,613	583,348	
	(ii)	-----	-----	-----	-----	-	-	-----
10Donna Smith MD Medical Director, Clinic	(i)	436,049	112,381	18,414	119,511	33,045	719,400	
	(ii)	-----	-----	-----	-----	-	-	-----
11Charleen Tachibana RN Senior Vice President, Quality and Safety	(i)	397,168	98,628	20,920	74,781	11,092	602,589	
	(ii)	-----	-----	-----	-----	-	-	-----
12James P Cote Senior Vice President, Clinic Administrator	(i)	256,003	84,099	16,428	64,581	20,453	441,564	
	(ii)	-----	-----	-----	-----	-	-	-----
13Michael P Ondracek Vice President, Clinic Operations	(i)	157,813	60,333	630	9,891	10,055	238,722	
	(ii)	-----	-----	-----	-----	-	-	-----
14Catenne Potts MD Chief, Primary Care	(i)	317,172	81,411	19,191	46,224	12,409	476,407	
	(ii)	-----	-----	-----	-----	-	-	-----
15Shelly Fagerlund Vice President, Clinic Operations	(i)	216,530	53,361	900	14,931	21,549	307,271	
	(ii)	-----	-----	-----	-----	-	-	-----
16Michael Gluck MD Chief of Medicine	(i)	728,556	183,619	19,531	41,664	33,818	1,007,188	
	(ii)	-----	-----	-----	-----	-	-	-----
17Denise Dubuque Vice President, Surgical and Procedural Services	(i)	196,833	29,835	340	14,931	17,617	259,556	
	(ii)	-----	-----	-----	-----	-	-	-----
18Cindy Rockfield Vice President, Clinic Operations	(i)	144,257	20,315	270	13,804	10,088	188,734	
	(ii)	-----	-----	-----	-----	-	-	-----
19Chrstopher L Fellows MD Physician	(i)	1,221,884		19,054	30,465	22,300	1,293,703	
	(ii)	-----	-----	-----	-----	-	-	-----



**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 on prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
21Ulrike I Ochs MDPhysician	(i)	943,741	22	21,222	19,728	30,113	1,014,826	
	(ii)	-----	-----	-----	-----	-	-	-----
1Richard A Kozarek MD Physician	(i)	933,744		70,910	68,824	22,340	1,095,818	50,000
	(ii)	-----	-----	-----	-----	-	-	-----
2Mark Hill MDPhysician	(i)	887,326		18,270	84,021	17,863	1,007,480	
	(ii)	-----	-----	-----	-----	-	-	-----
3Ravi Kirshnan MDPhysician	(i)	883,738		18,422	14,931	32,690	949,781	
	(ii)	-----	-----	-----	-----	-	-	-----
4Andrew Jacobs MD Physician, Former Key Employee	(i)	264,695	119,976	423,648	21,118	29,408	858,845	392,220
	(ii)	-----	-----	-----	-----	-	-	-----

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As Filed Data -

DLN: 93493320153406

Schedule K  
(Form 990)

Supplemental Information on Tax Exempt Bonds

OMB No 1545-0047

2015

Open to Public Inspection

Department of the Treasury

Internal Revenue Service

Name of the organization

Virginia Mason Medical Center

► Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.

► Attach to Form 990.

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

Employer identification number

91-0565539

Part I Bond Issues											
(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A Washington Health Care Facilities Authority	91-1108929	93978EH54	12-03-2007	316,302,277	Refund/Redeem, acquire, construct, remodel facility purchase equipment		X		X		X

Part II		Proceeds							
		A		B		C		D	
1	Amount of bonds retired . . . . .	7,700,000							
2	Amount of bonds legally defeased . . . . .								
3	Total proceeds of issue . . . . .	324,407,027							
4	Gross proceeds in reserve funds . . . . .	25,474,387							
5	Capitalized interest from proceeds . . . . .	23,686,013							
6	Proceeds in refunding escrows . . . . .	86,774,645							
7	Issuance costs from proceeds . . . . .	6,230,082							
8	Credit enhancement from proceeds . . . . .								
9	Working capital expenditures from proceeds . . . . .								
10	Capital expenditures from proceeds . . . . .	182,241,899							
11	Other spent proceeds . . . . .								
12	Other unspent proceeds . . . . .								
13	Year of substantial completion . . . . .	2011							
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue? . . . .	X							
15	Were the bonds issued as part of an advance refunding issue? . . . .	X							
16	Has the final allocation of proceeds been made? . . . . .		X						
17	Does the organization maintain adequate books and records to support the final allocation of proceeds? . . . . .	X							

