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Form 990

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2017

Open to Public Inspection

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](#)

A For the 2017 calendar year, or tax year beginning 01-01-2017 , and ending 12-31-2017

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Final return/terminated

☐ Amended return

☐ Application pending

C Name of organization

Virginia Mason Medical Center

Doing business as

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

1100 Ninth Avenue

Room/suite

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

Seattle, WA 98101

F Name and address of principal officer

Gary Kaplan MD  
1100 Ninth Avenue  
Seattle, WA 98101

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

☐ Yes ☒ No

H(b) Are all subordinates included?

☐ Yes ☐ No

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

H(c) Group exemption number

I Tax-exempt status

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

J Website: ▶

www.virginiamason.org

K Form of organization

☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation

1934

M State of legal domicile

WA

Part I Summary

Activities & Governance

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

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

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

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

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

5 Total number of individuals employed in calendar year 2017 (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)

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) ▶0

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

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

Prior Year

Current Year

Beginning of Current Year

End of Year

Part II Signature Block

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

Sign Here

Signature of officer

Gary Kaplan MD Chairman and CEO

Type or print name and title

2018-11-12

Date

Paid Preparer Use Only

Print/Type preparer's name

Sue Robison

Preparer's signature

Sue Robison

Date

2018-11-12

Check ☐ if self-employed

PTIN

Firm's name ▶ KPMG LLP

Firm's EIN ▶

Firm's address ▶ 1918 8th Avenue Suite 2900

Seattle, WA 98101

Phone no (206) 913-4000

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2017)

**Part III Statement of Program Service Accomplishments**Check if Schedule O contains a response or note to any line in this Part III ☒**1** Briefly describe the organization's mission:

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

**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 \$ 877,646,348 including grants of \$ ) (Revenue \$ 984,460,337 )  
See Additional Data

**4b** (Code ) (Expenses \$ 22,662,810 including grants of \$ 1,750,000 ) (Revenue \$ 409,062 )  
See Additional Data










**4c** (Code ) (Expenses \$ 248,700 including grants of \$ ) (Revenue \$ 107,693 )  
See Additional Data

**4d** Other program services (Describe in Schedule O )

(Expenses \$ 3,923,919 including grants of \$ 3,923,919 ) (Revenue \$ )

**4e** Total program service expenses ▶ 904,481,777

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	<b>1</b> Yes	
<b>2</b> Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 	<b>2</b> Yes	
<b>3</b> 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	<b>3</b>	No
<b>4 Section 501(c)(3) organizations.</b> 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 	<b>4</b> Yes	
<b>5</b> 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	<b>5</b>	No
<b>6</b> 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	<b>6</b>	No
<b>7</b> 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	<b>7</b>	No
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	<b>8</b>	No
<b>9</b> 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	<b>9</b>	No
<b>10</b> 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 	<b>10</b> Yes	
<b>11</b> 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		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI 	<b>11a</b> Yes	
<b>b</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	<b>11b</b>	No
<b>c</b> 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	<b>11c</b>	No
<b>d</b> 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	<b>11d</b>	No
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X 	<b>11e</b> Yes	
<b>f</b> 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 	<b>11f</b> Yes	
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	<b>12a</b>	No
<b>b</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 	<b>12b</b> Yes	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	<b>13</b>	No
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States?	<b>14a</b>	No
<b>b</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 	<b>14b</b> Yes	
<b>15</b> 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	<b>15</b>	No
<b>16</b> 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	<b>16</b>	No
<b>17</b> 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)	<b>17</b>	No
<b>18</b> 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	<b>18</b>	No
<b>19</b> 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	<b>19</b>	No

**Part IV Checklist of Required Schedules** (continued)

	Yes	No
<b>20a</b> Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H . . . . .	20a Yes	
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? . . . . .	20b Yes	
<b>21</b> Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II . . . . .	21 Yes	
<b>22</b> Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III . . . . .	22	No
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J . . . . .	23 Yes	
<b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a . . . . .	24a Yes	
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .	24b	No
<b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	24c	No
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .	24d	No
<b>25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I . . . . .	25a	No
<b>b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I . . . . .	25b	No
<b>26</b> Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II . . . . .	26	No
<b>27</b> Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III . . . . .	27	No
<b>28</b> 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) <b>a</b> A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV . . . . . <b>b</b> A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV . . . . . <b>c</b> An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV . . . . .	28a Yes 28b Yes 28c Yes	
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M . . . . .	29	No
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M . . . . .	30	No
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I . . . . .	31	No
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II . . . . .	32	No
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I . . . . .	33 Yes	
<b>34</b> Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1 . . . . .	34 Yes	
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	No
<b>b</b> If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 . . . . .	35b	No
<b>36 Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2 . . . . .	36	No
<b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI . . . . .	37	No
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	38 Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

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

☐

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	568	
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	6,164
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note.If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b	Yes
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	Yes
b	If "Yes," has it filed a Form 990-T for this year?If "No" to line 3b, provide an explanation in Schedule O	3b	Yes
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	No
b	If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a	No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7 Organizations that may receive deductible contributions under section 170(c).			
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		8	
9a	Did the sponsoring organization make any taxable distributions under section 4966?	9a	
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b	
10 Section 501(c)(7) organizations. Enter			
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11 Section 501(c)(12) organizations. Enter			
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them )	11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a	Is the organization licensed to issue qualified health plans in more than one state?Note. See the instructions for additional information the organization must report on Schedule O	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a Did the organization receive any payments for indoor tanning services during the tax year?		14a	No
b	If "Yes," has it filed a Form 720 to report these payments?If "No," provide an explanation in Schedule O	14b	

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

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

**Section A. Governing Body and Management**

		Yes	No
<b>1a</b>	Enter the number of voting members of the governing body at the end of the tax year	15	
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
<b>b</b>	Enter the number of voting members included in line 1a, above, who are independent	13	
<b>2</b>	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	Yes	
<b>3</b>	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		No
<b>4</b>	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		No
<b>5</b>	Did the organization become aware during the year of a significant diversion of the organization's assets?		No
<b>6</b>	Did the organization have members or stockholders?	Yes	
<b>7a</b>	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	Yes	
<b>7b</b>	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	Yes	
<b>8</b>	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b>	The governing body?	Yes	
<b>b</b>	Each committee with authority to act on behalf of the governing body?	Yes	
<b>9</b>	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		No

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

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

**Section C. Disclosure**

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

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

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

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

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

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

Form **990** (2017)

[illegible]

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ▶ 1,303

## Section B. Independent Contractors

(A) Name and business address	(B) Description of services	(C) Compensation
Crothall Healthcare Inc 955 Chesterbrook Blvd Suite 300 Wayne, PA 19087	Staffing Services	14,323,501
AMN Healthcare Inc PO Box 281939 Atlanta, GA 30384	Staffing Services	2,744,121
Skanska USA Building Inc 221 Yale Ave N Ste 400 Seattle, WA 98109	Construction Services	1,070,670
Vera Whole Health Inc 605 Fifth Ave S Suite 150 Seattle, WA 98104	Healthcare Services	2,418,170
First Choice Health PO Box 94041 MS 310170 Seattle, WA 98124	Third Party Administrator Services	2,267,767

<p><b>2</b> Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ▶ 65</p>	
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**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	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b> Federated campaigns . . .	<b>1a</b>					
	<b>b</b> Membership dues . . .	<b>1b</b>					
	<b>c</b> Fundraising events . . .	<b>1c</b>					
	<b>d</b> Related organizations	<b>1d</b>	10,669,637				
	<b>e</b> Government grants (contributions)	<b>1e</b>					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b>					
	<b>g</b> Noncash contributions included in lines 1a-1f \$ _____						
	<b>h Total.</b> Add lines 1a-1f . . . . . ▶			10,669,637			
<b>Program Service Revenue</b>			Business Code				
	<b>2a</b> Net Patient revenues		561499	573,155,966	573,155,966		
	<b>b</b> Retail Services		561499	13,836,337	416,004	13,420,333	
	<b>c</b> Pharmacy		561499	25,179,820	25,179,820		
	<b>d</b> Medicare/Medicaid Payments		621300	372,804,969	372,804,969		
	<b>e</b> _____						
	<b>f</b> All other program service revenue						
	<b>g Total.</b> Add lines 2a-2f . . . . . ▶			984,977,092			
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) . . . . . ▶			22,231,459		14,772,031	7,459,428
	<b>4</b> Income from investment of tax-exempt bond proceeds ▶			128,571			128,571
	<b>5</b> Royalties . . . . . ▶			628			628
	<b>6a</b> Gross rents	(i) Real	(ii) Personal				
		1,666,847					
	<b>b</b> Less rental expenses	2,062,922					
	<b>c</b> Rental income or (loss)	-396,075					
	<b>d</b> Net rental income or (loss) . . . . . ▶			-396,075		-408,925	12,850
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		301,234,337	3,182,189				
	<b>b</b> Less cost or other basis and sales expenses	283,085,344					
	<b>c</b> Gain or (loss)	18,148,993	3,182,189				
	<b>d</b> Net gain or (loss) . . . . . ▶			21,331,182			21,331,182
	<b>8a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . . <b>a</b>						
	<b>b</b> Less direct expenses . . . . . <b>b</b>						
	<b>c</b> Net income or (loss) from fundraising events . . . ▶						
	<b>9a</b> Gross income from gaming activities See Part IV, line 19 . . . . . <b>a</b>						
	<b>b</b> Less direct expenses . . . . . <b>b</b>						
	<b>c</b> Net income or (loss) from gaming activities . . . ▶						
	<b>10a</b> Gross sales of inventory, less returns and allowances . . . <b>a</b>						
		2,112,525					
	<b>b</b> Less cost of goods sold . . . <b>b</b>						
	1,142,461						
<b>c</b> Net income or (loss) from sales of inventory . . . ▶			970,064		970,064		
Miscellaneous Revenue		Business Code					
<b>11a</b> Cafeteria		722100	3,512,582			3,512,582	
<b>b</b> Parking		721110	4,261,303		352,275	3,909,028	
<b>c</b> Medical Records		561499	312,580			312,580	
<b>d</b> All other revenue . . . . .			14,055			14,055	
<b>e Total.</b> Add lines 11a-11d . . . . . ▶			8,100,520				
<b>12 Total revenue.</b> See Instructions . . . . . ▶			1,048,013,078	971,556,759	29,105,778	36,680,904	

**Part IX Statement of Functional Expenses**

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

Check if Schedule O contains a response or note to any line in this Part IX ☐**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
<b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21.	5,673,919	5,673,919		
<b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22.	0			
<b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, line 15 and 16.	0			
<b>4</b> Benefits paid to or for members.	0			
<b>5</b> Compensation of current officers, directors, trustees, and key employees.	11,676,877	8,308,943	3,367,934	
<b>6</b> Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	0			
<b>7</b> Other salaries and wages.	474,454,940	417,045,892	57,409,048	
<b>8</b> Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions).	24,845,245	21,838,970	3,006,275	
<b>9</b> Other employee benefits.	18,401,985	16,175,345	2,226,640	
<b>10</b> Payroll taxes.	29,937,563	26,315,118	3,622,445	
<b>11</b> Fees for services (non-employees):				
<b>a</b> Management.	1,654,177	1,454,022	200,155	
<b>b</b> Legal.	2,435,748		2,435,748	
<b>c</b> Accounting.	525,870		525,870	
<b>d</b> Lobbying.	182,153		182,153	
<b>e</b> Professional fundraising services. See Part IV, line 17.				
<b>f</b> Investment management fees.	0			
<b>g</b> Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	52,347,569	46,013,513	6,334,056	
<b>12</b> Advertising and promotion.	5,383,711	4,732,282	651,429	
<b>13</b> Office expenses.	225,384,180	198,112,694	27,271,486	
<b>14</b> Information technology.	15,865,470	13,945,748	1,919,722	
<b>15</b> Royalties.	0			
<b>16</b> Occupancy.	29,062,502	25,545,939	3,516,563	
<b>17</b> Travel.	2,904,254	2,552,839	351,415	
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials.	0			
<b>19</b> Conferences, conventions, and meetings.	470,244	413,344	56,900	
<b>20</b> Interest.	30,604,056	26,900,965	3,703,091	
<b>21</b> Payments to affiliates.	0			
<b>22</b> Depreciation, depletion, and amortization.	41,946,535	36,845,836	5,100,699	
<b>23</b> Insurance.	6,679,712	5,871,467	808,245	
<b>24</b> Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O):				
<b>a</b> Taxes.	29,840,669	29,840,669		
<b>b</b> Medical Purchased Services.	633,328	556,695	76,633	
<b>c</b> Dues and subscriptions.	2,488,316	2,187,230	301,086	
<b>d</b> Bad Debt Expense.	403,304	403,304		
<b>e</b> All other expenses.	15,639,406	13,747,043	1,892,363	
<b>25</b> Total functional expenses. Add lines 1 through 24e.	1,029,441,733	904,481,777	124,959,956	0
<b>26</b> Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

