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Form 990

Return of Organization Exempt From Income Tax

OMB No 1545-0047

Department of the Treasury
Internal Revenue Service

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](#)

2015

Open to Public Inspection

A For the 2015 calendar year, or tax year beginning 07-01-2015 , and ending 06-30-2016

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Final return/terminated

☐ Amended return

☐ Application pending

C Name of organization
ST JOSEPH HOSPITAL OF ORANGE

% KRISTI LIBERATORE

Doing business as

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

1100 WEST STEWART DRIVE

City or town, state or province, country, and ZIP or foreign postal code
ORANGE, CA 92868

F Name and address of principal officer
JEREMY ZOCH
SAME AS C ABOVE
ORANGE, CA 92868

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

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

H(c) Group exemption number ▶ 0928

D Employer identification number
95-1643359

E Telephone number
(714) 771-8000

G Gross receipts \$ 607,643,212

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

J Website: ▶ WWW.SJO.ORG

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

L Year of formation 1941

M State of legal domicile CA

Part I

Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
TO EXTEND THE HEALING MINISTRY OF JESUS IN THE TRADITION OF THE SISTERS OF ST JOSEPH OF ORANGE BY CONTINUALLY IMPROVING THE HEALTH & QUALITY OF LIFE OF PEOPLE IN THE COMM WE SERVE

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

7b Net unrelated business taxable income from Form 990-T, line 34

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)

Prior Year

7,764,675

Current Year

9,084,692

Prior Year

579,773,087

Current Year

581,358,272

Prior Year

25,415,232

Current Year

13,065,829

Prior Year

-90,780

Current Year

-93,008

Prior Year

612,862,214

Current Year

603,415,785

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) ▶3,068,673

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

3,135,438

Current Year

4,124,511

Prior Year

0

Current Year

0

Prior Year

244,504,197

Current Year

257,363,320

Prior Year

0

Current Year

0

Prior Year

344,470,652

Current Year

348,328,669

Prior Year

592,110,287

Current Year

609,816,500

Prior Year

20,751,927

Current Year

-6,400,715

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

842,784,490

End of Year

786,647,949

Beginning of Current Year

445,199,038

End of Year

459,217,765

Beginning of Current Year

397,585,452

End of Year

327,430,184

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

2017-05-11

Date

KRISTI LIBERATORE CHIEF FINANCIAL OFFI

Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name
KARA ADAMS

Preparer's signature
KARA ADAMS

Date

Check ☐ if self-employed

PTIN
P00023315

Firm's name ▶ ERNST & YOUNG US LLP

Firm's EIN ▶

Firm's address ▶ 18101 VON KARMAN AVENUE SUITE 1700

Phone no (949) 794-2300

IRVINE, CA 92612

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

ST JOSEPH HOSPITAL OF ORANGE IS COMMITTED TO EXTENDING THE HEALING MINISTRY OF JESUS IN THE TRADITION OF THE SISTERS OF ST JOSEPH OF ORANGE BY CONTINUALLY IMPROVING THE HEALTH AND QUALITY OF LIFE OF PEOPLE IN THE COMMUNITIES WE SERVE

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

☐ Yes

☒ No

If "Yes," describe these new services on Schedule O

3

Did the organization cease conducting, or make significant changes in how it conducts, any program services?

☐ Yes

☒ No

If "Yes," describe these changes on Schedule O

4

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a

(Code) (Expenses \$ 572,210,458 including grants of \$ 4,112,762) (Revenue \$ 581,358,272)

SEE SCHEDULE O

4b

(Code) (Expenses \$ including grants of \$) (Revenue \$)

4c

(Code) (Expenses \$ including grants of \$) (Revenue \$)

4d

Other program services (Describe in Schedule O)

(Expenses \$ including grants of \$) (Revenue \$)

4e

Total program service expenses ▶ 572,210,458

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 Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18 Yes	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a Yes	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b Yes	

Part IV Checklist of Required Schedules *(continued)*

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

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

Form **990** (2015)

Part VI Governance, Management, and Disclosure

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

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

Section A. Governing Body and Management

		Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	1a 18		
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
b Enter the number of voting members included in line 1a, above, who are independent	1b 12		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5		No
6 Did the organization have members or stockholders?	6	Yes	
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	Yes	
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	Yes	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a The governing body?	8a	Yes	
b Each committee with authority to act on behalf of the governing body?	8b	Yes	
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		No

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

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

Section C. Disclosure

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

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
KRISTI LIBERATORE 1100 WEST STEWART DRIVE ORANGE, CA 92868 (714) 771-8000

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
See Additional Data Table										
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								4,910,710	3,569,446	657,132

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 ► 550

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
PULMONARY CONSULTANTS AND PRIMARY C, 1310 WEST STEWART DRIVE SUITE 410 ORANGE, CA 92868	MEDICAL SERVICES	4,236,208
REPUBLIC BUSINESS CREDIT LLC, PO BOX 203152 DALLAS, TX 75320	MEDICAL SERVICES	1,434,355
HEMATOLOGY ONCOLOGY MEDICAL GROUP, 1010 W LA VETA AVE ORANGE, CA 92868	MEDICAL SERVICES	1,332,050
APPROVED NURSING SOLUTIONS LLC, 211 E IMPERIAL HWY UNIT 204 FULLERTON, CA 92835	MEDICAL SERVICES	1,086,530
POL SINELLI PC, PO BOX 878681 KANSAS CITY, MO 64187	MEDICAL SERVICES	712,473

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 ▶ 41

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	824,227				
	d	Related organizations	1d	3,155,890				
	e	Government grants (contributions)	1e	268,445				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	4,836,130				
	g	Noncash contributions included in lines 1a-1f \$		762,731				
	h	Total. Add lines 1a-1f		9,084,692				
Program Service Revenue	2a	NET PROGRAM PATIENT SERVICES	Business Code 622210	561,526,001	561,526,001	0	0	
	b	340B DRUG DISCOUNT PROGRAM REVENUE	622210	6,394,058	6,394,058	0	0	
	c	LEASE REVENUE	531110	3,383,196	3,383,196	0	0	
	d	Cafeteria Revenue	722514	1,715,057	1,715,057	0	0	
	e	OTHER NON OPERATING REVENUE	900099	811,006	43,738	767,268	0	
	f	All other program service revenue		7,528,954	6,567,771	961,183	0	
	g	Total. Add lines 2a-2f		581,358,272				
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		5,992,665			5,992,665
4		Income from investment of tax-exempt bond proceeds . . .		0				
5		Royalties		0				
6a		(i) Real		(ii) Personal				
b		Less rental expenses						
c		Rental income or (loss)		0	0			
d		Net rental income or (loss)		0				
7a		(i) Securities		(ii) Other				
b		Less cost or other basis and sales expenses		3,629,849	30,335			
c		Gain or (loss)		7,103,499	-30,335			
d		Net gain or (loss)		7,073,164			7,073,164	
8a		Gross income from fundraising events (not including \$ 824,227 of contributions reported on line 1c) See Part IV, line 18						
		a			474,235			
		b	Less direct expenses		567,243			
c		Net income or (loss) from fundraising events . . .		-93,008			-93,008	
9a		Gross income from gaming activities See Part IV, line 19						
		a						
	b	Less direct expenses						
c	Net income or (loss) from gaming activities		0					
10a	Gross sales of inventory, less returns and allowances							
	a							
	b	Less cost of goods sold						
	c	Net income or (loss) from sales of inventory . . .		0				
Miscellaneous Revenue		Business Code						
11a								
b								
c								
d	All other revenue							
e	Total. Add lines 11a-11d			0				
12	Total revenue. See Instructions			603,415,785	579,629,821	1,728,451	12,972,821	

Part IX Statement of Functional Expenses

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

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

☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.	4,041,514	4,041,514		
2	Grants and other assistance to domestic individuals. See Part IV, line 22.	82,997	82,997		
3	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16.	0	0		
4	Benefits paid to or for members.	0	0		
5	Compensation of current officers, directors, trustees, and key employees.	2,653,305	2,482,260	171,045	0
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	233,856	0	233,856	0
7	Other salaries and wages.	177,038,156	163,047,625	12,463,834	1,526,697
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	11,027,441	10,809,326	116,635	101,480
9	Other employee benefits.	52,327,128	47,886,249	4,104,105	336,774
10	Payroll taxes.	14,083,434	13,266,006	700,305	117,123
11	Fees for services (non-employees):				
a	Management.	63,546,465	63,546,465		
b	Legal.	1,741,494	0	1,741,494	
c	Accounting.	0	0	0	0
d	Lobbying.	67,492	67,492	0	0
e	Professional fundraising services. See Part IV, line 17.	0			0
f	Investment management fees.	1,024,558	0	1,024,558	0
g	Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	44,452,887	40,771,956	3,648,262	32,669
12	Advertising and promotion.	168,987	150,458	0	18,529
13	Office expenses.	8,695,547	7,442,367	1,048,693	204,487
14	Information technology.	2,389,651	2,389,651	0	0
15	Royalties.	0	0	0	0
16	Occupancy.	21,444,190	20,812,195	449,491	182,504
17	Travel.	301,182	129,637	136,494	35,051
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.	0	0	0	0
19	Conferences, conventions, and meetings.	168,443	60,291	107,708	444
20	Interest.	17,535,414	15,149,807	2,385,607	0
21	Payments to affiliates.	0	0	0	0
22	Depreciation, depletion, and amortization.	38,885,926	36,937,292	1,940,404	8,230
23	Insurance.	3,557,666	2,811,659	746,007	0
24	Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a	Medical Supplies.	109,436,356	109,436,356	0	0
b	CA HOSPITAL FEE PROGRAM	28,670,388	28,670,388	0	0
c	Dues & Subscriptions	360,932	335,536	22,084	3,312
d	Taxes & Licenses	852,792	741,248	109,290	2,254
e	All other expenses	5,028,299	1,141,683	3,387,497	499,119
25	Total functional expenses. Add lines 1 through 24e.	609,816,500	572,210,458	34,537,369	3,068,673
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).	0			

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		6,632,778	1	3,976,141
	2	Savings and temporary cash investments		46,058,298	2	17,266,405
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		56,703,563	4	53,050,238
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		0	5	0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L		0	6	0
	7	Notes and loans receivable, net		790,345	7	256,673
	8	Inventories for sale or use		9,699,202	8	10,766,766
	9	Prepaid expenses and deferred charges		2,263,567	9	1,692,244
	10a	Land, buildings, and equipment—cost or other basis. Complete Part VI of Schedule D	10a884,302,106			
	b	Less: accumulated depreciation	10b452,849,270	451,495,655	10c	431,452,836
	11	Investments—publicly traded securities		234,245,717	11	214,873,523
	12	Investments—other securities. See Part IV, line 11		0	12	0
	13	Investments—program-related. See Part IV, line 11		14,436,880	13	15,955,553
	14	Intangible assets		0	14	17,700,000
	15	Other assets. See Part IV, line 11		20,458,485	15	19,657,570
	16	Total assets. Add lines 1 through 15 (must equal line 34)		842,784,490	16	786,647,949
Liabilities	17	Accounts payable and accrued expenses		58,137,423	17	76,401,758
	18	Grants payable		0	18	0
	19	Deferred revenue		2,681,961	19	2,370,138
	20	Tax-exempt bond liabilities		0	20	0
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		0	21	0
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		0	23	0
	24	Unsecured notes and loans payable to unrelated third parties		0	24	188,000
	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		384,379,654	25	380,257,869
	26	Total liabilities. Add lines 17 through 25		445,199,038	26	459,217,765
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets		375,793,817	27	302,591,976
	28	Temporarily restricted net assets		15,621,721	28	17,201,566
	29	Permanently restricted net assets		6,169,914	29	7,636,642
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		397,585,452	33	327,430,184
	34	Total liabilities and net assets/fund balances		842,784,490	34	786,647,949

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	603,415,785
2	Total expenses (must equal Part IX, column (A), line 25)	2	609,816,500
3	Revenue less expenses Subtract line 2 from line 1	3	-6,400,715
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	397,585,452
5	Net unrealized gains (losses) on investments	5	-15,440,772
6	Donated services and use of facilities	6	0
7	Investment expenses	7	0
8	Prior period adjustments	8	0
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-48,313,781
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	327,430,184

Part XII **Financial Statements and Reporting**

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

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		No
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 <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	Yes	
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:

Software Version:

EIN: 95-1643359

Name: ST JOSEPH HOSPITAL OF ORANGE

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			
JO ANN ESCASA-HAIGH TRUSTEE	2 0 50 0	X						0	848,677	36,701
STEVEN MOREAU TRUSTEE, EX OFFICIO, PRES, CEO	50 0 2 0	X		X				0	923,167	27,754
WILLIAM J CAMPBELL TRUSTEE	2 0 0 0	X						0	0	0
MICHELE CARPENTER MD TRUSTEE, EX OFFICIO, VICE COS	5 0 0 0	X						0	0	0
KENNETH COSGROVE TRUSTEE	2 0 0 0	X						0	0	0
CESAR COVARRUBIAS TRUSTEE	2 0 0 0	X						0	0	0
LAWRENCE EHRLICH DO TRUSTEE, EX OFF, COS (PT YR)	5 0 0 0	X						0	0	0
SR MARTHA ANN FITZPATRICK CSJ TRUSTEE	2 0 0 0	X						0	0	0
MARY ANNE FOO TRUSTEE	2 0 0 0	X						0	0	0
JAMES GILMORE TRUSTEE, EX OFFICIO (PT YR)	2 0 0 0	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			
JUDI JUDITH GORSKI TRUSTEE, VICE CHAIR	5 0 0 0	X						0	0	0
MICHAEL W IMMELL TRUSTEE	2 0 0 0	X						0	0	0
DAVID KARLIN MD TRUSTEE	2 0 0 0	X						6,600	0	0
SR CECILIA MAGLADRY CSJ TRUSTEE, EX OFFICIO	2 0 0 0	X						0	0	0
SR NADINE MCGUINNESS CSJ TRUSTEE, EX OFFICIO (PT YR)	2 0 0 0	X						0	0	0
RUSSELL MONTGOMERY TRUSTEE, EX OFFICIO, VICE COS	2 0 0 0	X						43,275	0	0
JAMES E PIEROG MD TRUSTEE	2 0 0 0	X						0	0	0
STEPHEN PIHL TRUSTEE, EX OFFICIO	2 0 0 0	X						0	0	0
FRANK QUEVEDO TRUSTEE	2 0 0 0	X						0	0	0
SR SUZANNE SASSUS CSJ TRUSTEE, EX OFFICIO	2 0 0 0	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			
JOHN TANGREDI TRUSTEE, BOARD CHAIR	5 0 0 0	X						0	0	0
LINDA SIMON VP, MISSION INTEGRATION	50 0 0 0			X				293,762	0	29,315
KRISTI LIBERATORE CHIEF FINANCIAL OFFICER	50 0 0 0			X				392,429	0	35,009
JEREMY ZOCH CHIEF OPERATING OFFICER	50 0 0 0			X				462,479	0	33,684
TARA COWELL SECRETARY/VP ASSOC GEN COUNSEL	2 0 50 0			X				0	443,782	48,813
MARY LEAHY VP HUMAN RESOURCES	50 0 0 0				X			355,043	0	44,851
THOMAS HILL VP OPERATIONS GENERAL SERVICES	50 0 0 0				X			363,838	0	52,847
CATHERINE SKELTON VP PATIENT CARE SERVICES/CNO	50 0 0 0				X			392,771	0	43,663
CHRISTINE PHIPPS EXEC DIRECTOR, SURGICAL SVCS	50 0 0 0					X		209,738	0	36,927
DENISE FRIDAY I R /CATH LAB TECH	50 0 0 0					X		220,414	0	37,100

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			
CHANDA PARRETT VP FOUNDATION/FUND RAISING	50 0 0 0					X		257,875	0	25,479
SAIED AMIRPOOR DIRECTOR PHARMACY	50 0 0 0					X		248,686	0	39,155
LAWRENCE WAGMAN EXECUTIVE MEDICAL DIRECTOR	50 0 0 0					X		737,575	0	33,949
CURT ZIMMER ED OF FINANCE (FORMER OFFICER)	50 0 0 0						X	189,738	0	34,066
ALAN GARRETT CEO, SMMC (FORMER OFFICER)	0 0 52 0						X	0	797,307	48,356
TINA MYCROFT CFO, SJHH (FORMER OFFICER)	0 0 50 0						X	0	556,513	49,463
KEVIN LUNDON FORMER KEY EMPLOYEE	0 0 0 0						X	223,327	0	0
MARY VINCENT FORMER KEY EMPLOYEE	0 0 0 0						X	181,741	0	0
RAYMOND CASCIARI FORMER HIGHEST COMPENSATED EMP	0 0 0 0						X	331,419	0	0

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.

Name of the organization
ST JOSEPH HOSPITAL OF ORANGE

Employer identification number
95-1643359

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a)2011	(b)2012	(c)2013	(d)2014	(e)2015	(f)Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2015 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2014 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

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

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 Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.	1	
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).	2	
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.	3a	
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.	3b	
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.	3c	
4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.	4a	
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.	4b	
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.	4c	
5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).	5a	
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?	5b	
c Substitutions only. Was the substitution the result of an event beyond the organization's control?	5c	
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations, (b) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (c) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI .	6	
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990).	7	
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part II of Schedule L (Form 990).	8	
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI .	9a	
b Did one or more disqualified persons (as defined in line 9(a)) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI .	9b	
c Did a disqualified person (as defined in line 9(a)) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI .	9c	
10a Was the organization subject to the excess business holdings rules of IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer b below.	10a	
b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)	10b	
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?	11a	
b A family member of a person described in (a) above?	11b	
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI.	11c	

Part IV

Supporting Organizations (continued)

Section B. Type I Supporting Organizations

	Yes	No
<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 Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</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 Part VI 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 Part VI 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 Part VI 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 Part VI 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 (see instructions).</div> <div><div>a</div><div><input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.</div><div><div>b</div><div><input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 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. Answer (a) and (b) below.</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 Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</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 Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i></div>		
<div>3</div> <div>Parent of Supported Organizations. Answer (a) and (b) below.</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? Provide details in Part VI.</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? If "Yes," describe in Part VI the role played by the organization in this regard.</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

☐

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

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

Section C - Distributable Amount		Current Year	
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	
7	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
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI) See instructions	
7 Total annual distributions. Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
9 Distributable amount for 2015 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

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

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 ST JOSEPH HOSPITAL OF ORANGE	Employer identification number 95-1643359
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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)														
b	Total lobbying expenditures to influence a legislative body (direct lobbying)														
c	Total lobbying expenditures (add lines 1a and 1b)														
d	Other exempt purpose expenditures														
e	Total exempt purpose expenditures (add lines 1c and 1d)														
f	Lobbying nontaxable amount Enter the amount from the following table in both columns														
<table><tr><th>If the amount on line 1e, column (a) or (b) is:</th><th>The lobbying nontaxable amount is:</th></tr><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
g	Grassroots nontaxable amount (enter 25% of line 1f)														
h	Subtract line 1g from line 1a If zero or less, enter -0-														
i	Subtract line 1f from line 1c If zero or less, enter -0-														
j	If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?														
		<input type="checkbox"/> Yes	<input type="checkbox"/> No												

4-Year Averaging Period Under section 501(h)

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2012	(b) 2013	(c) 2014	(d) 2015	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B

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

For each "Yes" response 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?		No
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No
c Media advertisements?		No
d Mailings to members, legislators, or the public?		No
e Publications, or published or broadcast statements?		No
f Grants to other organizations for lobbying purposes?		No
g Direct contact with legislators, their staffs, government officials, or a legislative body?		No
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No
i Other activities?		67,492
j Total Add lines 1c through 1i		67,492
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No
b If "Yes," enter the amount of any tax incurred under section 4912		
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912		
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		

Part III-A

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

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

Part III-B

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

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

Part IV

Supplemental Information

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

Return Reference	Explanation
SCHEDULE C, PART II-B, LINE 11	OTHER LOBBYING ACTIVITIES DURING THE YEAR, ST JOSEPH HEALTH SYSTEM CONDUCTED ADVOCACY EFFORTS WHICH INCLUDED SOME LOBBYING ACTIVITIES THESE ACTIVITIES INCLUDED MEETING WITH LOCAL, STATE AND FEDERAL LEGISLATORS, THEIR STAFF AND OTHER GOVERNMENTAL OFFICIALS, AS WELL AS COMMUNICATION TO LEGISLATORS ADVOCATING POSITIONS ON LEGISLATION THE LOBBYING EXPENDITURES REPORTED REPRESENTS THE PORTION OF DUES ALLOCATED TO ST JOSEPH HOSPITAL OF ORANGE

Name of the organization ST JOSEPH HOSPITAL OF ORANGE	Employer identification number 95-1643359
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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	20,648,875	19,797,682	17,512,898	15,331,463	15,961,187
b Contributions	913,878	402,310	313,832	800,053	229,209
c Net investment earnings, gains, and losses	-298,769	501,968	2,887,978	2,190,598	-79,345
d Grants or scholarships				0	
e Other expenditures for facilities and programs	142,211	53,085	917,026	809,216	779,588
f Administrative expenses					
g End of year balance	21,121,773	20,648,875	19,797,682	17,512,898	15,331,463

2

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

a

Board designated or quasi-endowment ▶ 63 160 %

b

Permanent endowment ▶ 36 840 %

c

Temporarily restricted endowment ▶

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

Yes

No

3a(i)

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		22,771,660		22,771,660
b Buildings		565,536,396	222,366,074	343,170,322
c Leasehold improvements		2,221,114	1,457,307	763,807
d Equipment		287,778,024	226,902,353	60,875,671
e Other		5,994,912	2,123,536	3,871,376
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) ▶				431,452,836

Schedule D (Form 990) 2015

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

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

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

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

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

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

Part XIII Supplemental Information

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

Return Reference	Explanation
SCHEDULE D, PART V, LINE 4	INTENDED USE OF ENDOWMENT FUNDS THE ENDOWMENT FUNDS MAINTAINED BY THE HOSPITAL ARE INTENDED TO SUPPORT THE MISSION OF THE HOSPITAL, INCLUDING ACQUISITION OF BUILDINGS AND EQUIPMENT, AND SUPPORT OF VARIOUS HOSPITAL PROGRAMS, RESEARCH, EDUCATION AND COMMUNITY OUTREACH

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

Return Reference	Explanation

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding
Fundraising or Gaming Activities

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

Attach to Form 990 or Form 990-EZ

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

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization
ST JOSEPH HOSPITAL OF ORANGE

Employer identification number
95-1643359

Part I Fundraising Activities

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

- 1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.
- a ☐ Mail solicitations

e ☐ Solicitation of non-government grants

b ☐ Internet and email solicitations

f ☐ Solicitation of government grants

c ☐ Phone solicitations

g ☐ Special fundraising events

d ☐ In-person solicitations
- 2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ Yes ☐ No
- b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

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

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

Part II Fundraising Events.

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

		(a)Event #1	(b)Event #2	(c)Other events	(d)
		CELEBRATION (event type)	GOLF (event type)	1 (total number)	Total events (add col (a) through col (c))
Revenue	1 Gross receipts	653,475	394,855	250,132	1,298,462
	2 Less Contributions	409,841	260,625	153,761	824,227
	3 Gross income (line 1 minus line 2)	243,634	134,230	96,371	474,235
Direct Expenses	4 Cash prizes				
	5 Noncash prizes		25,995		25,995
	6 Rent/facility costs	7,643	50,000		57,643
	7 Food and beverages	91,593	35,766	80,691	208,050
	8 Entertainment	83,759	0	28,780	112,539
	9 Other direct expenses	79,538	60,739	22,739	163,016
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				567,243
	11 Net income summary Subtract line 10 from line 3, column (d) ▶				-93,008

Part III Gaming.

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

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

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

a Is the organization licensed to conduct gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain _____

11

Does the organization conduct gaming activities with nonmembers?

☐ **Yes** ☐ **No**

12

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

☐ **Yes** ☐ **No**

13

Indicate the percentage of gaming activity conducted in

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

14

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

Name ▶

Address ▶

15a

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

☐ **Yes** ☐ **No**

b

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

c

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

Name ▶

Address ▶

16

Gaming manager information

Name ▶

Gaming manager compensation ▶ \$ _____

Description of services provided ▶

☐ Director/officer ☐ Employee ☐ Independent contractor

17

Mandatory distributions

a

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

☐ **Yes** ☐ **No**

b

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

Part IV

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

Return Reference	Explanation
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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.

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization ST JOSEPH HOSPITAL OF ORANGE	Employer identification number 95-1643359
--	--

Part I Financial Assistance and Certain Other Community Benefits at Cost

		Yes	No	
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for <i>free</i> care <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" 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 checked="" type="checkbox"/> Other _____ 500 %	3b	Yes	
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)			4,096,529		4,096,529	0 660 %
b Medicaid (from Worksheet 3, column a)			130,086,424	63,246,483	66,839,941	10 750 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			134,182,953	63,246,483	70,936,470	11 410 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			2,932,548	179,727	2,752,821	0 440 %
f Health professions education (from Worksheet 5)			706,241	90,000	616,241	0 100 %
g Subsidized health services (from Worksheet 6)			1,822,221	124,252	1,697,969	0 270 %
h Research (from Worksheet 7)			0	0	0	
i Cash and in-kind contributions for community benefit (from Worksheet 8)			2,820,993	200,000	2,620,993	0 420 %
j Total. Other Benefits			8,282,003	593,979	7,688,024	1 230 %
k Total. Add lines 7d and 7j			142,464,956	63,840,462	78,624,494	12 640 %

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					
4	Environmental improvements					
5	Leadership development and training for community members					
6	Coalition building					
7	Community health improvement advocacy					
8	Workforce development					
9	Other					
10	Total					

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

1

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

1

No

2

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

2

9,265,663

3

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

3

0

4

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

Section B. Medicare

5

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

5

109,413,471

6

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

6

142,671,928

7

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

7

-33,258,457

8

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

☐

Cost accounting system

☒

Cost to charge ratio

☐

Other

Section C. Collection Practices

9a

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

9a

Yes

b

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

9b

Yes

Part 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. COMPREHENSIVE	DIAGNOSTIC IMAGING CENTER	45 %		55 %
2. IMAGING PARTNERS				
3. OF ORANGE COUNTY				
4. ST JOSEPH PHYSICIAN	REAL ESTATE DOCTOR OFFICES	56.29 %		43.71 %
5. VENTURE I LLC				
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)

ST JOSEPH HOSPITAL OF ORANGE

Name of hospital facility or letter of facility reporting group

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

1

	Yes	No
Community Health Needs Assessment		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?	1	No
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C	2	No
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12 If "Yes," indicate what the CHNA report describes (check all that apply) a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility b <input checked="" type="checkbox"/> Demographics of the community c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community d <input checked="" type="checkbox"/> How data was obtained e <input checked="" type="checkbox"/> The significant health needs of the community f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests i <input checked="" type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs j <input type="checkbox"/> Other (describe in Section C) 4 Indicate the tax year the hospital facility last conducted a CHNA 20 <u>13</u> 5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3 Yes	
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	5	Yes
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C	6a	No
7 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply) a <input checked="" type="checkbox"/> Hospital facility's website (list url) <u>SEE SCHEDULE H, PART V, SECTION C</u> b <input type="checkbox"/> Other website (list url) _____ c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility d <input type="checkbox"/> Other (describe in Section C) 8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11 9 Indicate the tax year the hospital facility last adopted an implementation strategy 20 <u>13</u> 10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	6b	No
a If "Yes" (list url) <u>SEE SCHEDULE H, PART V, SECTION C</u> b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?	7	Yes
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed 12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8	Yes
b If "Yes" on line 12a, did the organization file Form 4720 to report the section 4959 excise tax?	10	Yes
c 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? \$ _____	10b	
	12a	No
	12b	

Part V

Facility Information (continued)

Financial Assistance Policy (FAP)

ST JOSEPH HOSPITAL OF ORANGE

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 checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of 200 % and FPG family income limit for eligibility for discounted care of 500 %		
b	<input type="checkbox"/> Income level other than FPG (describe in Section C)		
c	<input checked="" type="checkbox"/> Asset level		
d	<input checked="" type="checkbox"/> Medical indigency		
e	<input checked="" type="checkbox"/> Insurance status		
f	<input checked="" type="checkbox"/> Underinsurance discount		
g	<input type="checkbox"/> Residency		
h	<input checked="" 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 checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b	<input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c	<input checked="" 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 checked="" 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 checked="" type="checkbox"/> The FAP was widely available on a website (list url) SEE PART V, SECTION C		
b	<input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url) SEE PART V, SECTION C		
c	<input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url) SEE PART V, SECTION C		
d	<input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e	<input checked="" 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 checked="" 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 checked="" 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 checked="" 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 checked="" type="checkbox"/> None of these actions or other similar actions were permitted		

Part V

Facility Information (continued)