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

Part III Private Business Use (Continued)

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

Part IV Arbitrage

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

Part IV

Arbitrage (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
5a	Were gross proceeds invested in a guaranteed investment contract (GIC)?	X							
b	Name of provider . . . . .	Trinity Plus Funding							
c	Term of GIC . . . . .	1700 00000000000 %							
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied? . . . . .	X							
6	Were any gross proceeds invested beyond an available temporary period?		X						
7	Has the organization established written procedures to monitor the requirements of section 148? . . .	X							

Part V

Procedures To Undertake Corrective Action

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

Part VI

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

Return Reference	Explanation
Part I Line A Column C	93978EG30, 93978EH39, 93978EH47, 93978EH70, 93978EH62, 93978EG48, 93978EG55, 993978EG63

Return Reference	Explanation
Part I Line A Column F	<p>The proceeds of the reoffered 1997B Bonds together with the proceeds of the Series 2007 bonds will be used for the purpose of providing part of the funds necessary to 1 refund, on an advanced and current basis, and to redeem the Authoritys revenue bonds, Series 1997A 2 reissue, refund, on a current basis and replace the Series 1997B Bonds as a variable rate obligation 3 reimburse the Medical Center for, or pay, the costs of acquiring, constructing, remodeling, renovating and equipping certain health care facilities 4 pay interest on the Series 2007 Bonds during construction 5 fund the initial deposits into respective debt service reserves for the Series 2007 bonds 6 pay the cost of credit enhancement, if any, and 7 pay issuance costs</p> <p>The 1997A bonds were originally issued August 1, 1997 These bonds were issued to 1 refund on a current basis all of the Authoritys outstanding Revenue Bonds, Series 1987, issued in an original aggregate principle amount of 100,395,000 2 fund the initial deposit to the Reserve account for the Bonds 3 pay the premium for the Insurance Policy and 4 pay certain of other costs os issuing the Bonds The 1997B bonds were originally issued August 1, 1997 The original bond proceeds were used to 1 finance or reimburse the Medical Center for the costs of constructing, remodeling and/or acquiring Health Care Facilities 2 fund the initial deposit to the Reserve Accounts for the Bonds 3 pay the premium for the Insurance Policy and 4 pay certain of the other costs of issuing the Bonds</p>

Return Reference	Explanation
Part II Line 3	Difference between Part I, column e and Part II, line 3 is investment earnings

Return Reference	Explanation
Part II Line 7	Difference between Part II, Line 7 and Form 8038, line 24, is due to lower issuance costs than the estimated cost included in the proceeds

Return Reference	Explanation
Part IV Line 2	The rebate computation was dated December 21, 2012





**Part IV Business Transactions Involving Interested Persons.**

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) Joan Lange	Sister of Robert Lemon	30,934	Employee		No

**Part V Supplemental Information**

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

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

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

OMB No 1545-0047

**2015****Open to Public  
Inspection**Name of the organization  
Virginia Mason Medical Center**Employer identification number**

91-0565539

Return Reference	Explanation
Form 990, Part III, Line 1	The Medical Center provides integrated health services through a teaching hospital licensed for 336 beds and multi-specialty group practice of approximately 482 physicians, offering both primary and specialized care, through a regional network of neighborhood clinics and ambulatory surgery centers. The Medical Center also operates Bailey-Boushay House, a skilled nursing facility and day health center serving the HIV/AIDS community. The Medical Center patient care services are integrated with and enhanced by education and research activities which includes a graduate medical education program providing training to over 120 residents, fellows and medical students each year. In addition, the Medical Center sponsors training programs for pharmacy and a variety of other health services such as nursing, respiratory therapy, physical therapy, speech and language therapy and laboratory technology.