**Part X Balance Sheet**Check if Schedule O contains a response or note to any line in this Part IX ☐

				(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b>	Cash—non-interest-bearing . . . . .		29,859,041	<b>1</b>	35,668,436
	<b>2</b>	Savings and temporary cash investments . . . . .		20,372,506	<b>2</b>	36,856,285
	<b>3</b>	Pledges and grants receivable, net . . . . .			<b>3</b>	
	<b>4</b>	Accounts receivable, net . . . . .		110,928,926	<b>4</b>	121,882,978
	<b>5</b>	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .			<b>5</b>	
	<b>6</b>	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 . . . . .			<b>6</b>	
	<b>7</b>	Notes and loans receivable, net . . . . .			<b>7</b>	
	<b>8</b>	Inventories for sale or use . . . . .		17,329,093	<b>8</b>	18,036,101
	<b>9</b>	Prepaid expenses and deferred charges . . . . .		6,757,348	<b>9</b>	7,027,552
	<b>10a</b>	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D.	<b>10a</b>	1,104,057,982		
	<b>b</b>	Less: accumulated depreciation	<b>10b</b>	554,015,896		
				566,161,457	<b>10c</b>	550,042,086
	<b>11</b>	Investments—publicly traded securities . . . . .		325,532,983	<b>11</b>	351,371,087
	<b>12</b>	Investments—other securities. See Part IV, line 11 . . . . .			<b>12</b>	
	<b>13</b>	Investments—program-related. See Part IV, line 11 . . . . .			<b>13</b>	
	<b>14</b>	Intangible assets . . . . .			<b>14</b>	
<b>15</b>	Other assets. See Part IV, line 11 . . . . .		50,119,758	<b>15</b>	24,106,541	
<b>16</b>	<b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .		1,127,061,112	<b>16</b>	1,144,991,066	
<b>Liabilities</b>	<b>17</b>	Accounts payable and accrued expenses . . . . .		110,669,791	<b>17</b>	116,024,091
	<b>18</b>	Grants payable . . . . .			<b>18</b>	
	<b>19</b>	Deferred revenue . . . . .		89,303	<b>19</b>	99,542
	<b>20</b>	Tax-exempt bond liabilities . . . . .		309,091,104	<b>20</b>	287,037,163
	<b>21</b>	Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .			<b>21</b>	
	<b>22</b>	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 . . . . .			<b>22</b>	
	<b>23</b>	Secured mortgages and notes payable to unrelated third parties . . . . .		136,534,519	<b>23</b>	136,559,090
	<b>24</b>	Unsecured notes and loans payable to unrelated third parties . . . . .			<b>24</b>	
	<b>25</b>	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 . . . . .		117,575,065	<b>25</b>	115,397,125
	<b>26</b>	<b>Total liabilities.</b> Add lines 17 through 25 . . . . .		673,959,782	<b>26</b>	655,117,011
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.</b>					
	<b>27</b>	Unrestricted net assets . . . . .		431,922,000	<b>27</b>	462,910,636
	<b>28</b>	Temporarily restricted net assets . . . . .		16,152,666	<b>28</b>	21,653,289
	<b>29</b>	Permanently restricted net assets . . . . .		5,026,664	<b>29</b>	5,310,130
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.</b>					
	<b>30</b>	Capital stock or trust principal, or current funds . . . . .			<b>30</b>	
	<b>31</b>	Paid-in or capital surplus, or land, building or equipment fund . . . . .			<b>31</b>	
	<b>32</b>	Retained earnings, endowment, accumulated income, or other funds . . . . .			<b>32</b>	
	<b>33</b>	<b>Total net assets or fund balances</b> . . . . .		453,101,330	<b>33</b>	489,874,055
	<b>34</b>	<b>Total liabilities and net assets/fund balances</b> . . . . .		1,127,061,112	<b>34</b>	1,144,991,066

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response or note to any line in this Part XI ☒

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	1,048,013,078
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	1,029,441,733
<b>3</b>	Revenue less expenses Subtract line 2 from line 1	<b>3</b>	18,571,345
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	453,101,330
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	11,635,209
<b>6</b>	Donated services and use of facilities	<b>6</b>	
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>9</b>	6,566,171
<b>10</b>	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	<b>10</b>	489,874,055

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response or note to any line in this Part XII ☐

	Yes	No
<b>1</b> 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		
<b>2a</b> 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>b</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	
<b>c</b> 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	
<b>3a</b> 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>b</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:** 17005317  
**Software Version:** 18.2.0.0  
**EIN:** 91-0565539  
**Name:** Virginia Mason Medical Center

Form 990 (2017)

**Form 990, Part III, Line 4a:**

Health Care Services The Medical Center is a tertiary regional referral center which serves a patient community that includes Seattle and its surrounding suburbs, Western Washington and Alaska The main campus located in Seattle includes a hospital, an outpatient clinic, centers of excellence including the Center for Hyperbaric Medicine, Digestive Disease Institute, Floyd Delores Jones Cancer Institute, Heart Institute, Neuroscience Institute and Urology The Medical Center also operates eight regional clinics, and Bailey-Boushay House, a 35-bed skilled nursing facility During 2017, the Medical Center recorded 11,293 hospital inpatient admissions, 23,176 emergency room visits and 895,780 clinic visits The Medical Center provided charity care and unreimbursed Medicaid services to a total of 7,621 patients Continued on Schedule O

## **Form 990, Part III, Line 4b:**

Education and Research The Medical Center is an independent academic medical center with a graduate medical education program that trains over 120 residents and fellows in nine accredited programs in anesthesiology, internal medicine, general surgery, diagnostic radiology, preliminary surgery, transitional year, urology, pain management, and female pelvic medicine/reconstructive surgery The Medical Center is also affiliated with the University of Washington for training of subspecialties in the areas of anesthesiology, orthopedics, obstetrics, gynecology and urology The Medical Center also provides training in clinical nursing education, allied health fields, and continuing medical education In addition, the Medical Center conducts medical research through its affiliate Benaroya Research Institute at Virginia Mason, a scientific research institute qualified under Section 501c3 of the Internal Revenue code Continued on Schedule O

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## **Form 990, Part III, Line 4c:**

Community Health Education and Services The Medical Center contributes to the health of the community through sponsorship of community health education and services. Community health education includes classes, forums, presentations and other programs held during the day and evening in the Medical Center neighborhood clinic communities and the Seattle main campus. The Buse Diabetes Teaching Center provides a nationally recognized education program which includes classes covering every aspect of diabetes care including how to support long term health lifestyle habits and avoid long-term complications. The education programs are open to everyone with diabetes and their family members. Scholarships are available. In 2017, the Medical Center provided 11,000 toward support of the Buse Diabetes Teaching Center.

Continued on Schedule O

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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			
Tod Hamachek ..... Director, Chair	2 00 .....	X		X				0	0	0
Robert Bob Lemon ..... Director, Treasurer	2 00 .....	X		X				0	0	0
Dorothy H Mann PhD ..... Director, Secretary	2 00 .....	X		X				0	0	0
James Jamie Orlikoff ..... Director	2 00 .....	X						0	0	0
Jane Blodgett ..... Director	2 00 .....	X						0	0	0
Lewis Lonnie Edelheit PhD ..... Director	2 00 .....	X						0	0	0
Julie Morath RN ..... Director	2 00 .....	X						0	0	0
Carolyn Corvi ..... Director, Vice Chair	2 00 .....	X		X				0	0	0
Mary McWilliams ..... Director	2 00 .....	X						0	0	0
Michelle Griffin ..... Director	2 00 .....	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			
Gregg Meyer MD ..... Director	2 00 ..... 2 00	X						0	0	0
John Oppenheimer ..... Director	2 00 ..... 2 00	X						0	0	0
Kevin Schemm ..... Director	2 00 ..... 2 00	X						0	0	0
Asha Sharma ..... Director	2 00 ..... 2 00	X						0	0	0
David Williams ..... Director	2 00 ..... 3 00	X						0	0	0
Gary Kaplan MD ..... Chairman, CEO	50 00 ..... 5 00			X				1,127,597	0	68,995
Suzanne Anderson ..... President	50 00 ..... 4 00			X				648,716	0	136,326
Craig Goodrich ..... Senior Vice President, CFO	50 00 ..... 2 00			X				333,767	0	36,934
Katerie Chapman ..... Senior Vice President, Patient Care Services	50 00 .....				X			398,550	0	98,505
Lucy Glenn MD ..... Chief of Radiology	50 00 .....				X			592,992	0	55,167

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			
Michael Glenn MD ..... Chief Medical Officer	50 00 .....				X			1,624,338	0	129,327
Fred Govier MD ..... Chief of Surgery	50 00 .....				X			698,146	0	35,446
Joyce Lammert MD ..... Medical Director, Hospital	50 00 .....				X			486,335	0	26,476
William Poppy ..... Senior Vice President, CTO	1 00 .....				X			430,527	0	47,295
Donna Smith MD ..... Medical Director, Clinic	50 00 .....				X			481,373	0	111,822
Shelly Powell ..... Vice President, Patient Care Services	50 00 .....				X			255,391	0	37,174
Michael Gluck MD ..... Chief of Medicine	50 00 .....				X			612,218	0	49,888
Denise Dubuque ..... Vice President, Patient Care Services	50 00 .....				X			241,020	0	34,252
Cindy Rockfield ..... Vice President, Patient Care Services	50 00 .....				X			214,739	0	30,953
Santokh Gill ..... Vice President, Patient Care Services	50 00 .....				X			210,216	0	46,181

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			
Ingrid Gerbino MD ..... Chief, Primary Care	50 00 .....				X			346,915	0	27,831
Steve Schaefer ..... Senior Vice President, Support Services	50 00 .....				X			297,620	0	44,772
Christopher L Fellows MD ..... Physician	50 00 .....					X		1,462,666	0	66,349
Richard A Kozarek MD ..... Physician	50 00 .....					X		1,005,513	0	91,464
Rajiv Sethi MD ..... Physician	50 00 .....					X		1,297,068	0	34,967
Steven Bayles ..... Physician	50 00 .....					X		937,000	0	36,623
Jean-Christophe Leveque ..... Physician	50 00 .....					X		935,316	0	32,514
Sarah Patterson ..... Executive Sensei, Former Key Employee	50 00 ..... 2 00						X	335,198	0	44,946
Steve Rupp MD ..... Physician, Former Key Employee	50 00 .....						X	289,154	0	35,733
Charleen Tachibana RN ..... Sr VP, Quality and Safety, Former Key Employee	50 00 .....						X	1,071,506	0	93,628

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			
Catherine Potts MD ..... Physician, Former Key Employee	50 00 .....						X	232,679	0	27,255

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury

Internal Revenue Service

Name of the organization

Virginia Mason Medical Center

Public Charity Status and Public Support

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

OMB No 1545-0047

2017

Open to Public Inspection

Employer identification number

91-0565539

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

The organization is not a private foundation because it is (For lines 1 through 12, 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 agricultural research organization described in **170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land grant college of agriculture See instructions Enter the name, city, and state of the college or university \_\_\_\_\_
- 10

☐

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 )
- 11

☐

An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**
- 12

☐

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 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g
- 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- 10 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), 170(b)(1)(A)(vi), and 170(b)(1)(A)(ix)  
(Complete only if you checked the box on line 5, 7, 8, or 9 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) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
1	Gifts, grants, contributions, and membership fees received (Do not include any "unusual grant ")						
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	<b>Total.</b> 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	<b>Public support.</b> Subtract line 5 from line 4						

Section B. Total Support							
Calendar year (or fiscal year beginning in) ►		(a)2013	(b)2014	(c)2015	(d)2016	(e)2017	(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	<b>Total support.</b> Add lines 7 through 10						
12	Gross receipts from related activities, etc (see instructions)					<b>12</b>	
13	<b>First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> . . . . . ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage		
14	Public support percentage for 2017 (line 6, column (f) divided by line 11, column (f))	14 0 %
15	Public support percentage for 2016 Schedule A, Part II, line 14	15
16a	<b>33 1/3% support test—2017.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization <input type="checkbox"/>	
b	<b>33 1/3% support test—2016.</b> 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 <b>stop here.</b> The organization qualifies as a publicly supported organization <input type="checkbox"/>	
17a	<b>10%-facts-and-circumstances test—2017.</b> 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 <b>stop here.</b> 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	<b>10%-facts-and-circumstances test—2016.</b> 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 <b>stop here.</b> 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	<b>Private foundation.</b> 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 10 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) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total.</b> Add lines 1 through 5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
<b>c</b> Add lines 7a and 7b						
<b>8 Public support.</b> (Subtract line 7c from line 6.)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
<b>9</b> Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.)						

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

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

<b>15</b> Public support percentage for 2017 (line 8, column (f) divided by line 13, column (f))	<b>15</b>	0 %
<b>16</b> Public support percentage from 2016 Schedule A, Part III, line 15	<b>16</b>	

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

<b>17</b> Investment income percentage for <b>2017</b> (line 10c, column (f) divided by line 13, column (f))	<b>17</b>	0 %
<b>18</b> Investment income percentage from <b>2016</b> Schedule A, Part III, line 17	<b>18</b>	

**19a 33 1/3% support tests—2017.** 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—2016.** 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 12 of Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

**Section A. All Supporting Organizations**

	Yes	No
<b>1</b> Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in <b>Part VI</b> how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>	<b>1</b>	
<b>2</b> Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in <b>Part VI</b> how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>	<b>2</b>	
<b>3a</b> Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>	<b>3a</b>	
<b>b</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)? <i>If "Yes," describe in <b>Part VI</b> when and how the organization made the determination.</i>	<b>3b</b>	
<b>c</b> Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in <b>Part VI</b> what controls the organization put in place to ensure such use.</i>	<b>3c</b>	
<b>4a</b> Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes" and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>	<b>4a</b>	
<b>b</b> Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in <b>Part VI</b> how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>	<b>4b</b>	
<b>c</b> 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)? <i>If "Yes," explain in <b>Part VI</b> 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.</i>	<b>4c</b>	
<b>5a</b> Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in <b>Part VI</b>, 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).</i>	<b>5a</b>	
<b>b</b> <b>Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?	<b>5b</b>	
<b>c</b> <b>Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?	<b>5c</b>	
<b>6</b> Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in <b>Part VI</b>.</i>	<b>6</b>	
<b>7</b> Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>	<b>7</b>	
<b>8</b> Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>	<b>8</b>	
<b>9a</b> 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))? <i>If "Yes," provide detail in <b>Part VI</b>.</i>	<b>9a</b>	
<b>b</b> Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in <b>Part VI</b>.</i>	<b>9b</b>	
<b>c</b> Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in <b>Part VI</b>.</i>	<b>9c</b>	
<b>10a</b> Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>	<b>10a</b>	
<b>b</b> Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>	<b>10b</b>	



**Part IV Supporting Organizations** (continued)

	Yes	No
<b>11</b> Has the organization accepted a gift or contribution from any of the following persons?		
<b>a</b> 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?		
<b>b</b> A family member of a person described in (a) above?		
<b>c</b> A 35% controlled entity of a person described in (a) or (b) above? <i>If "Yes" to a, b, or c, provide detail in Part VI</i>		
	<b>11a</b>	
	<b>11b</b>	
	<b>11c</b>	

**Section B. Type I Supporting Organizations**

	Yes	No
<b>1</b> 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>		
	<b>1</b>	
<b>2</b> 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>		
	<b>2</b>	

**Section C. Type II Supporting Organizations**

	Yes	No
<b>1</b> 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>		
	<b>1</b>	

**Section D. All Type III Supporting Organizations**

	Yes	No
<b>1</b> Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
	<b>1</b>	
<b>2</b> 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>		
	<b>2</b>	
<b>3</b> 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>		
	<b>3</b>	

**Section E. Type III Functionally-Integrated Supporting Organizations**

- 1** Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (**see instructions**)
- a** ☐ The organization satisfied the Activities Test. Complete **line 2** below.
- b** ☐ The organization is the parent of each of its supported organizations. Complete **line 3** below.
- c** ☐ The organization supported a governmental entity. Describe in **Part VI** how you supported a government entity (see instructions).