ST JOSEPH HOSPITAL OF ORANGE

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 checked="" type="checkbox"/> Notified individuals of the financial assistance policy on admission			
b	<input checked="" type="checkbox"/> Notified individuals of the financial assistance policy prior to discharge			
c	<input checked="" type="checkbox"/> Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills			
d	<input checked="" type="checkbox"/> Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy			
e	<input type="checkbox"/> Other (describe in Section C)			
f	<input type="checkbox"/> None of these efforts were made			
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 checked="" type="checkbox"/> Other (describe in Section C)			
23	During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Section C	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? 13

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

Part VI Supplemental Information

Provide the following information

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

Form and Line Reference	Explanation
SCHEDULE H, PART I, LINE 3C	IN DETERMINING ELIGIBILITY FOR FREE OR DISCOUNTED CARE, THE ORGANIZATION ALSO CONSIDERED CERTAIN ASSETS OF A PATIENT IN ADDITION, A PATIENT'S SPECIAL CIRCUMSTANCES, INCLUDING BUT NOT LIMITED TO DISABILITY AND HOMELESSNESS ARE CONSIDERED WHEN DETERMINING ELIGIBILITY

Form and Line Reference	Explanation
SCHEDULE H, PART I, LINE 6A	ST JOSEPH HOSPITAL OF ORANGE PREPARES AN ANNUAL REPORT AND IT IS PUBLICLY AVAILABLE AT HTTP //WWW SJO ORG/DOCUMENTS/COMMUNITY_BENEFIT/FY16-SJO-COMMUNITY-BENEFIT- REPORT PDF

Form and Line Reference	Explanation
SCHEDULE H, PART I, LINE 7	THE AMOUNTS REPORTED IN THE TABLE WERE CALCULATED USING THE ORGANIZATION'S COST ACCOUNTING SYSTEM THE COST ACCOUNTING SYSTEM ADDRESSES ALL PATIENT SEGMENTS

Form and Line Reference	Explanation
SCHEDULE H, PART I, LINE 7G	NO COSTS WERE ATTRIBUTED TO PHYSICIAN CLINICS

Form and Line Reference	Explanation
SCHEDULE H, PART III, LINE 2	THE ORGANIZATION ANALYZES ITS HISTORICAL EXPERIENCE AND TRENDS TO ESTIMATE THE APPROPRIATE BAD DEBT EXPENSE DISCOUNTS AND PAYMENTS ON PATIENT ACCOUNTS ARE RECORDED PRIOR TO CALCULATING BAD DEBT EXPENSE

Form and Line Reference	Explanation
SCHEDULE H, PART III, LINE 3	THE ORGANIZATION RECOGNIZES THAT A PORTION OF THE UNINSURED OR UNDERINSURED PATIENT POPULATION MAY NOT ENGAGE IN THE TRADITIONAL FINANCIAL ASSISTANCE APPLICATION PROCESS THEREFORE, THE ORGANIZATION ALSO USED AN AUTOMATED PREDICTIVE SCORING TOOL TO IDENTIFY AND QUALIFY PATIENTS FOR FINANCIAL ASSISTANCE FOR ACCOUNTS THAT WERE INITIALLY CLASSIFIED AS BAD DEBT COLLECTION ACTIONS WERE NOT PURSUED ON THESE ACCOUNTS ONCE THEY WERE RECLASSIFIED BECAUSE RECLASSIFIED ACCOUNTS RECEIVED A 100 PERCENT WRITE-OFF OF THE BALANCE DUE AFTER THE RECLASSIFICATION THERE WAS NO REMAINING AMOUNT OF BAD DEBT EXPENSE ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER OUR FINANCIAL ASSISTANCE POLICY

Form and Line Reference	Explanation
SCHEDULE H, PART III, LINE 4	FINANCIAL STATEMENT BAD DEBT EXPENSE FOOTNOTE THE HEALTH SYSTEM RECEIVES PAYMENT FOR SERVICES RENDERED TO PATIENTS FROM FEDERAL AND STATE GOVERNMENTS UNDER THE MEDICARE AND MEDICAID PROGRAMS, PRIVATELY SPONSORED MANAGED CARE PROGRAMS FOR WHICH PAYMENT IS MADE BASED ON TERMS DEFINED UNDER FORMAL CONTRACTS, AND OTHER PAYORS THE ORGANIZATION BELIEVES THERE ARE NO SIGNIFICANT CREDIT RISKS ASSOCIATED WITH RECEIVABLES FROM GOVERNMENT PROGRAMS RECEIVABLES FROM CONTRACTED PAYORS ARE SUBJECT TO DIFFERING ECONOMIC CONDITIONS AND DO NOT REPRESENT ANY CONCENTRATED RISKS TO THE ORGANIZATION THE ORGANIZATION REGULARLY ANALYZES ITS HISTORICAL EXPERIENCE AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYOR SOURCES TO ESTIMATE THE APPROPRIATE ALLOWANCE FOR DOUBTFUL ACCOUNTS

Form and Line Reference	Explanation
SCHEDULE H, PART III, LINE 8	THE ORGANIZATION DOES NOT REPORT MEDICARE REVENUES AND EXPENSES AS COMMUNITY BENEFIT MEDICARE COSTS ARE DETERMINED FROM THE MEDICARE COST REPORT USING CMS STANDARD COSTING METHODS THIS INCLUDES STEP-DOWN ALLOCATION PROCESSES WHICH ARE APPLIED TO CALCULATE ALLOWABLE MEDICARE COSTS

Form and Line Reference	Explanation
SCHEDULE H, PART III, LINE 9B	PATIENT ACCOUNTS WERE NOT FORWARDED TO COLLECTION STATUS WHEN THE PATIENT MADE A GOOD FAITH EFFORT TO RESOLVE OUTSTANDING ACCOUNT BALANCES SUCH EFFORTS INCLUDE APPLYING FOR FINANCIAL ASSISTANCE, NEGOTIATING A PAYMENT PLAN, OR APPLYING FOR MEDICAID COVERAGE PRIOR TO ADVANCING ANY ACCOUNT FOR EXTERNAL COLLECTION, THE ORGANIZATION PERFORMED AN EVALUATION TO IDENTIFY IF THE ACCOUNT QUALIFIED FOR FINANCIAL ASSISTANCE ACCOUNTS FOR PATIENTS WHO QUALIFIED FOR FREE CARE WERE WRITTEN OFF AND COLLECTION EFFORTS WERE NOT PURSUED THE ORGANIZATION'S COLLECTION POLICY ALSO APPLIED TO ACCOUNTS FOR PATIENTS WHO QUALIFIED FOR DISCOUNTED CARE

Form and Line Reference	Explanation
SCHEDULE H, PART VI, LINE 2	<p>NEEDS ASSESSMENT ST JOSEPH HOSPITAL OF ORANGE (SJO) COMPLETED A NEEDS ASSESSMENT IN 2014. In 2012 AND 2013, SJO GATHERED INFORMATION TO COMPLETE ITS NEEDS ASSESSMENT. COMMUNITY INPUT WAS OBTAINED FROM A PHONE SURVEY, FIVE FOCUS GROUPS, AND INTERVIEWS WITH FIVE LEADERS IN THE COMMUNITY. INFORMATION ABOUT THE COMMUNITY WAS ALSO PULLED FROM THE OFFICE OF STATEWIDE HEALTH PLANNING AND DEVELOPMENT (OSHDP), THE 2010 CENSUS AND THE AMERICAN COMMUNITY SURVEY (ACS). IN PREPARING THE COMMUNITY HEALTH NEEDS ASSESSMENT, SJO WORKED WITH PROFESSIONAL HEALTH RESEARCH CONSULTANTS, INC (PRC) TO CONDUCT AND ANALYZE THE COMMUNITY SURVEY, AND THE OLIN GROUP, INC TO CONDUCT THE INTERVIEWS AND FOCUS GROUPS AND TO SUMMARIZE ALL COMMUNITY INPUT. COMMUNITY ORGANIZATIONS THAT PARTICIPATED IN THIS PROCESS INCLUDED THE CAMBODIAN FAMILY, DELHI CENTER, HEALTHY SMILES FOR KIDS-ORANGE COUNTY, LESTONNAC FREE CLINIC, ORANGE COUNTY HEALTH CARE AGENCY, AND VALLEY HIGH SCHOOL. INTERVIEWEES REPRESENTED ORGANIZATIONS THAT SERVE LOW-INCOME, MEDICALLY UNDERSERVED RESIDENTS OF SJO'S COMMUNITY BENEFITS SERVICE AREA. FOCUS GROUP PARTICIPANTS WERE ALL COMMUNITY MEMBERS AND/OR PATIENTS OF THE HOSPITAL OR ITS CLINICS, AS WELL AS SPANISH OR KHMER SPEAKING INDIVIDUALS. FURTHERMORE, ST JOSEPH HOSPITAL OF ORANGE COLLABORATES WITH COMMUNITY PARTNERS ON AN ONGOING BASIS TO ADDRESS NEW AND/OR ARISING COMMUNITY NEEDS, SUPPORTS COMMUNITY EFFORTS TO COORDINATE CARE, AND CONTINUOUSLY ASSESSES FEEDBACK FROM THE POPULATION SERVICED TO DETERMINE THE BEST COURSE OF ACTION TO ADDRESSING NEW AND IDENTIFIED UNMET NEEDS. ST JOSEPH HOSPITAL OF ORANGE ENGAGES COLLABORATIVE PARTNERS ON A REGIONAL AND LOCAL LEVEL. ONE EXAMPLE OF THESE EFFORTS IS OUR MEMBERSHIP PARTICIPATION WITH THE COALITION OF ORANGE COUNTY COMMUNITY HEALTH CENTERS (COCCHC). IT IS ONE IMPORTANT WAY THAT ST JOSEPH HOSPITAL OF ORANGE MAINTAINS AHEAD OF EMERGING ISSUES AND NEEDS. COCCHC PROVIDES A PLATFORM FOR DIRECT SERVICES, PROVIDES TO SHARE RESOURCES AND ENGAGE IN SHORT AND LONG-TERM PARTNERSHIPS THAT ADDRESS UNMET HEALTH NEEDS IN THE COMMUNITY. AN IMPORTANT COLLABORATION TO NOTE IS OUR SUPPORT IN ASSISTING YOUNG ADULTS TO WALK OUT OF POVERTY. ST JOSEPH HOSPITAL OF ORANGE PROVIDES TALLER SAN JOSE STUDENTS/PARTICIPANTS ESSENTIAL PRE-EMPLOYMENT SCREENINGS AND VACCINES/IMMUNIZATIONS NECESSARY IN ORDER FOR STUDENTS TO PURSUE EMPLOYMENT ONCE THEY COMPLETE THEIR PROGRAM. TALLER SAN JOSE PROVIDES ORANGE COUNTY'S MOST DISADVANTAGED YOUTH THE LIFE SKILLS AND JOB TRAINING NEEDED TO ACHIEVE PERSONAL AND PROFESSIONAL SUCCESS. ANOTHER EXAMPLE OF COLLABORATION INCLUDES OUR COLLABORATIVE PARTNERSHIP WITH WASTE NOT OR COALITION. EVERY WEEK, ST JOSEPH HOSPITAL OF ORANGE DONATES SURPLUS FOOD THAT IS DISTRIBUTED TO LOCAL FOOD PANTRIES WITH THE GOAL TO END HUNGER IN ORANGE COUNTY.</p>

Form and Line Reference	Explanation
SCHEDULE H, PART VI, LINE 3	PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE THE ORGANIZATION POSTED NOTICES INFORMING THE PUBLIC OF THE FINANCIAL ASSISTANCE PROGRAM NOTICES WERE POSTED IN HIGH VOLUME INPATIENT AND OUTPATIENT SERVICE AREAS NOTICES WERE ALSO POSTED AT LOCATIONS WHERE A PATIENT COULD PAY THEIR BILL NOTICES INCLUDED CONTACT INFORMATION ON HOW A PATIENT COULD OBTAIN MORE INFORMATION ON FINANCIAL ASSISTANCE AS WELL AS WHERE TO APPLY FOR ASSISTANCE THESE NOTICES WERE POSTED IN ENGLISH AND SPANISH AND ANY OTHER LANGUAGES THAT WERE REPRESENTATIVE OF 5% OR GREATER OF PATIENTS IN THE HOSPITAL'S SERVICE AREA ALL PATIENTS WHO DEMONSTRATED LACK OF FINANCIAL COVERAGE BY THIRD PARTY INSURERS WERE OFFERED AN OPPORTUNITY TO COMPLETE THE FINANCIAL ASSISTANCE APPLICATION AND WERE OFFERED INFORMATION, ASSISTANCE, AND REFERRAL AS APPROPRIATE TO GOVERNMENT SPONSORED PROGRAMS FOR WHICH THEY MAY HAVE BEEN ELIGIBLE

Form and Line Reference	Explanation
SCHEDULE H, PART VI, LINE 4	<p>COMMUNITY INFORMATION ST JOSEPH HOSPITAL OF ORANGE (SJO) PROVIDES CENTRAL ORANGE COUNTY COMMUNITIES WITH ACCESS TO ADVANCED CARE AND ADVANCED CARING THE HOSPITAL'S SERVICE AREA EXTENDS FROM THE 91 FREEWAY - NORTH BOUNDARY, PACIFIC COAST HWY - SOUTH BOUNDARY, 15 FREEWAY - EAST BOUNDARY, AND 605 FREEWAY - WEST OUR HOSPITAL TOTAL SERVICE AREA INCLUDES THE CITIES OF ANAHEIM, GARDEN GROVE, MIDWAY CITY, ORANGE, SANTA ANA, TUSTIN, VILLA PARK, WESTMINSTER, BUENA PARK, COSTA MESA, FOUNTAIN VALLEY, FULLERTON, HUNTINGTON BEACH, IRVINE, LAKE FOREST, AND STANTON THIS INCLUDES A POPULATION OF APPROXIMATELY 2,490,784 PEOPLE, AN INCREASE OF 7% FROM THE PRIOR ASSESSMENT OTHER HOSPITALS IN THE AREA INCLUDE ST JUDE MEDICAL CENTER, WESTERN MEDICAL CENTER SANTA ANA, ORANGE COAST MEMORIAL MEDICAL CENTER, FOUNTAIN VALLEY REGIONAL MEDICAL CENTER, KAISER PERMANENTE ORANGE COUNTY, HOAG HOSPITALS (NEWPORT BEACH AND IRVINE), CHILDREN'S HOSPITAL OF ORANGE COUNTY AND UCI MEDICAL CENTER IN CENTRAL ORANGE COUNTY, AN URBAN METROPOLIS, THE REGION'S ECONOMICALLY POOR RESIDENTS FACE SIGNIFICANT CHALLENGES AND BARRIERS AS IT RELATES TO ACHIEVING OPTIMAL HEALTH OUTCOMES IN 1993, CENTRAL SANTA ANA WAS FEDERALLY DESIGNATED AS A MEDICALLY UNDERSERVED AREA (MUA) SOUTH GARDEN GROVE AND WEST SANTA ANA WERE DESIGNATED AS MEDICALLY UNDERSERVED POPULATIONS (MUP) THERE WERE 4 POPULATION GROUPS DESIGNATED AS HEALTH PROFESSIONAL SHORTAGE AREAS (HPSAS) FOR PRIMARY MEDICAL CARE IN EAST AND WEST ANAHEIM, SOUTH SANTA ANA, GARDEN GROVE AND NORTH STANTON ACCORDING TO THE INTERCITY HARDSHIP INDEX (IHI), 364 OUT OF APPROXIMATELY 400 NEIGHBORHOOD BLOCK GROUPS IN ORANGE COUNTY WITH THE HIGHEST NEED ARE WITHIN THE SJO PRIMARY SERVICE AREA THE AVERAGE ANNUAL INCOME PER PERSON IN THE HIGHEST NEED AREAS WITHIN THE SJO PRIMARY SERVICE AREA RANGES FROM \$5,777 TO \$25,549 THE CITIES OF SANTA ANA, ANAHEIM AND PLACENTIA HAVE TOP 4 BLOCK GROUPS WITH 74% TO 89% OF THE POPULATION OVER THE AGE OF 25 WITH LESS THAN A HIGH SCHOOL EDUCATION THESE SAME CITIES HAVE TOP 19 BLOCK GROUPS WITHIN 22% TO 40 7% OF HOUSEHOLDS BELOW THE FEDERAL POVERTY LEVEL THE CITIES OF ANAHEIM, HUNTINGTON BEACH, ORANGE, PLACENTIA, SANTA ANA AND STANTON HAVE TOP 42 BLOCK GROUPS WITH 30% TO 43% OF HOUSING UNITS WITH 7+ PEOPLE ANOTHER HELPFUL TOOL THAT QUANTIFIES NEED IN COMMUNITIES IS THE COMMUNITY NEED INDEX (CNI) THE CNI DEMONSTRATES NEED AT THE ZIP CODE LEVEL RESEARCH INDICATES A STRONG CORRELATION BETWEEN HIGH CNI SCORES AND HOSPITAL ADMISSION RATES RESIDENTS WHO LIVE IN AREAS WITH THE HIGHEST NEED WERE TWICE AS LIKELY TO EXPERIENCE PREVENTABLE HOSPITALIZATION FOR MANAGEABLE CONDITIONS (I E EAR INFECTIONS, PNEUMONIA, ETC) EIGHT CITIES (18 ZIP CODES) IN CENTRAL ORANGE COUNTY HAD A SCORE OF "HIGHEST NEED " HOSPITAL TOTAL SERVICE AREA THE COMMUNITY SERVED BY THE HOSPITAL IS DEFINED BASED ON THE GEOGRAPHIC ORIGINS OF THE HOSPITAL'S INPATIENTS THE HOSPITAL TOTAL SERVICE AREA IS COMPRISED OF BOTH THE PRIMARY SERVICE AREA (PSA) AS WELL AS THE SECONDARY SERVICE AREA (SSA) AND IS ESTABLISHED BASED ON THE FOLLOWING CRITERIA - PSA 70% OF DISCHARGES (EXCLUDING NORMAL NEWBORNS) - SSA 71%-85% OF DISCHARGES (DRAW RATES PER ZIP CODE ARE CONSIDERED AND PSA/SSA ARE MODIFIED ACCORDINGLY) - INCLUDES ZIP CODES FOR CONTINUITY - NATURAL BOUNDARIES ARE CONSIDERED (I E FREEWAYS, MOUNTAIN RANGES, ETC) - CITIES ARE PLACED IN PSA OR SSA, BUT NOT BOTH</p>

Form and Line Reference	Explanation
SCHEDULE H, PART VI, LINE 5	<p>PROMOTION OF COMMUNITY HEALTH REALIZING OUR MISSION ST JOSEPH HOSPITAL OF ORANGE IS COMMITTED TO PROMOTING THE HEALTH AND QUALITY OF LIFE OF ITS SURROUNDING COMMUNITY THIS IS DEMONSTRATED THROUGH THE FOLLOWING MECHANISMS THERE IS A COMMUNITY BENEFIT COMMITTEE THAT HAS COMMUNITY REPRESENTATION, AN OPEN MEDICAL STAFF, AND WE MANAGE COMMUNITY BENEFIT PROGRAMS WHICH ARE PARTLY FUNDED BY CARE FOR THE POOR DOLLARS ST JOSEPH HOSPITAL OF ORANGE IS A HEALING MINISTRY OF ST JOSEPH HEALTH SYSTEM, AN INTEGRATED HEALTHCARE DELIVERY SYSTEM ST JOSEPH HEALTH SYSTEM IS ORGANIZED INTO THREE REGIONS NORTHERN CALIFORNIA, SOUTHERN CALIFORNIA, AND WEST TEXAS/EASTERN NEW MEXICO ST JOSEPH HEALTH SYSTEM INCLUDES ACUTE CARE HOSPITALS, HOME HEALTH AGENCIES, HOSPITAL CARE, OUTPATIENT SERVICES, COMMUNITY CLINICS AND PHYSICIAN ORGANIZATIONS EACH ASSOCIATED MINISTRY WORKS TO LIVE OUT THE MISSION LOCAL COMMUNITY BENEFIT COMMITTEE THE ROLE OF THE ST JOSEPH HOSPITAL OF ORANGE COMMUNITY BENEFIT COMMITTEE IS TO SUPPORT THE BOARD OF TRUSTEES IN OVERSEEING COMMUNITY BENEFIT EFFORTS THE COMMITTEE ACTS IN ACCORDANCE WITH A BOARD-APPROVED CHARTER THE COMMUNITY BENEFIT COMMITTEE IS CHARGED WITH DEVELOPING POLICIES AND PROGRAMS THAT ADDRESS IDENTIFIED NEEDS IN THE SERVICE AREA PARTICULARLY FOR UNDERSERVED POPULATIONS, OVERSEEING DEVELOPMENT AND IMPLEMENTATION OF THE COMMUNITY HEALTH NEEDS ASSESSMENT AND COMMUNITY BENEFIT PLAN/IMPLEMENTATION STRATEGY REPORTS, AND PROVIDING DIRECTION OF COMMUNITY BENEFIT ACTIVITIES THE COMMUNITY BENEFIT COMMITTEE HAS A MINIMUM OF EIGHT MEMBERS INCLUDING THREE MEMBERS OF THE BOARD OF TRUSTEES CURRENT MEMBERSHIP INCLUDES THREE MEMBERS OF THE BOARD OF TRUSTEES AND EIGHT COMMUNITY MEMBERS A MAJORITY OF MEMBERS HAVE KNOWLEDGE AND EXPERIENCE WITH THE POPULATIONS MOST LIKELY TO HAVE DISPROPORTIONATE UNMET HEALTH NEEDS THE COMMUNITY BENEFIT COMMITTEE GENERALLY MEETS BI-MONTHLY COMMUNITY BENEFIT INVESTMENT THIS IS DEMONSTRATED THROUGH THE FOLLOWING KEY PROGRAMS INITIATIVE #1 ACCESS TO HEALTH CARE SJO COMMUNITY CLINICS SERVED 6,543 PATIENTS ADDITIONALLY, 2,337 NEW PATIENTS SELECTED SJO COMMUNITY CLINICS AS THEIR MEDICAL HOME WHICH WAS 3% (57 PATIENTS) INCREASE OVER LAST FISCAL YEAR WE INCREASED THE AVAILABILITY OF SPECIALTY CARE PROVIDERS SUCCESSFULLY THROUGH A COLLABORATIVE PARTNERSHIP WITH ST JOSEPH HERITAGE MEDICAL GROUP SJO COMMUNITY CLINICS ACQUIRED 19 SPECIALTY GROUPS WITH ACCESS TO 125 SPECIALTY CARE PROVIDERS INITIATIVE #2 CHRONIC DISEASE MANAGEMENT THE TOTAL NUMBER OF DIABETIC PATIENTS WHO WERE "UNCONTROLLED" DECREASED FROM 536 TO 497 THE VISION MOBILE CLINIC INCREASED THE NUMBER OF PATIENTS SEEN BY 46 TOTALING THE NUMBER OF DIABETIC PATIENTS TO 907, OF THOSE 679 (75%) RECEIVED A DIABETIC EYE EXAM A 9% INCREASE FROM THE PREVIOUS FISCAL YEAR INITIATIVE #3 MENTAL HEALTH WE DETERMINED A NEED FOR INTERVENTION TO PROVIDE COMPREHENSIVE MENTAL HEALTH SERVICES TO CLINIC PATIENT POPULATION ST JUDE MEDICAL CENTER, MISSION HOSPITAL, HOAG HOSPITAL AND ST JOSEPH HOSPITAL HAVE ENTERED INTO A COLLABORATIVE PARTNERSHIP TO ADDRESS THE UNMET NEED FOR BEHAVIORAL HEALTH SERVICES FOR THE MOST UNDERSERVED POPULATION IN ORANGE COUNTY THE REGIONAL PSYCHIATRY COLLABORATIVE PROJECT PROVIDES LOW INCOME PATIENTS SERVED BY THE MINISTRIES WITH MEDICATION MANAGEMENT THROUGH A PSYCHIATRIST AS WELL AS CARE COORDINATION TO ENSURE CONTINUUM OF CARE THROUGH THE COMMUNITY CLINICS ASSESSMENT AND COUNSELING IS PROVIDED AT LA AMISTAD, ST JUDE, FAMILY RESOURCE CENTER MISSION VIEJO AND CENTER FOR HEALTHY LIVING COSTA MESA OR REFERRED OUT TO THE NEW ORANGE COUNTY HEALTH CARE AGENCY BEHAVIORAL HEALTH SERVICES THE PSYCHIATRIST AND CARE COORDINATOR TRAVEL TO EACH SITE TO PROVIDE MEDICATION MANAGEMENT, EVALUATIONS IN COORDINATION WITH PRIMARY CARE SITES THE LICENSED CLINICAL SOCIAL WORKER (LCSW) PROVIDES COGNITIVE BEHAVIORAL THERAPY TO PATIENTS REFERRED BY THE PSYCHIATRIST AND CLINIC PROVIDERS LOCAL MENTAL HEALTH COUNSELING RESOURCES THE LIST WAS OFFERED TO PATIENTS WHO SCORED MODERATE DURING THE SCREENING ALL PATIENTS SCREENED WERE OFFERED A FOLLOW UP APPOINTMENT WITH THEIR CLINIC PROVIDER SOUTHERN CALIFORNIA REGIONAL SJHS MINISTRIES SECURED FUNDING TO PROVIDE TELEHEALTH PSYCHIATRY SERVICES FOR UNDERSERVED CENTER'S PATIENT POPULATION</p>

Form and Line Reference	Explanation
SCHEDULE H, PART VI, LINE 6	<p>AFFILIATED HEALTH CARE SYSTEM ST JOSEPH HOSPITAL OF ORANGE IS A HEALING MINISTRY OF ST JOSEPH HEALTH, AN INTEGRATED HEALTHCARE DELIVERY SYSTEM ST JOSEPH HEALTH IS ORGANIZED INTO THREE REGIONS NORTHERN CALIFORNIA, SOUTHERN CALIFORNIA AND WEST TEXAS/EASTERN NEW MEXICO THE SYSTEM INCLUDES 16 ACUTE CARE HOSPITALS, HOME HEALTH AGENCIES, HOSPITAL CARE, OUTPATIENT SERVICES, COMMUNITY CLINICS AND PHYSICIAN ORGANIZATIONS EACH ASSOCIATED MINISTRY WORKS TO LIVE OUT ITS MISSION TO EXTEND THE HEALING MINISTRY OF JESUS IN THE TRADITION OF THE SISTERS OF ST JOSEPH OF ORANGE BY CONTINUALLY IMPROVING THE HEALTH AND QUALITY OF LIFE OF THE PEOPLE IN THE COMMUNITIES WE SERVE SJH COMMUNITY PARTNERSHIP FUND (FORMERLY THE ST JOSEPH HEALTH SYSTEM FOUNDATION) IN 1986, ST JOSEPH HEALTH (SJH) CREATED A PLAN AND BEGAN AN EFFORT TO FURTHER ITS COMMITMENT TO NEIGHBORS IN NEED WITH A VISION OF REACHING BEYOND THE WALLS OF ITS HEALTH CARE FACILITIES AND TRANSCENDING TRADITIONAL EFFORTS OF PROVIDING FREE CARE FOR THOSE IN NEED OF ACUTE SERVICES, SJH CREATED THE ST JOSEPH HEALTH COMMUNITY PARTNERSHIP FUND (FORMERLY THE ST JOSEPH HEALTH SYSTEM FOUNDATION) TO IMPROVE THE HEALTH OF LOW-INCOME INDIVIDUALS RESIDING IN LOCAL COMMUNITIES EVERY YEAR, EACH ST JOSEPH HOSPITAL MINISTRY CONTRIBUTES 10 PERCENT OF ITS NET INCOME TO THE ST JOSEPH HEALTH COMMUNITY PARTNERSHIP FUND IN FISCAL YEAR 2016, ST JOSEPH OF ORANGE CONTRIBUTED \$3 0 MILLION TO THE SJH CARE FOR THE POOR FUND AND \$987 THOUSAND TO THE SJH COMMUNITY PARTNERSHIP FUND MOST OF THESE FUNDS ARE USED TO CARE FOR THE ECONOMICALLY POOR IN LOCAL COMMUNITIES THE REST IS DEVOTED TO FUNDING GRANT INITIATIVES, INCLUDING THOSE DEVOTED TO WELLNESS AND PREVENTION AND ENSURING THAT THE COMMUNITY PARTNERSHIP FUND CAN SUSTAIN PROGRAMS TO CONTINUALLY HELP LOW-INCOME AND UNDERSERVED POPULATIONS COMMUNITY INVESTMENT FUND ST JOSEPH HEALTH FURTHER RECOGNIZES THAT THE HEALTH OF ANY COMMUNITY DEPENDS ON THE MAINTENANCE AND CREATION OF STRONG STRUCTURES--BOTH PHYSICAL AND SOCIAL--THAT CONTRIBUTE TO THE LONG-TERM WELL-BEING OF PEOPLE THAT PHILOSOPHY INSPIRED THE INITIATION OF THE COMMUNITY INVESTMENT FUND--AN EFFORT TO ENABLE NON-PROFIT 501(C)(3) ORGANIZATIONS TO ACHIEVE THEIR FULL POTENTIAL AND PLAY A MAJOR ROLE IN THE GROWTH OF THEIR COMMUNITIES THE COMMUNITY INVESTMENT FUND PROVIDES CAPITAL IN THE FORM OF LOANS, DEPOSITS OR OTHER SUPPORT TO NON-PROFITS TO PROMOTE SOCIAL GOOD AND THE DEVELOPMENT OF HEALTHIER COMMUNITIES IN FISCAL YEAR 2016, A TOTAL OF \$11 2 MILLION WAS INVESTED INTO THE COMMUNITY THROUGH LOANS AND LINES OF CREDIT FUNDED NON-PROFITS INCLUDE THOSE THAT SERVE THE HOMELESS, PROVIDE AFFORDABLE HOUSING, PROVIDE ACCESS TO PRIMARY MEDICAL CARE, AND ADDRESS YOUTH DEVELOPEMENT LEARN MORE ABOUT SJH COMMUNITY BENEFIT AT STJHS.ORG</p>