Return Reference	Explanation
Form 990, Part III, Line 4a	<p>The Medical Center is committed to subsidizing certain health services due to the demonstrated need for these services in the community. Since 1992, the Medical Center has addressed the treatment of HIV/AIDS by operating Bailey-Boushay House Bailey-Boushay, a 35-bed skilled nursing facility. The first facility in the nation built specifically for the care of people living with AIDS. Bailey-Boushay now also serves other individuals who need intensive nursing care, many of whom are Medicaid recipients. In addition to the care provided to its residential population, Bailey-Boushay provides day health services to 327 clients annually, allowing them to live independently with HIV/AIDS. The Medical Center also offers emergency services 24 hours a day, 7 days a week. The department is staffed by board-certified emergency physicians, physician assistants and certified emergency nurses. The Medical Center is committed to providing necessary medical services regardless of a patient's ability to pay and without discrimination as to race, color, creed, national origin, religion, sex, sexual orientation, disability, age, source of income, or any other class protected by federal or Washington state law, or who have an emergency medical condition. The Medical Center is a participating hospital in the Washington State Medicaid Contracting Program. Charity Care is provided according to a sliding fee scale for patients with gross family incomes at or below 300% of the Federal poverty guidelines adjusted for family size as follows: 1. Below the Federal Poverty Level: Medicaid and/or 100% discount; 2. 100% - 200% of Poverty Level: 100% Discount; 3. 201% - 250% of Poverty Level: 50% Discount; 4. 251% - 300% of Poverty Level: 30% Discount. Full or partial charity care may be provided to patients with gross family incomes from 201% to 300% of the federal poverty level when circumstances indicate that full payment may cause financial hardship so as to significantly harm the patient or patient's family. Patients without health insurance are eligible for a twenty-five percent (25%) discount on medically necessary services under the Medical Center's Discounts for Uninsured Patients Policy. Charity care was provided at a cost of \$5,761,943 during the year, along with \$24,340,347 of Medicaid contractual allowances. Charity care does not include bad debts, which is the amount the Medical Center is not paid by patients deemed able to pay their bills.</p>

Return Reference	Explanation
Form 990, Part III, Line 4b	<p>The Medical Centers graduate medical education program maintains education affiliation agreements with community clinics under which the Medical Centers residents provide care to patients at clinics serving low-income and uninsured patients. The Medical Center has an affiliation with Eastgate Public Health Clinic operated by Seattle and King County Public Health to provide a resident clinic 4-days a week under the supervision of Medical Center physicians. This affiliation has expanded access to health care for King County residents and enhanced the educational opportunities of internal medicine residents. The Clinical Nursing Education CNE program offered 39 CNE events in 2015 to 931 attendees. Participants include nurses the primary audience - RNs and LPNs and advanced practice registered nurses CNS, CNL, ARNP, as well as patient care technicians, nursing students, nurse technicians, customer service representatives, surgery schedulers, patient flow coordinators, respiratory therapists, social workers, educators, dietitians, specialized technicians e.g. GI Techs, Donation Techs, Radiation-Oncology Techs, medical assistants, medical technologists, administrative assistants, chaplains, bereavement coordinators and physicians. The Medical Center also serves as an internship site for students in a variety of allied health programs such as nursing, pharmacy, respiratory therapy, physical therapy, occupational therapy, social work, sleep disorders, speech and language therapy, radiology and laboratory technology. Successful relationships have been built with vocational training programs for medical assistants as well. The Medical Center provides strong support for continuing medical education CME. The Medical Centers CME program is accredited by the Accreditation Council for Continuing Medical Education ACCME. The program was last reaccredited in 2010, receiving Accreditation with Commendation, a designation achieved by the top 25 percent of CME programs in the country. In 2015, the CME department sponsored 36 courses either full-, half-, or multi-day totaling 459.5 hours of instruction. These activities were attended by 1,215 participants, including 598 physicians. In 2013, CME was approved by the American Board of Medical Specialties Portfolio Program, permitting Virginia Mason to endorse and award AMA PRA Category 1 Credit™ for quality improvement projects for physician Maintenance of Certification MOC Part IV credit. In 2015, 6 physicians completed these projects. During 2015, 43 one-hour Grand round presentations were presented at the Medical Center, with the on-site audience averaging 116 attendees weekly. The Grand Round series is also broadcast via videoconference to the organizations' satellite locations and to 13 off-site health care systems throughout Alaska and Washington State. The CME department supports 11 additional Regularly Scheduled Series including Cancer Care, Clinical Cardiovascular, Neuroscience Imaging, Competencies and Incidents, Vascular Surgery, GI Radiology, GI Pathology, Pharmacy and Therapeutics, and Schwartz Rounds. During the year, 594.0 hours of instruction were offered through these 12 series. Cumulative participation hours tracked for these 12 series totaled 6,576, of which 5,485 were physician attendance hours. Approximately 12 of our investigators have faculty appointments at the University of Washington, including 6 at the professorship level. The Medical Center also maintains a medical library to support its education and research activities.</p>