**2 Activities Test Answer (a) and (b) below.**

	Yes	No
<b>a</b> 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>		
	<b>2a</b>	
<b>b</b> Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <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>		
	<b>2b</b>	
<b>3</b> Parent of Supported Organizations <b>Answer (a) and (b) below.</b>		
<b>a</b> Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>Provide details in Part VI.</i>		
	<b>3a</b>	
<b>b</b> Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>		
	<b>3b</b>	

**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 (explain in Part VI) **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E

<b>Section A - Adjusted Net Income</b>		(A) Prior Year	(B) Current Year (optional)
<b>1</b> Net short-term capital gain	<b>1</b>		
<b>2</b> Recoveries of prior-year distributions	<b>2</b>		
<b>3</b> Other gross income (see instructions)	<b>3</b>		
<b>4</b> Add lines 1 through 3	<b>4</b>		
<b>5</b> Depreciation and depletion	<b>5</b>		
<b>6</b> Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	<b>6</b>		
<b>7</b> Other expenses (see instructions)	<b>7</b>		
<b>8 Adjusted Net Income</b> (subtract lines 5, 6 and 7 from line 4)	<b>8</b>		
<b>Section B - Minimum Asset Amount</b>		(A) Prior Year	(B) Current Year (optional)
<b>1</b> Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)	<b>1</b>		
<b>a</b> Average monthly value of securities	<b>1a</b>		
<b>b</b> Average monthly cash balances	<b>1b</b>		
<b>c</b> Fair market value of other non-exempt-use assets	<b>1c</b>		
<b>d Total</b> (add lines 1a, 1b, and 1c)	<b>1d</b>		
<b>e Discount</b> claimed for blockage or other factors (explain in detail in Part VI)			
<b>2</b> Acquisition indebtedness applicable to non-exempt use assets	<b>2</b>		
<b>3</b> Subtract line 2 from line 1d	<b>3</b>		
<b>4</b> Cash deemed held for exempt use Enter 1-1/2% of line 3 (for greater amount, see instructions)	<b>4</b>		
<b>5</b> Net value of non-exempt-use assets (subtract line 4 from line 3)	<b>5</b>		
<b>6</b> Multiply line 5 by .035	<b>6</b>		
<b>7</b> Recoveries of prior-year distributions	<b>7</b>		
<b>8 Minimum Asset Amount</b> (add line 7 to line 6)	<b>8</b>		
<b>Section C - Distributable Amount</b>			Current Year
<b>1</b> Adjusted net income for prior year (from Section A, line 8, Column A)	<b>1</b>		
<b>2</b> Enter 85% of line 1	<b>2</b>		
<b>3</b> Minimum asset amount for prior year (from Section B, line 8, Column A)	<b>3</b>		
<b>4</b> Enter greater of line 2 or line 3	<b>4</b>		
<b>5</b> Income tax imposed in prior year	<b>5</b>		
<b>6 Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	<b>6</b>		
<b>7</b> <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)			

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

<b>Section D - Distributions</b>	<b>Current Year</b>
<b>1</b> Amounts paid to supported organizations to accomplish exempt purposes	
<b>2</b> Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
<b>3</b> Administrative expenses paid to accomplish exempt purposes of supported organizations	
<b>4</b> Amounts paid to acquire exempt-use assets	
<b>5</b> Qualified set-aside amounts (prior IRS approval required)	
<b>6</b> Other distributions (describe in <b>Part VI</b> ) See instructions	
<b>7 Total annual distributions.</b> Add lines 1 through 6	
<b>8</b> Distributions to attentive supported organizations to which the organization is responsive (provide details in <b>Part VI</b> ) See instructions	
<b>9</b> Distributable amount for 2017 from Section C, line 6	
<b>10</b> Line 8 amount divided by Line 9 amount	

<b>Section E - Distribution Allocations (see instructions)</b>	<b>(i) Excess Distributions</b>	<b>(ii) Underdistributions Pre-2017</b>	<b>(iii) Distributable Amount for 2017</b>
<b>1</b> Distributable amount for 2017 from Section C, line 6			
<b>2</b> Underdistributions, if any, for years prior to 2017 (reasonable cause required-- explain in Part VI) See instructions			
<b>3</b> Excess distributions carryover, if any, to 2017			
<b>a</b>			
<b>b</b> From 2013. . . . .			
<b>c</b> From 2014. . . . .			
<b>d</b> From 2015. . . . .			
<b>e</b> From 2016. . . . .			
<b>f</b> Total of lines 3a through e			
<b>g</b> Applied to underdistributions of prior years			
<b>h</b> Applied to 2017 distributable amount			
<b>i</b> Carryover from 2012 not applied (see instructions)			
<b>j</b> Remainder Subtract lines 3g, 3h, and 3i from 3f			
<b>4</b> Distributions for 2017 from Section D, line 7 \$			
<b>a</b> Applied to underdistributions of prior years			
<b>b</b> Applied to 2017 distributable amount			
<b>c</b> Remainder Subtract lines 4a and 4b from 4			
<b>5</b> Remaining underdistributions for years prior to 2017, if any Subtract lines 3g and 4a from line 2 If the amount is greater than zero, explain in Part VI See instructions			
<b>6</b> Remaining underdistributions for 2017 Subtract lines 3h and 4b from line 1 If the amount is greater than zero, explain in Part VI See instructions			
<b>7 Excess distributions carryover to 2018.</b> Add lines 3j and 4c			
<b>8</b> Breakdown of line 7			
<b>a</b> Excess from 2013. . . . .			
<b>b</b> Excess from 2014. . . . .			
<b>c</b> Excess from 2015. . . . .			
<b>d</b> Excess from 2016. . . . .			
<b>e</b> Excess from 2017. . . . .			

Additional Data

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Name: Virginia Mason Medical Center

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

**SCHEDULE C**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Political Campaign and Lobbying Activities**

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

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

OMB No 1545-0047

**2017**

**Open to Public Inspection**

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

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

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

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

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

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

Name of the organization Virginia Mason Medical Center	Employer identification number 91-0565539
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**Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.**

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV (see instructions for definition of "political campaign activities")
- 2 Political campaign activity expenditures (see instructions) ▶ \$
- 3 Volunteer hours for political campaign activities (see instructions) ▶

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

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

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

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

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-
1				
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

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred.)		<b>(a)</b> Filing organization's totals	<b>(b)</b> Affiliated group totals												
<b>1a</b>	Total lobbying expenditures to influence public opinion (grass roots lobbying)	133,386	175,480												
<b>b</b>	Total lobbying expenditures to influence a legislative body (direct lobbying)	48,767	108,767												
<b>c</b>	Total lobbying expenditures (add lines 1a and 1b)	182,153	284,247												
<b>d</b>	Other exempt purpose expenditures	1,029,259,580	1,586,599,944												
<b>e</b>	Total exempt purpose expenditures (add lines 1c and 1d)	1,029,441,733	1,586,884,191												
<b>f</b>	Lobbying nontaxable amount Enter the amount from the following table in both columns	1,000,000	1,000,000												
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </tbody> </table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
<b>g</b>	Grassroots nontaxable amount (enter 25% of line 1f)	250,000	250,000												
<b>h</b>	Subtract line 1g from line 1a If zero or less, enter -0-														
<b>i</b>	Subtract line 1f from line 1c If zero or less, enter -0-														
<b>j</b>	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.)**

<b>Lobbying Expenditures During 4-Year Averaging Period</b>					
Calendar year (or fiscal year beginning in)	<b>(a)</b> 2014	<b>(b)</b> 2015	<b>(c)</b> 2016	<b>(d)</b> 2017	<b>(e)</b> Total
<b>2a</b> Lobbying nontaxable amount	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
<b>b</b> Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000
<b>c</b> Total lobbying expenditures	138,835	154,766	275,782	284,247	853,630
<b>d</b> Grassroots nontaxable amount	250,000	250,000	250,000	250,000	1,000,000
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000
<b>f</b> Grassroots lobbying expenditures	119,335	108,173	163,134	175,480	566,122

**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
<b>1</b>	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			
<b>a</b>	Volunteers?			
<b>b</b>	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
<b>c</b>	Media advertisements?			
<b>d</b>	Mailings to members, legislators, or the public?			
<b>e</b>	Publications, or published or broadcast statements?			
<b>f</b>	Grants to other organizations for lobbying purposes?			
<b>g</b>	Direct contact with legislators, their staffs, government officials, or a legislative body?			
<b>h</b>	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?			
<b>i</b>	Other activities?			
<b>j</b>	Total. Add lines 1c through 1i			
<b>2a</b>	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
<b>b</b>	If "Yes," enter the amount of any tax incurred under section 4912			
<b>c</b>	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
<b>d</b>	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
<b>1</b> Were substantially all (90% or more) dues received nondeductible by members?	<b>1</b>	
<b>2</b> Did the organization make only in-house lobbying expenditures of \$2,000 or less?	<b>2</b>	
<b>3</b> Did the organization agree to carry over lobbying and political expenditures from the prior year?	<b>3</b>	

**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."

<b>1</b> Dues, assessments and similar amounts from members	<b>1</b>	
<b>2</b> Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
<b>a</b> Current year	<b>2a</b>	
<b>b</b> Carryover from last year	<b>2b</b>	
<b>c</b> Total	<b>2c</b>	
<b>3</b> Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	<b>3</b>	
<b>4</b> 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?	<b>4</b>	
<b>5</b> Taxable amount of lobbying and political expenditures (see instructions)	<b>5</b>	

**Part IV** Supplemental Information

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

Return Reference	Explanation
II-A A	Virginia Mason Medical Center, EIN 91-0565539, 1100 Ninth Avenue, Seattle, WA 98101 Electing Member Grassroots Lobbying Expenditures 133,386 Direct Lobbying Expenditures 48,767 Excess Lobbying Expenditures 0 Tax year ending December 31, 1998 was the first year in which Virginia Mason Medical Center made the election under Section 501h. The election was not revoked before the start of the tax year ending December 31, 2017. Virginia Mason Medical Center pays membership dues to Washington State Hospital Association, a portion of which was used for legislative and lobbying activities. Virginia Mason Medical Center also pays membership dues to other professional health care organizations, a portion of which may be used for legislative and lobbying activities.
II-A A continued	Virginia Mason Institute, EIN 26-3763656, 1100 Ninth Avenue, Seattle, WA 98101 Non-electing member Lobbying Expenditures 0 Excess Lobbying Expenditures 0
II-A A continued	Virginia Mason Health System, EIN 91-1351110, 1100 Ninth Avenue, Seattle, WA 98101 Non-electing member Lobbying Expenditures 0 Excess Lobbying Expenditures 0
II-A A continued	Benaroya Research Institute at Virginia Mason, EIN 91-0653422, 1201 Ninth Avenue, Seattle, WA 98101 Non-electing member Lobbying Expenditures 0 Excess Lobbying Expenditures 0
II-A A continued	Yakima Valley Memorial Hospital Association, EIN 91-0567263, 2811 Tieton Drive, Yakima, WA 98902 Non-electing member Grassroots Lobbying Expenditures 42,094 Direct Lobbying Expenditures 60,000 Excess Lobbying Expenditures 0

TY 2017 Affiliated Group Schedule

Name:

Virginia Mason Medical Center

EIN:

91-0565539

Software ID:

17005317

Software Version:

18.2.0.0

Affiliated Group Business Name:

Virginia Mason Medical Center

Address. Either US or Foreign Type:

1100 Ninth Avenue  
Seattle, WA 98101

EIN:

91-0565539

Electing Organization Checkbox:

☒

Total Grassroots Lobbying:

133,386

Total Direct Lobbying:

48,767

Total Lobbying Expenditures:

182,153

Other Exempt Purpose Expenditures:

1,029,259,580

Total Exempt Purpose Expenditures:

1,029,441,733

Lobbying Nontaxable Amount:

648,719

Grassroots Nontaxable Amount:

162,180

Tot Lobbying Grassroot Minus Non Tx:

0

Tot Lobby Expend Mns Lobbying Non Tx:

0

Share Of Excess Lobbying:

0

Affiliated Group Business Name:

Virginia Mason Institute

Address. Either US or Foreign Type:

1100 Ninth Avenue  
Seattle, WA 98101

EIN:

26-3763656

Electing Organization Checkbox:

☐

Total Grassroots Lobbying:

0

Total Direct Lobbying:

0

Total Lobbying Expenditures:

0

Other Exempt Purpose Expenditures:

7,028,082

Total Exempt Purpose Expenditures:

7,028,082

Lobbying Nontaxable Amount:

4,429

Grassroots Nontaxable Amount:

1,107

Tot Lobbying Grassroot Minus Non Tx:

0

Tot Lobby Expend Mns Lobbying Non Tx:

0

Share Of Excess Lobbying:

0



<b>Affiliated Group Business Name:</b>	Virginia Mason Health System		
<b>Address. Either US or Foreign Type:</b>	1100 Ninth Avenue Seattle, WA 98101		
<b>EIN:</b>	91-1351110		
<b>Electing Organization Checkbox:</b>	<input type="checkbox"/>		
<b>Total Grassroots Lobbying:</b>			0
<b>Total Direct Lobbying:</b>			0
<b>Total Lobbying Expenditures:</b>			0
<b>Other Exempt Purpose Expenditures:</b>		12,576,341	
<b>Total Exempt Purpose Expenditures:</b>		12,576,341	
<b>Lobbying Nontaxable Amount:</b>		7,925	
<b>Grassroots Nontaxable Amount:</b>		1,981	
<b>Tot Lobbying Grassroot Minus Non Tx:</b>			0
<b>Tot Lobby Expend Mns Lobbying Non Tx:</b>			0
<b>Share Of Excess Lobbying:</b>			0
<b>Affiliated Group Business Name:</b> Benaroya Research Institute at Virginia Mason			
<b>Address. Either US or Foreign Type:</b> 1200 Ninth Avenue Seattle, WA 98101			
<b>EIN:</b> 91-0653422			
<b>Electing Organization Checkbox:</b> <input type="checkbox"/>			
<b>Total Grassroots Lobbying:</b>			0
<b>Total Direct Lobbying:</b>			0
<b>Total Lobbying Expenditures:</b>			0
<b>Other Exempt Purpose Expenditures:</b>		71,612,353	
<b>Total Exempt Purpose Expenditures:</b>		71,612,353	
<b>Lobbying Nontaxable Amount:</b>		45,128	
<b>Grassroots Nontaxable Amount:</b>		11,282	
<b>Tot Lobbying Grassroot Minus Non Tx:</b>			0
<b>Tot Lobby Expend Mns Lobbying Non Tx:</b>			0
<b>Share Of Excess Lobbying:</b>			0

**Affiliated Group Business Name:** Yakima Valley Memorial Hospital Association

**Address. Either US or Foreign Type:** 2811 Tieton Drive  
Yakima, WA 98902

**EIN:** 91-0567263

**Electing Organization Checkbox:** ☐

**Total Grassroots Lobbying:** 42,094

**Total Direct Lobbying:** 60,000

**Total Lobbying Expenditures:** 102,094

**Other Exempt Purpose Expenditures:** 466,123,588

**Total Exempt Purpose Expenditures:** 466,225,682

**Lobbying Nontaxable Amount:** 293,799

**Grassroots Nontaxable Amount:** 73,450

**Tot Lobbying Grassroot Minus Non  
Tx:** 0

**Tot Lobby Expend Mns Lobbying Non  
Tx:** 0

**Share Of Excess Lobbying:** 0

SCHEDULE D  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2017

Open to Public Inspection

Name of the organization  
Virginia Mason Medical Center

Employer identification number  
91-0565539

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?

☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

☐ Yes ☐ No

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or education)

☐ Preservation of an historically important land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

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

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

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, 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)?

☐ Yes ☐ No

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

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.  
Complete if the organization answered "Yes" 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
<b>1c</b>	
<b>1d</b>	
<b>1e</b>	
<b>1f</b>	

**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" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
<b>1a</b> Beginning of year balance . . . . .	14,623,410	13,913,976	14,366,911	14,515,607	13,453,135
<b>b</b> Contributions . . . . .	480,797	230,872	541,000	61,150	
<b>c</b> Net investment earnings, gains, and losses	2,089,543	1,031,493	-427,461	350,255	1,797,810
<b>d</b> Grants or scholarships . . . . .	572,858	552,931	566,474	560,101	735,338
<b>e</b> Other expenditures for facilities and programs . . . . .					
<b>f</b> Administrative expenses . . . . .					
<b>g</b> End of year balance . . . . .	16,620,892	14,623,410	13,913,976	14,366,911	14,515,607

**2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as**a** Board designated or quasi-endowment ▶ 57 000 %**b** Permanent endowment ▶ 28 000 %**c** Temporarily restricted endowment ▶ 15 000 %

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

**3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by**(i)** unrelated organizations . . . . .**(ii)** related organizations . . . . .**b** If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R? . . . . .

	Yes	No
<b>3a(i)</b>	Yes	
<b>3a(ii)</b>		No
<b>3b</b>		

**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" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
<b>1a</b> Land . . . . .		40,852,921		40,852,921
<b>b</b> Buildings . . . . .		614,384,341	212,218,963	402,165,378
<b>c</b> Leasehold improvements		22,144,527	14,856,595	7,287,932
<b>d</b> Equipment . . . . .		406,163,614	325,902,446	80,261,168
<b>e</b> Other . . . . .		20,512,579	1,037,892	19,474,687
<b>Total.</b> Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) . . . ▶				550,042,086

Part VII

Investments—Other Securities. Complete if the organization answered "Yes" on Form 990, Part IV, line 11b.  
See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives . . . . .		
(2) Closely-held equity interests . . . . .		
(3) Other _____ (A) Financial derivatives and other financial products		
(B) Closely-held equity interests		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 12.) ▶		

Part VIII

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

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 13.) ▶		

Part IX

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

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) . . . . . ▶	

Part X

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

(a) Description of liability	(b) Book value	
(1) Federal income taxes		
Federal income taxes		
Due to affiliates	9,873,994	
Third Party Payor	9,540,953	
Professional Liability	18,010,000	
Accrued Retirement Expenses	72,672,448	
Asbestos Abatement	384,608	
Deferred Rent Credits	4,915,122	
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ▶	115,397,125	

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

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

**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.

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
See Additional Data Table	
	Schedule D (Form 990) 2017

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

Return Reference	Explanation

**Additional Data**

**Software ID:** 17005317  
**Software Version:** 18.2.0.0  
**EIN:** 91-0565539  
**Name:** Virginia Mason Medical Center

**Supplemental Information**

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



## Supplemental Information

Return Reference	Explanation
X 2	<p>U S GAAP requires management to evaluate tax positions taken by the Medical center and recognize a tax liability or asset if the Medical Center has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service Management has analyzed tax positions taken by the Medical Center and has concluded that as of December 31, 2017 and 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or asset or disclosure in the consolidated financial statements The Medical Center is subject to routine audits by taxing jurisdictions however, there are currently no audits for any tax periods in progress The Medical Centers management believes it is no longer subject to income tax examinations for years prior to 2014</p>

## Supplemental Information

Return Reference	Explanation
XI 2d	Additional Pension Adjustment 6,566,172 Virginia Mason Institute Revenues 9,071,790

Supplemental Information	
Return Reference	Explanation
XI 4b	Rental expenses 2,062,923 Financial reclasses 16,840 Cost of Goods Sold 1,142,461 Non-operating expenses 15,538,752 Rebate transfers 551,665 Equipment Transfers 73,906

Supplemental Information	
Return Reference	Explanation
XII 2d	Virginia Mason Institute Expenses 7,027,908

Supplemental Information	
Return Reference	Explanation
XII 4b	Rental expense 2,062,923 Financial reclasses 16,840 Cost of Goods Sold 1,142,461 Non-operating expenses 15,538,752 Rebate transfers 551,665 Equipment Transfers 73,906

**SCHEDULE F  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

Name of the organization  
Virginia Mason Medical Center

**Statement of Activities Outside the United States**

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

► Attach to Form 990.

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

OMB No 1545-0047

**2017**

**Open to Public  
Inspection**

**Employer identification number**

91-0565539

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

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

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

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

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
( 1 ) See Add'l Data					
( 2 )					
( 3 )					
( 4 )					
( 5 )					
<b>3a</b> Sub-total					180,803
<b>b</b> Total from continuation sheets to Part I					
<b>c Totals</b> (add lines 3a and 3b)					180,803

**Part II** **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

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

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

**Part III** **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16.

Part III can be duplicated if additional space is needed.

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



**Part IV Foreign Forms**

- 1 Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U S Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* ☐ Yes ☒ No
- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to separately file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U S Owner (see Instructions for Forms 3520 and 3520-A, do not file with Form 990)* ☐ Yes ☒ No
- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U S Persons with Respect to Certain Foreign Corporations (see Instructions for Form 5471)* ☐ Yes ☒ No
- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (see Instructions for Form 8621)* ☐ Yes ☒ No
- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U S Persons with Respect to Certain Foreign Partnerships (see Instructions for Form 8865)* ☐ Yes ☒ No
- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to separately file Form 5713, International Boycott Report (see Instructions for Form 5713, do not file with Form 990)* ☐ Yes ☒ No

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

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

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

**Additional Data**

**Software ID:** 17005317  
**Software Version:** 18.2.0.0  
**EIN:** 91-0565539  
**Name:** Virginia Mason Medical Center

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

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
East Asia and the Pacific			Program Services	Education	144,075
Europe Including Iceland and Greenland			Program Services	Education	7,454

Form 990 Schedule F Part I - Activities Outside The United States					
(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i e , fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
North America			Program Services	Education	25,255
Central America and the Caribbean			Program Services	Education	2,658

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

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region
South Asia			Program Services	Education	1,361

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SCHEDULE H  
(Form 990)

Hospitals

OMB No 1545-0047

2017

Open to Public Inspection

Department of the Treasury

Internal Revenue Service

Name of the organization

Virginia Mason Medical Center

Employer identification number

91-0565539

► Complete if the organization answered "Yes" on Form 990, Part IV, question 20.

► Attach to Form 990.

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

Part I

Financial Assistance and Certain Other Community Benefits at Cost

1a

Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a

1a

Yes

1b

If "Yes," was it a written policy?

1b

Yes

2

If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year

☒ Applied uniformly to all hospital facilities

☐ Applied uniformly to most hospital facilities

☐ Generally tailored to individual hospital facilities

3

Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year

a

Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing free care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care

3a

Yes

b

Did the organization use FPG as a factor in determining eligibility for providing discounted care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care

3b

No

c

If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care

4

Yes

5a

Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?

5a

Yes

b

If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?

5b

Yes

c

If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?

5c

No

6a

Did the organization prepare a community benefit report during the tax year?

6a

Yes

b

If "Yes," did the organization make it available to the public?

6b

Yes

Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H

7 Financial Assistance and Certain Other Community Benefits at Cost						
Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)		7,621	8,156,130		8,156,130	0 790 %
b Medicaid (from Worksheet 3, column a)		12,264	71,325,190	49,769,793	21,555,397	2 090 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs		19,885	79,481,320	49,769,793	29,711,527	2 880 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	8	1,501	567,977	107,693	460,284	0 040 %
f Health professions education (from Worksheet 5)	16	1,016	12,092,936	7,142,257	4,950,679	0 480 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			2,656,225		2,656,225	0 260 %
j Total. Other Benefits	24	2,517	15,317,138	7,249,950	8,067,188	0 780 %
k Total. Add lines 7d and 7j	24	22,402	94,798,458	57,019,743	37,778,715	3 660 %

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

Cat No 50192T

Schedule H (Form 990) 2017

**Part II Community 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
<b>1</b> Physical improvements and housing						
<b>2</b> Economic development						
<b>3</b> Community support						
<b>4</b> Environmental improvements						
<b>5</b> Leadership development and training for community members						
<b>6</b> Coalition building						
<b>7</b> Community health improvement advocacy						
<b>8</b> Workforce development						
<b>9</b> Other						
<b>10 Total</b>						

**Part III Bad Debt, Medicare, & Collection Practices**

**Section A. Bad Debt Expense**

		Yes	No
<b>1</b> Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	<b>1</b>	Yes	
<b>2</b> Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount.	<b>2</b>	5,436,525	
<b>3</b> 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.	<b>3</b>		
<b>4</b> 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**

<b>5</b> Enter total revenue received from Medicare (including DSH and IME).	<b>5</b>	202,688,244	
<b>6</b> Enter Medicare allowable costs of care relating to payments on line 5.	<b>6</b>	239,364,641	
<b>7</b> Subtract line 6 from line 5. This is the surplus (or shortfall).	<b>7</b>	-36,676,397	
<b>8</b> 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.			
<input type="checkbox"/> Cost accounting system	<input checked="" type="checkbox"/> Cost to charge ratio	<input type="checkbox"/> Other	

**Section C. Collection Practices**

<b>9a</b> Did the organization have a written debt collection policy during the tax year?	<b>9a</b>	Yes	
<b>b</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.	<b>9b</b>	Yes	

**Part IV Management Companies and Joint Ventures**

(a) Name of entity (owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)	(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 %
<b>1</b>				
<b>2</b>				
<b>3</b>				
<b>4</b>				
<b>5</b>				
<b>6</b>				
<b>7</b>				
<b>8</b>				
<b>9</b>				
<b>10</b>				
<b>11</b>				
<b>12</b>				
<b>13</b>				

**Part V Facility Information****Section A. Hospital Facilities**

(list in order of size from largest to smallest—see instructions)

How many hospital facilities did the organization operate during the tax year?  
**1**

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

	Other (describe)	ER-other	ER-24 hours	Research facility	Critical access hospital	Teaching hospital	Children's hospital	General medical & surgical	Licensed hospital	Facility reporting group
See Additional Data Table										