Form and Line Reference	Explanation
SCHEDULE H, PART VI, LINE 7	STATE FILING OF COMMUNITY BENEFIT REPORT CALIFORNIA

Schedule H (Form 990) 2015

Additional Data

Software ID:
Software Version:
EIN: 95-1643359
Name: ST JOSEPH HOSPITAL OF ORANGE

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	ST JOSEPH HOSPITAL OF ORANGE 1100 WEST STEWART DRIVE ORANGE, CA 92868 WWW.SJO.ORG 060000172	X	X			X	X			

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

(list in order of size, from largest to smallest)

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

Name and address	Type of Facility (describe)
1 RADIOLOGYIMAGING CENTER 1140 WEST LA VETA ORANGE,CA 92868	RADIOLOGY AND IMAGING SERVICES
1 OUTPATIENT SURGICENTER 1140 WEST LA VETA ORANGE,CA 92868	OUTPATIENT SURGERY
2 SANTA ANA CHRONIC DIALYSIS 2212 EAST 4TH STREET SANTA ANA,CA 92705	DIALYSIS SERVICES
3 MATERNAL FETAL TESTING 1140 WEST LA VETA ORANGE,CA 92868	FETAL TESTING
4 PHYSICAL REHABILITAION 1310 WEST STEWART DR SUITE 203 ORANGE,CA 92868	PHYSICAL THERAPY
5 ST JOSEPH HOSPITAL WOUND CARE CENTER 431 SOUTH BATAVIA SUITE 100 ORANGE,CA 92868	WOUND CARE CENTER
6 SLEEP CENTER 1310 WEST STEWART CENTER SUITE 403 ORANGE,CA 92868	SLEEP DISORDER CENTER
7 COMPREHENSIVE IMAGING PARTNERS OF OC LLC 1 CITY BOULEVARD WEST SUITE 1100 ORANGE,CA 92868	IMAGING CENTER
8 CENTER FOR CANCER PREVENTION & TREATMENT 1140 WEST LA VETA ORANGE,CA 92868	CANCER CENTER
9 ST JOSEPH SISTER ELIZABETH BUILDING 1300 WEST PALMYRA ORANGE,CA 92868	DIALYSIS, BEHAVIORAL HLTH, RENAL TRANS & SLEEP CTR
10 CARDIOLOGY 1140 WEST LA VETA ORANGE,CA 92868	CARDIOLOGY SERVICES
11 MOTHER BABY 363 NORTH MAIN STREET ORANGE,CA 92868	WOMEN AND CHILDREN
12 SINUS CENTER 1140 WEST LA VETA SUITE 510 ORANGE,CA 92868	SINUS CENTER

2015

95-1643359

Schedule I (Form 990) 2015

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)Amount of cash grant	(d)Amount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance
(1) PATIENT HOUSING ASSISTANCE	13	7,861			
(2) PATIENT INSURANCE ASSISTANCE	2	1,096			
(3) PATIENT MEDICAL TREATMENT	1	75			
(4) PATIENT MEDICATION/SUPPLIES	2	2,717			
(5) MEDS FOR UNDERSERVED PATIENTS	288		71,248	FMV	TRANSPLANT MEDICINE

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

Return Reference	Explanation
SCHEDULE I, PART I, LINE 2	PROCEDURES FOR MONITORING THE USE OF GRANTS ALL ORGANIZATIONS RECEIVING FUNDS MUST BE 501(C)(3) WHICH ARE ENGAGED IN A CHARITABLE FUNCTION WHICH IS IN LINE WITH THE MISSION OF THE HOSPITAL AND BENEFITS THE COMMUNITY NO FURTHER MONITORING IS DONE AFTER THE INITIAL REQUIREMENTS ARE MET ASSISTANCE MONIES IDENTIFIED IN PART III ARE DISBURSED DIRECTLY TO THE VENDOR OR TO THE PATIENT AFTER APPROPRIATE SUPPORTING DOCUMENTS HAVE BEEN PROVIDED

Additional Data

Software ID:
Software Version:
EIN: 95-1643359
Name: ST JOSEPH HOSPITAL OF ORANGE

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

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
TALLER SAN JOSE 801 N BROADWAY SANTA ANA,CA 92701	59-3816355	501(c)(3)	10,000				PROGRAM SUPPORT
AMERICAN HEART ASSOCIATION 4600 CAMPUS DRIVE IRVINE,CA 92617	13-5613789	501(c)(3)	24,199				WOMEN'S HEART HEALTH
ST JOSEPH HEALTH SYSTEM FOUNDATION 3345 MICHAELSON DR STE 100 IRVINE,CA 92612	33-0143024	501(c)(3)	3,947,500				CARE FOR THE POOR

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

(a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
ORANGE COUNTY CHAMBER OF COMMERCE FDN 1940 N TUSTIN ST STE 107 ORANGE, CA 92865	47-2733835	501(c)(3)	11,500				PROGRAM 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.

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization
ST JOSEPH HOSPITAL OF ORANGE

Employer identification number
95-1643359

Part I Questions Regarding Compensation

	Yes	No
1a 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><input type="checkbox"/> First-class or charter travel <input checked="" type="checkbox"/> Travel for companions <input type="checkbox"/> Tax indemnification and gross-up payments <input type="checkbox"/> Discretionary spending account</div> <div><input type="checkbox"/> Housing allowance or residence for personal use <input type="checkbox"/> Payments for business use of personal residence <input type="checkbox"/> Health or social club dues or initiation fees <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)</div>		
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	Yes	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	Yes	
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III. <div><input type="checkbox"/> Compensation committee <input type="checkbox"/> Independent compensation consultant <input type="checkbox"/> Form 990 of other organizations</div> <div><input type="checkbox"/> Written employment contract <input type="checkbox"/> Compensation survey or study <input type="checkbox"/> Approval by the board or compensation committee</div>		
4 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: a Receive a severance payment or change-of-control payment? b Participate in, or receive payment from, a supplemental nonqualified retirement plan? c 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	Yes	
Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.		
5 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: a The organization? b Any related organization? If "Yes," on line 5a or 5b, describe in Part III		No
6 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: a The organization? b Any related organization? If "Yes," on line 6a or 6b, describe in Part III		No
7 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	Yes	
8 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		No
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?		

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
SCHEDULE J, PART I, LINE 1A	TRAVEL FOR COMPANIONS ST JOSEPH HEALTH SYSTEM ALLOWS FOR COMPANION TRAVEL TO CERTAIN PRE-APPROVED, MINISTRY SPONSORED EVENTS. COMPANION TRAVEL IS TREATED AS TAXABLE COMPENSATION IN MOST CASES. IN THE CASE THAT COMPANION TRAVEL IS NOT TAXABLE COMPENSATION, THE INDIVIDUAL IS PROVIDING A SERVICE TO THE HEALTH SYSTEM AS A REPRESENTATIVE WITH KNOWLEDGE OF THE COMMUNITIES AND MINISTRIES WE SERVE. ST JOSEPH HOSPITAL OF ORANGE MEMBERS OF THE BOARD AND EXECUTIVE MANAGEMENT TEAM ARE SELECTED TO PARTICIPATE IN AN ANNUAL PILGRIMAGE TO LE PUY, FRANCE, WHERE THE SISTERS' FIRST CONGREGATION WAS FORMED. THE PURPOSE OF THE PILGRIMAGE IS FOR THE ORGANIZATION'S LEADERS TO DEVELOP A DEEPER UNDERSTANDING OF THE ROOTS AND HERITAGE OF THE ORGANIZATION IN ORDER TO CARRY OUT THE MISSION. COMPANION TRAVEL IS CONSIDERED TO BE AN ESSENTIAL PART OF THIS EXPERIENCE AND THE COMPANION ACTS AS A REPRESENTATIVE WITH KNOWLEDGE OF THE COMMUNITIES AND MINISTRIES WE SERVE. THE FOLLOWING INDIVIDUAL RECEIVED A BENEFIT FOR COMPANION TRAVEL THAT WAS INTENDED TO BE COMPENSATION: KRISTI LIBERATORE - \$4,563.
SCHEDULE J, PART I, LINE 3	DESCRIPTION OF CEO PAID BY EXEMPT PARENT: THE ORGANIZATION'S CHIEF EXECUTIVE OFFICER IS PAID BY ITS TAX-EXEMPT PARENT, ST JOSEPH HEALTH SYSTEM, AND IS DISCLOSED AS A PERSON PAID BY A RELATED ORGANIZATION. SEE SCHEDULE O, PART VI, LINE 15A FOR THE PROCESS USED BY ST JOSEPH HEALTH SYSTEM.
SCHEDULE J, PART I, LINE 4A	SEVERANCE PAY: THE FOLLOWING INDIVIDUALS RECEIVED A SEVERANCE PAYMENT DURING THE YEAR: RAYMOND CASCIARI - \$331,419; KEVIN LUNDON - \$223,327; MARY ANN VINCENT - \$33,359.
SCHEDULE J, PART I, LINE 4B	BEGINNING IN JULY 2015, NEW EXECUTIVES PARTICIPATE IN A NON-QUALIFIED SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN. THE PLAN PROVIDES FOR EMPLOYER CONTRIBUTIONS BASED ON A PERCENTAGE OF EXECUTIVE BASE SALARY AND ARE SUBJECT TO A FIVE-YEAR OR AGE 65 VESTING SCHEDULE. EXECUTIVES PREVIOUSLY PARTICIPATED IN ANOTHER NON-QUALIFIED DEFERRED COMPENSATION PLAN THAT WAS FROZEN EFFECTIVE DECEMBER 2007, AFTER WHICH TIME NO FURTHER CONTRIBUTIONS WERE PERMITTED. THIS FROZEN PLAN WILL CEASE TO EXIST ONCE ALL BENEFITS HAVE BEEN DISTRIBUTED IN ACCORDANCE WITH PROVISIONS OF THE PLAN. NO EMPLOYEES RECEIVED 457(F) PAYMENTS DURING THE YEAR.
SCHEDULE J, PART I, LINE 7	A PORTION OF EXECUTIVE SALARIES ARE PLACED "AT-RISK" ARE NOT AWARDED UNLESS SPECIFIC STRATEGIC OBJECTIVE TARGETS ARE MET OR EXCEEDED. THE AT-RISK EXECUTIVE PLAN IS DESIGNED TO MOTIVATE AND REWARD EXECUTIVES FOR TEAM PERFORMANCE THAT SUPPORTS THE STRATEGIC GOALS AND SUCCESSFUL PERFORMANCE OF ST JOSEPH HEALTH SYSTEM. AT-RISK PAY IS AWARDED TO ASSISTANT VICE PRESIDENTS, VICE PRESIDENTS, SENIOR VICE PRESIDENTS, EXECUTIVE VICE PRESIDENTS, AND THE CHIEF EXECUTIVE OFFICER BASED ON ACHIEVING OR SURPASSING SPECIFIC GOALS THAT ARE PREDETERMINED BY THE BOARD OF TRUSTEES PRIOR TO THE BEGINNING OF THE FISCAL YEAR. THE GOALS INCLUDE STRATEGIC OBJECTIVES AS WELL AS FISCAL STEWARDSHIP. EACH OF THESE FACTORS IS TAKEN INTO CONSIDERATION WHEN DETERMINING THE PERCENTAGE OF AT-RISK PAY.

Additional Data

Software ID:
Software Version:
EIN: 95-1643359
Name: ST JOSEPH HOSPITAL OF ORANGE

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				
1KEVIN LUNDON FORMER KEY EMPLOYEE	(i)	0	0	223,327	0	0	223,327	0
	(ii)	0	0	0	0	- 0	- 0	0
1CURT ZIMMER ED OF FINANCE (FORMER OFFICER)	(i)	160,591	25,799	3,348	8,744	25,322	223,804	0
	(ii)	0	0	0	0	- 0	- 0	0
2CHRISTINE PHIPPS EXEC DIRECTOR, SURGICAL SVCS	(i)	178,476	27,689	3,573	14,887	22,040	246,665	0
	(ii)	0	0	0	0	- 0	- 0	0
3DENISE FRIDAY I R /CATH LAB TECH	(i)	219,889	0	525	11,360	25,740	257,514	0
	(ii)	0	0	0	0	- 0	- 0	0
4CHANDA PARRETT VP FOUNDATION/FUND RAISING	(i)	189,892	45,111	22,872	15,340	10,139	283,354	0
	(ii)	0	0	0	0	- 0	- 0	0
5SAIED AMIRPOOR DIRECTOR PHARMACY	(i)	218,514	25,865	4,307	16,278	22,877	287,841	0
	(ii)	0	0	0	0	- 0	- 0	0
6LINDA SIMON VP, MISSION INTEGRATION	(i)	211,590	50,207	31,965	19,211	10,104	323,077	0
	(ii)	0	0	0	0	- 0	- 0	0
7RAYMOND CASCIARI FORMER HIGHEST COMPENSATED EMP	(i)	0	0	331,419	0	0	331,419	0
	(ii)	0	0	0	0	- 0	- 0	0
8MARY LEAHY VP HUMAN RESOURCES	(i)	258,633	62,461	33,949	17,939	26,912	399,894	0
	(ii)	0	0	0	0	- 0	- 0	0
9THOMAS HILL VP OPERATIONS GENERAL SERVICES	(i)	255,828	70,428	37,582	21,200	31,647	416,685	0
	(ii)	0	0	0	0	- 0	- 0	0
10KRISTI LIBERATORE CHIEF FINANCIAL OFFICER	(i)	293,541	70,517	28,371	10,600	24,409	427,438	0
	(ii)	0	0	0	0	- 0	- 0	0
11CATHERINE SKELTON VP PATIENT CARE SERVICES/CNO	(i)	285,217	68,449	39,105	21,200	22,463	436,434	0
	(ii)	0	0	0	0	- 0	- 0	0
12JEREMY ZOCH CHIEF OPERATING OFFICER	(i)	347,252	82,651	32,576	10,600	23,084	496,163	0
	(ii)	0	0	0	0	- 0	- 0	0
13LAWRENCE WAGMAN EXECUTIVE MEDICAL DIRECTOR	(i)	581,195	67,468	88,912	10,600	23,349	771,524	0
	(ii)	0	0	0	0	- 0	- 0	0
14JO ANN ESCASA-HAIGH TRUSTEE	(i)	0	0	0	0	0	0	0
	(ii)	519,385	262,021	67,271	13,250	- 23,451	- 885,378	0
15STEVEN MOREAU TRUSTEE, EX OFFICIO, PRES, CEO	(i)	0	0	0	0	0	0	0
	(ii)	606,946	248,381	67,840	10,600	- 17,154	- 950,921	0
16ALAN GARRETT CEO, SMMC (FORMER OFFICER)	(i)	0	0	0	0	0	0	0
	(ii)	501,614	221,973	73,720	23,850	- 24,506	- 845,663	0
17TARA COWELL SECRETARY/VP ASSOC GEN COUNSEL	(i)	0	0	0	0	0	0	0
	(ii)	291,327	113,980	38,475	18,495	- 30,318	- 492,595	0
18TINA MYCROFT CFO, SJHH (FORMER OFFICER)	(i)	0	0	0	0	0	0	0
	(ii)	356,648	151,690	48,175	23,850	- 25,613	- 605,976	0
19MARY VINCENT FORMER KEY EMPLOYEE	(i)	148,382	0	33,359	0	0	181,741	0
	(ii)	0	0	0	0	- 0	- 0	0

Schedule L
(Form 990 or 990-EZ)

Transactions with Interested Persons
▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ.
▶ Information about Schedule L (Form 990 or 990-EZ) 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

Name of the organization
ST JOSEPH HOSPITAL OF ORANGE

Employer identification number
95-1643359

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and 501(c)(29) organizations only)

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefiting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

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

Part V Supplemental Information

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

Return Reference	Explanation
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Additional Data

Software ID:
Software Version:
EIN: 95-1643359
Name: ST JOSEPH HOSPITAL OF ORANGE

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) CONTRIBUTOR 4	SUBSTANTIAL CONTRIBUTORS	867,719	MEDICAL SERVICES		No
(2) CONTRIBUTOR 10	SUBSTANTIAL CONTRIBUTORS	220,022	PLUMBING SERVICES		No
(3) CONTRIBUTOR 18	SUBST CONTRIB & BD MEMBER	110,568	MEDICAL SERVICES		
(4) CONTRIBUTOR 38	SUBSTANTIAL CONTRIBUTORS	249,841	ELECTRICAL SERVICES		No
(5) CONTRIBUTOR 42	SUBSTANTIAL CONTRIBUTORS	384,229	MEDICAL SERVICES		No
(6) CONTRIBUTOR 44	SUBST CONTRIB & BD MEMBER	123,876	MEDICAL SERVICES		No
(7) CONTRIBUTOR 48	SUBSTANTIAL CONTRIBUTORS	105,407	SAFETY SERVICES		No
(8) CONTRIBUTOR 58	SUBSTANTIAL CONTRIBUTORS	1,918,895	CONSTRUCTION SERVICES		No
(9) CONTRIBUTOR 61	SUBSTANTIAL CONTRIBUTORS	2,597,840	MEDICAL SERVICES		No
(10) CONTRIBUTOR 91	SUBSTANTIAL CONTRIBUTORS	918,818	MEDICAL SERVICES		No
(11) CONTRIBUTOR 96	SUBSTANTIAL CONTRIBUTORS	224,195	MEDICAL SERVICES		No
(12) CONTRIBUTOR 103	SUBSTANTIAL CONTRIBUTORS	193,478	MEDICAL SERVICES		No
(13) CONTRIBUTOR 105	SUBSTANTIAL CONTRIBUTORS	475,352	MAINTENANCE SERVICES		No
(14) CONTRIBUTOR 116	SUBSTANTIAL CONTRIBUTORS	161,300	ENIVRONMENTAL SERVICES		No
(15) CONTRIBUTOR 118	SUBSTANTIAL CONTRIBUTORS	4,119,199	MEDICAL SERVICES		No
(16) CONTRIBUTOR 138	SUBSTANTIAL CONTRIBUTORS	1,251,510	PARKING SERVICES		No

SCHEDULE M
(Form 990)

Department of the Treasury
Internal Revenue Service

Noncash Contributions

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

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization
ST JOSEPH HOSPITAL OF ORANGE

Employer identification number
95-1643359

Part I

Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods	X		7,450	cost or sales price
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded	X	8	718,873	cost or sales price
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory	X	15	12,190	cost or sales price
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► (GIFT CERTIFICATES)	X	4	400	cost or sales price
26 Other ► (ITEMS FOR AUCTION)	X	20	11,818	cost or sales price
27 Other ► (MEDICAL EQUIPMENT)	X	1	12,000	cost or sales price
28 Other ► ()				

29

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

30a

During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?

30a

Yes

No

b

If "Yes," describe the arrangement in Part II

31

Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

31

Yes

32a

Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

32a

No

b

If "Yes," describe in Part II

33

If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat No 51227J

Schedule M (Form 990) (2015)

Part II **Supplemental Information.**

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

Return Reference	Explanation
SCHEDULE M, PART I, COLUMN B	THE AMOUNTS REPORTED IN COLUMN B REPRESENT THE NUMBER OF CONTRIBUTIONS RECEIVED

SCHEDULE O

(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

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

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization ST JOSEPH HOSPITAL OF ORANGE	Employer identification number 95-1643359
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Return Reference	Explanation
FORM 990, PART III, LINE 4	<p>REALIZING OUR MISSION ST JOSEPH HOSPITAL OF ORANGE HAS BEEN MEETING THE HEALTH AND QUALITY OF LIFE NEEDS OF THE PEOPLE IN THE LOCAL COMMUNITY FOR OVER 86 YEARS SERVING THE COMMUNITIES OF ANAHEIM, GARDEN GROVE, HUNTINGTON BEACH, ORANGE, SANTA ANA, TUSTIN AND WESTMINSTER, ST JOSEPH HOSPITAL OF ORANGE IS AN ACUTE CARE HOSPITAL THAT PROVIDES QUALITY CARE IN THE AREAS OF BARIATRIC SURGERY , BEHAVIORAL HEALTH, CARDIAC CARE, CANCER TREATMENT, NASAL AND SINUS CENTER, KIDNEY DIALYSIS CENTER, ORTHOPEDIC SERVICES AND OUR CUTTING-EDGE MATERNITY CENTER WITH OVER 2,840 EMPLOYEES COMMITTED TO REALIZING THE MISSION. ST JOSEPH HOSPITAL OF ORANGE IS ONE OF THE LARGEST EMPLOYERS IN THE SOUTHERN CALIFORNIA REGION AS A MEMBER OF THE ST JOSEPH HEALTH, ST JOSEPH HOSPITAL OF ORANGE IS COMMITTED TO EXTEND THE HEALING MINISTRY OF JESUS IN THE TRADITION OF THE SISTERS OF ST JOSEPH OF ORANGE. THIS MISSION HAS GUIDED OUR CATHOLIC HEALTHCARE MINISTRY SINCE THE OPENING OF OUR FIRST HOSPITAL IN EUREKA, CALIFORNIA NEARLY 100 YEARS AGO THE SISTERS OF ST JOSEPH OF ORANGE TRACE THEIR ROOTS BACK TO 17TH CENTURY FRANCE AND THE UNIQUE VISION OF A JESUIT PRIEST NAMED JEAN-PIERRE MEDAILLE HE SOUGHT TO ORGANIZE AN ORDER OF RELIGIOUS WOMEN WHO, RATHER THAN REMAINING SAFELY CLOISTERED IN A CONVENT, VENTURED OUT INTO THE COMMUNITY TO SEEK OUT "THE DEAR NEIGHBORSMINISTER TO THEIR NEEDS THE CONGREGATION MANAGED TO SURVIVE THE TURBULENCE OF THE FRENCH REVOLUTION AND EVENTUALLY EXPANDED, NOT ONLY THROUGHOUT FRANCE, BUT THROUGHOUT THE WORLD IN 1912 A SMALL GROUP OF SISTERS OF ST JOSEPH WENT TO EUREKA, CALIFORNIA, AT THE INVITATION OF THE LOCAL BISHOP, TO ESTABLISH A SCHOOL A FEW YEARS LATER, THE GREAT INFLUENZA EPIDEMIC OF 1918 CAUSED THE SISTERS TO TEMPORARILY SET ASIDE THEIR EDUCATION EFFORTS TO CARE FOR THE ILL THEY REALIZED IMMEDIATELY THAT THE SMALL COMMUNITY DESPERATELY NEEDED A HOSPITAL THROUGH BOLD FAITH, FORESIGHT, AND FLEXIBLITY IN 1920, THE SISTERS OPENED THE 28-BED ST JOSEPH HOSPITAL OF EUREKA, THE FIRST ST JOSEPH HEALTH SYSTEM MINISTRY PATIENT FINANCIAL ASSISTANCE PROGRAM ST JOSEPH HOSPITAL OF ORANGE BELIEVES THAT NO ONE SHOULD DELAY SEEKING NEEDED MEDICAL CARE BECAUSE THEY LACK HEALTH INSURANCE THAT IS WHY ST JOSEPH HOSPITAL OF ORANGE HAS A PATIENT FINANCIAL ASSISTANCE PROGRAM (FAP) THAT PROVIDES FREE OR DISCOUNTED SERVICES TO ELIGIBLE PATIENTS IN FY 16, ST JOSEPH HOSPITAL OF ORANGE PROVIDED \$4,096,529 IN FREE AND DISCOUNTED CARE MEDICAID PROGRAM ST JOSEPH HOSPITAL OF ORANGE PROVIDED ACCESS TO UNINSURED AND UNDERINSURED PERSONS BY PARTICIPATING IN THE FEDERAL AND STATE SPONSORED MEDICAID PROGRAM IN FY 16, ST JOSEPH HOSPITAL OF ORANGE PROVIDED \$66,839,941 IN MEDICAID SHORTFALL PROGRAM SERVICE ACCOMPLISHMENTS LA AMISTAD FAMILY HEALTH CENTER- MEDICAL AND DENTAL SERVICES LA AMISTAD DE JOS FAMILY HEALTH CENTER IS A FIXED-SITE HEALTH CLINIC THAT BEGAN OPERATIONS IN 1986 THE CENTER LOGGED APPROXIMATELY 15,000 VISITS IN FY 16, SERVING ECONOMICALLY DISADVANTAGED INDIVIDUALS WHO DO NOT HAVE HEALTHCARE INSURANCE COVERAGE LA AMISTAD PROVIDED LOW-COST MEDICAL AND DENTAL SERVICES FOR PERSONS OF ALL AGES, ALONG WITH MEDICATIONS, DIAGNOSTIC TESTS AND HEALTH EDUCATION TO THOSE WHO WOULD NOT OTHERWISE HAVE ACCESS TO THESE SERVICES THE CLINIC SERVES A LARGE POPULATION OF WORKING CLASS MEN AND WOMEN WHO HAVE HOUSEHOLD ANNUAL INCOMES OF \$19,596 OR LESS SINCE MAY 2015, LA AMISTAD AFFILIATED WITH THE ST JUDE NEIGHBORHOOD HEALTH CENTERS THE LA AMISTAD FAMILY HEALTH CENTER PROVIDED 15,865 PATIENT VISITS PUENTE A LA SALUD MOBILE COMMUNITY CLINICS PUENTE A LA SALUD AIMS TO PROVIDE TREATMENT AND PREVENTION OF ILLNESS TO UNINSURED PATIENTS WHO ARE AT OR BELOW 200 PERCENT OF THE FEDERAL POVERTY LEVEL AND RESIDE IN THE HOSPITALS COMMUNITY BENEFIT SERVICE AREA PUENTE A LA SALUD MOBILE CLINICS ARE A VITAL PART OF THE SAFETY NET CRITICALLY NEEDED BY THE MOST VULNERABLE MEMBERS OF OUR LOCAL COMMUNITY PUENTE HELPS PATIENTS OVERCOME BARRIERS TO ACCESSING CARE BY PROVIDING SERVICES AT LOW COST AND DELIVERING CARE IN THE PATIENTS LANGUAGE PUENTE A LA SALUD IS ABLE TO REACH THE MOST VULNERABLE PUENTE OPERATES TWO LICENSED MOBILE CLINICS PROVIDING COMPREHENSIVE DENTAL AND VISION TO ORANGE COUNTY'S LOW-INCOME, UNINSURED AND UNDERINSURED POPULATIONS SINCE MAY 2015, PUENTE A LA SALUD MOBILE COMMUNITY CLINICS AFFILIATED WITH THE ST JUDE NEIGHBORHOOD HEALTH CENTERS PUENTE A LA SALUD MOBILE CLINICS PROVIDED 3,574 PATIENT VISITS Wellness and Prevention Initiative HEALTHY COMMUNITIES HAVE ACCESS TO PROGRAMS AND SERVICES THAT ADDRESS THE OVERALL WELLBEING OF INDIVIDUALS AS WELL AS THE COMMUNITY AS A WHOLE. PROGRAMS ADDRESSING WELLNESS, PREVENTION AND INTERVENTION TARGET HEALTH CONDITIONS, AND LIFESTYLE THAT CONTRIBUTE TO HEALTH DISPARITIES IN THE UNDERSERVED COMMUNITIES PROGRAMS EMPHASIZE EARLY IDENTIFICATION OF HEALTH RISKS AND PROVIDING INTERVENTIONS THAT ARE CULTURALLY APPROPRIATE AND YIELD QUANTIFIABLE HEALTH BENEFITS KEY COMMUNITY PARTNERS INCLUDE LOCAL UNIFIED SCHOOL DISTRICTS IN OC, FAMILY RESOURCE CENTERS IN OC, THE SJO HEART AND VASCULAR CENTER AND PUENTE A LA SALUD MOBILE CLINICS THE CAMBODIAN FAMILY AND JAMBOREE HOUSING ARE ALSO INVOLVED IN THE PROGRAM FOR MORE INFORMATION ABOUT ST JOSEPH HOSPITAL OF ORANGE, PLEASE VISIT WWW.SJO.ORG FOR MORE INFORMATION ABOUT ST JOSEPH HEALTH, PLEASE VISIT WWW.STJHS.ORG</p>