Return Reference	Explanation
Form 990, Part III, Line 4c	<p>The Medical Center provided support of Separation and Loss which provides services for adults and children ages 7-18 whose loved one has died as the result of a sudden, violent death by criminal act homicide, including terrorism, suicide or other types of violent death. Services available include therapy groups, short-term therapy, psychiatric consultation and medication management, community, workplace, family and school crisis response and professional training. In 2015, the Medical Center provided 135,000 toward support of Separation and Loss. The Medical Center also supports Tender Loving Care TLC which is a day-care program for mildly ill children in King County. The program offers a cost-effective alternative for working parents with children who are mildly ill. TLC is open to the general public for a set fee and to employees of companies that contract for the service as part of their employee benefit package. The staff at TLC includes full-time registered nurses and a team of teachers experienced in early childhood education and child development, as well as infection control and caring for mildly ill children. The Medical Center provided 78,000 toward the operating costs of TLC in 2015.</p>

Return Reference	Explanation
Form 990, Part III, Line 4d	<p>The Medical Center provides funds and in-kind services to community organizations which are consistent with the Medical Centers charitable purpose. A list of community donations is included on Schedule I. The following is a description of selected recipients and is not all-inclusive:</p> <ol style="list-style-type: none"><li>1 The Medical Center supported Go Red for Women Heart Awareness and the Annual HealthWalk which benefited the American Heart Association (AHA) in 2015. AHA's mission is to reduce coronary heart disease, stroke and risk by 25%.</li><li>2 The Medical Center was a sponsor of the JDRF Gala to benefit the Juvenile Diabetes Research Foundation (JDRF). The JDRF's mission is to find a cure for diabetes and its complications through the support of research.</li><li>3 The Medical Center was a sponsor of Pancreatic Cancer Survivor Gala to benefit Pancreatic Cancer Action Network. Pancreatic Cancer Action Network is a nationwide network of people dedicated to working together to advance research, support patients and create hope for those affected by pancreatic cancer.</li><li>4 The mission of United Way is to improve people's lives by mobilizing the caring power of communities. The Medical Center provides support to the United Way's fundraising effort through staff donations and through a Virginia Mason contribution in 2015.</li></ol>

Return Reference	Explanation
Form 990, Part VI, Section A, Line 1a	<p>The governing body delegates to an Officers Committee comprised of the Chairman, Vice Chairman, Secretary and Treasurer the authority of the Board of Directors in the management of the corporation to act only in time sensitive or emergency situations as determined by the Officers Committee, such authority to be exercised in time periods between regularly scheduled meetings of the Board of Directors. All members of the Officers Committee are members of the governing body of the corporation. The Officers Committee does not have the authority to amend, alter or repeal the Bylaws, elect, appoint or remove any member of the Officers Committee or any director or officer of the corporation amend the articles of incorporation adopt a plan of merger or adopt a plan of consolidation with another corporation authorize the sale, lease or exchange all or substantially all of the property and assets of the corporation not in the ordinary course of business authorize the voluntary dissolution of the corporation or revoke proceedings therefore adopt a plan for the distribution of the assets of the corporation amend, after or repeal any resolution of the Board which by its terms provides that it shall not be amended, altered or repealed by the Officers Committee or terminate the Chief Executive Officer. The Officers Committee also periodically evaluates the effectiveness of Virginia Mason Medical Centers VMMC systems for resolving internal conflicts. The Board also delegates to the Officers Committee the authority of the Board to make all appointments and reappointments to the Medical Staff of the hospital.</p>



Return Reference	Explanation
Form 990, Part VI, Section A, Line 2	Family relationship between key employees Michael Glenn, MD and Lucy Glenn, MD

Return Reference	Explanation
Form 990, Part VI, Section A, Line 6, 7	<p>Virginia Mason Health System VMHS is the sole corporate member of Virginia Mason Medical Center VMHS as the sole member has the following approval rights</p> <ol style="list-style-type: none"><li>1 Election and approval of Directors and Officers of the Board of Directors</li><li>2 approval of the appointment of the Chief Executive Officer</li><li>3 Removal of Directors and Officers of the Board of Directors</li><li>4 approval of all long-range plans proposed by the Board of Directors</li><li>5 Approval of the annual capital and operating budgets proposed by the Board of Directors</li><li>6 Approval of the borrowing of funds where the amount is in excess of Ten Million Dollars</li><li>7 Approval of the sale, lease, exchange, mortgage, pledge or disposal of all or substantially all of the property and assets</li><li>8 Approval of all amendments to the Articles of Incorporation or Bylaws and all other rights and powers as specified in the Washington Nonprofit Corporation Act</li></ol>