**Part V Facility Information** (continued)**Section B. Facility Policies and Practices**

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

A

**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

**Community Health Needs Assessment**

	Yes	No
<b>1</b> Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year? . . . . .	<b>1</b>	No
<b>2</b> Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C . . . . .	<b>2</b>	No
<b>3</b> During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12 . . . . . If "Yes," indicate what the CHNA report describes (check all that apply)	<b>3</b> Yes	
<b>a</b> <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
<b>b</b> <input checked="" type="checkbox"/> Demographics of the community		
<b>c</b> <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		
<b>d</b> <input checked="" type="checkbox"/> How data was obtained		
<b>e</b> <input checked="" type="checkbox"/> The significant health needs of the community		
<b>f</b> <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
<b>g</b> <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
<b>h</b> <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
<b>i</b> <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
<b>j</b> <input type="checkbox"/> Other (describe in Section C)		
<b>4</b> Indicate the tax year the hospital facility last conducted a CHNA 20 <u>16</u>		
<b>5</b> In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted . . . . .	<b>5</b> Yes	
<b>6 a</b> Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C . . . . .	<b>6a</b> Yes	
<b>b</b> Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C . . . . .	<b>6b</b>	No
<b>7</b> Did the hospital facility make its CHNA report widely available to the public? . . . . . If "Yes," indicate how the CHNA report was made widely available (check all that apply)	<b>7</b> Yes	
<b>a</b> <input checked="" type="checkbox"/> Hospital facility's website (list url) <u>virginiamason.org</u>		
<b>b</b> <input type="checkbox"/> Other website (list url) _____		
<b>c</b> <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
<b>d</b> <input type="checkbox"/> Other (describe in Section C)		
<b>8</b> Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11 . . . . .	<b>8</b> Yes	
<b>9</b> Indicate the tax year the hospital facility last adopted an implementation strategy 20 <u>16</u>		
<b>10</b> Is the hospital facility's most recently adopted implementation strategy posted on a website? . . . . . If "Yes" (list url) <u>virginiamason.org</u>	<b>10</b> Yes	
<b>a</b>		
<b>b</b> If "No," is the hospital facility's most recently adopted implementation strategy attached to this return? . . . . .	<b>10b</b>	
<b>11</b> Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed		
<b>12a</b> Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? . . . . .	<b>12a</b>	No
<b>b</b> If "Yes" on line 12a, did the organization file Form 4720 to report the section 4959 excise tax? . . . . .	<b>12b</b>	
<b>c</b> If "Yes" on line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ _____		

**Part V Facility Information** (continued)**Financial Assistance Policy (FAP)**

A

**Name of hospital facility or letter of facility reporting group** \_\_\_\_\_

		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that			
<b>13</b> 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	<b>13</b>	Yes	
<b>a</b> <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of 0000000300 000000000000 % and FPG family income limit for eligibility for discounted care of _____ % <b>b</b> <input type="checkbox"/> Income level other than FPG (describe in Section C) <b>c</b> <input type="checkbox"/> Asset level <b>d</b> <input checked="" type="checkbox"/> Medical indigency <b>e</b> <input type="checkbox"/> Insurance status <b>f</b> <input type="checkbox"/> Underinsurance discount <b>g</b> <input checked="" type="checkbox"/> Residency <b>h</b> <input type="checkbox"/> Other (describe in Section C)			
<b>14</b> Explained the basis for calculating amounts charged to patients? . . . . .	<b>14</b>	Yes	
<b>15</b> 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)	<b>15</b>	Yes	
<b>a</b> <input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application <b>b</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 <b>c</b> <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 <b>d</b> <input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications <b>e</b> <input type="checkbox"/> Other (describe in Section C)			
<b>16</b> Was widely publicized within the community served by the hospital facility? . . . . . If "Yes," indicate how the hospital facility publicized the policy (check all that apply)	<b>16</b>	Yes	
<b>a</b> <input checked="" type="checkbox"/> The FAP was widely available on a website (list url) <u>virginiamason org/FinancialAssistance</u> <b>b</b> <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url) <u>Virginiamason org/FinancialAssistance</u> <b>c</b> <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url) <u>VirginiaMason org/FinancialAssistance</u> <b>d</b> <input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail) <b>e</b> <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) <b>f</b> <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) <b>g</b> <input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention <b>h</b> <input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP <b>i</b> <input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by LEP populations <b>j</b> <input type="checkbox"/> Other (describe in Section C)			

**Part V Facility Information** (continued)**Billing and Collections**

A

**Name of hospital facility or letter of facility reporting group** \_\_\_\_\_

	Yes	No
<b>17</b> 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 nonpayment? . . . . .	<b>17</b> Yes	
<b>18</b> 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		
<b>a</b> <input type="checkbox"/> Reporting to credit agency(ies) <b>b</b> <input type="checkbox"/> Selling an individual's debt to another party <b>c</b> <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP <b>d</b> <input type="checkbox"/> Actions that require a legal or judicial process <b>e</b> <input type="checkbox"/> Other similar actions (describe in Section C) <b>f</b> <input checked="" type="checkbox"/> None of these actions or other similar actions were permitted		
<b>19</b> 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? . . . . .	<b>19</b>	No
If "Yes," check all actions in which the hospital facility or a third party engaged		
<b>a</b> <input type="checkbox"/> Reporting to credit agency(ies) <b>b</b> <input type="checkbox"/> Selling an individual's debt to another party <b>c</b> <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP <b>d</b> <input type="checkbox"/> Actions that require a legal or judicial process <b>e</b> <input type="checkbox"/> Other similar actions (describe in Section C)		
<b>20</b> 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)		
<b>a</b> <input checked="" type="checkbox"/> Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs <b>b</b> <input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process <b>c</b> <input type="checkbox"/> Processed incomplete and complete FAP applications <b>d</b> <input checked="" type="checkbox"/> Made presumptive eligibility determinations <b>e</b> <input type="checkbox"/> Other (describe in Section C) <b>f</b> <input type="checkbox"/> None of these efforts were made		

**Policy Relating to Emergency Medical Care**

<b>21</b> 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? . . . . .	<b>21</b> Yes	
If "No," indicate why		
<b>a</b> <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions <b>b</b> <input type="checkbox"/> The hospital facility's policy was not in writing <b>c</b> <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C) <b>d</b> <input type="checkbox"/> Other (describe in Section C)		

**Part V Facility Information** *(continued)***Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)**

A

**Name of hospital facility or letter of facility reporting group** \_\_\_\_\_**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** ☐ The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period
- b** ☐ The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
- c** ☐ The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period
- d** ☒ The hospital facility used a prospective Medicare or Medicaid method

**23** During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? . . . . .

If "Yes," explain in Section C

**24** During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? . . . . .

If "Yes," explain in Section C

	Yes	No
<b>22</b>		
<b>23</b>		No
<b>24</b>		No

**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, 16j, 18e, 19e, 20e, 21c, 21d, 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.

[illegible]

**Part V Facility Information** (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**  
(list in order of size, from largest to smallest)How many non-hospital health care facilities did the organization operate during the tax year? 8

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

**Part VI Supplemental Information**

Provide the following information

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

**990 Schedule H, Supplemental Information**

Form and Line Reference	Explanation
Part I Line 3c	Full or partial discounts may be provided to patients who are not otherwise eligible for Charity Care, i e , with gross family incomes above three hundred percent 300 of the federal poverty guidelines adjusted for family size Such discounts may be provided to patients with catastrophic costs or conditions when circumstances as determined by the Medical Center indicate that full payment may cause extraordinary financial hardship to the patient or the patients family The Medical Center shall determine, on a case by case basis, whether a patient qualifies as Medically Indigent pursuant to its policy and shall, through Patient Financial Services, determine the amount of the discount, if any Determinations shall be made expeditiously after submission of financial information by the patient, but shall not be subject to any appeal rights
Part I Line 7	The Medical Center used the direct expenses and revenues of the hospital to calculate the cost-to-charges ratio for the amounts included in the table reflected in Part I The cost-to-charge ratio used was derived using Worksheet 2, Ratio of Patient Care Cost-to-Charge ratio per the instructions

**990 Schedule H, Supplemental Information**

Form and Line Reference	Explanation
Part III Line 2	The Medical Center calculated the bad debt expense based on the actual write-offs for bad debt expense incurred during the year. The bad debt write-offs as a percentage of total write-offs is allocated to the total deductions from revenue recorded for the year.
Part III Line 4	<p>The Medical Center provides an allowance for potential uncollectible patient accounts receivable whereby such receivables are reduced to their estimated net realizable value. For accounts receivable associated with patients who have insurance coverage, the Medical Center analyzes contractually due amounts based on historical collection experience and provides an allowance for uncollectible accounts based on aging and other relevant factors, if necessary. For accounts receivable associated with self-pay patients, the Medical Center records an allowance for uncollectible accounts in the period of service based on aging, historical collection experience, and other relevant factors. There are various factors that can impact the collection trends, such as changes in the economy, which in turn have an impact on unemployment rates and the number of uninsured and underinsured patients, the increased burden of co-payments to be made by patients with insurance, and business practices related to collection efforts. These factors continuously change and can have an impact on collection trends and the estimation process. The difference between the standard or contractual rates and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for uncollectible accounts. The following information summarizes the changes in the allowance for uncollectible accounts during the year ended December 31, 2016: Allowance for uncollectible accounts at beginning of the year 6,075,000; Write-offs of accounts deemed uncollectible 9,268,000; Provision for bad debt 9,566,000; Allowance for uncollectible accounts at the end of the year 6,373,000. For the year ended December 31, 2017: Allowance for uncollectible accounts at the beginning of the year 6,373,000; Write-offs of accounts deemed uncollectible 4,579,000; Provision for bad debt 12,634,000; Allowance for uncollectible accounts at end of the year 14,428,000.</p>



**990 Schedule H, Supplemental Information**

Form and Line Reference	Explanation
Part III Line 8	<p>The Medical Centers calculation of the Medicare shortfall related to Hospital-based inpatient and outpatient shortfall is 36,676,397. The Medical Center employs over 410 physicians who provide professional services to patients which are not covered in this number. In addition, the Medical Center operates satellite clinics and ambulatory surgery centers which are not reported in the Medicare cost report. For all of its patient services, the Medical Center utilizes a comprehensive electronic cost reporting package which uses the directly assigned general ledger costs and allocates all overhead costs to operating costs using a model inspired by the Medicare cost report. This model with the Medical Centers calculation shows a Medicare shortfall of 30 million which is not included in the traditional cost report primarily due to shortfall of Medicare professional fees versus costs.</p>
Part III Line 9b	<p>The Medical Centers mission is to improve the health and well-being of the patients it serves. To ensure the Medical Center continues to have the resources to fulfill its mission, it must balance the financial needs of its patients with those of the Medical Center. In all instances, the Medical Center will treat our patients with dignity, compassion and respect. The Medical Center expects payment in full upon receipt of the patients first billing. Patients will receive monthly Medical Center statements upon determination of the patients private responsibility. A Virginia Mason Clinic statement will be sent representing the professional component of services provided. If services were provided or processed at the downtown campus except the Health Resources Building, which is not licensed as part of the hospital, a Hospital statement will also be sent representing the facility/technical component of services. As outstanding balances age, statement messages dunning, collection letters and/or telephone calls may be used at appropriate intervals as determined by the Medical Center. Delinquent accounts may be forwarded to a third party where a series of collection contacts letters and phone calls will be initiated. Delinquent self pay accounts that have not been paid in full or established an approved installment payment plan may be referred to a collection agency. This occurs approximately 130 days from determination of patient responsibility. The Patient Financial Services management team has responsibility for determining under what circumstances a balance may be referred for collection agency resolution. The Medical Center recognizes there are occasions when a patient is not financially able to pay their medical bill in full. Those patients who indicate they are experiencing financial hardship will be offered the opportunity to apply for charity care assistance. Collection activity will be suspended pending eligibility determination. If the patients income is greater than 300 of the current years federal poverty guideline FPG and the patient is determined not to be medically indigent, charity is denied and alternative payment arrangements are discussed. If the patients income is less than 300 of the current years FPG, the patient will complete the charity application and send supporting documentation. If charity determination is approved, the charity care discount is applied to the outstanding account balance based on the FPG determination and a confirmatory letter is sent to the patient. If charity is denied, the Medical Center will send a denial letter to the patient with information on the patients appeal rights. A summary report of collection activities taken will be provided to the Medical Center Board on an annual basis per the Washington State Hospital Association WSHA guidelines.</p>

990 Schedule H, Supplemental Information

Form and Line Reference	Explanation
Part VI Line 2	<p>The Medical Center conducts a Community Health Needs Assessment CHNA every three years. The CHNA can be found at <a href="http://VirginiaMason.org/connectingwithourcommunities">VirginiaMason.org/connectingwithourcommunities</a>. Our CHNA drives our community work and serves as a guideline to help us achieve three basic goals: 1. Improve the community's health status and overall quality of life; 2. Reduce health disparities within the community; and 3. Increase access to preventive services. The latest CHNA was published in 2016. It was developed in partnership with Public Health - Seattle and King County. The Medical Center's 2016-2018 CHNA is an updated and expanded version of the collaborative CHNA. It includes secondary data from a variety of local, state, and federal agencies, including Public Health - Seattle and King County. It also includes key informant interviews with individuals representing public health, city government, the healthcare safety net, cultural communities, schools, and health advocacy. A 2016-2018 CHNA Implementation Strategy was also developed and serves as a living document to guide our community benefit program. Our community benefit program focuses our resources on the needs of the community and the strengths of the Medical Center. Some examples: A. Subsidized Health Services: Every community needs certain health care services that typically cost more to deliver than the provider of the services receives. These subsidized health services are part of the Medical Center's mission because they are needed in the community and otherwise would not be available to meet patient needs. They include: 1. Emergency Department open to all; 2. Bailey-Boushay House BBH, an inpatient and outpatient center for people living with HIV/AIDS and other complex diseases; 3. Partnership with Public Health-Seattle/King County to provide the Edward Thomas House respite program for homeless adults in King County; 4. Partnership with Project Access Northwest PANW to provide specialty care services to community clinic patients and premium assistance to low-income patients; B. Uncompensated Care: As a nonprofit organization, the Medical Center is committed to serving patients who are uninsured, underinsured, or otherwise unable to pay for their medical care; C. Research: The Medical Center conducts medical research through its affiliate, Benaroya Research Institute at Virginia Mason BRI.</p>
Part VI Line 2	<p>continued D. Education: 1. The Medical Center is a premier teaching hospital that offers postgraduate education programs through its Graduate Medical Education Department GME. All GME postgraduate training programs are accredited by the Accreditation Council on Graduate Medical Education ADGME. 2. The Medical Center's GME program partners with Public Health - Seattle/King County Health Services Division, providing 12 residents for the Eastgate Public Health Center. E. Community Partnerships: The Medical Center is a member of the King County Community Health Needs Assessment Collaborative, a partnership that includes all King County hospitals, Public Health - Seattle/King County, and the Washington State Hospital Association. In addition to collaborating on the future CHNAs, this partnership has formed Hospitals for a Healthier Community HHC and is researching and planning collaborative community benefit activities that will comprehensively address community health issues. F. Community Health Improvement Services: 1. Community health education, such as Nutrition and Fitness for Life pediatric program and classes in the Buse Diabetes Teaching Center. 2. Nutrition and fitness education at Marys Place, a day shelter for homeless women and children. 3. Providing education information through our pediatric departments and community events to parents regarding firearm safety in homes where their children visit and play. 4. Membership and partnership in regional Firearm Tragedy Prevention Network. 5. Healthy cooking demonstrations at Plymouth Housing Group. 6. Health fair sponsorships in the community. 7. Free flu shots and health screenings for uninsured/underinsured and the homeless. 8. Partnership with WithinReach to provide health care resources to families. 9. Partnership with Washington Green Schools to provide green sustainable curriculums and training in public schools. 10. Partnership with NeighborCare to provide funding for expanded housing and mental health care. 11. Providing resources to Refugees Northwest and International Rescue Committee to assist refugees and immigrants with access to health care. 12. Partnership with the Seattle/King County clinic to provide flu shots during their four-day free health clinic. 13. Bereavement support through our Separation and Loss Services.</p>