Return Reference	Explanation
FORM 990, PART V, LINE 1A	ST JOSEPH HEALTH SYSTEM (SJHS) PAYS ALL VENDORS FOR SJH ENTITIES UNDER SJH AP SHARED SERVICES THEREFORE, SJHS ISSUES FORM 1099-MISC UNDER ITS TAX ID SJHS COMPLIES WITH BACKUP WITHHOLDING RULES FOR REPORTABLE PAYMENTS TO VENDORS FORM 990, PART VI, LINE 6 DESCRIPTION OF CLASSES OF MEMBERS OR STOCKHOLDERS ST JOSEPH HEALTH SYSTEM AND COVENANT HEALTH NETWORK, INC ARE THE CORPORATE MEMBERS OF ST JOSEPH HOSPITAL OF ORANGE

Return Reference	Explanation
FORM 990, PART VI, LINE 7A	DESCRIPTION OF CLASSES OF PERSONS AND THE NATURE OF THEIR RIGHTS ST JOSEPH HOSPITAL OF ORANGE HAS A TIERED GOVERNANCE IN WHICH THE CORPORATE MEMBERS RESERVE THE RIGHT TO APPOINT TRUSTEES TO THE ST JOSEPH HOSPITAL OF ORANGE BOARD ALL TRUSTEE APPOINTMENTS THAT COME FROM THE ST JOSEPH HOSPITAL OF ORANGE BOARD AS NOMINATIONS MUST BE APPROVED BY ST JOSEPH HEALTH SYSTEM, AS A CORPORATE MEMBER, AND ST JOSEPH HEALTH MINISTRY , AS THE ORGANIZATIONAL SPONSOR THE TRUSTEES ARE THEN APPROVED AND ELECTED BY THE COVENANT HEALTH NETWORK, INC BOARD

Return Reference	Explanation
FORM 990, PART VI, LINE 7B	DESCR CLASSES OF PERSONS, DECISIONS REQ APPR & TYPE OF VOTING RIGHTS THE RESERVED RIGHTS IN OUR TIERED GOVERNANCE STRUCTURE CONTEMPLATE APPROVAL BY THE ST JOSEPH HEALTH SYSTEM MEMBER OF FINANCING, BUDGETS, UNBUDGETED EXPENDITURES OF DEFINED AMOUNTS, STRATEGIC PLAN, APPOINTMENT OF AUDITORS, CREATION OR INVESTMENT IN A LEGALLY RECOGNIZED ENTITY, JOINT VENTURES, PURPOSES, SALE OR DISPOSITION OF REAL PROPERTY, MERGER OR SALE OF SUBSTANTIALLY ALL ASSETS, APPOINTMENT AND REMOVAL OF TRUSTEES, ADOPTION OR AMENDMENT OF ARTICLES OR BYLAWS

Return Reference	Explanation
FORM 990, PART VI, LINE 11B	DESCR THE PROCESS USED BY MANAGEMENT &/OR GOVERNING BODY TO REVIEW 990 THE FORM 990 WAS PREPARED BY THE FINANCE DEPARTMENT BASED ON INFORMATION RECEIVED FROM VARIOUS DEPARTMENTS OF THE ORGANIZATION AND WAS REVIEWED BY AN OFFICER OF THE ORGANIZATION A COPY OF THE FORM 990 WAS DISTRIBUTED TO ALL VOTING MEMBERS OF THE BOARD AT THE APRIL 2017 MEETING DURING THE FINANCE COMMITTEE MEETING, MANAGEMENT PRESENTED AND DISCUSSED CERTAIN DISCLOSURES AND INFORMATION INCLUDED IN THE FORM 990 THE FINANCE COMMITTEE CHAIR THEN PROVIDED A SUMMARY AT THE FULL BOARD MEETING

Return Reference	Explanation
FORM 990, PART VI, LINE 12C	<p>DESCRIPTION OF PROCESS TO MONITOR TRANSACTIONS FOR CONFLICTS OF INTEREST OFFICERS, TRUSTEES AND KEY EMPLOYEES ARE REQUIRED TO DISCLOSE THE EXISTENCE AND NATURE OF ANY ACTUAL, APPARENT, OR POTENTIAL CONFLICTS OF INTEREST HE/SHE MAY HAVE THAT MIGHT RESULT IN OR HAVE THE APPEARANCE OF A CONFLICT IN CONNECTION WITH THAT INDIVIDUAL SATISFYING THEIR FIDUCIARY OBLIGATIONS TO THE ORGANIZATION DISCLOSURES SHALL BE MADE PROMPTLY ANY TIME AN ACTUAL, APPARENT OR POTENTIAL CONFLICT OF INTEREST ARISES AND BEFORE THE CONSUMMATION OF ANY CONTRACT, TRANSACTION OR ARRANGEMENT THAT IS THE SUBJECT OF THE POTENTIAL CONFLICT OF INTEREST WITH GUIDANCE FROM THE ST JOSEPH HEALTH SYSTEM CHIEF COMPLIANCE OFFICER (CCO), THE CHIEF EXECUTIVE AND/OR THE GOVERNING BOARD CHAIRPERSON, AS APPROPRIATE, CONSIDERS THE MATTER INITIALLY IF THE MATTER CANNOT BE RESOLVED AT THAT LEVEL, THE MATTER IS ESCALATED TO THE CCO THE CCO, IN CONSULTATION WITH THE ST JOSEPH HEALTH SYSTEM GENERAL COUNSEL, REVIEWS THE MATTER AND PRESENTS RECOMMENDATIONS TO THE GOVERNING BOARD AND/OR BOARD COMMITTEE, AS APPROPRIATE, FOR DISCUSSION AND VOTE THE INDIVIDUAL WHOSE POTENTIAL CONFLICT IS BEING REVIEWED MAY BE REQUESTED TO BE PRESENT DURING ANY MEETING IN WHICH THE BOARD OR BOARD COMMITTEE CONDUCTS ITS EVALUATION BUT SHALL BE EXCUSED FOR ANY DISCUSSION OR VOTE ONCE ALL NECESSARY INFORMATION HAS BEEN OBTAINED, THE COMMITTEE CONDUCTS ITS EVALUATION AND FORWARDS ITS FINDINGS AND RECOMMENDATIONS TO THE SJHS CHIEF COMPLIANCE OFFICER IF THE COMMITTEE DETERMINES AN UNRESOLVED CONFLICT OF INTEREST EXISTS, THE COMMITTEE WILL EVALUATE AND RECOMMEND CONFLICT MITIGATION STRATEGIES THE SJHS CHIEF COMPLIANCE OFFICER, IN CONSULTATION WITH SJHS GENERAL COUNSEL, WILL REVIEW THE COMMITTEE FINDINGS, RECOMMENDATIONS, AND MITIGATION STRATEGIES, AND PRESENT RECOMMENDATIONS TO THE BOARD FOR DISCUSSION AND VOTE</p>

Return Reference	Explanation
FORM 990, PART VI, LINES 15A AND 15B	<p>OFFICES & POSITIONS FOR WHICH PROCESS WAS USED & YEAR PROCESS WAS BEGUN THE ORGANIZATION'S CHIEF EXECUTIVE OFFICER IS PAID BY ITS TAX EXEMPT PARENT, ST JOSEPH HEALTH SYSTEM, AND IS DISCLOSED AS A PERSON PAID BY A RELATED ORGANIZATION EXECUTIVE COMPENSATION IS APPROVED BY THE ST JOSEPH HOSPITAL OF ORANGE COMPENSATION COMMITTEE, WHICH IS COMPRISED OF INDEPENDENT PERSONS THE COMMITTEE REVIEWS COMPARABILITY DATA PREPARED FOR AND COMPILED BY THE ST JOSEPH HEALTH SYSTEM WORKLIFE COMMITTEE, A COMMITTEE OF THE ST JOSEPH HEALTH SYSTEM BOARD OF TRUSTEES COMPRISED OF INDEPENDENT MEMBERS THE ST JOSEPH HEALTH SYSTEM WORKLIFE COMMITTEE ACTS IN ACCORDANCE WITH A COMMITTEE CHARTER APPROVED BY THE ST JOSEPH HEALTH SYSTEM BOARD OF TRUSTEES AND AN EXECUTIVE COMPENSATION PHILOSOPHY THE CHARTER DIRECTS THE ST JOSEPH HEALTH SYSTEM WORKLIFE COMMITTEE TO ADMINISTER THE EXECUTIVE COMPENSATION PROGRAM AND TO APPROVE PROGRAM CHANGES, AS NECESSARY, TO ENSURE ALIGNMENT WITH THE STATED PHILOSOPHY AND ENSURE CONTINUED COMPLIANCE WITH FEDERAL AND STATE REGULATIONS ON BEHALF OF THE ST JOSEPH HEALTH SYSTEM BOARD OF TRUSTEES OVERALL, THE PHILOSOPHY IS INTENDED TO REWARD A BROAD SPECTRUM OF HIGH ORGANIZATIONAL AND INDIVIDUAL PERFORMANCE EXPECTATIONS, AS WELL AS RETENTION OF KEY MANAGEMENT TALENT THE EXECUTIVE COMPENSATION PHILOSOPHY DEFINES THE MARKET FOR ADMINISTERING COMPENSATION AS A COMPARABLE SET OF FOR PROFIT AND NOT-FOR-PROFIT HEALTH CARE DELIVERY SYSTEMS ST JOSEPH HEALTH SYSTEM PROVIDES COMPENSATION TO ITS EXECUTIVES IN THE FORM OF BASE SALARY, AN ANNUAL INCENTIVE PROGRAM, AND BENEFITS TO ENSURE COMPENSATION PHILOSOPHY ADHERENCE AND GENERAL FAIR MARKET VALUE COMPENSATION, THE COMMITTEE REGULARLY REVIEWS INFORMATION FROM MULTIPLE SOURCES OF MARKET DATA AND ENGAGES LEGAL COUNSEL AND CONSULTING SUPPORT, AS NEEDED THEY USE THIS INFORMATION TO SUPPORT ONGOING EFFECTIVENESS AND ADMINISTRATION OF THE PROGRAM THE ST JOSEPH HEALTH SYSTEM WORKLIFE COMMITTEE MEETS AT LEAST 3 TIMES A YEAR AND TAKES ACTION IN EXECUTIVE SESSION THESE ACTIONS ARE DOCUMENTED IN DETAILED MINUTES AND APPROVED IN SUBSEQUENT MEETINGS A FULL COMPENSATION REVIEW IS CONDUCTED ON A BIENNIAL BASIS AND THE LAST REVIEW WAS PERFORMED IN JUNE 2016 DURING THE YEAR, THE ST JOSEPH HOSPITAL OF ORANGE COMPENSATION COMMITTEE REVIEWED AND APPROVED ANY CHANGES IN COMPENSATION FOR KEY EXECUTIVES PREDICATED ON THE ANALYSIS AND RECOMMENDATION BY AN INDEPENDENT THIRD PARTY CONSULTING FIRM WITH EXPERTISE IN HEALTHCARE EXECUTIVE COMPENSATION IN ADDITION, ANNUAL INCENTIVE AWARDS ARE REVIEWED AND APPROVED PRIOR TO PAYMENT CONSISTENT WITH THE MOST RECENT COMPENSATION BIENNIAL REVIEW AND IN ACCORDANCE WITH THE PLAN DOCUMENT THESE ACTIONS ARE DOCUMENTED IN DETAILED MINUTES WHICH ARE SUBSEQUENTLY APPROVED AT THE COMMITTEE MEETING</p>

Return Reference	Explanation
FORM 990, PART VI, LINE 19	AVAIL OF GOV DOCS, CONFLICT OF INTEREST POLICY, & FINANCIAL STMTS THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST THE SJHS COMMUNITY BENEFIT REPORTS, FINANCIAL REPORTS, AND PHILANTHROPY REPORTS ARE ALSO AVAILABLE ON THE SJHS INTERNET SITE AUDITED FINANCIAL STATEMENTS ARE ATTACHED TO FORM 990

Return Reference	Explanation
FORM 990, PART XI, LINE 9	OTHER CHANGES IN NET ASSETS OR FUND BALANCES EQUITY TRANSFER TO HERITAGE (\$ 62,081,838) EQUITY TRANSFER TO SYSTEM OFFICE (\$ 18,229,372) EQUITY TRANSFER TO HOME HEALTH (\$ 5,250,455) DONATED CAPITAL AND OTHER FOUNDATION ADJUSTMENTS (\$ 504,202) POP HLTH CAP PREMIUM & EXPENSE RECLASSSED TO REV \$ 37,752,086 ----- TOTAL (\$ 48,313,781)

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.

Name of the organization
ST JOSEPH HOSPITAL OF ORANGE

Employer identification number

95-1643359

Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

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

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

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

Part III

Identification of Related Organizations Taxable as a Partnership

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) 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	
See Additional Data Table												

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

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

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

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

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

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

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

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

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

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

e Loans or loan guarantees by related organization(s)

f Dividends from related organization(s)

g Sale of assets to related organization(s)

h Purchase of assets from related organization(s)

i Exchange of assets with related organization(s)

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

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

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

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

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

o Sharing of paid employees with related organization(s)

p Reimbursement paid to related organization(s) for expenses

q Reimbursement paid by related organization(s) for expenses

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

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

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

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds			
(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)ST JOSEPH HEALTH SYSTEM FOUNDATION	c	1,633,490	ACCRUAL
(2)ST JOSEPH HEALTH SYSTEM FOUNDATION	b	3,947,500	ACCRUAL
(3)ST JUDE HOSPITAL YORBA LINDA	r	62,081,838	ACCRUAL
(4)HOAG MEMORIAL HOSPITAL PRESBYTERIAN	c	750,000	ACCRUAL

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
SCHEDULE R, PART III	IDENTIFICATION OF RELATED ORGANIZATIONS TAXABLE AS A PARTNERSHIP COMPREHENSIVE IMAGING PARTNERS OF ORANGE COUNTY, LLC EIN 26-4591502 ADDRESS 1 CITY BOULEVARD WEST, STE 1100, ORANGE, CA 92868 COVENANT LONG-TERM CARE, LP EIN 20-5033419 ADDRESS 4000 24TH STREET, LUBBOCK, TX 79410 HERITAGE INVESTMENT GROUP I, LLC EIN 27-1000061 ADDRESS 500 S MAIN STREET, STE 1000, ORANGE, CA 92868 HOAG ORTHOPEDIC INSTITUTE EIN 61-1588294 ADDRESS 1 HOAG DRIVE, BOX 6100, NEWPORT BEACH, CA 92658 LUBBOCK SURGERY CENTER, LTD EIN 75-2177401 ADDRESS 4000 24TH STREET, LUBBOCK, TX 79410 METHODIST DIAGNOSTIC IMAGING EIN 75-2343261 ADDRESS 4005 24TH STREET, LUBBOCK, TX 79410 MISSION AMBULATORY SURGICENTER, LTD EIN 33-0355575 ADDRESS 27800 MEDICAL CENTER ROAD, STE 362, MISSION VIEJO, CA 92691 NEWPORT IMAGING CENTER EIN 33-0191776 ADDRESS 360 SAN MIGUEL, NEWPORT BEACH, CA 92660 SHA, LLC EIN 75-2569094 ADDRESS 12940 NORTH HIGHWAY 183, AUSTIN, TX 78750 ST JOSEPH PHYSICIAN VENTURES I, LLC EIN 45-4521884 ADDRESS 1100 WEST STEWART DRIVE, ORANGE, CA 92868 ST JOSEPH HEALTH SYSTEM HOME CARE SERVICES EIN 33-0307672 ADDRESS 1845 W ORANGEWOOD AVENUE, STE 100, ORANGE, CA 92868-2012 ST JOSEPH HEALTH SYSTEM HOME HEALTH AGENCY EIN 33-0282945 ADDRESS 1845 W ORANGEWOOD AVENUE, STE 200, ORANGE, CA 92868-2012 THE INNOVATION INSTITUTE EIN 90-0745066 ADDRESS 1 CENTERPOINTE DRIVE SUITE 200, LA PALMA, CA 90623-1052 NORTH BAY ENDOSCOPY CENTER, LLC EIN 61-1559876 ADDRESS 1383 N MCDOWELL BLVD SUITE 110, PETALUMA, CA 94954 MISSION VIEJO PHYSICIAN PARTNERS I, LLC EIN 47-1559873 ADDRESS 27700 MEDICAL CENTER ROAD, MISSION VIEJO, CA 92691 ADVANCED SURGERY INSTITUTE, LLC EIN 26-2299255 ADDRESS 1739 4TH STREET, SANTA ROSA, CA 95404

Additional Data

Software ID:

Software Version:

EIN: 95-1643359

Name: ST JOSEPH HOSPITAL OF ORANGE

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled entity?	
						Yes	No
COVENANT HEALTH NETWORK INC 3345 MICHELSON DRIVE STE 100 IRVINE, CA 92612 46-1259908	HEALTHCARE	CA	501(C)(3)	11,III	SJHS	Yes	
COVENANT ACO 3615 19TH STREET LUBBOCK, TX 79410 61-1573313	HEALTHCARE	TX	501(C)(3)	11,I	CHS	Yes	
COVENANT HEALTH SYSTEM 3615 19TH STREET LUBBOCK, TX 79410 75-2765566	HEALTHCARE	TX	501(C)(3)	3	SJHS	Yes	
COVENANT HEALTH SYSTEM FOUNDATION 3623 22ND PLACE LUBBOCK, TX 79410 75-2897026	HEALTHCARE	TX	501(C)(3)	7	CHS	Yes	
COVENANT MEDICAL GROUP 3420 22ND PLACE LUBBOCK, TX 79410 75-2743883	HEALTHCARE	TX	501(C)(3)	3	CHS	Yes	
COVENANT HEALTH PARTNERS 3615 19TH STREET LUBBOCK, TX 79410 46-3516417	HEALTHCARE	TX	501(C)(3)	11,I	CHS	Yes	
HOAG CHARITY SPORTS 330 PLACENTIA AVE NEWPORT BEACH, CA 92663 45-2982422	SUPPORT	CA	501(C)(3)	7	HHF	Yes	
HOAG HOSPITAL FOUNDATION 330 PLACENTIA AVE NEWPORT BEACH, CA 92663 95-3222343	FUNDRAISING	CA	501(C)(3)	7	HMHP	Yes	
HOAG MEMORIAL HOSPITAL PRESBYTERIAN 1 HOAG ROAD BOX 6100 NEWPORT BEACH, CA 92663 95-1643327	HEALTHCARE	CA	501(C)(3)	3	CHN	Yes	
HOME CARE PARTNERS 1165 MONTGOMERY DR SANTA ROSA, CA 95405 68-0318656	INACTIVE	CA	501(C)(3)	3	SRMH	Yes	
HOSPICE OF LUBBOCK 3702 21ST STREET LUBBOCK, TX 79410 75-2133781	HEALTHCARE	TX	501(C)(3)	9	CHS	Yes	
LUBBOCK METHODIST HOSPITAL FOUNDATION 3615 19TH STREET LUBBOCK, TX 79410 75-2220963	HEALTHCARE	TX	501(C)(3)	7	CHS	Yes	
METHODIST CHILDREN'S HOSPITAL 4015 22ND PLACE LUBBOCK, TX 79410 75-2428911	HEALTHCARE	TX	501(C)(3)	3	CHS	Yes	
METHODIST HOSPITAL LEVELLAND 1900 COLLEGE AVENUE LEVELLAND, TX 79336 75-2246348	HEALTHCARE	TX	501(C)(3)	3	CHS	Yes	
METHODIST HOSPITAL PLAINVIEW 2601 DIMMITT ROAD PLAINVIEW, TX 79072 75-2426010	HEALTHCARE	TX	501(C)(3)	3	CHS	Yes	
MISSION HOSPITAL REGIONAL MEDICAL CTR 27700 MEDICAL CENTER ROAD MISSION VIEJO, CA 92691 95-1643360	HEALTHCARE	CA	501(C)(3)	3	CHN	Yes	
QUEEN OF THE VALLEY MEDICAL CENTER 1000 TRANCAS STREET NAPA, CA 94558 94-1243669	HEALTHCARE	CA	501(C)(3)	3	SJHS	Yes	
REDWOOD MEMORIAL FOUNDATION 3300 RENNER DRIVE FORTUNA, CA 95540 94-2779313	HEALTHCARE	CA	501(C)(3)	7	RMH	Yes	
REDWOOD MEMORIAL HOSPITAL 3300 RENNER DRIVE FORTUNA, CA 95540 94-1384665	HEALTHCARE	CA	501(C)(3)	3	SJHS	Yes	
SANTA ROSA MEMORIAL HOSPITAL 1165 MONTGOMERY DR SANTA ROSA, CA 95405 94-1231005	HEALTHCARE	CA	501(C)(3)	3	SJHS	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled entity?	
						Yes	No
SISTERS OF ST JOSEPH OF ORANGE 480 S BATAVIA ORANGE, CA 92868 95-1643383	RELIGIOUS ORG	CA	501(C)(3)	1	NA		No
SRM ALLIANCE HOSPITAL SERVICES (PVH) 400 NORTH MCDOWELL BLVD PETALUMA, CA 94954 68-0395200	HEALTHCARE	CA	501(C)(3)	3	SRMH	Yes	
ST JOSEPH HEALTH MINISTRY 3345 MICHELSON DRIVE STE 100 IRVINE, CA 92612 27-1666576	RELIGIOUS ORG	CA	501(C)(3)	1	SSJO		No
ST JOSEPH HEALTH SYSTEM 3345 MICHELSON DRIVE STE 100 IRVINE, CA 92612 95-3589356	HEALTHCARE	CA	501(C)(3)	11, I	SJHM		No
ST JOSEPH HEALTH SYSTEM FOUNDATION 3345 MICHELSON DRIVE STE 100 IRVINE, CA 92612 33-0143024	HEALTHCARE	CA	501(C)(3)	7	SJHS	Yes	
ST JOSEPH HOME CARE NETWORK 1111 SONOMA STE 308 SANTA ROSA, CA 95405 68-0331084	HEALTHCARE	CA	501(C)(3)	9	SJHS	Yes	
ST JOSEPH HOSPITAL OF EUREKA 2700 DOLBEER STREET EUREKA, CA 95501 94-1156596	HEALTHCARE	CA	501(C)(3)	3	SJHS	Yes	
ST JUDE HOSPITAL YORBA LINDA 200 WEST CENTER ST PROMENADE ANAHEIM, CA 92805 33-0185031	HEALTHCARE	CA	501(C)(3)	3	SJHS	Yes	
ST JUDE HOSPITAL INC 101 EAST VALENCIA MESA DRIVE FULLERTON, CA 92635 95-1643324	HEALTHCARE	CA	501(C)(3)	3	CHN	Yes	
ST MARY MEDICAL CENTER 18300 HIGHWAY 18 APPLE VALLEY, CA 92307 95-1914489	HEALTHCARE	CA	501(C)(3)	3	CHN	Yes	
ST MARY OF THE PLAINS HOSPITAL FDN 4000 24TH STREET LUBBOCK, TX 79410 75-1653181	HEALTHCARE	TX	501(C)(3)	7	CHS	Yes	
TALLER SAN JOSE 801 NORTH BROADWAY SANTA ANA, CA 92701 59-3816355	WORK DEVELOPM	CA	501(C)(3)	2	SSJO	Yes	
HMTS INC 1 HOAG DRIVE NEWPORT BEACH, CA 92658 45-3583707	HEALTHCARE	CA	501(C)(3)	11, I	HMHP	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of- year assets	(h) Disproporionate 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	
COMPREHENSIVE IMAGING PARTNERS OF OC ONE CITY BLVD WEST STE 1100 ORANGE, CA 92868 26-4591502	HEALTHCARE	CA	SJHO	RELATED	790,871	3,904,617		No	0	Yes		45 000 %
COVENANT LONG-TERM CARE LP 4000 24TH STREET LUBBOCK, TX 79410 20-5033419	HEALTHCARE	TX	NA	N/A								
HERITAGE INVESTMENT GROUP I LLC 500 S MAIN STREET STE 1000 ORANGE, CA 92868 27-1000061	INVESTMENTS	CA	NA	N/A								
HOAG ORTHOPEDIC INSTITUTE 1 HOAG DRIVE BOX 6100 NEWPORT BEACH, CA 92658 61-1588294	HEALTHCARE	CA	NA	N/A								
LUBBOCK SURGERY CENTER LTD 4000 24TH STREET LUBBOCK, TX 79410 75-2177401	HEALTHCARE	TX	NA	N/A								
METHODIST DIAGNOSTIC IMAGING 4005 24TH STREET LUBBOCK, TX 79410 75-2343261	HEALTHCARE	TX	NA	N/A								
MISSION AMBULATORY SURGICENTER 27800 MEDICAL CENTER ROAD STE 362 MISSION VIEJO, CA 92691 33-0355575	HEALTHCARE	CA	NA	N/A								
NEWPORT IMAGING CENTER 360 SAN MIGUEL NEWPORT BEACH, CA 92660 33-0191776	HEALTHCARE	CA	NA	N/A								
SHA LLC 12940 NORTH HIGHWAY 183 AUSTIN, TX 78750 75-2569094	HEALTHCARE	TX	NA	N/A								
ST JOSEPH PHYSICIAN VENTURES LLC 1100 WEST STEWART DRIVE ORANGE, CA 92868 45-4521884	REAL ESTATE	CA	SJHO	UNRELATED	430,157	12,198,988		No	429,689	Yes		56 293 %
ST JOSEPH HLTH SYS HOME CARE 1845 W ORANGEWOOD AVE STE 100 ORANGE, CA 928682012 33-0307672	HOME HEALTH	CA	NA	N/A								
ST JOSEPH HLTH SYS HOME HLTH 1845 W ORANGEWOOD AVE STE 200 ORANGE, CA 928682012 33-0282945	HOME HEALTH	CA	NA	N/A								
THE INNOVATION INSTITUTE 1 CENTERPOINTE DRIVE SUITE 200 LA PALMA, CA 906231052 90-0745066	HEALTHCARE	DE	NA	N/A								
NORTH BAY ENDOSCOPY CENTER 1383 N MCDOWELL BLVD SUITE 110 PETALUMA, CA 94954 61-1559876	HEALTHCARE	CA	NA	N/A								
MISSION VIEJO PHYSIC PARTNERS 27700 MEDICAL CENTER ROAD MISSION VIEJO, CA 92691 47-1559873	HEALTHCARE	CA	NA	N/A								

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal Domicile (State or Foreign Country)	(d) Direct Controlling Entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end- of-year assets	(h) Disproprtionate allocations?		(i) Code V-UBI amount in Box 20 of Schedule K-1 (Form 1065)	(j) General or Managing Partner?		(k) Percentage ownership
							Yes	No		Yes	No	
ADVANCED SURGERY INSTITUTE LLC 1739 4TH STREET SANTA ROSA, CA 95404 26-2299255	HEALTHCARE	CA	NA	N/A								

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1) AMERICAN UNITY GROUP LTD 90 PITTS BAY ROAD PEMBROKE HM08 BD	CAPTIVE INSURANCE	BD	NA	C-CORP					
COASTAL MANAGEMENT SERVICES (1) ORGANIZATION 1 HOAG DRIVE BOX 6100 NEWPORT BEACH, CA 92658 33-0676831	HEALTHCARE	CA	NA	C-CORP					
(2) DATU HEALTH INC 16150 MAIN CIRCLE DR SUITE 250 CHESTERFIELD, MO 63017 46-3070062	IT SVCS	DE	NA	C-CORP					
(3) HOAG MANAGEMENT SERVICES INC 1 HOAG DRIVE BOX 6100 NEWPORT BEACH, CA 92658 33-0731587	HEALTHCARE	CA	NA	C-CORP					
(4) LUBBOCK METHODIST HOSP PRACTICE MGMT 2107 OXFORD STREET STE 300 LUBBOCK, TX 79410 75-2578995	INACTIVE	TX	NA	C-CORP					
(5) LUBBOCK METHODIST HOSPITAL SVCS PO BOX 1201 LUBBOCK, TX 79410 75-2118585	HEALTHCARE	TX	NA	C-CORP					
(6) MISSION VIEJO MEDICAL VENTURES 27800 MEDICAL CENTER RD 354 MISSION VIEJO, CA 92691 33-0212905	HEALTHCARE	CA	NA	C-CORP					
(7) ST JOSEPH HEALTH 3345 MICHELSON DRIVE SUITE 100 IRVINE, CA 92612 46-2340232	HOLDING COMPANY	CA	NA	C-CORP					
(8) ST JOSEPH HEALTH SOURCE INC 3345 MICHELSON DRIVE SUITE 100 IRVINE, CA 92612 46-1900168	HEALTHCARE	CA	NA	C-CORP					
ST JOSEPH PROF SVCS ENTERPRISES (9) INC 3345 MICHELSON DRIVE SUITE 100 IRVINE, CA 92612 33-0155323	HEALTHCARE	CA	NA	C-CORP					