Return Reference	Explanation
Form 990, Part VI, Section B, Line 11b	<p>The Audit and Compliance Committee ACC, a committee composed of independent community members of the Medical Center Board of Directors is responsible for oversight of the annual VMMC Form 990 and 990-T preparation process including 1 selection, engagement, and performance of an independent tax preparer 2 review of the annual draft Form 990 and 990-T tax returns, and 3 recommending the final Form 990 and 990-T tax returns for review to the VMMC Board of Directors At the ACC September meeting, management provided the ACC with an initial draft of the Form 990 and the tax return reviewer presented an overview of the Form 990 preparation process Following the September meeting, the ACC Chair updates the VMMC Board on the Form 990 preparation In October, a revised draft of the Form 990 is provided to the ACC Chair for further review and comment The final draft Form 990 is reviewed and approved by the ACC in November, and provided to the VMMC Board for review of the final Form 990 prior to filing The final Form 990 and 990-T tax returns are provided to each member of the VMMC Board of Directors via electronic delivery by posting on a secure website which allows online viewing of Board documents</p>

Return Reference	Explanation
Form 990, Part VI, Section B, Line 12c	<p>The Governance Committee of the Board has accountability for oversight of the process for disclosure, evaluation and management of conflicts of interest involving any member of the Board, executive leadership or key employees Covered Person Pursuant to the Conflicts of Interest Policy, an annual conflict of interest questionnaire is distributed to all Covered Persons In addition, a Covered Person has an on-going duty to disclose the existence of a conflict of interest at any time an actual or potential conflict arises Each Covered Person is required upon appointment and annually thereafter to attest to a statement that affirms that such person has 1 received a copy of the Conflicts of Interest Policy 2 has read and understands the Policy 3 has agreed to comply with the Policy and 4 understands that Virginia Mason is a charitable organization and that in order to maintain its federal tax exemption must engage primarily in activities that accomplish its tax-exempt purposes Written disclosures are review ed by the Governance Committee to determine if an actual or potential conflict of interest exists and if so, how it should be managed The Covered Person is informed in writing regarding the determination the Conflict of Interest Management Plan No Covered Person with an actual or potential conflict of interest shall engage in an activity on Virginia Masons behalf related to the disclosed actual or potential Conflict of Interest unless such activity is permitted by the Conflict of Interest Management Plan or until the Covered Person has undertaken all steps set forth in the Management Plan to manage, reduce or eliminate the conflict All Covered Persons have a duty to disclose the existence of any actual or potential conflict of interest with respect to meeting agenda items The Conflicts of Interest Policy requires that copies of the Conflict of Interest Questionnaire completed annually by each Covered Person and any Conflict of Interest Management Plan be maintained In addition, the minutes of the board and all committees with board-delegated pow ers shall document the disclosure and resolution of any actual or potential conflict of interest disclosed at such meeting</p>

Return Reference	Explanation
Form 990, Part VI, Section B, Line 15	<p>The Compensation and Benefits Board Committee, a committee composed solely of independent directors none of whom have a conflict of interest, is accountable for setting reasonable total compensation packages for each executive, including the CEO, officers and key employees. Executives consistent with Virginia Mason's philosophy and principles. The Board develops and approves annual goals and performance criteria which are used in determining merit increases and variable compensation opportunities for the Virginia Mason Executives. The Committee assesses performance against these goals. The Committee selects and engages a qualified independent compensation consultant to review and analyze the total compensation and benefits packages to the Executives. The Committee as part of its analysis obtains from the compensation consultant appropriate comparability data including total compensation paid by similarly situated for-profit and non-profit health care organizations for positions that are functionally comparable to each of the Executives. With respect to those Executives below the level of Chair/Chief Executive Officer, the Committee requests that the Chair/Chief Executive Officer work with the compensation consultant to formulate a compensation recommendation for each such Executive, consistent with Virginia Mason's compensation philosophy and principles. Consistent with Virginia Mason's compensation philosophy and principles, the Committee approves total compensation packages for each of the Executives based on information presented to the Committee, reasonableness and the best interests of Virginia Mason. The Committee's decisions regarding compensation for each Executive are documented in written resolutions and minutes of the Committee. The Committee promptly reports its action to the Board whose reports are reflected in the Board's minutes. The Executives that were reviewed in 2015 were Chief Executive Officer, Chief Operating Officer and Executive Vice President, Chief Information Officer/Chief Financial Officer and Executive Vice President, Senior Vice Presidents, Vice Presidents, Physician Chiefs, Clinic Medical Director, Hospital Medical Director, and Chief Medical Director.</p>

Return Reference	Explanation
Form 990, Part VI, Section C, Line 19	Documents are made available upon request

Return Reference	Explanation
Form 990, Part XI, Line 9	Additional Pension Adjustment 5,485,058 Capital Transfers - Restricted 6,643

SCHEDULE R  
(Form 990)

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2015

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

▶ 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](http://www.irs.gov/form990).