**990 Schedule H, Supplemental Information**

Form and Line Reference	Explanation
Part VI Line 3	<p>The Medical Center informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the Medical Centers charity care policy at various points beginning with scheduling and continuing through the patient billing process. At scheduling, if a patient indicates they are without insurance and unable to pay for the services, their account is flagged for a Patient Account Specialist to contact them to discuss assistance. At arrival for an appointment, the Medical Centers admissions lobby areas have signage regarding availability of charity care, a copy of the charity care policy and information regarding who to contact for assistance. During the arrival process, the Medical Centers admissions personnel will confirm ability to pay. If financial need or financial hardship is indicated, the Medical Center Financial counselors will work with the patient to determine whether Medicaid, state program options, or charity care would be appropriate. The Medical Centers charity policy and financial assistance contact information is also included on patient bills. The Medical Centers Patient Guide to Fees and Billings include information on charity availability and contact information to initiate an assessment. The brochure is available in all patient lobbies for the patient to pick up. The brochure is also sent out by Patient Account Services staff based on a patients expressed concerns either via phone or letter. The Medical Centers website also includes information about charity availability and the contact number to initiate an assessment.</p>
Part VI Line 4	<p>In 2017, the Medical Center served over 229,743 individuals in its hospital and medical centers. The Medical Centers service area encompasses the communities where its facilities are located and where 75 percent of its patients reside: King County, the southwest region of Snohomish County, and Bainbridge Island in Kitsap County. Residences of the Medical Center patients 2017 data are: 1 Seattle 68,340 2 Seattle Suburbs King County outside of Seattle 91,736 3 Snohomish County 7,215 4 Bainbridge Island 9,370 5 Service area total 176,661 6 Other Washington State 45,742 7 Rest of the Northwest 4,367 8 Rest of United States 2,740 8 Other 233 for a total of 229,743.</p>

**990 Schedule H, Supplemental Information**

Form and Line Reference	Explanation
Part VI Line 4	continued The service area King County population is 2,188,649 The age and racial/ethnic profile of the total population was as follows 1 Total population 2,188,649 2 Under 18 years 446,484 3 Age 18-64 1,457,641 4 65 years or older 284,524 5 White 68 6 Hispanic 9 7 7 Black 6 8 8 Asian 18 2 9 American Indian/Alaska Native 1 10 Native Hawaiian/Pacific Island 9 11 Two or more races 5 1 According to the United States Census Bureau, the median household income for King County 2012-2016 was 78,800 with 9 3 living below the poverty level Within King County, median income was lowest for blacks and American Indians/Alaska natives and in urban south King County In King County, poverty rates are highest in White Center/Boulevard Park, several central and Southeast Seattle neighborhoods and Auburn In March 2017, the unemployment rate in King County was 3 5 percent, down from 4 9 percent in March 2016
Part VI Line 5	The Medical Centers community benefit program is designed to improve our communitys health status and overall quality of life, reduce health disparities within the community and increase access to preventive services To accomplish this, our organization contributes time, energy and money in the areas of improving health, providing free and subsidized care, health professionals education and research

**990 Schedule H, Supplemental Information**

Form and Line Reference	Explanation
Part VI Line 5	continued Uncompensated Care As a non-profit organization, the Medical Center is committed to servicing patients who are uninsured, underinsured or otherwise unable to pay for their medical care Under the Medical Centers charity care policy, free or reduced-cost medically necessary care after all health insurance has been exhausted is provided to individuals making up to 300 percent of the federal poverty level in keeping with the Washington State Hospital Association voluntary guidelines on billing the uninsured In 2017, the Medical Center provided charity care to 7,621 patients at a cost of 8,156,130 In addition, the Medical Centers unreimbursed Medicaid was provided at a cost of 31,094,124
Part VI Line 5	continued Community Health Improvement Services Improving health and quality of life extends beyond diagnosis and treatment It also requires community health education and outreach services Health improvement and outreach services provied by the Medical Center include the following 1 community health education, such as classes in the Buse Diabetes teaching Center 2 free health screenings at community health fairs 3 free flu shots and health screenings for the homeless in conjunction with United Way of King Countys Community Resource Exchange 4 sponsorship of many professional facilitated support groups, including diabetes prevention and management 5 bereavement support through our Seapration and Loss Services and 6 leadership roles in several community organizations, which focus on health care

**990 Schedule H, Supplemental Information**

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

**990 Schedule H, Supplemental Information**

Form and Line Reference	Explanation
Part VI Line 5	continued Research The Medical Center conducts medical research through its affiliate, Benaroya Research Institute at Virginia Mason BRI BRI is a non-profit biomedical research institute that works to unlock the mysteries of the immune system Its team of world-renowned scientists is focused on identifying causes and cures for devastating diseases including diabetes, arthritis, heart disease and cancer In 2017, the Medical Center provided 1,750,000 to support research activities at BRI
Part VI Line 5	continued Environmental Improvements The Medical Centers environmental stewardship initiative, EnviroMason, provides the framework for making unique energy and waste management decisions, such as setting policies on reliability and use, making efficiency improvements, supporting capital planning and infrastructure design, and encouraging employee participation and innovation In 2013, the Medical Center hired a full time sustainability director In 2007, the Medical Center became the first hospital in the Pacific Northwest to eliminate garbage cans and Styrofoam use and begin composting food waste Since 2011, our energy conservation projects have saved over 4 5 million kilowatt hours per year Between 2011 and 2017, the Medical Center diverted more than 6,400 tons of waste from the landfill We accomplished this by expanding recycling across our facilities improving our electronics recycling providing composting to all lunch and break rooms implementing a construction debris recycling program recycling the fiber from our shredded office paper and reprocessing medical supplies that can be reused Additonally, the Medical Center was the first hospital in the region to implement an operating room OR recycling program

**990 Schedule H, Supplemental Information**

Form and Line Reference	Explanation
Part VI Line 5	<p>continued EnviroMasons team approach extends from strong support from senior leadership to active engagement of our team members. Team engagement is facilitated by the Virginia Mason Production System VMPS, our Green Team and special sustainability events. One of the elements of the VMPS is our Everyday Lean Idea ELI system, which is a tool for every team member to test, implement, and share process improvement ideas. The Green Ideas category of the system enables team members to test sustainability ideas in their department, and to share them across the organization. Our Green Team is a cross-disciplinary group of more than 50 volunteers from across our organization. They meet monthly to share and work on environmental sustainability initiatives and issues. Their goal is to reduce the environmental impact of the Medical Centers operations by educating and empowering team members to make more sustainable choices. EnviroMason special events also help us engage our team members and Green Team with sustainability efforts. We sponsor events such as our farmers market, community supported agriculture CSA program, efficient light bulb giveaways, commuter information days, mercury thermometer exchanges, and a variety of Earth Day events. The Medical Center signed on to the national Healthy Food in Health Care Pledge. As an organization dedicated to preserving health, the Medical Center is reducing our carbon footprint in operations through energy efficiency commute trip reduction landfill diversion activities, like recycling, composting, and food donations and buying local goods and services.</p>
Part VI Line 5	<p>continued Medical Staff. The Medical Center has 637 members on its active hospital staff, including Medical Center physicians, and other community providers.</p>



**990 Schedule H, Supplemental Information**

Form and Line Reference	Explanation
Part VI Line 5	<p>continued Accountability to the Community The Medical Center is accountable to the public through its Board, the voting members of which are community members who represent the diverse populations and needs of the communities served by the Medical Center The Medical Center is also accountable to the community through its sole voting member, the Health System, whose Board is composed primarily of community members In furtherance of its commitment to responsible governance practices, the Medical Centers Audit and Compliance Committee, compose entirely of community members of the organizations Board, is charged with the overseeing the selection and discharge of the Medical Centers independent financial auditors and oversight of the Medical Centers compliance programs In addition, the Medical Center has chartered a Governance Committee, responsible for reviewing and evaluating the organizations corporate governance policies and guidelines, and providing oversight of procedures for disclosure and management of conflict of interest The voting members of the Governance Committee are independent community members of the Medical Centers board As a further mechnism for community involvement and leadership, the Medical Center has established a Board of Governors, an advisory body of community representatives The Board of Governors regularly participates in extensive tours of various areas of the Medical Center facilities and becomes involved in forums for in-depth discussion of issues of importance to these organization and the communities they serve Bailey-Boushay House, a division of the Medical Center which provides day health and skilled nursing facility services to individuals living with HIV/AIDS, also has an advisory board comprised primarily of representatives of the community who provide input and guidance on serving the community</p>
Part VI Line 5	<p>continued Use of Financial Surpluses All financial surpluses from the operation of the Medical Center are used exclusively to further its charitable purposes No individual receives any portion of the organizations respective surplus as a result of ownership or any other insider relationship The Compensation and Benefits Committee of the Medical Center Board, which directs the performance review and approves the compensation and benefits of the Medical Centers senior leadership, is composed entirely of community members of the Board who have no financial ties to the Medical Cener, either directly or through family or business relationships</p>

**990 Schedule H, Supplemental Information**

Form and Line Reference	Explanation
Part VI, Line 7	WA

**Schedule H (Form 990) 2017**

**Additional Data**

**Software ID:** 17005317  
**Software Version:** 18.2.0.0  
**EIN:** 91-0565539  
**Name:** Virginia Mason Medical Center

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

<b>Section A. Hospital Facilities</b>  (list in order of size from largest to smallest—see instructions) How many hospital facilities did the organization operate during the tax year? <b>1</b>		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER—24 hours	ER—other	Other (Describe)	Facility reporting group
1	Virginia Mason Medical Center 1100 Ninth Avenue Seattle, WA 98101 virginiamason.org HAC FS 00000010	X	X		X			X			A

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

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

Form and Line Reference	Explanation
Group Virginia Mason Medical Center Line Part V, Section B, Line 5	Through Public Health - Seattle King County, the Medical Center conducted key informant interviews with community coalitions and organizations, education and government agencies about assets and resources that help their communities thrive, as well as concerns and health needs within their communities full list of organizations in CHNA summary
Group Virginia Mason Medical Center Line Part V, Section B, Line 6a	The Medical Center worked with the following other hospital facilities in working on the current CHNA 1 EvergreenHealth 2 CHI Franciscan Health 3 GroupHealth 4 MultiCare 5 Overlake Medical Center 6 Seattle Cancer Care Alliance 7 Seattle Childrens 8 Snoqualmie Valley Hospital District 9 Swedish and 10 University of Washington Medicine

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

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

Form and Line Reference	Explanation
Group Virginia Mason Medical Center Line Part V, Section B, Line 11	Access to dental care was identified as a health need, but the Medical Center lacks the personnel to address this issue and it is being addressed by other organizations, such as NeighborCare

efile GRAPHIC print - DO NOT PROCESS

As Filed Data -

DLN: 93493317012458

Schedule I  
(Form 990)

Grants and Other Assistance to Organizations,  
Governments and Individuals in the United States  
Complete if the organization answered "Yes," on Form 990, Part IV, line 21 or 22.  
▶ Attach to Form 990.  
▶ Information about Schedule I (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047  
**2017**  
Open to Public  
Inspection

Department of the  
Treasury  
Internal Revenue Service

Name of the organization  
Virginia Mason Medical Center

Employer identification number  
91-0565539

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No
- 2

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

Part II

Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed

(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 noncash assistance	(h) Purpose of grant or assistance
(1) See Additional Data							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							

- 2

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

34
- 3

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

**Part III** **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22

Part III can be duplicated if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of noncash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					
(7)					

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

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



Additional Data

Software ID: 17005317  
Software Version: 18.2.0.0  
EIN: 91-0565539  
Name: Virginia Mason Medical Center

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

(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
VIRGINIA MASON HEALTH SYSTEM 1100 NINTH AVENUE SEATTLE, WA 98101	91-1351110	501c3	3,337,906				Operating Support
BENAROYA RESEARCH INSTITUTE AT VIRGINIA MASON 1201 NINTH AVENUE SEATTLE, WA 98101	91-0653422	501c3	1,750,000				Operating Support

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
PUBLIC HEALTH SEATTLE KING COUNTY 401 FIFTH AVE S SEATTLE, WA 98104	91-6001327	501c1	81,000				General Support
PROJECT ACCESS NORTHWEST 1111 HARVARD AVE SEATTLE, WA 98122	20-4377921	501c3	75,000				General Support