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Consolidated Balance Sheets
(In Thousands)

	June 30	
	2016	2015
Assets		
Current assets		
Cash and equivalents	\$ 416,362	\$ 443,611
Short-term marketable securities	623,136	654,022
Patient accounts receivable, less allowance for doubtful accounts (\$254,176 and \$224,090 as of June 30, 2016 and 2015, respectively)	650,391	641,115
Other assets	267,985	310,458
Current assets of discontinued subsidiary	—	1,171
Total current assets	1,957,874	2,050,377
Long-term marketable securities	1,073,594	1,154,106
Assets limited as to use		
Board designated	1,513,703	1,493,406
Held in trust	116,512	115,467
Total assets limited as to use	1,630,215	1,608,873
Property and equipment, net	3,998,655	4,019,996
Investments and other	205,449	151,236
Collateral held for swap counterparty	56,336	1,477
Notes receivable	148,809	20,420
Deferred financing costs, net	18,688	20,576
Goodwill and other intangibles, net	265,640	239,353
Long-term assets of discontinued subsidiary	—	22,870
	694,922	455,932
Total assets	\$ 9,355,260	\$ 9,289,284
Liabilities and net assets		
Current liabilities		
Accounts payable	\$ 146,596	\$ 152,596
Accrued compensation and related liabilities	339,448	293,601
Accrued liabilities	503,224	512,061
Payable to third-party payors, net	57,746	63,683
Current maturities of long-term debt	52,876	48,201
Current liabilities of discontinued subsidiary	2,004	6,579
Total current liabilities	1,101,894	1,076,721
Interest rate swaps	156,160	101,064
Other liabilities	258,515	233,849
Long-term debt, less current maturities	2,452,638	2,391,905
Long-term liabilities of discontinued subsidiary	1,156	760
Total liabilities	3,970,363	3,804,299
Net assets		
Unrestricted		
Controlling interest	4,844,780	4,987,486
Noncontrolling interests in subsidiaries	148,726	146,020
Temporarily restricted	307,097	270,330
Permanently restricted	84,294	81,149
	5,384,897	5,484,985
Total liabilities and net assets	\$ 9,355,260	\$ 9,289,284

See accompanying notes

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Consolidated Statements of Operations and Changes in Net Assets
(In Thousands)

	Year Ended June 30	
	2016	2015
Revenues		
Patient service, net of contractual allowances and discounts	\$ 5,122,397	\$ 4,955,644
Provision for doubtful accounts	176,566	182,093
Net patient service, net of provision for doubtful accounts	4,945,831	4,773,551
Premium	1,310,332	1,192,711
Other	223,339	249,629
Total revenues	6,479,502	6,215,891
Expenses		
Compensation and benefits	2,701,833	2,524,125
Supplies and other	1,474,752	1,491,893
Professional fees and purchased services	1,808,639	1,699,364
Depreciation and amortization	372,133	342,516
Interest	91,010	103,420
Total expenses	6,448,367	6,161,318
Operating income	31,135	54,573
Nonoperating (loss) gain, net	(118,595)	4,899
(Loss) gain from operations of discontinued subsidiary (including loss on disposal in 2016 of \$19,211)	(27,383)	807
(Deficiency) excess of revenues over expenses	(114,843)	60,279
Less: Excess of revenues over expenses attributable to noncontrolling interests	18,532	17,192
(Deficiency) excess of revenues over expenses attributable to controlling interests	\$ (133,375)	\$ 43,087
Unrestricted net assets		
(Deficiency) excess of revenues over expenses attributable to controlling interests	\$ (133,375)	\$ 43,087
Net assets released from restrictions and other attributable to controlling interests	(9,331)	50,773
(Decrease) increase in unrestricted net assets attributable to controlling interests	(142,706)	93,860
Excess of revenues over expenses attributable to noncontrolling interests	18,532	17,192
Net assets released from restrictions and other attributable to noncontrolling interests	2,616	21,204
Net assets of deconsolidated entity	(18,442)	—
Increase in unrestricted net assets attributable to noncontrolling interests	2,706	38,396
(Decrease) increase in unrestricted net assets	(140,000)	132,256
Temporarily and permanently restricted net assets		
Restricted contributions and other, net	85,176	83,073
Net assets released from restrictions	(45,264)	(47,459)
Increase in temporarily and permanently restricted net assets	39,912	35,614
(Decrease) increase in net assets	(100,088)	167,870
Net assets at beginning of year	5,484,985	5,317,115
Net assets at end of year	\$ 5,384,897	\$ 5,484,985

See accompanying notes

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Consolidated Statements of Cash Flows
(In Thousands)

	Year Ended June 30	
	2016	2015
Cash flows from operating activities		
(Decrease) increase in net assets	\$ (100,088)	\$ 167,870
(Losses) gains from operations of discontinued subsidiary	(27,383)	807
(Decrease) increase in net assets from continuing operations	(72,705)	167,063
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Provision for doubtful accounts	176,566	182,093
Depreciation and amortization	372,133	343,777
Deconsolidation of noncontrolling interest	18,442	—
Loss on disposal of assets	13,214	22,663
Amortization of deferred financing costs, bond premiums, and discounts	(11,132)	7,807
Change in fair value of investments designated as trading	120,669	102,606
Noncontrolling interest of acquired entities	(998)	(13,276)
Restricted contributions and other, net	(85,176)	(83,073)
Change in fair value of interest rate swaps	55,096	15,226
Changes in operating assets and liabilities		
Patient accounts receivable	(185,146)	(176,736)
Investments designated as trading	(30,613)	74,585
Other assets	30,744	(53,618)
Accounts payable	(513)	21,101
Accrued compensation and related liabilities	48,175	(4,943)
Accrued liabilities	(19,186)	62,995
Payable to third-party payors, net	(5,937)	1,366
Other liabilities	14,757	(23,794)
Net cash provided by operating activities continuing operations	438,390	645,842
Net cash used in discontinued operations	(12,891)	(5,067)
Net cash provided by operating activities	425,499	640,775
Investing activities		
Purchase of property and equipment, net	(418,165)	(570,938)
Increase in investments and other	(23,999)	(27,396)
Increase in collateral held for swap counterparty	(54,859)	(1,477)
Decrease in notes receivable	1,835	1,566
Distributions from joint ventures	—	7,244
Deconsolidation of entity	(36,295)	—
Acquisitions, net of cash acquired	(33,421)	(19,018)
Net cash used in investing activities	(564,904)	(610,019)

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Consolidated Statements of Cash Flows (continued)
(In Thousands)

	Year Ended June 30	
	2016	2015
Financing activities		
Restricted contributions and other, net	\$ 85,176	\$ 83,073
Proceeds from line of credit	74,100	130,000
Repayment of line of credit	(13,000)	(15,000)
Repayment of short-term debt	—	(275)
Repayment of long-term debt	(34,120)	(54,934)
Net cash provided by financing activities	112,156	142,864
 (Decrease) increase in cash and equivalents	 (27,249)	 173,620
 Cash and equivalents at beginning of year	 443,611	 269,991
Cash and equivalents at end of year	\$ 416,362	\$ 443,611

See accompanying notes

Other Assets

Other assets primarily consist of inventories, California Hospital Fee receivable, and other current assets expected to be utilized within a year. Inventories, consisting principally of supplies, are stated at the lower of cost (first-in, first-out basis) or market value.

Other assets consist of the following as of June 30:

	2016	2015
	<i>(In Thousands)</i>	
Inventories	\$ 65,875	\$ 65,505
California Hospital Fee receivable	47,397	79,293
Other current assets	154,713	165,660
	\$ 267,985	\$ 310,458

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Property and Equipment

Property and equipment acquisitions are recorded at cost. Expenditures that materially increase values, change capacities, or extend useful lives are capitalized. Depreciation is recorded over the estimated useful life of each class of depreciable asset, ranging from 3 to 40 years, and is computed using the straight-line method. Leases that have been capitalized are amortized over the life of the lease, which approximates the useful life of the assets. Lease amortization is included within depreciation expense. Depreciation expense for the fiscal years ended June 30, 2016 and 2015, was \$363,789,000 and \$333,774,000, respectively. Net interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets.

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

The Health System's goodwill balance was \$208,054,000 as of June 30, 2016, and \$174,500,000 as of June 30, 2015. The accumulated impairment losses were \$60,523,000 as of June 30, 2016, and \$45,655,000 as of June 30, 2015.

The Health System's other intangibles balances as of June 30 are as follows:

	2016	2015	Average Useful Life (Years)
	<i>(In Thousands)</i>		
Customer and contract	\$ 34,500	\$ 34,750	18
Covenant not to compete	29,300	28,100	7
Trade name – Hoag	16,000	16,000	Indefinite
Trade name – other	3,400	3,400	4
Other	11,969	11,842	7
	<u>95,169</u>	<u>94,092</u>	
Accumulated amortization	(37,583)	(29,239)	
Other intangibles, net	<u>\$ 57,586</u>	<u>\$ 64,853</u>	

Amortization expense for the fiscal years ended June 30, 2016 and 2015, was \$8,344,000 and \$8,742,000, respectively. The future amortization of identifiable intangible assets by year, as of June 30, 2016, is as following (in thousands):

2017	\$ 8,066
2018	6,015
2019	4,009
2020	3,222
2021 and thereafter	20,274
	<u>\$ 41,586</u>

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Self-Insurance

The Health System is self-insured, through the Captive, for professional and general liability risks for its affiliates, except Hoag, subject to certain limitations. Risks in excess of \$5,000,000 per occurrence are reinsured with major independent insurance companies. Hoag is self-insured for professional and general liability risks, with risks in excess of \$2,000,000 reinsured with major independent insurance companies. Based on actuarially determined estimates, provisions have been made in the accompanying consolidated financial statements, with the current portion included within accrued liabilities and the noncurrent portion within other liabilities, for all known claims and incurred but not reported claims as of June 30, 2016 and 2015. The undiscounted accruals for professional and general liability claims totaled \$52,069,000 at June 30, 2016, and \$48,482,000 at June 30, 2015. Estimation differences between actual payments and amounts recorded in previous years are recognized as expense in the year such amounts become determinable.

Workers' Compensation Insurance

The Health System's affiliates in California, except Hoag, are insured for workers' compensation claims with major independent insurance companies, subject to certain deductibles of \$1,000,000 per occurrence. Hoag is self-insured for workers' compensation claims, with risks in excess of \$1,000,000 reinsured with major independent insurance companies. In connection with the workers' compensation plan, the Health System has filed bank letters of credit with the insurance companies (See Note 4). Based on actuarially determined estimates, provisions have been made in the accompanying consolidated financial statements, with the current portion included within accrued compensation and the noncurrent portion within other liabilities, for all known claims and incurred but not reported claims as of June 30, 2016 and 2015. The undiscounted accruals for workers' compensation claims totaled \$124,233,000 at June 30, 2016, and \$120,848,000 at June 30, 2015. Receivables for insurance recoveries for Hoag were \$11,300,000 and \$10,859,000 at June 30, 2016 and 2015, respectively, and are primarily included in investments and other assets. Estimation differences between actual payments and amounts recorded in previous years are recognized as expense in the year such amounts become determinable.

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Other Liabilities

Other liabilities consist of the following as of June 30

	2016	2015
	<i>(In Thousands)</i>	
Workers' compensation	\$ 99,117	\$ 93,070
Professional and general liability	20,637	20,058
Other liabilities	138,761	120,721
	<u>\$ 258,515</u>	<u>\$ 233,849</u>

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Notes to Consolidated Financial Statements (continued)

Patient service revenues, net of contractual allowances and discounts, and Supplemental Payment revenue from the California Hospital Quality Assurance program, recognized for the fiscal years ended June 30 are as follows

	2016	2015
	<i>(In Thousands)</i>	
Government	\$ 2,130,328	\$ 2,133,145
Contracted	2,644,727	2,535,718
Self-pay and others	347,342	286,781
	<u>\$ 5,122,397</u>	<u>\$ 4,955,644</u>

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Notes to Consolidated Financial Statements (continued)

Premium Revenues

FirstCare contracts with various employers to provide medical services to subscribing participants. FirstCare receives monthly premium payments from employers and contracts with various medical providers to provide medical care. FirstCare's premium revenue for the fiscal years ended June 30, 2016 and 2015 were \$552,750,000 and \$509,566,000, respectively.

In addition to the FirstCare contracts, the Health System has contracts with various health plans to provide medical services to subscribing participants. Under these agreements, the Health System's hospital affiliates and Heritage receive monthly capitation payments based on the number of each health plan's participants enrolled with participating affiliated or local physician groups that have designated the hospital affiliates as their provider. Under these arrangements, the hospital affiliates are responsible for hospital-contracted services provided to plan participants, including services received at other health care facilities. The Health System's premium revenue for the contracts for the fiscal years ended June 30, 2016 and 2015 were \$757,582,000 and \$683,145,000, respectively. FirstCare and the Health System have accrued for estimated claims for professional services and services from other providers (included in accrued liabilities). Claims accruals of \$129,092,000 and \$92,827,000 at June 30, 2016 and 2015, respectively, related to these services are generally based on claims lag analyses and are continually monitored and reviewed.

St. Joseph Health System and Affiliates

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

During the fiscal year ended June 30, 2016, the Health System recognized QA Fees in the amount of \$139,465,000 within supplies and other expenses as well as Supplemental Payment revenue of \$128,471,000 within net patient service revenues

During the fiscal year ended June 30, 2015, the Health System recognized QA Fees in the amount of \$224,275,000 and pledge payments to CHFT of \$913,000 within supplies and other expenses as well as Supplemental Payment revenue of \$229,936,000 within net patient service revenues

Electronic Health Records Incentive Payments

The Health System accounts for Medicare and Medicaid EHR incentive payments as a gain contingency. For the fiscal years ended June 30, 2016 and 2015, Medicare incentives of \$7,668,000 and \$12,053,000, respectively, were recognized in other revenues upon demonstration of compliance with the meaningful use criteria over the entire applicable compliance period and the end of the 12-month cost report period that will be used to determine the final incentive payment. The Health System also recognized Medicaid incentives of \$2,485,000 in 2016 and \$1,101,000 in 2015, in other revenues, upon demonstration of compliance with the criteria. Income from incentive payments is subject to retrospective adjustment as the incentive payments are calculated using Medicare cost report data that is subject to audit. Additionally, the Health System's compliance with meaningful use criteria is subject to audit by the federal government.

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Notes to Consolidated Financial Statements (continued)

2. Fair Value Measurements (continued)

Total unfunded commitments were \$170,646,000 and \$120,880,000 as of June 30, 2016 and 2015, respectively. The value for these funds recorded using net asset value of accounting and included within the tables below was \$1,200,920,000 at June 30, 2016, and \$1,216,499,000 at June 30, 2015.

The following tables provide the composition of certain assets and liabilities measured at fair value as of June 30.

	2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value Method Investments	Investments at Net Asset Value	Valuation Technique (a,b,c)
	(In Thousands)						
Current assets							
Cash and equivalents	\$ 416,362	\$ 382,658	\$ 33,704	\$ —	\$ 416,362	\$ —	a
Short-term marketable securities							
Money market funds and commercial papers	\$ 25,714	\$ 25,714	\$ —	\$ —	\$ 25,714	\$ —	a
Mutual funds	51,835	51,835	—	—	51,835	—	a
U S Treasury securities	318,419	—	318,419	—	318,419	—	a
Corporate and other debt securities	226,149	—	225,927	222	226,149	—	a,c
Corporate equity securities	244	244	—	—	244	—	a
Other	775	—	775	—	775	—	a
	\$ 623,136	\$ 77,793	\$ 545,121	\$ 222	\$ 623,136	\$ —	
Long-term marketable securities							
Money market funds and commercial papers	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	a
Mutual funds	62,717	62,717	—	—	62,717	—	a
U S Treasury securities	109,332	—	109,332	—	109,332	—	a
Corporate and other debt securities	82,035	—	82,035	—	82,035	—	a
Corporate equity securities	445,696	445,630	—	66	445,696	—	a
Other	373,814	—	—	—	—	373,814	a
	\$ 1,073,594	\$ 508,347	\$ 191,367	\$ 66	\$ 699,780	\$ 373,814	

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Notes to Consolidated Financial Statements (continued)

2. Fair Value Measurements (continued)

	2016	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value Method Investments	Investments at Net Asset Value	Valuation Technique (a,b,c)
<i>(In Thousands)</i>							
Assets limited as to use							
Board designated							
Money market funds and commercial papers	\$ 170,441	\$ 170,441	\$ —	\$ —	\$ 170,441	\$ —	a
Mutual funds	220,843	219,790	1,053	—	220,843	—	a
U S Treasury securities	58,292	—	58,292	—	58,292	—	a
Corporate and other debt securities	153,566	—	153,566	—	153,566	—	a
Corporate equity securities	199,967	199,967	—	—	199,967	—	a
Other	827,106	—	—	—	—	827,106	a
	<u>\$ 1,630,215</u>	<u>\$ 590,198</u>	<u>\$ 212,911</u>	<u>\$ —</u>	<u>\$ 803,109</u>	<u>\$ 827,106</u>	
Cash collateral held by swap counterparty							
U S Treasury securities	\$ 56,336	\$ —	\$ 56,336	\$ —	\$ 56,336	\$ —	a
Liabilities							
Interest rate swaps	\$ 156,160	\$ —	\$ 156,160	\$ —	\$ 156,160	\$ —	c
<i>(In Thousands)</i>							
	2015	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value Method Investments	Investments at Net Asset Value	Valuation Technique (a,b,c)
Current assets							
Cash and equivalents	\$ 443,611	\$ 414,254	\$ 29,357	\$ —	\$ 443,611	\$ —	a
Short-term marketable securities							
Money market funds and commercial papers	\$ 43,124	\$ 43,124	\$ —	\$ —	\$ 43,124	\$ —	a
Mutual funds	25,770	25,770	—	—	25,770	—	a
U S Treasury securities	223,651	—	223,651	—	223,651	—	a
Corporate and other debt securities	223,651	—	223,651	—	223,651	—	a,c
Corporate equity securities	137,193	137,193	—	—	137,193	—	a
Other	633	—	633	—	633	—	a
	<u>\$ 654,022</u>	<u>\$ 206,087</u>	<u>\$ 447,935</u>	<u>\$ —</u>	<u>\$ 654,022</u>	<u>\$ —</u>	
Long-term marketable securities							
Money market funds and commercial papers	\$ 6,482	\$ 6,482	\$ —	\$ —	\$ 6,482	\$ —	a
Mutual funds	114,363	114,363	—	—	114,363	—	a
U S Treasury securities	90,873	—	90,873	—	90,873	—	a
Corporate and other debt securities	94,567	—	94,567	—	94,567	—	a
Corporate equity securities	415,275	415,045	—	230	415,275	—	a
Other	432,546	—	—	—	—	432,546	a
	<u>\$ 1,154,106</u>	<u>\$ 535,890</u>	<u>\$ 185,440</u>	<u>\$ 230</u>	<u>\$ 721,560</u>	<u>\$ 432,546</u>	

St. Joseph Health System and Affiliates
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Notes to Consolidated Financial Statements (continued)

2. Fair Value Measurements (continued)

		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value Method Investments	Investments at Net Asset Value	Valuation Technique (a,b,c)
	2015						
<i>(In Thousands)</i>							
Assets limited as to use							
Board designated							
Money market funds and commercial papers	\$ 193,769	\$ 193,769	\$ –	\$ –	\$ 193,769	\$ –	a
Mutual funds	182,631	174,732	7,899	–	182,631	–	a
U S Treasury securities	117,047	–	117,047	–	117,047	–	a
Corporate and other debt securities	156,564	–	156,564	–	156,564	–	a
Corporate equity securities	174,909	174,909	–	–	174,909	–	a
Other	783,953	–	–	–	–	783,953	a
	<u>\$ 1,608,873</u>	<u>\$ 543,410</u>	<u>\$ 281,510</u>	<u>\$ –</u>	<u>\$ 824,920</u>	<u>\$ 783,953</u>	
Cash collateral held by swap counterparty							
U S Treasury securities	<u>\$ 1,477</u>	<u>\$ –</u>	<u>\$ 1,477</u>	<u>\$ –</u>	<u>\$ 1,477</u>	<u>\$ –</u>	a
Liabilities							
Interest rate swaps	<u>\$ 101,064</u>	<u>\$ –</u>	<u>\$ 101,064</u>	<u>\$ –</u>	<u>\$ 101,064</u>	<u>\$ –</u>	c

Activity for the fiscal year ended June 30, 2016, for investments with significant unobservable inputs (Level 3) consists of the following (in thousands)

Balance at July 1, 2015	\$ 230
Sales	(62)
Transfers, net	1,046
Realized losses, included in nonoperating losses	(11)
Net unrealized losses, included in nonoperating losses	(915)
Balance at June 30, 2016	<u>\$ 288</u>

In addition to amounts included in the previous table, the Health System's investments in partnerships, limited liability companies, and similarly structured entities of \$55,738,000 and \$33,400,000 as of June 30, 2016 and 2015, respectively, are included in investments and other in the accompanying consolidated balance sheets and accounted for using the equity method of accounting, which is not a fair value measurement

St. Joseph Health System and Affiliates
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Notes to Consolidated Financial Statements (continued)

2. Fair Value Measurements (continued)

The Health System sponsors certain deferred compensation plans for which plan assets of \$51,139,000 and \$51,169,000 composed of certain mutual funds (Level 1) were maintained and recorded within investments and other as of June 30, 2016 and 2015, respectively

The Health System received restricted and unrestricted pledges and contributions. Amounts remaining to be collected were \$82,934,000 and \$58,063,000 as of June 30, 2016 and 2015, respectively, which is recorded in investments and other in the consolidated balance sheet. The majority of the balance is expected to be collected after five years and represents long-term irrevocable endowments and planned gifts for the benefit of various health care programs. The fair value of pledges receivable was determined by calculating the net present value of the estimated future cash flows using a discount rate range at the time the pledge was made.

Investment Gains and Losses

Interest, dividends, and realized gains on sales of marketable securities of \$84,852,000 and \$154,706,000, net of related fees, are included in nonoperating gains, net for the fiscal years ended June 30, 2016 and 2015, respectively.

Also included in nonoperating gains, net are unrealized losses of \$120,669,000 and \$102,606,000 for the fiscal years ended June 30, 2016 and 2015, respectively.

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Notes to Consolidated Financial Statements (continued)

3. Property and Equipment

Property and equipment consist of the following at June 30

	2016	2015
	<i>(In Thousands)</i>	
Land	\$ 301,176	\$ 298,242
Buildings and land improvements	3,475,842	3,445,940
Leasehold improvements	343,177	333,819
Equipment	2,583,043	2,375,244
Construction in progress	793,190	840,204
	<u>7,496,428</u>	<u>7,293,449</u>
Less accumulated depreciation	<u>(3,497,773)</u>	<u>(3,273,453)</u>
	<u>\$ 3,998,655</u>	<u>\$ 4,019,996</u>

Included in accrued liabilities were purchases of property and equipment of \$51,072,000 and \$34,231,000 at June 30, 2016 and 2015, respectively

The Health System is required to recognize a liability for the fair value of conditional asset retirement obligations if the fair value of the liability can be reasonably estimated. The fair value of a liability for conditional asset retirement obligations must be recognized when incurred, generally upon acquisition, construction, or development and/or through the normal operation of the asset. The Health System estimated the fair value of known conditional asset retirement obligations relating to the costs of asbestos abatement that will result from the Health System's current plans to renovate and/or demolish certain of its facilities. This computation is based on a number of assumptions, which may change in the future based on the availability of new information, technology changes, changes in costs of remediation, and other factors. The conditional asset obligation at June 30, 2016 and 2015, was \$6,739,000 and \$7,669,000, respectively, and is included in other liabilities in the accompanying consolidated balance sheets.

St. Joseph Health System and Affiliates
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Notes to Consolidated Financial Statements (continued)

3. Property and Equipment (continued)

Lease Financing Obligations

In June 2006, St. Joseph Hospital of Orange (SJO) executed a 55-year lease arrangement with a developer, whereby the developer agreed to construct a 130,000-square-foot medical office building and a parking structure on SJO's land. Under the ground lease, SJO received nominal base rent until construction was completed in August 2008, at which time SJO took occupancy. SJO guaranteed to lease 64,000 square feet of the medical office building for 10 years and was required to pay lease payments for the parking structure for five years. At the end of the lease terms, SJO will have title to both the parking structure and the medical office building. The aggregate cost of the project was \$43,527,000 and is included in buildings and improvements. All construction costs were substantially financed by the developer.

In May 2005, SJO executed a 22-year lease arrangement, including two five-year lease term extensions, with a joint venture partnership in which SJO has a 35% ownership interest. The joint venture partnership owned and constructed a 56,000-square-foot medical office building and parking structure on its land. SJO committed to leasing the whole building, but subleased approximately 43,000 square feet to Heritage for physician offices. The aggregate cost of the project was \$28,158,000 and is included in building and improvements. Substantially all construction costs were financed by the joint venture partnership.

In both cases, SJO is considered the owner of the medical office building and parking structure for financial reporting purposes due to certain financial arrangements that effectively fund a portion of the construction costs. Heritage is also considered a separate owner of the medical office building since it is affiliated with SJO, which has a 35% ownership interest in the joint venture partnership. Accordingly, the assets and long-term debt of the medical office buildings and parking structures are recorded in the accompanying consolidated financial statements at June 30, 2016 and 2015 (see Note 5). SJO and Heritage did not meet the criteria necessary to derecognize the asset and related long-term debt when construction was complete and the lease terms began.

In November 2013, Hoag executed an 18-year lease arrangement with a joint venture partnership in which Hoag owns a 49% interest. The joint venture partnership owns and constructed medical office buildings totaling 150,000 square feet. Hoag committed to leasing the building for physician offices which commenced in 2016. The aggregate cost of the project was \$45,173,000 and is included in buildings and improvements. Substantially all construction costs were

St. Joseph Health System and Affiliates
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Notes to Consolidated Financial Statements (continued)

3. Property and Equipment (continued)

financed by the joint venture partnership Hoag is considered the owner of the medical office buildings for financial purposes due to certain financial arrangements that effectively fund a portion of the construction costs Accordingly, the assets and long term debt are recorded in the accompanying consolidated financial statements at June 30, 2016

The cost of the medical office buildings and parking structures are amortized over the economic life Rent payments paid by SJO, Heritage and Hoag are recorded as debt service payments on the debt obligation with the portion not relating to interest reducing the principal balance Minimum estimated payments under lease financing obligations, excluding the effect of Consumer Price Index adjustments, are estimated to be as follows (in thousands)

Year	
2017	\$ 7,690
2018	4,746
2019	4,461
2020	4,431
2021	4,636
Thereafter	88,301
Total	<u>\$ 114,265</u>

4. Credit Facilities

In June 2014, the Health System extended its syndicated credit arrangement to \$400,000,000 in revolving credit lines and renewed the arrangement to expire on June 19, 2019 The Health System had \$297,100,000 and \$230,000,000 in outstanding borrowings under this credit facility at June 30, 2016 and 2015, respectively (see Note 5)

The Health System has a credit facility with a bank to cumulatively borrow up to \$80,000,000 Borrowings under this credit facility bear interest at rates based on specified margins from published indices The Health System had \$17,000,000 and \$23,000,000 in outstanding borrowings as of June 30, 2016 and 2015, respectively (see Note 5) The credit facility was renewed in January 2014 to expire on January 31, 2017

St. Joseph Health System and Affiliates
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Notes to Consolidated Financial Statements (continued)

4. Credit Facilities (continued)

The Health System has a bank credit facility that provides for the issuance of up to an aggregate of \$55,000,000 under letters of credit. Such letters of credit are collateralized under trust indentures (see Note 5). At June 30, 2016, the Health System had provided an aggregate of \$54,979,000 of these letters of credit for its workers' compensation and other insurance plans. At June 30, 2016 and 2015, none of these letters have been drawn upon.

5. Long-Term Debt

At June 30, 2015, the Health System Obligated Group is jointly and severally liable for certificates of participation and tax-exempt revenue bonds issued on its behalf by the California Statewide Communities Development Authority (CSCDA), California Health Facilities Financing Authority (CHFFA), and the Lubbock Health Facilities Development Corporation (LHFDC).