Name of the organization Virginia Mason Medical Center	Employer identification number 91-0565539
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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
(1) 1000 Madison LLC 1100 Ninth Avenue Seattle, WA 98101 20-4018216	Real Estate	WA	1,593,508	28,256,521	VMMC
(2) 1005 Spring Street LLC 1100 Ninth Avenue Seattle, WA 98101 20-4816736	Real Estate	WA	1,918,784	3,971,621	VMMC
(3) Health Resource Services LLC 1100 Olive Way Seattle, WA 98101 26-2800994	Group Purchasing	WA	11,084,431	25,527,822	VMMC
(4) Puget Sound High Value Network LLC 1100 Ninth Avenue Seattle, WA 98101 47-2840780	Medical Network	WA			VMMC

Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.							
(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) Virginia Mason Health System 1100 Ninth Avenue  Seattle, WA 98101 91-1351110	Fundraising	WA	501c3	7	N/A	Yes	
(2) Virginia Mason Institute 1100 Ninth Avenue  Seattle, WA 98101 26-3763656	Education/Research	WA	501c3	9	VMMC	Yes	
(3) Benaroya Research Institute at Virginia Mason 1201 Ninth Avenue  Seattle, WA 98101 91-0653422	Research	WA	501c3	4	VMHS		No



**Part III**

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end- of-year assets	(h) Disproportionate allocations?		(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) National Purchasing Partners LLC 1100 Olive Way Seattle, WA 98101 20-3470995	Group Purchasing	WA	N/A	Unrelated	13,327,462	2,096,416		No	13,326,466	Yes		50 000 %

**Part IV**

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end- of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No

**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

<b>1</b> 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?		<b>Yes</b>	<b>No</b>
<b>a</b> Receipt of <b>(i)</b> interest, <b>(ii)</b> annuities, <b>(iii)</b> royalties, or <b>(iv)</b> rent from a controlled entity . . . . .	<b>1a</b>		<b>No</b>
<b>b</b> Gift, grant, or capital contribution to related organization(s) . . . . .	<b>1b</b>	<b>Yes</b>	
<b>c</b> Gift, grant, or capital contribution from related organization(s) . . . . .	<b>1c</b>	<b>Yes</b>	
<b>d</b> Loans or loan guarantees to or for related organization(s) . . . . .	<b>1d</b>		<b>No</b>
<b>e</b> Loans or loan guarantees by related organization(s) . . . . .	<b>1e</b>		<b>No</b>
<b>f</b> Dividends from related organization(s) . . . . .	<b>1f</b>		<b>No</b>
<b>g</b> Sale of assets to related organization(s) . . . . .	<b>1g</b>		<b>No</b>
<b>h</b> Purchase of assets from related organization(s) . . . . .	<b>1h</b>		<b>No</b>
<b>i</b> Exchange of assets with related organization(s) . . . . .	<b>1i</b>		<b>No</b>
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) . . . . .	<b>1j</b>	<b>Yes</b>	
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) . . . . .	<b>1k</b>	<b>Yes</b>	
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) . . . . .	<b>1l</b>		<b>No</b>
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) . . . . .	<b>1m</b>		<b>No</b>
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) . . . . .	<b>1n</b>		<b>No</b>
<b>o</b> Sharing of paid employees with related organization(s) . . . . .	<b>1o</b>	<b>Yes</b>	
<b>p</b> Reimbursement paid to related organization(s) for expenses . . . . .	<b>1p</b>	<b>Yes</b>	
<b>q</b> Reimbursement paid by related organization(s) for expenses . . . . .	<b>1q</b>	<b>Yes</b>	
<b>r</b> Other transfer of cash or property to related organization(s) . . . . .	<b>1r</b>		<b>No</b>
<b>s</b> Other transfer of cash or property from related organization(s) . . . . .	<b>1s</b>		<b>No</b>

<b>2</b> 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

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

[illegible]

**Part VII**   **Supplemental Information**

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

Return Reference	Explanation
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