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
YWCA OF SEATTLE KC SNOHOMISH CTY DEVELOPMENT DEPT 1118 FIFTH AVE SEATTLE, WA 98101	91-0482890	501c3	54,370				General Support
JDRF NORTHWEST CHAPTER 1215 FOURTH AVE S SEATTLE, WA 98161	23-1907729	501c3	53,250				General Support

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
AMERICAN HEART ASSOCIATION 710 SECOND AVE STE 900 SEATTLE, WA 98104	13-5613797	501c3	37,500				General Support
WHY NOT YOU FOUNDATION 3200 CARILLON POINT KIRKLAND, WA 98033	46-4784365	501c3	32,000				General Support

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
GIRLS ON THE RUN PUGET SOUND 1404 E YESLER WAY 201 ATTN KERIN BR SEATTLE, WA 98122	84-1618574	501c3	26,900				General Support
SEATTLE CENTER FOUNDATION 05 HARRISON ST 302 ATTN CATHY SANDE SEATTLE, WA 98109	91-1003385	501c3	24,000				General Support

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
INTERNATIONAL RESCUE COMMITTEE 1200 SOUTH 192ND STREET SUITE 101 SEATAC, WA 98148	13-5660870	501c3	17,500				General Support
NATIONAL MULTIPLE SCLEROSIS SOCIETY 192 NICKERSON ST STE 100 SEATTLE, WA 98109	91-0742424	501c3	17,500				General Support

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
BELLEVUE DOWNTOWN ASSOCIATION 400 108TH AVE NE STE 110 BELLEVUE, WA 98004	91-6183167	501c3	15,000				General Support
NORTHWEST KIDNEY CENTERS PO BOX 3035 SEATTLE, WA 98114	91-6057438	501c3	15,000				General Support

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
SEATTLE SYMPHONY ORCHESTRA PO BOX 21906 SEATTLE, WA 98111	91-0667412	501c3	15,000				General Support
MARYS PLACE SEATTLE 1830 9TH AVE SEATTLE, WA 98101	27-2087950	501c3	13,000				General Support



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
BAINBRIDGE ISLAND DOWNTOWN ASSOCIATION 120 MADRONE LANE N STE 203 BAINBRIDGE ISLAND, WA 98110	91-1390519	501c3	10,025				General Support
FRANCISCAN FOUNDATION PO BOX 1502 TACOMA, WA 98401	91-1145592	501c3	10,000				General Support

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
ROBERT VASEN FOUNDATION 2807 102ND AVE SE BELLEVUE, WA 98004	20-8656415	501c3	10,000				General Support
CCFA NORTHWEST 9 LAKE BELLEVUE DR BELLEVUE, WA 98005	13-6193105	501c3	9,500				General Support

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
FOUNDATION FOR EDMONDS SCHOOL DISTRICT PO BOX 390 LYNNWOOD, WA 98046	91-1296816	501c3	7,500				General Support
AMERICAN CANCER SOCIETY 2120 FIRST AVE N SEATTLE, WA 98109	13-1788491	501c3	6,000				General Support

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
GAY CITY 517 E PIKE ST SEATTLE, WA 98122	91-1685822	501c3	5,500				General Support
BALLARD HIGH SCHOOL FOUNDATION PO BOX 17626 SEATTLE, WA 98127	91-1811275	501c3	5,000				General Support

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
BLOODWORKS NORTHWEST 921 TERRY AVE SEATTLE WA 98104 SEATTLE, WA 98104	91-1019655	501c3	5,000				General Support
DIRECT RELIEF 27 S LA PATERA GOLETA, CA 93117	95-1831116	501c3	5,000				General Support

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
FOUNDATION FOR HEALTH CARE QUALITY 705 SECOND AVE SUITE 703 SEATTLE, WA 98104	91-1419327	501c3	5,000				General Support
HOUSTON FOOD BANK 535 PORTWALL ST HOUSTON, TX 77029	74-2181456	501c3	5,000				General Support

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
NORTHWEST PARKINSON'S FOUNDATION 400 MERCER STREET STE 502 SEATTLE, WA 98109	91-1923159	501c3	5,000				General Support
PANCREATIC CANCER ACTION NETWORK 1500 ROSECRANS AVE STE 200 ATTN FIN MANHATTAN BEACH, CA 90266	33-0841281	501c3	5,000				General Support

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
SEATTLE CHILDREN HOSPITAL PO BOX 24049 SEATTLE, WA 98124	91-0564748	501c3	5,000				General Support
SEATTLE CITYCLUB 240 SECOND AVE S STE 208 SEATTLE, WA 98104	91-1148262	501c3	5,000				General Support



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
SOLID GROUND PO BOX 31066 SEATTLE, WA 98103	23-7421892	501c3	5,000				General Support
THE 5TH AVENUE THEATRE 1326 5TH AVE STE 735 SEATTLE, WA 98101	91-1087612	501c3	5,000				General Support

**Schedule J**  
(Form 990)

**Compensation Information**

OMB No 1545-0047

**2017**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

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

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 23.**

▶ **Attach to Form 990.**

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

Name of the organization Virginia Mason Medical Center	Employer identification number 91-0565539
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**Part I Questions Regarding Compensation**

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

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.

[illegible]

**Part III Supplemental Information**

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

Return Reference	Explanation
Part I Line 1a	Social club dues are provided to two members of the senior leadership team who use the club memberships for business purposes. These payments are treated as non-taxable.
Part I Line 1b	All invoices for payment of social club dues and associated monthly expenses are paid pursuant to the Medical Center Business Expense Policy and Social Club Dues Policy.
Part I Line 4b	The Medical Center has a Supplemental Executive Retirement Plan (SERP). The SERP is a 457f nonqualified deferred compensation plan pursuant to which plan benefits are subject to a substantial risk of forfeiture. The plan was approved by the Boards Compensation and Benefits Committee, a committee composed of independent board members to whom the Board delegates the authority to approve compensation and benefits for the Medical Centers most senior executives. The Committee receives advice from an independent compensation consultant to ensure that compensation and benefits, including the SERP, are market competitive and reasonable. Supplemental Executive Retirement Plans such as this are customary for senior executives in the health care industry.
Part I Line 4b	Richard Kozarek, M.D. received a payout of 52,299 from a Supplemental Executive Retirement Plan. Michael Glenn, M.D. received a payout of 918,182 from a Supplemental Executive Retirement Plan. Charleen Tachibana received a payout of 614,038 from a Supplemental Executive Retirement Plan. Suzanne Anderson accrued benefits of 90,625 in a Supplemental Executive Retirement Plan. Katerie Chapman accrued benefits of 55,844 in a Supplemental Executive Retirement Plan. Michael Glenn, M.D. accrued benefits of 101,250 in a Supplemental Executive Retirement Plan. Donna Smith, M.D. accrued benefits of 71,250 in a Supplemental Executive Retirement Plan. Charleen Tachibana accrued benefits of 65,625 in a Supplemental Executive Retirement Plan. Richard Kozarek, M.D. accrued benefits of 50,000 in a Supplemental Executive Retirement Plan.

Additional Data

Software ID: 17005317  
Software Version: 18.2.0.0  
EIN: 91-0565539  
Name: Virginia Mason Medical Center

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1Gary Kaplan MD Chairman, CEO	(i)	1,103,978	285	23,334	27,255	41,740	1,196,592	
	(ii)							
1Suzanne Anderson President	(i)	628,038	98	20,580	105,470	30,856	785,042	
	(ii)							
2Katerie Chapman Senior Vice President, Patient Care Services	(i)	391,716	122	6,712	70,689	27,816	497,055	
	(ii)							
3Lucy Glenn MD Chief of Radiology	(i)	573,804		19,188	43,337	11,830	648,159	
	(ii)							
4Michael Glenn MD Chief Medical Officer	(i)	686,960	8	937,370	116,095	13,232	1,753,665	563,673
	(ii)							
5Fred Govier MD Chief of Surgery	(i)	678,718	240	19,188	14,846	20,600	733,592	
	(ii)							
6Joyce Lammert MD Medical Director, Hospital	(i)	467,090	25	19,220	14,846	11,630	512,811	
	(ii)							
7Sarah Patterson Executive SENSE, Former Key Employee	(i)	318,342	200	16,656	14,846	30,100	380,144	
	(ii)							
8William Poppy Senior Vice President, CTO	(i)	366,409	50	64,068	14,845	32,450	477,822	
	(ii)							
9Steve Rupp MD Physician, Former Key Employee	(i)	287,651	284	1,219	14,846	20,887	324,887	
	(ii)							
10Donna Smith MD Medical Director, Clinic	(i)	462,542	57	18,774	86,096	25,726	593,195	
	(ii)							
11Charleen Tachibana RN Sr VP, Quality and Safety, Former Key Employee	(i)	419,860	348	651,298	80,470	13,158	1,165,134	344,554
	(ii)							
12Catherine Potts MD Physician, Former Key Employee	(i)	218,242	25	14,412	14,846	12,409	259,934	
	(ii)							
13Shelly Powell Vice President, Patient Care Services	(i)	253,776	235	1,380	14,846	22,328	292,565	
	(ii)							
14Michael Gluck MD Chief of Medicine	(i)	592,808	190	19,220	19,304	30,584	662,106	
	(ii)							
15Denise Dubuque Vice President, Patient Care Services	(i)	238,338	102	2,580	14,846	19,406	275,272	
	(ii)							
16Cindy Rockfield Vice President, Patient Care Services	(i)	213,782	57	900	14,845	16,108	245,692	
	(ii)							
17Christopher L Fellows MD Physician	(i)	1,439,333	4,145	19,188	45,526	20,823	1,529,015	
	(ii)							
18Richard A Kozarek MD Physician	(i)	933,228	8	72,277	70,603	20,861	1,096,977	50,000
	(ii)							
19Santokh Gill Vice President, Patient Care Services	(i)	209,308	8	900	14,845	31,336	256,397	
	(ii)							

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

[illegible]

Schedule K  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Name of the organization  
Virginia Mason Medical Center

Supplemental Information on Tax-Exempt Bonds

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

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

OMB No 1545-0047

2017

Open to Public Inspection

Employer identification number  
91-0565539

Part I Bond Issues											
(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A Washington Health Care Facilities Authority	91-1108929	93978HSS5	08-31-2017	287,837,574	Refund/Redeem bonds		X		X		X

Part II		Proceeds							
		A		B		C		D	
1	Amount of bonds retired . . . . .								
2	Amount of bonds legally defeased . . . . .								
3	Total proceeds of issue . . . . .	287,837,756							
4	Gross proceeds in reserve funds . . . . .								
5	Capitalized interest from proceeds . . . . .								
6	Proceeds in refunding escrows . . . . .								
7	Issuance costs from proceeds . . . . .	2,428,792							
8	Credit enhancement from proceeds . . . . .								
9	Working capital expenditures from proceeds . . . . .								
10	Capital expenditures from proceeds . . . . .								
11	Other spent proceeds . . . . .	285,381,174							
12	Other unspent proceeds . . . . .	27,790							
13	Year of substantial completion . . . . .								
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue? . . . . .	X							
15	Were the bonds issued as part of an advance refunding issue? . . . . .		X						
16	Has the final allocation of proceeds been made? . . . . .		X						
17	Does the organization maintain adequate books and records to support the final allocation of proceeds? . . . . .	X							

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

**Part III Private Business Use** (Continued)

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

**Part IV Arbitrage**

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



**Part IV Arbitrage** (Continued)

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

**Part V Procedures To Undertake Corrective Action**

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

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

Return Reference	Explanation
Part I Line A Column C	93978HSD8, 93978HSE6, 93978HSF3, 93978HSG1, 93978HSH9, 93978HSJ5, 93978HSK2, 93978HSL0, 93978HSM8, 93978HSN6, 93978HSP1,

Return Reference	Explanation
Part I Line A Column C continued	93978HSQ9, and 93978HSR7

Return Reference	Explanation
Part I Line A Column F	<p>The proceeds of the Series 2017 bonds will be used for the purpose of providing part of the funds necessary to 1 refund, on an current basis the Authoritys revenue bonds, Series 1997B Bonds, the Series 2007A Bonds, the Series 2007B Bonds, and the Series 2007C Bonds and 2 pay costs of issuance of the bonds The 1997B bonds were reissued December 1, 2007 The original bond proceeds were used to 1 finance or reimburse the Medical Center for the costs of constructing, remodeling and/or acquiring Health Care Facilities 2 fund the initial deposit to the Reserve Accounts for the Bonds 3 pay the premium for the Insurance Policy and 4 pay certain of the other costs of issuing the Bonds The Series 2007A Bonds, the Series 2007B Bonds and the Series 2007C Bonds were originally issued December 1, 2007 The original bond proceeds of the reoffered 1997B Bonds together with the proceeds of the Series 2007 bonds were to be used for the purpose of providing part of the funds necessary to 1 refund, on an advanced and current basis, and to redeem the Authoritys revenue bonds, Series 1997A 2 reissue, refund, on a current basis and replace the Series 1997B Bonds as a variable rate obligation 3 reimburse the Medical Center for, or pay, the costs of acquiring, constructing, remodeling, renovating and equipping certain health care facilities 4 pay interest on the Series 2007 Bonds during construction 5 fund the initial deposits into respective debt service reserves for the Series 2007 bonds 6 pay the cost of credit enhancement, if any, and 7 pay issuance costs</p>

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

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

Schedule L  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2017

Open to Public Inspection

Name of the organization  
Virginia Mason Medical Center

Employer identification number  
91-0565539

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
(1) Joan Lange	Sister of Robert Lemon, Director	98,388	Employee		No
(2) Columbia Hospitality Inc	Entity more than 35 owned by John Oppenheimer, Director		Provision of Services	Yes	
(3) CHI-VM LLC	Entity more than 35 owned by John Oppenheimer, Director	2,584,905	Provision of Services		No

**Part V Supplemental Information**

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

Return Reference	Explanation
Part IV Line 1a	Name of Interested Person Joan Lange
Part IV Line 1b	Relationship Sister of Robert Lemon, Director
Part IV Line 1c	Amount of Transaction 98,388
Part IV Line 1d	Description of Transaction Employee of Medical Center
Part IV Line 1e	Sharing of Revenues No
Part IV Line 2a	Name of Interested Person Columbia Hospitality, Inc
Part IV Line 2b	Relationship Entity more than 35 owned by John Oppenheimer, Director
Part IV Line 2c	Amount of Transaction 0
Part IV Line 2d	Description of Transaction Provision of management and hospitality services to Medical Center
Part IV Line 2e	Sharing of Revenues Yes
Part IV Line 3a	Name of Interested Person CHI-VM LLC
Part IV Line 3b	Relationship Entity more than 35 owned by John Oppenheimer, Director
Part IV Line 3c	Amount of Transaction 2,584,905
Part IV Line 3d	Description of Transaction Provision of management services to Medical Center
Part IV Line 3e	Sharing of Revenues No

**SCHEDULE O**  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Name of the organization  
Virginia Mason Medical Center

**Supplemental Information to Form 990 or 990-EZ**

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

▶ Attach to Form 990 or 990-EZ.