Long-term debt consists of the following at June 30

	2016	2015
	<i>(In Thousands)</i>	
CSCDA Series 1999, 2000, and 2007A-F fixed rate tax-exempt bonds, net of unamortized premium of \$1,947, due in varying amounts through 2047, coupon rates of 4.50% to 5.75%	\$ 561,425	\$ 578,414
LHFDC Series 2008A multi-annual three-year put bonds due in 2030, coupon rate of 3.05%	40,725	42,375
LHFDC Series 2008B fixed rate tax-exempt bonds, due in varying amounts through 2023, coupon rates of 4.00% to 5.00%	58,975	71,240
CHFFA Series 2009A fixed rate tax-exempt bonds, net of unamortized discount of \$2,323, due in varying amounts through 2039, coupon rates of 5.50% and 5.75%	182,772	182,671
CHFFA Series 2009BCD fixed rate multi-annual three-, five-, and seven-year put bonds, net of unamortized premium of \$15,889, due in varying amounts through 2034, coupon rates of 4.00% to 5.25%	211,159	219,666

St. Joseph Health System and Affiliates
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Notes to Consolidated Financial Statements (continued)

5. Long-Term Debt (continued)

	2016	2015
	<i>(In Thousands)</i>	
CHFFA Series 2011ABCD variable rate tax-exempt bonds with credit facility liquidity, due in varying amounts through 2041, interest rates varying from 0.01% to 0.44% during the period from July 1, 2015 to June 30, 2016	\$ 302,110	\$ 302,110
CHFFA Series 2013A fixed rate tax-exempt bonds, net of unamortized premium of \$4,060, due in varying amounts through 2037, coupon rates of 4.00% to 5.00%	328,900	329,094
CHFFA Series 2013BCD fixed rate multi-annual four-, six-, and seven-year put bonds, net of unamortized premium of \$24,509, due in varying amounts through 2043, coupon rates of 4.15% to 4.26%	354,509	364,098
Bank line of credit, balloon payment due June 2019, interest rates of 0.92% to 1.24%	297,100	230,000
Bank line of credit, balloon payment due January 2017, interest rate of 0.74% to 1.01%	17,000	23,000
Lease financing obligation (see Note 3)	114,265	64,751
Capitalized leases	14,610	19,674
Other	21,964	13,013
	2,505,514	2,440,106
Less current portion of long-term debt	(52,876)	(48,201)
	\$ 2,452,638	\$ 2,391,905

The effective interest rate on tax-exempt debt was 5.20% and 5.26% at June 30, 2016 and 2015, respectively

St. Joseph Health System and Affiliates
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Notes to Consolidated Financial Statements (continued)

5. Long-Term Debt (continued)

The aggregate amount of principal maturities and sinking fund requirements related to long-term debt (excluding lease financing obligation (See Note 4)) at June 30, 2016, is as follows (in thousands)

Year	
2017	\$ 45,186
2018	48,203
2019	334,320
2020	36,369
2021	37,600
Thereafter	1,845,489
	<u>\$ 2,347,167</u>

In July 2011, the Health System issued \$302,110,000 of CHFFA variable rate tax-exempt demand bonds with interest rates reset daily or weekly and liquidity supported by irrevocable credit facilities. Proceeds of this issuance are being used to finance prospective projects and reimburse prior capital spending at various hospitals. In conjunction with the issuance of the CHFFA variable rate tax-exempt demand bonds, the Health System secured \$306,878,000 of credit facilities to provide liquidity for the outstanding bonds. In June 2014, the Health System extended the credit facilities to mature on June 19, 2019.

The fair value of the fixed rate tax-exempt bonds was estimated at \$1,868,943,000 and \$1,877,993,000 at June 30, 2016 and 2015, respectively. Fair value is estimated using a discounted cash flow analysis, based on current market interest rates for similar types of borrowing arrangements (Level 2 within the fair value hierarchy). The carrying amount of the Health System's variable rate tax-exempt bonds approximates its fair value as the interest rates change with the market.

Subsequent to June 30, 2016, the Corporation's management executed a plan of finance with the intention to combine the Obligated group of the Health System and PH&S. The plan of finance included refunding certain existing Health System debt as well as note substitutions. A majority of the transactions were completed by September 28, 2016.

St. Joseph Health System and Affiliates
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Notes to Consolidated Financial Statements (continued)

5. Long-Term Debt (continued)

At June 30, 2016, the Health System was party to seven interest rate swap agreements with a current notional amount totaling \$484,725,000 and with varying expirations. The swap agreements require fixed rate payment in exchange for a variable rate. The market risk exposure of these agreements occurs when the fixed rate paid is greater than the variable rate received. At June 30, 2016 and 2015, the total fair value of the combined interest rate swaps of \$156,160,000 and \$101,064,000, respectively, represents the estimated amount the Health System would have paid upon termination of these agreements as of these dates. Fair values are based on independent valuations obtained and are determined by calculating the value of the discounted cash flows of the differences between the fixed interest rate of the interest rate swaps and the counterparty's forward London Interbank Offered Rate curve, which is the input used in the valuation, taking also into account any nonperformance risk. Changes in the fair value of the interest rate swaps are included within nonoperating gains, net. The Health System restricted \$56,336,000 and \$1,477,000 of assets as collateral held for the swap counterparty at June 30, 2016 and 2015, respectively, as required by its swap agreements.

St. Joseph Health System and Affiliates
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Notes to Consolidated Financial Statements (continued)

5. Long-Term Debt (continued)

Interest Cost

Interest cost incurred for the fiscal years ended June 30 is summarized as follows

	2016	2015
	<i>(In Thousands)</i>	
Interest incurred, including amortization of premiums and discounts	\$ 89,123	\$ 101,452
Amortization of deferred financing costs	1,887	1,968
Total interest expense	<u>\$ 91,010</u>	<u>\$ 103,420</u>

Cash paid for interest on bonds was approximately \$86,984,000 and \$87,120,000 for the fiscal years ended June 30, 2016 and 2015, respectively

6. Employee Benefit Plans

Retirement Plan

The Health System sponsors defined contribution retirement plans that cover substantially all employees. The plans provide for employer matching contributions in an amount equal to a percentage of employee pretax contributions, up to a maximum amount. In addition, the Health System makes contributions to all eligible employees based on years of service. The Health System contributed \$93,922,000 and \$87,332,000 in 2016 and 2015, respectively, to the plans.

Postretirement Health

The Health System offers a retiree health reimbursement plan to provide employees, who have satisfied the conditions of eligibility, with certain retiree medical expense reimbursement benefits. Eligibility for plan benefits is based on age and years of service. Effective August 1, 2014, the plan was amended such that future benefits would be provided only to active employees with a collective bargaining agreement and retirees already receiving benefits from the plan as of December 31, 2014.

St. Joseph Health System and Affiliates
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Notes to Consolidated Financial Statements (continued)

6. Employee Benefit Plans (continued)

The following table sets forth the change in benefit obligations and components of net periodic benefit cost for the postretirement health plan for the fiscal years ended June 30. As of June 30, 2016 and 2015, there were no plan assets.

	2016	2015
	<i>(In Thousands)</i>	
Change in benefit obligations		
Accumulated postretirement benefit obligation at beginning of year	\$ 17,740	\$ 43,337
Service cost	501	633
Interest cost	552	588
Actuarial gain	2,748	2,616
Benefits paid	(2,392)	(2,110)
Change in plan provision	-	(27,324)
Accumulated postretirement benefit obligation at end of year recognized in the consolidated balance sheets	<u>\$ 19,149</u>	<u>\$ 17,740</u>
Amounts recognized in changes to unrestricted net assets		
Prior service cost	\$ 13,006	\$ 14,118
Net actuarial gain	6,405	9,719
Total	<u>\$ 19,411</u>	<u>\$ 23,837</u>
Components of net periodic benefit costs		
Service cost	\$ 501	\$ 633
Interest cost	552	588
Amortization of net loss	(565)	(792)
Amortization of prior service cost	(1,112)	(797)
Net periodic benefit gain	<u>\$ (624)</u>	<u>\$ (368)</u>

The assumptions used to determine the net benefit obligation and net periodic benefit cost for the retirement plan are set forth below.

	2016	2015
Weighted average discount rate for benefit obligation	2.78%	3.30%
Weighted average discount rate for net periodic benefit cost	3.30%	3.20%

St. Joseph Health System and Affiliates
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Notes to Consolidated Financial Statements (continued)

6. Employee Benefit Plans (continued)

The assumed annual health care cost trend rate for the retiree health plan is 7.50% for 2016, gradually decreasing to 5.00% in 2021, and remaining at that level thereafter.

Information about the expected cash flows for the retiree health reimbursement plan follows (in thousands)

Expected employer contributions 2017	\$ 2,903
Expected benefit payments	
2017	\$ 2,903
2018	2,745
2019	2,722
2020	2,500
2021	2,078
2022–2026	6,336

7. Functional Expenses

The Health System provides general health care services to residents within the geographic locations served by its affiliates. Expenses related to providing these services for the fiscal years ended June 30 are as follows:

	2016	2015
	<i>(In Thousands)</i>	
Health care services	\$ 5,648,709	\$ 5,122,957
General and administrative	799,658	1,038,361
	<u>\$ 6,448,367</u>	<u>\$ 6,161,318</u>

St. Joseph Health System and Affiliates
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Notes to Consolidated Financial Statements (continued)

8. Charity Care

The Health System's policy is to accept all patients regardless of their ability to pay. In assessing a patient's ability to pay, the Health System's policy uses generally recognized income levels, but also considers cases where incurred charges are significant when compared to income. Health care services rendered to patients who are unable to pay according to these criteria are classified as traditional charity care.

The Health System's policy is to report charity care and community benefits disclosures on a cost basis and to report any offsetting funds separately. Charity care amounts are determined using both a ratio of cost to gross charges as well as cost accounting systems. Funds received from sources such as government programs or private grants, which offset or subsidize charity services, are separately disclosed.

The Health System incurred charity care costs for the fiscal years ended June 30 of \$69,405,000 and \$65,179,000 in 2016 and 2015, respectively.

St. Joseph Health System and Affiliates
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Notes to Consolidated Financial Statements (continued)

9. Community Benefits (Unaudited) (continued)

The cost of the aforementioned programs for the Health System is summarized for the fiscal years ended June 30 as follows

	Total Community Benefit Expense, at Cost		Un-sponsored Community Benefit Expense, at Cost	
	Amount	Percent of Total Expenses	Amount	Percent of Total Expenses
2016				
	<i>(In Thousands)</i>			
Benefits for the poor				
Traditional charity care (audited)	\$ 69,405	1.1	\$ -	1.1%
Community services for the poor	37,704	0.6	4,840	0.5
Unpaid cost of state and local programs	885,980	13.7	588,021	4.6
Total quantifiable benefits for the poor	993,089	15.4	592,861	6.2
Community services for the broader community	58,068	0.9	16,582	0.6
Total community benefits	\$ 1,051,157	16.3	\$ 609,443	6.8%
	Total Community Benefit Expense, at Cost		Un-sponsored Community Benefit Expense, at Cost	
	Amount	Percent of Total Expenses	Amount	Percent of Total Expenses
2015				
	<i>(In Thousands)</i>			
Benefits for the poor				
Traditional charity care (audited)	\$ 65,179	1.1	\$ -	1.1%
Community services for the poor	42,007	0.7	5,029	0.6
Unpaid cost of state and local programs	912,821	14.8	609,801	4.9
Total quantifiable benefits for the poor	1,020,007	16.6	614,830	6.6
Community services for the broader community	38,431	0.6	2,208	0.6
Total community benefits	\$ 1,058,438	17.2	\$ 617,038	7.2%

In addition, the Health System incurred \$488,816,000 and \$471,806,000 in costs in excess of reimbursement from the Medicare program for the fiscal years ended June 30, 2016 and 2015, respectively

St. Joseph Health System and Affiliates
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Notes to Consolidated Financial Statements (continued)

9. Community Benefits (Unaudited) (continued)

The Health System's affiliated hospitals, excluding Hoag, dedicate approximately 10% of revenues in excess of expenses attributable to controlling interests each year to the St Joseph Health System Foundation (Foundation) (dba as SJH Community Partnership Fund) Contributions are used to support local hospital Care for the Poor programs, SJH Community Partnership Fund grant initiatives, and the SJH Community Partnership Fund reserves, which help ensure the Fund's ability to sustain programs into the future to assist low-income and underserved populations

10. Temporarily and Permanently Restricted Net Assets

Temporarily and permanently restricted net assets are donor-restricted assets appropriated for facility expansion, capital acquisition, health services, and other specific purposes

Temporarily restricted net asset are available for the following purposes at June 30

	2016	2015
	<i>(In Thousands)</i>	
Program development	\$ 130,090	\$ 112,267
Building and equipment	97,767	98,997
Deferred for future use	25,982	16,960
Health care operations	8,902	7,360
Indigent care	4,237	4,315
Research	4,954	3,907
Education	17,261	13,260
Other	17,904	13,264
Total temporarily restricted net assets	<u>\$ 307,097</u>	<u>\$ 270,330</u>

St. Joseph Health System and Affiliates
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Notes to Consolidated Financial Statements (continued)

10. Temporarily and Permanently Restricted Net Assets (continued)

Permanently restricted net asset are available for the following purposes at June 30

	2016	2015
	<i>(In Thousands)</i>	
Program development	\$ 63,822	\$ 62,945
Building and equipment	106	106
Deferred for future use	3,733	3,733
Health care operations	3,963	3,936
Indigent care	2,973	2,170
Research	301	301
Education	5,676	4,238
Other	3,720	3,720
Total permanently restricted net assets	<u>\$ 84,294</u>	<u>\$ 81,149</u>

St. Joseph Health System and Affiliates
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Notes to Consolidated Financial Statements (continued)

10. Temporarily and Permanently Restricted Net Assets (continued)

a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the Health System considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (a) The duration and preservation of the fund
- (b) The purposes of the hospital and the donor-restricted endowment fund
- (c) General economic conditions
- (d) The possible effect of inflation and deflation
- (e) The expected total return from income and the appreciation of investments
- (f) Other resources of the hospital
- (g) The investment policies of the hospital

The endowment net asset composition by fund type as of June 30 is as follows:

	2016			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
	<i>(In Thousands)</i>			
Board-designated endowment funds	\$ 36,596	\$ 21,229	\$ —	\$ 57,825
Donor-restricted endowment funds	—	37,856	84,294	122,150
Total funds	<u>\$ 36,596</u>	<u>\$ 59,085</u>	<u>\$ 84,294</u>	<u>\$ 179,975</u>

St. Joseph Health System and Affiliates
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Notes to Consolidated Financial Statements (continued)

10. Temporarily and Permanently Restricted Net Assets (continued)

	2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
	<i>(In Thousands)</i>			
Board-designated endowment funds	\$ 46,861	\$ 22,323	\$ 1,119	\$ 70,303
Donor-restricted endowment funds	—	41,119	80,030	121,149
Total funds	<u>\$ 46,861</u>	<u>\$ 63,442</u>	<u>\$ 81,149</u>	<u>\$ 191,452</u>

Change in endowment net assets during the fiscal years ended June 30 is as follows

	2016			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
	<i>(In Thousands)</i>			
Endowment net assets, July 1, 2015	\$ 46,861	\$ 63,442	\$ 81,149	\$ 191,452
Realized investment gains, net	2,598	6,786	65	9,449
Unrealized losses, net	(3,655)	(10,319)	(10)	(13,984)
Contributions, net	237	296	3,090	3,623
Appropriation of endowment assets for expenditure	(9,445)	(1,120)	—	(10,565)
Endowment net assets, June 30, 2016	<u>\$ 36,596</u>	<u>\$ 59,085</u>	<u>\$ 84,294</u>	<u>\$ 179,975</u>

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Notes to Consolidated Financial Statements (continued)

10. Temporarily and Permanently Restricted Net Assets (continued)

	2015			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
	<i>(In Thousands)</i>			
Endowment net assets.				
July 1, 2014	\$ 62.937	\$ 57.833	\$ 69.606	\$ 190.376
Realized investment gains.				
net	4,545	5,790	114	10,449
Unrealized losses, net	(2,390)	(214)	(4)	(2,608)
Contributions, net	558	1,264	11,472	13,294
Appropriation of endowment assets for expenditure	(18,789)	(1,231)	(39)	(20,059)
Endowment net assets.				
June 30, 2015	<u>\$ 46.861</u>	<u>\$ 63.442</u>	<u>\$ 81.149</u>	<u>\$ 191.452</u>

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Notes to Consolidated Financial Statements (continued)

11. Commitments and Contingencies

Operating Leases

The Health System leases land, buildings, and equipment under various noncancelable operating leases excluding lease financing obligations (see Note 3) for terms up to 32 years. Lease expense for the fiscal years ended June 30, 2016 and 2015 were \$108,328,000 and \$92,849,000, respectively. Sublease revenues relating to building space under various noncancelable leases were \$14,238,000 in 2016 and \$11,512,000 in 2015. The leases provide that the minimum monthly lease payments may be adjusted for inflation. Minimum lease commitments at June 30, 2016, are as follows (in thousands):

Year	
2017	\$ 101,548
2018	100,978
2019	96,393
2020	83,077
2021	70,783
Thereafter	359,128
	<hr/> 811,907
Less sublease revenue	(76,267)
	<hr/> <hr/> \$ 735,640

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Notes to Consolidated Financial Statements (continued)

Seismic Compliance (Unaudited)

The Health System has completed facility master plans for each of its California hospitals, including an assessment of earthquake retrofit requirements. The Health System projects total costs of \$1,384,347,000 to meet these seismic standards, and in some cases these projects will meet enhanced standards for 2030. Of the total projected costs, \$1,072,570,000 has been spent through June 30, 2016, with additional commitments of \$3,970,000. The Health System is compliant with all current seismic standards for all of its California hospitals.

St Joseph Health System and Affiliates
A St Joseph Health Ministry Corporation

Consolidating Balance Sheet
(In Thousands)

June 30, 2016

	Consolidated	Eliminations	Total Regional Entities	System Office	St Joseph Health Source	St Joseph Health Personal Care Services	American Unity Group	Professional Services Enterprises	Heritage Investment Group I	Revenue Cycle Services	St Joseph Health System Foundation	Data Health	Obligated Group	Non- Obligated Group
Assets														
Current assets														
Cash and equivalents	\$ 416,362	\$ (58,584)	\$ 459,883	\$ -	\$ -	\$ -	\$ 4,309	\$ 3,875	\$ 913	\$ -	\$ 4,073	\$ 1,893	\$ 290,295	\$ 126,067
Short-term marketable securities	623,136	-	472,356	35,231	-	-	13,087	-	-	-	102,462	-	444,779	178,357
Patent accounts receivable less allowance for doubtful accounts	650,391	-	649,942	-	-	449	-	-	-	-	-	-	518,045	132,346
Other assets	267,985	-	231,409	33,559	-	1,337	1,313	1	60	243	11	52	196,459	71,526
Total current assets	1,957,874	(58,584)	1,813,500	68,790	-	1,786	18,709	3,876	973	243	106,546	1,945	1,449,578	508,296
Long-term marketable securities	1,073,594	-	899,745	91,319	-	-	82,530	-	-	-	-	-	908,189	165,405
Assets limited as to use														
Board designated	1,513,703	-	1,480,999	-	-	-	-	-	-	-	32,704	-	1,350,509	163,194
Held in trust	116,512	-	16,595	99,917	-	-	-	-	-	-	-	-	103,468	13,044
Total assets limited as to use	1,630,215	-	1,497,594	99,917	-	-	-	-	-	-	32,704	-	1,453,977	176,238
Property and equipment net	3,998,655	88,222	3,522,630	366,023	-	211	-	9,662	11,356	551	-	-	3,701,062	297,503
Investments and other	205,449	(207,551)	132,198	41,672	25,707	-	263	12,342	8,412	240	-	5,370	365,665	(160,216)
Collateral held for swap counterparty	56,336	-	-	56,336	-	-	-	-	-	-	-	-	56,336	-
Notes receivable	148,809	-	482	148,327	-	-	-	-	-	-	-	-	148,810	(11)
Deferred financing costs net	18,688	-	15,895	2,793	-	-	-	-	-	-	-	-	18,688	-
Goodwill and other intangibles net	265,640	21,922	243,268	-	-	450	-	-	-	-	-	-	53,339	212,301
Total assets	694,922	1167	391,843	249,128	25,707	450	263	12,342	8,412	240	-	5,370	642,838	52,081
	\$ 9,355,260	\$ 30,805	\$ 8,125,402	\$ 875,177	\$ 25,707	\$ 2,447	\$ 101,502	\$ 25,880	\$ 207,411	\$ 1,034	\$ 139,250	\$ 7,315	\$ 8,155,644	\$ 1,199,616
Liabilities and net assets (deficit)														
Current liabilities														
Accounts payable	\$ 146,596	\$ (11)	\$ 143,559	\$ 2,185	\$ -	\$ 32	\$ 652	\$ -	\$ -	\$ 32	\$ 137	\$ -	\$ 122,653	\$ 23,943
Accrued compensation and related liabilities	339,448	-	285,610	49,264	-	38	-	-	-	-	-	-	295,194	44,254
Accrued liabilities	503,224	(1,234)	336,098	132,127	147	329	27,544	-	3,178	5,035	-	-	374,189	174,495
Payable to third-party payors net	577,46	-	577,46	-	-	-	-	-	-	-	-	-	58,054	(3,081)
Current maturities of long-term debt	52,876	(34,456)	41,512	45,820	-	-	-	-	-	-	-	-	50,483	2,393
Current liabilities of discontinued subsidiary	2,004	-	-	-	-	-	-	-	-	-	-	2,004	-	-
Total current liabilities	1,101,894	(35,691)	864,525	229,396	147	399	28,196	-	3,178	9,603	137	2,004	900,573	246,781
Interest rate swaps	156,160	-	3	156,157	-	-	-	-	-	-	-	-	156,157	3
Other liabilities	258,515	-	139,098	109,451	-	-	9720	6	-	240	-	-	205,562	64,203
Notes payable and interest due to (from) affiliates	-	178,810	53,384	(1,890,579)	-	1,431	-	-	9,610	41,199	(1,855)	-	(359,418)	359,418
Long-term debt less current maturities	2,452,638	(1,842,630)	1,952,531	2,321,899	-	-	-	20,838	-	-	-	-	2,391,261	4,667
Long-term liabilities of discontinued subsidiary	1156	(7,509)	-	-	-	-	-	-	-	-	-	-	-	1,156
Total liabilities	3,970,363	(99,020)	3,009,541	926,324	147	1,830	37,916	20,844	12,788	51,042	(1,718)	10,669	3,294,135	676,228
Net assets (deficit)														
Net assets (deficit)	5,236,171	119,588	4,977,372	(51,147)	25,560	617	63,586	5,036	7,953	(50,008)	140,968	(3,354)	4,861,509	356,220
Controlling interest	148,726	10,237	138,489	-	-	-	-	-	-	-	-	-	-	167,168
Noncontrolling interests in subsidiaries	5,384,897	129,825	5,115,861	(51,147)	25,560	617	63,586	5,036	7,953	(50,008)	140,968	(3,354)	4,861,509	523,388
Total liabilities and net assets	\$ 9,355,260	\$ 30,805	\$ 8,125,402	\$ 875,177	\$ 25,707	\$ 2,447	\$ 101,502	\$ 25,880	\$ 207,411	\$ 1,034	\$ 139,250	\$ 7,315	\$ 8,155,644	\$ 1,199,616

St Joseph Health System and Affiliates
A St Joseph Health Ministry Corporation

Consolidating Balance Sheet of Regional Entities
(In Thousands)

June 30, 2016

	Total Regional Entities	Eliminations	Southern California Region	Northern California Region	Texas Region	Heritage
Assets						
Current assets						
Cash and equivalents	\$ 459,883	\$ (111,036)	\$ 359,243	\$ 21,223	\$ 178,541	\$ 11,912
Short-term marketable securities	472,356	-	267,862	110,849	77,111	16,534
Patent accounts receivable less allowance for doubtful accounts	649,942	-	320,208	133,917	166,416	29,401
Other assets	231,409	-	118,983	51,283	41,001	20,142
Total current assets	1,813,590	(111,036)	1,066,296	317,272	463,069	77,989
Long-term marketable securities	899,745	2,365	537,294	281,034	79,052	-
Assets limited as to use						
Board designated	1,480,999	-	1,447,899	16,449	16,393	258
Held in trust	16,595	-	3,171	9,857	3,567	-
Total assets limited as to use	1,497,594	-	1,451,070	26,306	19,960	258
Property and equipment net	3,522,630	-	2,450,479	622,153	325,762	124,236
Investments and other	132,198	-	96,142	2,609	28,709	4,738
Notes receivable	482	-	184	196	102	-
Deferred financing costs net	15,895	-	11,545	3,715	635	-
Goodwill and other intangibles net	243,268	-	102,058	-	13,349	127,861
Total assets	391,843	-	209,929	6,520	42,795	132,599
	\$ 8,125,402	\$ (108,671)	\$ 5,715,068	\$ 1,253,285	\$ 930,638	\$ 335,082
Liabilities and net assets						
Current liabilities						
Accounts payable	\$ 143,559	\$ 2	\$ 80,984	\$ 26,899	\$ 23,024	\$ 12,650
Accrued compensation and related liabilities	285,610	-	169,180	52,124	49,878	14,428
Accrued liabilities	336,098	-	148,731	43,908	96,387	47,072
Payable to third-party payors net	57,746	-	35,738	15,841	6,167	-
Current maturities of long-term debt	41,512	-	21,462	4,090	15,539	421
Total current liabilities	846,525	2	456,095	142,862	190,995	74,571
Interest rate swaps	3	-	3	-	-	-
Other liabilities	139,098	-	81,552	6,355	29,430	21,761
Notes payable and interest due to (from) affiliates	53,384	(111,036)	99,816	17,114	20,673	26,817
Long-term debt less current maturities	1,952,531	-	1,477,250	328,715	102,004	44,562
Total liabilities	3,009,541	(111,034)	2,114,716	495,046	343,102	167,711
Net assets						
Controlling interest	4,977,372	2,363	3,493,813	757,125	556,700	167,371
Noncontrolling interests in subsidiaries	138,489	-	106,539	1,114	30,836	-
Total liabilities and net assets	5,115,861	2,363	3,600,352	758,239	587,536	167,371
	\$ 8,125,402	\$ (108,671)	\$ 5,715,068	\$ 1,253,285	\$ 930,638	\$ 335,082

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Consolidating Balance Sheet of Southern California Region
(In Thousands)

June 30, 2016

	Southern California Region	Eliminations	St. Joseph Orange	St. Jude Medical Center	Mission Hospital	St. Mary's Medical Center	Hoag Hospital	Hoag Foundation	Newport Healthcare Center	St. Joseph Home Health South	Other
Assets											
Current assets											
Cash and equivalents	\$ 350,243	\$ 40,778	\$ -	\$ -	\$ -	\$ 19,879	\$ 192,864	\$ 12,557	\$ 21,458	\$ 4,432	\$ 6,775
Short-term marketable securities	26,862	-	14,116	709	49,585	56,505	110,529	36,418	-	-	-
Patent accounts receivable, less allowance for doubtful accounts	320,208	1	53,050	47,181	63,823	40,696	81,660	-	-	13,211	20,586
Other assets	118,983	(10,456)	20,389	10,208	13,792	19,446	32,278	10,357	12,566	3,365	7,038
Total current assets	1,066,296	30,323	87,555	58,098	127,200	136,526	417,331	59,332	34,024	21,008	94,899
Long-term marketable securities	537,294	-	156,464	234,041	80,158	66,631	-	-	-	-	-
Assets limited as to use	1,447,899	-	60,469	25,775	26,531	3,691	1,217,537	113,896	-	-	-
Board designated	3,171	-	3,171	-	-	-	-	-	-	-	-
Held in trust	-	-	-	-	-	-	-	-	-	-	-
Total assets limited as to use	1,451,070	-	63,640	25,775	26,531	3,691	1,217,537	113,896	-	-	-
Property and equipment, net	2,450,479	(38,646)	431,454	630,254	334,352	119,574	795,070	-	128,328	1,066	49,027
Investments and other	96,142	(299,169)	15,191	1,395	18,563	1,156	255,526	52,745	8	1,026	49,701
Notes receivable	184	-	175	9	-	-	-	-	-	-	-
Deferred financing costs, net	11,545	-	4,588	3,717	2,234	1,006	-	-	-	-	-
Goodwill and other intangibles, net	102,058	(1,273)	17,700	-	13,717	-	-	-	-	-	-
Total assets	209,929	(300,442)	37,654	5,121	34,514	2,162	255,526	52,745	8	22,250	100,391
	\$ 5,715,068	\$ (308,765)	\$ 776,767	\$ 953,289	\$ 602,755	\$ 328,584	\$ 2,685,464	\$ 225,973	\$ 162,360	\$ 44,324	\$ 244,317
Liabilities and net assets											
Current liabilities											
Accounts payable	\$ 80,984	\$ (1,498)	\$ 28,844	\$ 2,513	\$ 2,574	\$ 1,200	\$ 40,557	\$ 116	\$ 758	\$ 86	\$ 5,834
Accrued compensation and related liabilities	169,180	(4,589)	26,257	24,821	21,702	12,884	76,977	887	-	2,487	7754
Accrued liabilities	148,731	10,968	12,252	19,445	39,371	11,241	40,516	2,769	606	2,249	9,314
Payable to third-party payors, net	35,738	(308)	2,559	7,529	13,973	9,590	2,395	-	-	-	-
Current maturities of long-term debt	21,462	(421)	10,958	4,524	3,373	1,023	-	-	-	-	2,005
Total current liabilities	456,095	(4,152)	80,870	58,832	80,993	35,938	160,445	3,772	1,364	4,822	24,907
Interest rate swaps	3	-	-	-	-	-	-	-	-	-	3
Other liabilities	81,552	(3,772)	15,539	2,202	4,016	1,932	53,352	3,045	-	-	5,238
Notes payable and interest due to (from) affiliates	99,816	33,208	(2,379)	12,500	73,135	9,804	(77,865)	3,836	-	7,204	40,373
Long-term debt, less current maturities	1,477,250	(24,443)	355,307	340,214	169,403	52,345	583,211	-	-	-	1,213
Total liabilities	2,114,716	9,145	449,337	413,748	327,547	100,019	719,143	10,653	1,364	12,026	71,734
Net assets											
Controlling interest	3,493,813	(424,449)	327,430	539,541	275,208	228,565	1,966,321	215,320	160,996	32,298	172,583
Noncontrolling interests in subsidiaries	106,539	106,539	-	-	-	-	-	-	-	-	-
Total liabilities and net assets	\$ 5,715,068	\$ (308,765)	\$ 776,767	\$ 953,289	\$ 602,755	\$ 328,584	\$ 2,685,464	\$ 225,973	\$ 162,360	\$ 44,324	\$ 244,317