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

OMB No 1545-0047

**2017**

**Open to Public Inspection**

**Employer identification number**

91-0565539

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
Form 990, Part III, Line 1	The Medical Center provides integrated health services through a teaching hospital licensed for 336 beds and multi-specialty group practice of approximately 554 employed physicians, offering both primary and specialized care, through a regional network of neighborhood clinics and ambulatory surgery centers. The Medical Center also operates Bailey-Boushay House, a skilled nursing facility and day health center serving the HIV/AIDS community. The Medical Center patient care services are integrated with and enhanced by education and research activities which includes a graduate medical education program providing training to over 125 residents, fellows and medical students each year. In addition, the Medical Center sponsors training programs for pharmacy and a variety of other health services such as nursing, respiratory therapy, physical therapy, speech and language therapy and laboratory technology.



**990 Schedule O, Supplemental Information**

Return Reference	Explanation
Form 990, Part III, Line 4a	<p>The Medical Center is committed to subsidizing certain health services due to the demonstrated need for these services in the community. Since 1992, the Medical Center has addressed the treatment of HIV/AIDS by operating Bailey-Boushay House Bailey-Boushay, a 35-bed skilled nursing facility. The first facility in the nation built specifically for the care of people living with AIDS. Bailey-Boushay now also serves other individuals who need intensive nursing care, many of whom are Medicaid recipients. In addition to the care provided to its residential population, Bailey-Boushay provides day health services to 368 clients annually, allowing them to live independently with HIV/AIDS. The Medical Center also offers emergency services 24 hours a day, 7 days a week. The department is staffed by board-certified emergency physicians, physician assistants and certified emergency nurses. The Medical Center is committed to providing necessary medical services regardless of a patient's ability to pay and without discrimination as to race, color, creed, national origin, religion, sex, sexual orientation, disability, age, source of income, or any other class protected by federal or Washington state law, or who have an emergency medical condition. The Medical Center is a participating hospital in the Washington State Medicaid Contracting Program. Charity Care is provided according to a patient's gross family income at or below 300% of the Federal poverty guidelines adjusted for family size. Full or partial charity care may be provided to patients with gross family incomes exceeding 300% of the federal poverty level when circumstances indicate that full payment may cause financial hardship so as to significantly harm the patient or patient's family. Patients without health insurance are eligible for a twenty-five percent (25%) discount on medically necessary services under the Medical Center's Discounts for Uninsured Patients Policy. Charity care was provided at a cost of \$8,156,130 during the year, along with \$31,094,124 of Medicaid contractual allowances. Charity care does not include bad debts which is the amount the Medical Center is not paid by patients deemed able to pay their bills.</p>

## 990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, Line 4b	<p>The Medical Centers graduate medical education program maintains education affiliation agreements with community clinics under which the Medical Centers residents provide care to patients at clinics serving low-income and uninsured patients. The Medical Center has an affiliation with Eastgate Public Health Clinic operated by Seattle and King County Public Health to provide a resident clinic 4-days a week under the supervision of Medical Center physicians. This affiliation has expanded access to health care for King County residents and enhanced the educational opportunities of internal medicine residents. The Clinical Nursing Education CNE program offered 44 CNE events in 2017 to 862 attendees. Participants include nurses the primary audience - RNs and LPNs and advanced practice registered nurses CN S, CNL, ARNP, as well as patient care technicians, nursing students, nurse technicians, respiratory therapists, social workers, educators, dietitians, specialized technicians e.g. GI Techs, Donation Techs, Radiation-Oncology Techs, medical assistants, medical technologists, administrative assistants, chaplains, bereavement coordinators and physicians. The Medical Center also serves as an internship site for students in a variety of allied health programs such as nursing, pharmacy, respiratory therapy, physical therapy, occupational therapy, social work, sleep disorders, speech and language therapy, radiology and laboratory technology. Successful relationships have been built with vocational training programs for medical assistants as well. The Medical Center provides strong support for continuing medical education CME. The Medical Centers CME program is accredited by the Accreditation Council for Continuing Medical Education ACCME and was last reaccredited in 2016, receiving Accreditation with Commendation. In 2017, the CME department sponsored 39 courses either full-, half-, or multi-day totaling 505.50 hours of instructions. These activities were attended by 1,080 participants, including 539 physicians. In 2013, CME was approved by the American Board of Medical Specialties Portfolio Program, permitting Virginia Mason to endorse and award AMA PRA Category 1 Credit™ for quality improvement projects for physician Maintenance of Certification MOC Part IV credit. In 2017, 1 physician completed a project. During 2017, 44 one-hour Grand round presentations were presented at the Medical Center, with the on-site audience averaging 114 attendees weekly. The Grand Round series is also broadcast via videoconference to the organizations satellite locations and to 8 off-site health care systems throughout Alaska and Washington State. The CME department supports 23 additional Regularly Scheduled Series including 13 different Cancer Care tumor boards, Clinical Cardiovascular, Imaging, Competencies and Incidents, Vascular Surgery, GI Radiology, GI Pathology, Pharmacy and Therapeutics, and Schwartz Rounds. During the year, 622.75 hours of instruction were offered.</p>

## 990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part III, Line 4b	through these 23 series Cumulative participation hours tracked for these 23 series total ed 6,032, of which 4,844 were physician attendance hours Approximately 12 of our investg ators have faculty appointments at the University of Washington, including 6 at the profes sorship level The Medical Center also maintains a medical library to support its educatio n and research activities

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
Form 990, Part III, Line 4c	<p>The Medical Center provided support of Separation and Loss which provides services for adults and children ages 7-18 whose loved one has died as the result of a sudden, violent death by criminal act homicide, including terrorism, suicide or other types of violent death. Services available include therapy groups, short-term therapy, psychiatric consultation and medication management, community, workplace, family and school crisis response and professional training. In 2017, the Medical Center provided 130,000 toward support of Separation and Loss.</p>

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
Form 990, Part III, Line 4d	<p>The Medical Center provides funds and in-kind services to community organizations which are consistent with the Medical Centers charitable purpose. A list of community donations is included on Schedule I. The following is a description of selected recipients and is not all-inclusive.</p> <p>1 The Medical Center supported Go Red for Women Heart Awareness and the Annual HealthWalk which benefited the American Heart Association (AHA) in 2017. AHA's mission is building healthier lives, free of cardiovascular diseases and stroke, with the goal to improve the cardiovascular health of all Americans by 20 percent, and reduce deaths from cardiovascular diseases and stroke by 20 percent, but the year 2020.</p> <p>2 The Medical Center was a sponsor of the JDRF Gala to benefit the Juvenile Diabetes Research Foundation (JDRF) in 2017. The JDRF's mission is to find a cure for diabetes and its complications through the support of research.</p> <p>3 The Medical Center was a sponsor of National Multiple Sclerosis Society Dinner of Champions, Annual Luncheon and Annual Walk in 2017. The vision of national Multiple Sclerosis Society is a world free of Multiple Sclerosis.</p> <p>4 The mission of Northwest Kidney Centers is to promote optimal health, quality of life and independence of people with kidney disease through patient care, education and research. The Medical Center provided support to Northwest Kidney Centers in 2017 through sponsorship of the Breakfast of Hope and the Discovery Gala, which raised funds for charity care, diabetes support services, and Kidney disease research.</p>

**990 Schedule O, Supplemental Information**

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

# 990 Schedule O, Supplemental Information

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

## 990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section A, Line 6, 7	Virginia Mason Health System VMHS is the sole corporate member of the Medical Center VMHS as the sole member has the following approval rights 1 election and approval of Directors and Officers of the Board of Directors 2 approval of the appointment of the Chief Executive Officer 3 removal of Directors and Officers of the Board of Directors 4 approval of all long-range plans proposed by the Board of Directors 5 approval of the annual capital and operating budgets proposed by the Board of Directors 6 approval of the borrowing of funds where the amount is in excess of Ten Million dollars 7 approval of the sale, lease, exchange, mortgage, pledge or disposal of all or substantially all of the property and assets 8 approval of all amendments to the Articles of Incorporation or Bylaws and all other rights and powers as specified in the Washington Nonprofit Corporation Act



**990 Schedule O, Supplemental Information**

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

**990 Schedule O, Supplemental Information**

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

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
Form 990, Part VI, Section B, Line 15	<p>The VMHS Compensation and Benefits Board Committee, a committee composed solely of independent directors of VMHS none of whom have a conflict of interest, is accountable for setting reasonable total compensation packages for each Medical Center executive, including the CEO, officers and key employees Executives consistent with the Medical Centers philosophy and principles The Board develops and approves annual goals and performance criteria which are used in determining merit increases and variable compensation opportunities for the Medical Center Executives The Committee assesses performance against these goals The Committee selects and engages a qualified independent compensation consultant to review and analyze the total compensation and benefits packages to the Executives The Committee as part of its analysis obtains from the compensation consultant appropriate comparability data including total compensation paid by similarly situated for-profit and non-profit health care organizations for positions that are functionally comparable to each of the Executives With respect to those Executives below the level of Chair/Chief Executive Officer, the Committee requests that the Chair/Chief Executive Officer work with the compensation consultant to formulate a compensation recommendation for each such Executive, consistent with VMHSs compensation philosophy and principles Consistent with VMHSs compensation philosophy and principles, the Committee approves total compensation packages for each of the Executives based on information presented to the Committee, reasonableness and the best interests of the Medical Center The Committees decisions regarding compensation for each Executive are documented in written resolutions and minutes of the Committee The Committee promptly reports its action to the Board whose reports are reflected in the Boards minutes The Executives that were reviewed in 2017 were Chief Executive Officer, President, Chief Financial Officer, Senior Vice Presidents, Vice Presidents, Physician Chiefs, Clinic Medical Director, Hospital Medical Director, and Chief Medical Officer</p>

# 990 Schedule O, Supplemental Information

Return Reference	Explanation
Form 990, Part VI, Section C, Line 19	The organizations Articles, Bylaws, Conflict of Interest Policy, and Financial Statements are made available upon request

**990 Schedule O, Supplemental Information**

Return Reference	Explanation
Form 990, Part XI, Line 9	Additional Pension Adjustment 3,734,454 Capital Donations 1,400

SCHEDULE R  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2017

Open to Public Inspection

Name of the organization  
Virginia Mason Medical Center

Employer identification number  
91-0565539

Part I Identification of Disregarded Entities Complete if the organization answered "Yes" on Form 990, Part IV, line 33.					
(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) 1000 Madison LLC 1100 Ninth Avenue Seattle, WA 98101 20-4018216	Real Estate	WA	1,840,346	27,685,620	VMMC
(2) 1005 Spring Street LLC 1100 Ninth Avenue Seattle, WA 98101 20-4816736	Real Estate	WA	2,066,098	3,737,838	VMMC
(3) Health Resource Services LLC 1100 Olive Way Seattle, WA 98101 26-2800994	Group Purchasing	WA	11,497,185	7,772,247	VMMC
(4) Puget Sound High Value Network LLC 1100 Ninth Avenue Seattle, WA 98101 47-2840780	Medical Network	WA	28,928		VMMC

Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.							
(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) Virginia Mason Health System 1100 Ninth Avenue  Seattle, WA 98101 91-1351110	Fundraising	WA	501c3	7	N/A	Yes	
(2) Virginia Mason Institute 1100 Ninth Avenue  Seattle, WA 98101 26-3763656	Education/Research	WA	501c3	10	VMMC	Yes	
(3) Benaroya Research Institute at Virginia Mason 1201 Ninth Avenue  Seattle, WA 98101 91-0653422	Research	WA	501c3	4	VMHS		No
(4) Yakima Valley Memorial Hospital Association 2811 Tieton Drive  Yakima, WA 98902 91-0567263	Health Care	WA	501c3	3	VMHS		No

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end- of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
<b>(1)</b> National Purchasing Partners LLC  1100 Olive Way Seattle, WA 98101 20-3470995	Group Purchasing	WA	N/A	Unrelated	14,895,122	7,158,593		No	14,901,250	Yes		50.000 %

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

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

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

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

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 . . . . .

1a

No

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

1b

Yes

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

1c

Yes

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

1d

No

e Loans or loan guarantees by related organization(s) . . . . .

1e

No

f Dividends from related organization(s) . . . . .

1f

No

g Sale of assets to related organization(s) . . . . .

1g

No

h Purchase of assets from related organization(s) . . . . .

1h

No

i Exchange of assets with related organization(s) . . . . .

1i

No

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

1j

Yes

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

1k

Yes

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

1l

No

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

1m

No

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

1n

No

o Sharing of paid employees with related organization(s) . . . . .

1o

Yes

p Reimbursement paid to related organization(s) for expenses . . . . .

1p

Yes

q Reimbursement paid by related organization(s) for expenses . . . . .

1q

Yes

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

1r

No

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

1s

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



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)