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Consolidating Balance Sheet of Northern California Region
(In Thousands)

June 30, 2016

	Northern California Region	Eliminations	Queen of the Valley	Santa Rosa Memorial	Petaluma Valley	St. Joseph Eureka	Redwood Memorial	St. Joseph Home Health North	Redwood Memorial Foundation	Northbay Endoscopy Center	Queen of the Valley Foundation
Assets											
Current assets											
Cash and equivalents	\$ 21,223	\$ -	\$ 6,006	\$ -	\$ 3,265	\$ 7,713	\$ 4,026	\$ -	\$ 29	\$ 184	\$ -
Short-term marketable securities	110,849	-	31,142	43,773	-	8,251	21,223	-	2,013	-	4,447
Patient accounts receivable, less allowance for doubtful accounts	133,917	-	23,387	70,159	11,189	21,843	4,653	2,014	-	672	-
Other assets	51,283	-	8,856	13,637	2,921	15,569	3,950	22	15,569	2,161	4,167
Total current assets	317,272	-	69,391	127,569	17,375	53,376	33,852	2,036	2,042	3,017	8,614
Long-term marketable securities	281,034	-	117,964	100,582	-	9,627	49,039	-	-	-	3,822
Assets limited as to use											
Board designated	16,449	-	-	5,057	2,297	9,095	-	-	-	-	-
Held in trust	9,857	-	-	-	-	106	-	-	478	-	9,273
Total assets limited as to use	26,306	-	-	5,057	2,297	9,201	-	-	478	-	9,273
Property and equipment, net	622,153	-	202,119	198,890	12,268	197,190	10,790	375	116	340	65
Investments and other	2,609	(5,008)	1,118	4,977	164	1,187	171	-	-	-	-
Notes receivable	196	-	23	-	-	165	8	-	-	-	-
Deferred financing costs, net	3,715	-	1,143	2,021	3	535	13	-	-	-	-
Total assets	\$ 1,253,285	\$ (5,008)	\$ 391,758	\$ 439,096	\$ 32,107	\$ 271,281	\$ 93,873	\$ 2,411	\$ 2,636	\$ 3,357	\$ 21,774
Liabilities and net assets (deficit)											
Current liabilities											
Accounts payable	\$ 26,899	\$ (2)	\$ 851	\$ 13,753	\$ 3,029	\$ 7,273	\$ 1,964	\$ 16	\$ -	\$ 14	\$ 1
Accrued compensation and related liabilities	52,124	-	14,002	16,614	6,005	12,456	2,746	301	-	-	-
Accrued liabilities	43,908	-	15,962	19,482	2,380	4,765	573	520	-	-	226
Payable to third-party payors, net	15,841	-	2,582	4,036	875	6,316	2,032	-	-	-	-
Current maturities of long-term debt	4,090	-	1,429	2,471	114	-	76	-	-	-	-
Total current liabilities	142,862	(2)	34,826	56,356	12,403	30,810	7,391	837	-	14	227
Other liabilities	6,355	-	1,118	2,305	155	1,251	171	-	-	-	1,355
Notes payable and interest due to (from) affiliates	17,114	-	(5,443)	(29,656)	13,138	28,093	(72)	11,875	180	-	(1,001)
Long-term debt, less current maturities	328,715	-	147,422	118,805	-	60,924	1,564	-	-	-	-
Total liabilities	495,046	(2)	177,923	147,810	25,696	121,078	9,054	12,712	180	14	581
Net assets (deficit)											
Controlling interest	757,125	(6,120)	213,835	291,286	6,411	150,203	84,819	(10,301)	2,456	3,343	21,193
Noncontrolling interests in subsidiaries	1,114	1,114	-	-	-	-	-	-	-	-	-
Total liabilities and net assets (deficit)	\$ 1,253,285	\$ (5,008)	\$ 391,758	\$ 439,096	\$ 32,107	\$ 271,281	\$ 93,873	\$ 2,411	\$ 2,636	\$ 3,357	\$ 21,774

St Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Consolidating Balance Sheet of Texas Region
(In Thousands)

June 30, 2016

	Texas Region	Eliminations	Covenant Lubbock	Covenant Levelland	Covenant Plainview	Covenant LTAC	Covenant Rehabilitation Hospital	Covenant Medical Group	First Care	Methodist Service Provider Organization	Covenant Foundation	Other
Assets												
Current assets												
Cash and equivalents	\$ 178,541	\$ -	\$ 108,106	\$ 3,746	\$ 14,949	\$ 4,856	\$ 1,083	\$ 5,637	\$ 16,647	\$ 449	\$ 5,302	\$ 17,766
Short-term marketable securities	111	-	69,583	4,117	15	-	-	100	3,286	-	-	-
Patent accounts receivable, less allowance for doubtful accounts	166,416	-	91,533	1,906	6,966	2,810	14,473	7,442	35,272	-	-	6,014
Other assets	41,001	-	20,498	(14)	561	180	235	3,023	3,257	910	10,494	1,857
Total current assets	463,069	-	289,720	9,755	22,491	7,846	15,791	16,202	58,472	1,359	15,796	25,637
Long-term marketable securities	79,052	-	-	-	-	-	-	-	69,382	-	9,670	-
Assets limited as to use												
Board designated	16,393	-	14	44	-	-	-	-	-	-	16,335	-
Held in trust	3,567	-	274	-	-	-	-	-	-	-	3,293	-
Total assets limited as to use	19,960	-	288	44	-	-	-	-	-	-	19,628	-
Property and equipment, net	325,762	-	280,585	2,366	14,404	2,917	2,298	3,403	14,701	1,821	3	3,264
Investments and other	28,709	(66,041)	24,545	-	-	-	-	24,679	-	44,615	-	911
Notes receivable	102	-	102	-	-	-	-	-	-	-	-	-
Deferred financing costs, net	635	-	635	-	-	-	-	-	-	-	-	-
Goodwill and other intangibles, net	13,319	(4,670)	-	-	-	-	18,019	-	-	-	-	-
Total assets	\$ 930,638	\$ (70,711)	\$ 595,875	\$ 12,165	\$ 36,895	\$ 10,763	\$ 36,108	\$ 44,284	\$ 142,555	\$ 47,795	\$ 45,097	\$ 29,812
Liabilities and net assets (deficit)												
Current liabilities												
Accounts payable	\$ 23,024	\$ (1)	\$ 14,666	\$ 779	\$ 2,466	\$ 197	\$ 671	\$ 559	\$ 740	\$ -	\$ 1,261	\$ 1,679
Accrued compensation and related liabilities	49,878	-	29,519	770	1,177	556	725	11,617	1,595	-	90	3,829
Accrued liabilities	96,387	-	14,454	91	229	421	2,060	1,965	74,927	-	-	2,240
Payable to third-party payors, net	6167	-	5,726	143	298	-	-	-	-	-	-	-
Current maturities of long-term debt	15,539	-	15,152	-	-	-	-	-	-	-	-	-
Total current liabilities	190,995	(1)	79,517	1,783	4,170	1,174	3,456	14,141	77,402	-	1,351	7,995
Other liabilities	29,130	-	2,822	-	-	-	-	24,679	-	-	-	1,929
Notes payable and interest due to (from) affiliates	20,673	-	(252,319)	579	1,589	651	7,368	160,587	-	102,201	264	(2,477)
Long-term debt, less current maturities	102,004	1	100,308	-	-	-	430	-	-	-	-	-
Total liabilities	343,102	-	(69,672)	2,362	5,759	1,825	11,254	199,407	78,667	102,208	1,615	9,677
Net assets (deficit)	556,700	(101,547)	665,547	9,803	31,136	8,938	24,854	(155,123)	63,888	(54,413)	43,482	20,135
Controlling interest	30,836	30,836	-	-	-	-	-	-	-	-	-	-
Noncontrolling interests in subsidiaries	587,536	(70,711)	665,547	9,803	31,136	8,938	24,854	(155,123)	63,888	(54,413)	43,482	20,135
Total liabilities and net assets (deficit)	\$ 930,638	\$ (70,711)	\$ 595,875	\$ 12,165	\$ 36,895	\$ 10,763	\$ 36,108	\$ 44,284	\$ 142,555	\$ 47,795	\$ 45,097	\$ 29,812

St Joseph Health System and Affiliates
A St Joseph Health Ministry Corporation

Consolidating Statement of Operations
(In Thousands)

Year Ended June 30, 2016

	Consolidated	Eliminations	Total Regional Entities	System Office	St Joseph Health Source	St Joseph Health Personal Care Services	American Unity Group	Professional Services Enterprises	Heritage Investment Group I	Revenue Cycle Services	St Joseph Health System Foundation	Data Health	Obligated Group	Non- Obligated Group
Revenues														
Patient service net of contractual allowances and discounts	\$ 5,122,397	\$ -	\$ 5,116,701	\$ -	\$ -	\$ 2,342	\$ -	\$ -	\$ 3,354	\$ -	\$ -	\$ -	\$ 4,470,213	\$ 652,184
Provision for doubtful accounts	176,566	-	176,566	-	-	-	-	-	-	-	-	-	157,322	19,244
Net patient service net of provision for doubtful accounts	4,945,831	-	4,940,135	-	-	2,342	-	-	3,354	-	-	-	4,312,891	632,940
Premium	1,310,332	-	1,310,332	-	-	-	-	-	-	-	-	-	684,645	625,687
Other	223,339	(39,031)	(155,658)	315,195	-	-	11,735	3,346	-	83,254	4,498	-	191,941	31,398
Total revenues	6,479,502	(39,031)	6,094,809	315,195	-	2,342	11,735	3,346	3,354	83,254	4,498	-	5,189,477	1,290,025
Expenses														
Compensation and benefits	2,701,833	(3,110)	2,468,545	177,455	-	1,387	-	-	-	57,556	-	-	2,142,331	559,502
Supplies and other	1,474,752	(14,924)	1,435,298	30,069	147	1,536	14,280	245	1,096	2,507	4,498	-	1,182,109	292,643
Professional fees and purchased services	1,808,639	(8,167)	1,646,304	137,841	-	1,004	159	19	28	31,451	-	-	1,225,175	583,464
Depreciation and amortization	372,133	6,099	308,912	55,950	-	37	-	649	336	150	-	-	336,208	35,925
Interest	91,010	(6,518)	87,585	6,106	-	1	-	3,307	509	20	-	-	90,175	835
Total expenses	6,448,367	(26,620)	5,946,644	407,421	147	3,965	14,439	4,220	1,969	91,684	4,498	-	4,975,998	1,472,369
Operating income (loss)	31,135	(12,411)	148,165	(92,226)	(147)	(1,623)	(2,704)	(874)	1,385	(8,430)	-	-	213,479	(182,344)
Nonoperating (losses) gains net	(118,595)	6,738	(61,455)	(66,668)	(1,016)	-	3,636	886	1	-	(717)	-	(79,171)	(39,424)
Loss from operations of discontinued subsidiary	(27,383)	25,780	(1,603)	(24,933)	(1,016)	-	-	-	-	-	-	(28,230)	(24,933)	(2,450)
Excess (deficiency) of revenues over expenses	(114,843)	20,107	86,710	(183,827)	(1,163)	(1,623)	932	12	1,386	(8,430)	(717)	(28,230)	109,375	(224,218)
Less: Excess of revenues over expenses attributable to noncontrolling interests	18,532	690	17,842	-	-	-	-	-	-	-	-	-	-	18,532
Deficiency (excess) of revenues over expenses attributable to controlling interests	\$ (133,375)	\$ 19,417	\$ 68,868	\$ (183,827)	\$ (1,163)	\$ (1,623)	\$ 932	\$ 12	\$ 1,386	\$ (8,430)	\$ (717)	\$ (28,230)	\$ 109,375	\$ (242,750)

St Joseph Health System and Affiliates
A St Joseph Health Ministry Corporation

Consolidating Statement of Operations of Regional Entities
(In Thousands)

Year Ended June 30, 2016

	Total Regional Entities	Eliminations	Southern California Region	Northern California Region	Texas Region	Heritage
Revenues						
Patient service, net of contractual allowances and discounts	\$ 5,116,701	\$ -	\$ 2,816,517	\$ 1,150,146	\$ 842,058	\$ 307,980
Provision for doubtful accounts	176,566	-	83,799	28,044	58,103	6,620
Net patient service, net of provision for doubtful accounts	4,940,135	-	2,732,718	1,122,102	783,955	301,360
Premium	1,310,332	-	388,256	43,143	551,195	327,738
Other	(155,658)	(289,379)	4,927	12,279	62,177	54,338
Total revenues	6,094,809	(289,379)	3,125,901	1,177,524	1,397,327	683,436
Expenses						
Compensation and benefits	2,468,545	(26,941)	1,323,398	486,932	465,480	219,676
Supplies and other	1,435,298	(8,028)	780,472	268,251	251,713	142,890
Professional fees and purchased services	1,646,304	(254,409)	589,702	244,873	596,717	469,421
Depreciation and amortization	308,912	-	194,975	54,516	40,931	18,490
Interest	87,585	-	59,920	16,922	6,735	4,008
Total expenses	5,946,644	(289,378)	2,948,467	1,071,494	1,361,576	854,485
Operating income (loss)	148,165	(1)	177,434	106,030	35,751	(171,049)
Nonoperating losses, net	(61,455)	-	(41,198)	(7,925)	(11,940)	(392)
Excess (deficiency) of revenues over expenses	86,710	(1)	136,236	98,105	23,811	(171,441)
Less: Excess (deficiency) of revenues over expenses attributable to noncontrolling interests	17,842	-	20,401	(65)	(2,494)	-
Excess (deficiency) of revenues over expenses attributable to controlling interests	\$ 68,868	(1)	\$ 115,835	\$ 98,170	\$ 26,305	\$ (171,441)

St Joseph Health System and Affiliates
A St Joseph Health Ministry Corporation

Consolidating Statement of Operations of Southern California Region
(In Thousands)

Year Ended June 30, 2016

	Southern California Region	Eliminations	St Joseph Orange	St Jude Medical Center	Mission Hospital	St Mary Medical Center	Hoag Hospital	Hoag Foundation	Newport Healthcare Center	St Joseph Home Health South	Other
Revenues											
Patient service net of contractual allowances and discounts	\$ 2 816 517	\$ (5)	\$ 487 828	\$ 407 566	\$ 553 908	\$ 321 130	\$ 816 376	\$ -	\$ -	\$ 64 781	\$ 164 933
Provision for doubtful accounts	83 799	-	9 266	13 085	33 639	6 647	20 014	-	-	681	467
Net patient service net of provision for doubtful accounts	2 732 718	(5)	478 562	394 481	520 269	314 483	796 362	-	-	64 100	164 466
Premium	388 256	28 238	120 710	95 605	27 073	19 077	97 553	-	-	-	-
Other	4 927	(203 211)	19 435	9 993	14 851	2 231	72 651	16 130	13 432	137	59 278
Total revenues	3 125 901	(174 978)	618 707	500 079	562 193	335 791	966 566	16 130	13 432	64 237	223 744
Expenses											
Compensation and benefits	1 323 398	(44 441)	261 722	213 960	223 816	147 152	390 867	-	-	40 697	89 625
Supplies and other	780 472	(57 587)	168 450	112 785	145 667	58 934	242 371	27 797	3 043	10 386	68 626
Professional fees and purchased services	589 702	(8 336)	117 187	110 078	123 108	68 279	146 235	-	2 131	10 438	20 582
Depreciation and amortization	194 975	(1 305)	37 344	36 699	23 274	12 024	74 978	-	3 241	746	7 974
Interest	59 920	(1 108)	14 991	17 899	9 100	2 104	16 594	-	-	21	319
Total expenses	2 948 467	(112 777)	599 694	491 421	524 965	288 493	871 045	27 797	8 415	62 288	187 126
Operating income (loss)	177 434	(62 201)	19 013	8 658	37 228	47 298	95 521	(11 667)	5 017	1 949	36 618
Nonoperating (losses) gains net	(41 198)	(28 349)	(7 226)	(4 245)	(8 292)	(265)	4 625	293	105	7	2 149
Excess (deficiency) of revenues over expenses	136 236	(90 550)	11 787	4 413	28 936	47 033	100 146	(11 374)	5 122	1 956	38 767
Less: Excess of revenues over expenses attributable to noncontrolling interests	20 401	20 401	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenses attributable to controlling interests	\$ 115 835	\$ (110 951)	\$ 11 787	\$ 4 413	\$ 28 936	\$ 47 033	\$ 100 146	\$ (11 374)	\$ 5 122	\$ 1 956	\$ 38 767

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Consolidating Statement of Operations of Texas Region
(In Thousands)

Year Ended June 30, 2016

	Texas Region	Eliminations	Covenant Lubbock	Covenant Levelland	Covenant Plainsview	Covenant LTAC	Covenant Rehabilitation Hospital	Covenant Medical Group	First Care	Methodist Service Provider Organization	Covenant Foundation	Other
Revenues												
Patient service net of contractual allowances and discounts	\$ 842,058	\$ (95,140)	\$ 678,721	\$ 20,754	\$ 45,399	\$ 25,047	\$ 22,402	\$ 107,001	\$ -	\$ -	\$ -	\$ 37,874
Provision for doubtful accounts	58,103	(11)	40,003	1,631	4,969	(2,591)	-	10,770	-	-	-	990
Net patient service net of provision for doubtful accounts	783,955	(95,139)	638,718	19,123	40,430	25,306	22,402	96,231	-	-	-	36,884
Premium	551,195	(1,555)	-	-	-	-	-	-	552,750	-	-	-
Other	62,177	(85,082)	52,475	2,190	4,484	12	436	36,560	20,293	-	10,686	20,123
Total revenues	1,397,327	(181,776)	691,193	21,313	44,914	25,318	22,838	132,791	573,043	-	10,686	57,007
Expenses												
Compensation and benefits	465,480	(1,555)	244,185	11,540	17,914	8,605	11,438	122,703	31,567	-	563	18,520
Supplies and other	251,713	(8,816)	163,754	3,500	10,095	4,932	5,780	19,989	29,933	(917)	9,822	13,641
Professional fees and purchased services	596,717	(178,829)	178,887	6,317	12,646	3,789	2,659	17,161	537,402	-	301	16,384
Depreciation and amortization	40,931	-	32,922	425	1,277	307	323	429	4,402	72	-	774
Interest	6,735	-	6,481	1	1	-	158	24	38	-	-	32
Total expenses	1,361,576	(189,200)	626,229	21,783	41,933	17,633	20,358	160,306	603,342	(845)	10,686	49,351
Operating income (loss)	35,751	7,424	64,964	(470)	2,981	7,685	2,480	(27,515)	(30,299)	845	-	7,656
Nonoperating (losses) gains net	(11,940)	(1,476)	9,144	38	251	8	-	29	-	(20,047)	17	96
Excess (deficiency) of revenues over expenses	23,811	5,948	74,108	(432)	3,232	7,693	2,480	(27,486)	(30,299)	(19,202)	17	7,752
Less: Deficiency of revenues over expenses attributable to noncontrolling interests	(2,494)	(2,494)	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenses attributable to controlling interests	\$ 26,305	\$ 8,442	\$ 74,108	\$ (432)	\$ 3,232	\$ 7,693	\$ 2,480	\$ (27,486)	\$ (30,299)	\$ (19,202)	\$ 17	\$ 7,752

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Consolidating Balance Sheet
(In Thousands)

June 30, 2015

	Consolidated	Eliminations	Total Regional Entities	System Office	St. Joseph Health Source	American Unity Group	Professional Services Enterprises	Heritage Investment Group I	Revenue Cycle Services	Innovation Institute	St. Joseph Health System Foundation	Data Health	Obligated Group	Non Obligated Group	
Assets															
Current assets															
Cash and equivalents	\$ 443,611	\$ (61,032)	\$ 454,391	\$ -	\$ -	\$ -	\$ 6,022	\$ 3,727	\$ 1,012	\$ -	\$ 35,226	\$ 4,054	\$ 211	\$ 260,398	\$ 183,213
Short-term marketable securities	654,022	-	465,190	85,980	-	-	13,483	-	-	-	89,369	-	-	527,062	126,960
Patient accounts receivable, less allowance for doubtful accounts	641,115	-	641,115	-	-	-	-	-	-	-	-	-	-	528,508	112,607
Other assets	310,458	-	264,250	31,152	-	-	1,119	-	60	243	13,634	-	-	240,201	70,257
Current assets of discontinued subsidiary	1,171	-	-	-	-	-	-	-	-	-	-	1,171	-	-	1,171
Total current assets	2,050,377	(61,032)	1,824,946	117,132	-	-	20,624	3,727	1,072	243	48,860	93,423	1,382	1,556,169	494,208
Long-term marketable securities	1,154,106	-	956,367	119,805	-	-	77,934	-	-	-	-	-	-	1,001,031	153,075
Assets limited as to use															
Board designated	1,493,406	-	1,459,951	-	-	-	-	-	-	-	-	-	-	1,311,042	182,364
Held in trust	115,467	-	16,068	99,399	-	-	-	-	-	-	-	-	-	103,064	12,403
Total assets limited as to use	1,608,873	-	1,476,019	99,399	-	-	-	-	-	-	-	-	-	1,414,106	194,767
Property and equipment, net	4,019,996	83,227	3,468,106	314,320	-	-	10,311	11,691	88	132,253	-	-	-	3,626,844	393,152
Investments and other	151,236	(59,651)	125,545	57,332	6,016	255	11,889	8,260	171	1,419	-	-	-	379,688	(228,452)
Collateral held for swap counterparty	1,477	-	-	1,477	-	-	-	-	-	-	-	-	-	1,477	-
Notes receivable	20,420	-	1,069	19,076	-	-	-	-	-	275	-	-	-	20,145	275
Deferred financing costs, net	20,576	-	17,390	3,186	-	-	-	-	-	-	-	-	-	20,576	-
Goodwill and other intangibles, net	239,353	22,474	206,969	-	-	-	-	-	-	9,910	-	-	-	37,259	202,094
Long-term assets of discontinued subsidiary	22,870	-	-	-	-	-	-	-	-	-	-	22,870	-	-	22,870
Total assets	\$ 9,289,284	\$ (14,982)	\$ 8,076,411	\$ 317,277	\$ 6,016	\$ 98,813	\$ 25,927	\$ 21,023	\$ 502	\$ 192,717	\$ 126,878	\$ 21,252	\$ 8,057,295	\$ 1,231,989	\$ (3,213)
Liabilities and net assets (deficit)															
Current liabilities															
Accounts payable	\$ 152,596	\$ -	\$ 140,408	\$ 47,19	\$ -	\$ 986	\$ -	\$ -	\$ 201	\$ 6,248	\$ 29	\$ 29	\$ -	\$ 118,610	\$ 33,986
Accrued compensation and related liabilities	293,601	-	242,145	44,375	600	-	-	-	4,153	2,328	-	-	-	251,291	42,310
Accrued liabilities	512,061	(13,78)	363,769	109,373	-	25,044	-	2,889	5,609	6,555	-	-	-	343,566	168,495
Payable to third-party payors, net	63,683	1	63,682	-	-	-	-	-	-	-	-	-	-	63,666	17
Current maturities of long-term debt	48,201	(33,296)	35,876	45,621	-	-	-	-	-	-	-	-	-	46,096	2,105
Current liabilities of discontinued subsidiary	6,579	-	-	-	-	-	-	-	-	-	-	6,579	-	-	6,579
Total current liabilities	1,076,721	(34,668)	845,880	204,088	600	26,030	-	2,889	9,963	15,331	29	29	6,579	823,229	253,492
Interest rate swaps	101,064	-	101,064	-	-	-	-	-	-	-	-	-	-	101,064	-
Other liabilities	233,849	-	119,632	104,035	-	10,005	6	-	171	-	-	-	-	183,065	50,784
Notes payable and interest due to (from) affiliates	-	1,824,017	97,288	(2,088,469)	-	124	-	10,650	31,393	130,499	(5,509)	-	-	(415,457)	415,457
Long-term debt, less current maturities	2,391,905	(1,888,732)	1,944,660	2,312,089	-	-	20,733	-	-	3,155	-	-	-	2,382,885	9,020
Long-term liabilities of discontinued subsidiary	760	(2,037)	-	-	-	-	-	-	-	-	-	2,797	-	-	760
Total liabilities	3,804,299	(104,420)	3,007,460	632,807	600	36,159	20,746	13,549	41,527	148,985	(5,480)	9,376	3,074,786	229,513	229,513
Net assets (deficit)															
Controlling interest	5,338,965	58,292	4,951,077	98,920	5,416	62,654	5,181	7,484	(41,025)	43,732	132,358	14,876	4,982,509	356,156	146,020
Noncontrolling interests in subsidiaries	146,020	-	117,874	-	-	-	-	-	-	-	-	-	-	-	-
Total	\$ 5,184,985	\$ 86,438	\$ 5,068,951	\$ 98,920	\$ 5,416	\$ 62,654	\$ 5,181	\$ 7,484	\$ (41,025)	\$ 43,732	\$ 132,358	\$ 14,876	\$ 4,982,509	\$ 402,176	\$ 402,176
Total liabilities and net assets (deficit)	\$ 9,289,284	\$ (14,982)	\$ 8,076,411	\$ 317,277	\$ 6,016	\$ 98,813	\$ 25,927	\$ 21,023	\$ 502	\$ 192,717	\$ 126,878	\$ 21,252	\$ 8,057,295	\$ 1,231,989	\$ (3,213)

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Consolidating Balance Sheet of Regional Entities
(In Thousands)

June 30, 2015

	Total Regional Entities	Eliminations	Southern California Region	Northern California Region	Texas Region	Heritage
Assets						
Current assets						
Cash and equivalents	\$ 454,391	\$ (36,194)	\$ 296,108	\$ 50,958	\$ 114,545	\$ 28,974
Short-term marketable securities	465,190	-	274,368	98,554	76,047	16,221
Parent accounts receivable less allowance for doubtful accounts	641,115	-	320,073	138,624	151,204	31,214
Other assets	264,250	-	135,412	53,352	57,009	18,477
Total current assets	1,824,946	(36,194)	1,025,961	341,488	398,805	94,886
Long-term marketable securities	956,367	2,365	575,303	239,177	139,522	-
Assets limited as to use						
Board designated	1,459,951	-	1,421,983	15,887	20,161	1,920
Held in trust	16,068	-	3,289	9,153	3,626	-
Total assets limited as to use	1,476,019	-	1,425,272	25,040	23,787	1,920
Property and equipment net	3,468,106	-	2,452,700	624,711	290,484	100,211
Intangibles and other	125,545	-	87,039	4,772	29,569	4,165
Notes receivable	1,069	-	658	309	102	-
Deferred financing costs net	17,390	-	12,516	3,999	875	-
Goodwill and other intangibles net	206,969	-	65,356	-	13,034	128,579
	350,973	-	165,569	9,080	43,580	132,744
Total assets	\$ 8,076,411	\$ (33,829)	\$ 5,644,805	\$ 1,239,196	\$ 896,178	\$ 329,761
Liabilities and net assets						
Current liabilities						
Accounts payable	\$ 140,408	\$ 2	\$ 79,550	\$ 25,524	\$ 23,784	\$ 11,548
Accrued compensation and related liabilities	242,145	-	137,109	45,342	47,551	12,143
Accrued liabilities	363,769	18,000	166,760	39,157	77,654	62,198
Payable to third-party payors net	63,682	-	37,551	18,641	7,490	-
Current maturities of long-term debt	35,876	-	16,766	3,970	14,719	421
Total current liabilities	845,880	18,002	437,736	132,634	171,198	86,310
Other liabilities	119,632	-	68,092	6,352	35,974	9,214
Notes payable and interest due to (from) affiliates	97,288	(36,195)	99,881	10,772	(8,569)	31,399
Long-term debt less current maturities	1,944,660	-	1,447,778	334,574	117,411	44,897
Total liabilities	3,007,460	(18,193)	2,053,487	484,332	316,014	171,820
Net assets						
Controlling interest	4,951,077	(15,636)	3,502,187	754,971	551,614	157,941
Noncontrolling interests in subsidiaries	117,874	-	89,131	193	28,550	-
	5,068,951	(15,636)	3,591,318	755,164	580,164	157,941
Total liabilities and net assets	\$ 8,076,411	\$ (33,829)	\$ 5,644,805	\$ 1,239,196	\$ 896,178	\$ 329,761

St Joseph Health System and Affiliates
A St Joseph Health Ministry Corporation

Consolidating Balance Sheet of Southern California Region
(In Thousands)

June 30, 2015

	Southern California Region	Eliminations	St Joseph Orange	St Jude Medical Center	Mission Hospital	St Mary Medical Center	Hong Hospital	Hong Foundation	Newport Healthcare Center	St Joseph Home Health South	Other
Assets											
Current assets											
Cash and equivalents	\$ 296,108	\$ -	\$ 6,562	\$ 1,037	\$ -	\$ 3,689	\$ 175,171	\$ 33,443	\$ 15,445	\$ 5,419	\$ 55,342
Short-term marketable securities	274,368	-	44,512	718	59,836	56,641	109,679	2,952	-	-	-
Patient accounts receivable, less allowance for doubtful accounts	320,073	-	56,704	44,593	71,076	39,136	79,183	-	-	9,615	19,766
Other assets	135,412	(8,970)	26,472	13,386	20,810	22,581	32,950	10,155	11,527	362	6,139
Total current assets	1,025,961	(8,970)	134,280	59,734	151,722	122,047	396,983	46,550	26,972	15,396	81,247
Long-term marketable securities	575,303	-	175,817	271,852	82,139	45,495	-	-	-	-	-
Assets limited as to use											
Board designated	1,421,983	-	58,196	26,583	21,852	4,224	1,184,256	126,872	-	-	-
Held in trust	3,289	-	3,289	-	-	-	-	-	-	-	-
Total assets limited as to use	1,425,272	-	61,485	26,583	21,852	4,224	1,184,256	126,872	-	-	-
Property and equipment, net	2,452,700	(41,074)	451,495	645,645	331,471	118,676	766,046	-	129,749	1,572	49,120
Investments and other	87,039	(295,461)	13,918	(1,139)	27,156	1,318	251,448	37,830	11	-	51,958
Notes receivable	658	-	569	89	-	-	-	-	-	-	-
Deferred financing costs, net	12,516	-	5,001	3,941	2,398	1,176	-	-	-	-	-
Goodwill and other intangibles, net	65,356	(1,532)	-	-	13,717	-	-	-	-	-	53,171
	165,569	(296,993)	19,488	2,891	43,271	2,494	251,448	37,830	11	-	105,129
Total assets	\$ 5,644,805	\$ (347,037)	\$ 842,565	\$ 1,006,705	\$ 630,455	\$ 292,936	\$ 2,598,733	\$ 211,252	\$ 156,732	\$ 16,968	\$ 235,496
Liabilities and net assets (deficit)											
Current liabilities											
Accounts payable	\$ 79,550	\$ (69)	\$ 21,059	\$ 1,853	\$ 2,720	\$ 933	\$ 47,468	\$ 111	\$ 376	\$ 99	\$ 5,000
Accrued compensation and related liabilities	137,109	(3,662)	20,106	18,736	16,607	10,312	65,561	464	-	2,624	6,361
Accrued liabilities	166,760	(1,827)	15,251	24,565	37,875	10,092	69,211	4,007	491	1,847	5,248
Payable to third-party payors, net	37,551	-	3,056	4,369	16,610	10,183	3,333	-	-	-	-
Current maturities of long-term debt	16,766	(421)	6,620	4,339	3,273	990	-	-	-	-	1,965
Total current liabilities	437,736	(5,979)	66,092	53,862	77,085	32,510	185,573	4,582	867	4,570	18,574
Other liabilities	68,092	(3,510)	7,572	2,141	4,180	2,094	48,293	2,099	-	-	5,223
Notes payable and interest due to (from) affiliates	99,881	2	7,875	2,869	85,949	4,785	(53,521)	4,043	(9)	19,710	28,178
Long-term debt, less current maturities	1,447,778	(25,284)	363,445	345,026	173,323	51,064	534,206	-	-	-	2,998
Total liabilities	2,053,487	(34,771)	444,984	403,898	340,537	93,453	714,551	10,724	858	24,280	51,973
Net assets (deficit)											
Controlling interest	3,502,187	(401,397)	397,581	602,807	289,918	199,483	1,884,182	200,528	155,874	(7,312)	180,523
Noncontrolling interests in subsidiaries	89,131	89,131	-	-	-	-	-	-	-	-	-
Total liabilities and net assets (deficit)	\$ 5,644,805	\$ (347,037)	\$ 842,565	\$ 1,006,705	\$ 630,455	\$ 292,936	\$ 2,598,733	\$ 211,252	\$ 156,732	\$ 16,968	\$ 235,496

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Consolidating Balance Sheet of Northern California Region
(In Thousands)

June 30, 2015

	Northern California Region	Eliminations	Queen of the Valley	Santa Rosa Memorial	Petaluma Valley	St. Joseph Eureka	Redwood Memorial	St. Joseph Home Health North	Redwood Memorial Foundation	Northbay Endoscopy Center	Queen of the Valley Foundation
Assets											
Current assets											
Cash and equivalents	\$ 50,958	\$ -	\$ 9,439	\$ 13,115	\$ 3,350	\$ 7,419	\$ 12,574	\$ -	\$ -	\$ 4	\$ 172
Short-term marketable securities	98,554	-	31,217	43,879	-	166	20,512	-	2,780	-	-
Patent accounts receivable, less allowance for doubtful accounts	138,624	-	27,881	74,257	10,231	18,923	5,768	1,563	-	-	1
Other assets	53,352	-	11,630	17,922	3,873	13,567	4,296	22	-	-	2,042
Total current assets	341,488	-	80,167	149,173	17,454	40,075	43,150	1,585	2,784	173	6,927
Long-term marketable securities	239,177	-	120,880	82,583	-	610	32,025	-	-	-	3,079
Assets limited as to use	15,887	-	-	5,593	2,127	8,167	-	-	-	-	-
Board designated held in trust	9,153	-	-	-	-	106	-	-	-	-	9,047
Total assets limited as to use	25,040	-	-	5,593	2,127	8,273	-	-	-	-	9,047
Property and equipment, net	624,711	-	207,078	189,388	14,589	201,637	10,803	593	116	427	80
Investments and other	4,772	(3,166)	1,099	5,020	185	983	173	-	478	-	-
Notes receivable	309	-	59	-	-	242	8	-	-	-	-
Deferred financing costs, net	3,999	-	1,228	2,188	9	558	16	-	-	-	-
Total assets	\$ 1,239,496	\$ (3,166)	\$ 410,511	\$ 433,945	\$ 34,364	\$ 252,378	\$ 86,175	\$ 2,178	\$ 3,378	\$ 600	\$ 19,133
Liabilities and net assets (deficit)											
Current liabilities											
Accounts payable	\$ 25,524	\$ 1	\$ 920	\$ 13,189	\$ 2,667	\$ 7,575	\$ 1,101	\$ 46	\$ -	\$ 19	\$ 6
Accrued compensation and related liabilities	45,342	-	13,131	15,089	3,454	10,681	2,593	394	-	-	-
Accrued liabilities	39,157	-	13,666	17,094	2,325	5,206	371	261	-	-	234
Payable to third-party payors, net	18,641	-	1,539	5,372	411	6,747	4,572	-	-	-	-
Current maturities of long-term debt	3,970	-	1,388	2,399	109	-	74	-	-	-	-
Total current liabilities	132,634	1	30,644	53,143	8,966	30,209	8,711	701	-	19	240
Other liabilities	6,352	-	1,099	2,373	153	1,103	173	-	-	-	1,451
Notes payable and interest due to (from) affiliates	10,772	-	(5,415)	(34,626)	15,583	25,617	39	10,521	9	-	(956)
Long-term debt, less current maturities	334,574	(1)	149,138	122,771	119	60,890	1,657	-	-	-	-
Total liabilities	484,332	-	175,466	143,661	24,821	117,819	10,580	11,222	9	19	735
Net assets (deficit)	754,971	(3,359)	235,045	290,284	9,543	134,559	75,595	(9,044)	3,369	581	18,398
Controlling interest	193	193	-	-	-	-	-	-	-	-	-
Noncontrolling interests in subsidiaries	755,164	(3,166)	235,045	290,284	9,543	134,559	75,595	(9,044)	3,369	581	18,398
Total liabilities and net assets (deficit)	\$ 1,239,496	\$ (3,166)	\$ 410,511	\$ 433,945	\$ 34,364	\$ 252,378	\$ 86,175	\$ 2,178	\$ 3,378	\$ 600	\$ 19,133

St Joseph Health System and Affiliates
A St Joseph Health Ministry Corporation

Consolidating Balance Sheet of Texas Region
(In Thousands)

June 30, 2015

	Texas Region	Eliminations	Covenant Lubbock	Covenant Levelland	Covenant Plainview	Covenant LTAC	Covenant Rehabilitation Hospital	Covenant Medical Group	Methodist Medical Group	Covenant Surgecenter	Covenant Diagnostic Imaging	Hospice of Lubbock	Covenant Health Partners	First Care	Methodist Service Provider	Covenant Foundation
Assets																
Current assets																
Cash and equivalents	\$ 114,515	\$ -	\$ 39,628	\$ 2,178	\$ 22,431	\$ 6,257	\$ 1,982	\$ 2,557	\$ -	\$ 2,255	\$ 285	\$ 5,806	\$ 965	\$ 23,332	\$ 128	\$ 6,741
Short-term marketable securities	76,047	-	69,750	4,127	15	-	-	98	-	39	-	-	-	2,018	-	-
Parent accounts receivable less allowance for doubtful accounts	151,204	-	92,696	2,092	5,969	(282)	3,054	6,024	-	1,283	1,056	935	-	38,377	-	-
Other assets	57,009	-	38,262	1,097	2,116	178	144	1,956	-	673	124	180	387	2,688	285	8,919
Total current assets	398,805	-	240,336	9,494	30,531	6,153	5,180	10,635	-	4,250	1,465	6,921	1,352	66,415	413	15,660
Long-term marketable securities	139,522	-	67,460	-	-	-	-	-	-	-	-	-	-	61,750	-	10,312
Assets limited as to use	20,161	-	-	44	-	-	-	-	-	-	-	-	-	-	-	20,117
Board designated	3,626	-	270	-	-	-	-	-	-	-	-	-	-	-	-	3,356
Held in trust	23,787	-	270	44	-	-	-	-	-	-	-	-	-	-	-	23,473
Total assets limited as to use	290,484	-	254,415	2,408	7,484	2,426	1,830	2,981	-	1,776	269	29	42	14,922	1,897	5
Property and equipment net	29,569	(66,812)	22,194	-	-	-	-	25,556	557	340	-	143	-	-	47,591	-
Investments and other	102	-	102	-	-	-	-	-	-	-	-	-	-	-	-	-
Notes receivable	875	-	875	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred financing costs net	13,034	(4,670)	-	-	-	-	17,704	-	-	-	-	-	-	-	-	-
Goodwill and other intangibles net	43,580	(71,482)	23,171	-	-	-	17,704	25,556	557	340	-	143	-	-	47,591	-
Total assets	\$ 896,178	\$ (71,482)	\$ 585,652	\$ 11,946	\$ 38,015	\$ 8,579	\$ 24,714	\$ 39,172	\$ 557	\$ 6,366	\$ 1,734	\$ 7,093	\$ 1,394	\$ 143,087	\$ 49,901	\$ 49,450
Liabilities and net assets (deficit)																
Current liabilities																
Accounts payable	\$ 23,784	\$ -	\$ 11,805	\$ 645	\$ 1,953	\$ 326	\$ 1,299	\$ 522	\$ -	\$ 342	\$ 28	\$ 143	\$ 8	\$ 4,723	\$ 6	\$ 1,984
Accrued compensation and related liabilities	47,551	-	29,457	500	690	669	180	11,019	-	12	182	250	2,963	1,570	-	59
Accrued liabilities	77,654	(4,670)	16,619	216	203	108	333	1,676	-	-	46	-	-	62,947	-	176
Payable to third-party payors net	7,490	-	6,986	142	345	-	17	-	-	-	-	-	-	-	-	-
Current maturities of long-term debt	14,719	-	14,579	-	-	-	-	-	-	-	-	-	-	-	-	-
Total current liabilities	171,198	(4,670)	79,446	1,503	3,191	1,103	1,829	13,217	-	354	256	393	2,971	69,380	6	2,219
Other liabilities	35,974	-	9,850	-	-	-	11	25,556	557	-	-	-	-	-	-	-
Notes payable and interest due to (from) affiliates	(8,569)	-	(237,361)	429	13,969	473	500	128,036	-	465	-	216	(4,131)	-	84,366	4,469
Long-term debt less current maturities	117,411	-	115,877	-	-	-	-	-	-	-	-	-	-	1,534	-	-
Total liabilities	316,014	(4,670)	(32,188)	1,932	17,160	1,576	2,340	166,809	557	819	256	609	(4,160)	70,914	84,372	6,688
Net assets (deficit)	551,614	(95,362)	617,840	10,014	20,855	7,003	22,374	(127,637)	-	5,547	1,478	6,484	2,554	72,173	(34,471)	42,762
Controlling interest	28,550	28,550	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Noncontrolling interests in subsidiaries	580,164	(66,812)	617,840	10,014	20,855	7,003	22,374	(127,637)	-	5,547	1,478	6,484	2,554	72,173	(34,471)	42,762
Total liabilities and net assets (deficit)	\$ 896,178	\$ (71,482)	\$ 585,652	\$ 11,946	\$ 38,015	\$ 8,579	\$ 24,714	\$ 39,172	\$ 557	\$ 6,366	\$ 1,734	\$ 7,093	\$ 1,394	\$ 143,087	\$ 49,901	\$ 49,450

St Joseph Health System and Affiliates
A St Joseph Health Ministry Corporation

Consolidating Statement of Operations
(In Thousands)

Year Ended June 30, 2015

	Consolidated	Eliminations	Total Regional Entities	System Office	American Unity Group	Professional Services Enterprises	Heritage Investment Group I	Revenue Cycle Services	Innovation Institute	St Joseph Health System Foundation	Data Health	Obligated Group	Non- Obligated Group
Revenues													
Patient service net of contractual allowances and discounts	\$ 4 955 644	\$ -	\$ 4 955 644	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4 357 475	\$ 598 169
Provision for doubtful accounts	182 093	(2)	182 095	-	-	-	-	-	-	-	-	163 097	18 996
Net patient service net of provision for doubtful accounts	4 773 551	2	4 773 549	-	-	-	-	-	-	-	-	4 194 378	579 173
Premium	1 192 711	-	1 192 711	-	-	-	-	-	-	-	-	-	-
Other	249 629	(155 271)	(101 575)	283 550	12 072	3 346	3 354	88 777	115 376	-	-	308 660	884 051
Total revenues	6 215 891	(155 269)	5 864 685	283 550	12 072	3 346	3 354	88 777	115 376	-	-	192 472	57 157
Expenses													
Compensation and benefits	2 524 125	(25 955)	2 304 913	160 216	-	-	-	54 247	30 704	-	-	2 017 426	506 699
Supplies and other	1 491 893	(24 124)	1 458 624	29 007	13 769	59	1 095	2 270	11 193	-	-	1 241 333	250 560
Professional fees and purchased services	1 699 364	(84 462)	1 561 782	118 279	169	-	29	40 100	63 467	-	-	814 257	885 107
Depreciation and amortization	342 516	5 985	300 393	31 469	-	649	335	144	3 541	-	-	306 906	35 610
Interest	103 420	(6 237)	90 500	9 859	-	3 285	564	1	5 448	-	-	96 365	7 055
Total expenses	6 161 318	(134 793)	5 716 212	348 830	13 938	3 993	2 023	96 762	114 353	-	-	4 476 287	1 685 031
Operating income (loss)	54 573	(20 476)	148 473	(65 280)	(1 866)	(647)	1 331	(7 985)	1 023	-	-	219 223	(164 650)
Nonoperating gains (losses) net	4 899	(27 013)	28 001	(12 594)	2 069	651	-	(2)	(2 091)	15 878	-	59 282	(54 383)
Gain from operations of discontinued component	807	-	-	-	-	-	-	-	-	-	807	-	807
Excess (deficiency) of revenues over expenses	60 279	(47 489)	176 474	(77 874)	203	4	1 331	(7 987)	(1 068)	15 878	807	278 505	(218 226)
Less: Excess of revenues over expenses attributable to noncontrolling interests	17 192	305	16 887	-	-	-	-	-	-	-	-	-	17 192
Excess (deficiency) of revenues over expenses attributable to controlling interests	\$ 43 087	\$ (47 794)	\$ 159 587	\$ (77 874)	\$ 203	\$ 4	\$ 1 331	\$ (7 987)	\$ (1 068)	\$ 15 878	\$ 807	\$ 278 505	\$ (235 418)

St Joseph Health System and Affiliates
A St Joseph Health Ministry Corporation

Consolidating Statement of Operations of Regional Entities
(In Thousands)

Year Ended June 30, 2015

	Total Regional Entities	Eliminations	Southern California Region	Northern California Region	Texas Region	Heritage
Revenues						
Patient service, net of contractual allowances and discounts	\$ 4,955,644	\$ -	\$ 2,696,626	\$ 1,151,677	\$ 816,522	\$ 290,819
Provision for doubtful accounts	182,095	-	81,398	51,752	41,595	7,350
Net patient service, net of provision for doubtful accounts	4,773,549	-	2,615,228	1,099,925	774,927	283,469
Premium	1,192,711	-	106,730	31,100	507,845	547,036
Other	(101,575)	(271,638)	46,470	23,274	44,664	55,655
Total revenues	5,864,685	(271,638)	2,768,428	1,154,299	1,327,436	886,160
Expenses						
Compensation and benefits	2,304,913	(26,779)	1,225,102	465,317	449,277	191,996
Supplies and other	1,458,624	9,855	818,753	274,274	226,048	129,694
Professional fees and purchased services	1,561,782	(236,714)	313,419	232,526	556,960	695,591
Depreciation and amortization	300,393	-	188,554	54,961	38,562	18,316
Interest	90,500	-	61,429	17,585	7,531	3,955
Total expenses	5,716,212	(253,638)	2,607,257	1,044,663	1,278,378	1,039,552
Operating income (loss)	148,473	(18,000)	161,171	109,636	49,058	(153,392)
Nonoperating gains (losses), net	28,001	-	34,530	5,122	(11,799)	148
Excess (deficiency) of revenues over expenses	176,474	(18,000)	195,701	114,758	37,259	(153,244)
Less: Excess (deficiency) of revenues over expenses attributable to noncontrolling interests	16,887	-	20,053	53	(3,219)	-
Excess (deficiency) of revenues over expenses attributable to controlling interests	\$ 159,587	\$ (18,000)	\$ 175,648	\$ 114,705	\$ 40,478	\$ (153,244)

St Joseph Health System and Affiliates
A St Joseph Health Ministry Corporation

Consolidating Statement of Operations of Southern California Region
(In Thousands)

Year Ended June 30, 2015

	Southern California Region	Eliminations	St Joseph Orange	St Jude Medical Center	Mission Hospital	St Mary Medical Center	Hoag Hospital	Hoag Foundation	Newport Healthcare Center	St Joseph Home Health South	Other
Revenues											
Patient service net of contractual allowances and discounts	\$ 2,696,626	\$ (2,102)	\$ 495,127	\$ 402,469	\$ 520,177	\$ 322,362	\$ 752,205	\$ -	\$ -	\$ 49,427	\$ 156,961
Provision for doubtful accounts	81,398	-	6,922	21,692	18,177	15,589	17,889	-	-	864	265
Net patient service net of provision for doubtful accounts	2,615,228	(2,102)	488,205	380,777	502,000	306,773	734,316	-	-	48,563	156,696
Premium	106,730	(170,830)	79,360	77,499	14,213	18,502	87,986	-	-	-	-
Other	46,470	(141,634)	15,207	8,968	14,484	4,832	72,815	10,494	12,874	146	48,284
Total revenues	2,768,428	(314,566)	582,772	467,244	530,697	330,107	895,117	10,494	12,874	48,709	204,980
Expenses											
Compensation and benefits	1,225,102	(30,628)	249,453	196,506	204,341	137,645	359,728	-	-	31,341	76,716
Supplies and other	818,753	(34,278)	163,878	117,304	153,260	75,418	246,848	19,973	2,571	12,471	61,308
Professional fees and purchased services	313,419	(253,711)	113,289	100,944	115,912	66,011	144,061	-	1,637	6,180	19,096
Depreciation and amortization	188,554	(3,195)	39,634	33,378	23,845	12,212	71,328	-	2,872	747	7,733
Interest	61,429	(1,014)	15,547	18,425	9,488	2,366	16,286	-	-	-	331
Total expenses	2,607,257	(322,826)	581,801	466,557	506,846	293,652	838,251	19,973	7,080	50,739	165,184
Operating income (loss)	161,171	8,260	971	687	23,851	36,455	56,866	(9,479)	5,794	(2,030)	39,796
Nonoperating gains (losses) net	34,530	(30,958)	1,798	8,302	(657)	1,621	50,468	1,176	119	3	2,658
Excess (deficiency) of revenues over expenses	195,701	(22,698)	2,769	8,989	23,194	38,076	107,334	(8,303)	5,913	(2,027)	42,454
Less: Excess of revenues over expenses attributable to noncontrolling interests	20,053	20,053	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenses attributable to controlling interests	\$ 175,648	\$ (42,751)	\$ 2,769	\$ 8,989	\$ 23,194	\$ 38,076	\$ 107,334	\$ (8,303)	\$ 5,913	\$ (2,027)	\$ 42,454

St Joseph Health System and Affiliates
A St Joseph Health Ministry Corporation

Consolidating Statement of Operations of Northern California Region
(In Thousands)

Year Ended June 30, 2015

	Northern California Region	Eliminations	Queen of the Valley	Santa Rosa Memorial	Petaluma Valley	St. Joseph Eureka	Redwood Memorial	St. Joseph Home Health North	Redwood Memorial Foundation	Advanced Surgery Institute	Northbay Endoscopy Center	Queen of the Valley Foundation
Revenues												
Patient service net of contractual allowances and discounts	\$ 1 151 677	\$ (465)	\$ 233 113	\$ 503 993	\$ 92 790	\$ 254 511	\$ 54 430	\$ 9 398	\$ -	\$ 2 988	\$ 919	\$ -
Provision for doubtful accounts	51 752	-	10 220	24 937	6 731	6 295	3 337	179	-	53	-	-
Net patient service net of provision for doubtful accounts	1 099 925	(465)	222 893	479 056	86 059	248 216	51 093	9 219	-	2 935	919	-
Premium (other)	31 100	-	20 710	10 390	-	-	-	-	-	-	-	-
23 274	(2 980)	9 847	5 574	1 998	3 645	704	-	-	-	-	-	4 486
Total revenues	1 154 299	(3 445)	253 450	495 020	88 057	251 861	51 797	9 219	-	2 935	919	4 486
Expenses												
Compensation and benefits	465 317	-	116 616	189 352	44 165	87 774	20 330	6 232	-	842	6	-
Supplies and other	274 274	(2 500)	57 081	121 998	17 627	66 011	5 955	1 945	-	1 312	317	4 528
Professional fees and purchased services	232 526	(945)	56 743	97 614	18 813	46 912	10 189	2 414	-	401	385	-
Depreciation and amortization	54 961	-	15 784	20 333	4 067	12 618	1 513	253	-	381	-	12
Interest	17 585	-	7 652	6 187	20	3 602	85	7	-	32	-	-
Total expenses	1 044 663	(3 445)	253 876	435 484	84 692	216 917	38 072	10 851	-	2 968	708	4 540
(Operating income (loss))	109 636	-	(426)	59 536	3 365	34 944	13 725	(1 632)	-	(33)	211	(54)
Nonoperating gains (losses) net	5 122	(125)	(1 164)	4 710	47	111	1 168	-	298	-	-	77
Excess (deficiency) of revenues over expenses	114 758	(125)	(1 590)	64 246	3 412	35 055	14 893	(1 632)	298	(33)	211	23
Less: Excess of revenues over expenses attributable to noncontrolling interests	53	53	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenses attributable to controlling interests	\$ 114 705	\$ (178)	\$ (1 590)	\$ 64 246	\$ 3 412	\$ 35 055	\$ 14 893	\$ (1 632)	\$ 298	\$ (33)	\$ 211	\$ 23

St. Joseph Health System and Affiliates
A St. Joseph Health Ministry Corporation

Consolidating Statement of Operations of Texas Region
(In Thousands)

Year Ended June 30, 2015

	Texas Region	Eliminations	Covenant Lubbock	Covenant Levelland	Covenant Plainview	Covenant LTAC	Covenant Rehabilitation Hospital	Covenant Medical Group	Covenant Surgicenter	Covenant Diagnostic Imaging	Hospice of Lubbock	Covenant Health Partners	First Care	Methodist Service Provider Organization	Covenant Foundation
Revenues															
Patient service net of contractual allowances and discounts	\$ 816,522	\$ (57,862)	\$ 665,621	\$ 21,564	\$ 39,579	\$ 21,180	\$ 723	\$ 99,858	\$ 12,760	\$ 5,211	\$ 7,888	\$ -	\$ -	\$ -	\$ -
Provision for doubtful accounts	41,595	-	26,844	1,406	3,060	125	-	9,536	-	498	126	-	-	-	-
Net patient service net of provision for doubtful accounts	774,927	(57,862)	638,777	20,158	36,519	21,055	723	90,322	12,760	4,713	7,762	-	-	-	-
Premium	507,845	(1,721)	-	-	-	-	-	-	-	-	-	-	509,566	-	-
Other	44,664	(63,524)	53,084	518	3,560	27	16	30,561	-	55	179	5,390	9,555	-	5,243
Total revenues	1,327,436	(123,107)	691,861	20,676	40,079	21,082	739	120,883	12,760	4,768	7,941	5,390	519,121	-	5,243
Expenses															
Compensation and benefits	449,277	(1,721)	249,486	11,235	17,356	9,087	362	118,924	3,461	1,956	3,271	2,839	32,484	-	537
Supplies and other	226,048	(6,419)	163,035	3,289	10,767	5,282	1,251	18,513	4,758	780	1,721	272	18,631	12	4,156
Professional fees and purchased services	556,960	(121,386)	162,203	5,593	9,548	3,357	110	12,751	1,860	773	2,009	2,240	477,412	-	490
Depreciation and amortization	38,562	-	32,088	311	1,041	188	9	278	347	179	136	-	3,913	72	-
Interest	7,531	-	6,847	10	(10)	-	-	19	-	-	-	-	665	-	-
Total expenses	1,278,378	(129,526)	613,659	20,438	38,702	17,914	1,732	150,485	10,426	3,688	7,137	5,351	533,105	84	5,183
Operating income (loss)	49,058	6,419	78,202	238	1,377	3,168	(993)	(29,602)	2,334	1,080	804	39	(13,984)	(84)	60
Nonoperating (losses) gains, net	(11,799)	44	5,172	112	188	12	-	37	349	-	39	18	(1,648)	(16,873)	751
Excess (deficiency) of revenues over expenses	37,259	6,463	83,374	350	1,565	3,180	(993)	(29,565)	2,683	1,080	843	57	(15,632)	(16,957)	811
Less: Deficiency of revenues over expenses attributable to noncontrolling interests	(3,219)	(3,219)	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess (deficiency) of revenues over expenses attributable to controlling interests	\$ 40,478	\$ 9,682	\$ 83,374	\$ 350	\$ 1,565	\$ 3,180	\$ (993)	\$ (29,565)	\$ 2,683	\$ 1,080	\$ 843	\$ 57	\$ (15,632)	\$ (16,957)	\$ 811