CHANGE OF ACCOUNTING PERIOD

Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2012

Open to Public Inspection

A For the 2012 calendar year, or tax year beginning JAN 1, 2013 **and ending** SEP 30, 2013

B Check if applicable: ☐ Address change ☐ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending

C Name of organization: Mercy Hospital

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address): 144 State Street | Room/suite

City, town, or post office, state, and ZIP code: Portland, ME 04101-3795

D Employer identification number 01-0211534

E Telephone number 207-879-3000

G Gross receipts $ 157,672,984.

F Name and address of principal officer: Eileen Skinner same as C above

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

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

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

J Website: ▶ www.mercyhospital.org

H(c) Group exemption number ▶

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

L Year of formation: 1945 **M** State of legal domicile: ME

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: Mercy Hospital carries out the healing work of Christ by providing clinically excellent,

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)	3	28
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	25
5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	0
6	Total number of volunteers (estimate if necessary)	6	428
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	5,226,026.	640,293.
	9	Program service revenue (Part VIII, line 2g)	200,199,048.	155,324,676.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	352,434.	643,798.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,276,052.	762,223.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	207,053,560.	157,370,990.
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	119,455,288.	90,335,571.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 355,010.		
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	97,722,438.	75,261,487.
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	217,177,726.	165,597,058.
	19	Revenue less expenses. Subtract line 18 from line 12	-10,124,166.	-8,226,068.
			Beginning of Current Year	**End of Year**
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	192,790,632.	179,041,241.
	21	Total liabilities (Part X, line 26)	131,723,078.	125,219,071.
	22	Net assets or fund balances. Subtract line 21 from line 20	61,067,554.	53,822,170.

Part II Signature Block

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

Sign Here

▶ Signature of officer — Date

▶ Michael Hachey, Senior Vice President & CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
William J. Homer	William J. Homer	7/24/14		P00994519

Firm's name ▶ Deloitte Tax LLP — Firm's EIN ▶ 86-1065772

Firm's address ▶ 1700 Market Street, 25th Floor Philadelphia, PA 19103-3984 — Phone no. 215-246-2300

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

See Schedule O for Organization Mission Statement Continuation

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III ☐

1 Briefly describe the organization's mission:
Mercy Hospital carries out the healing work of Christ by providing clinically excellent, compassionate healthcare for all, with special concern for the poor and disadvantaged.

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 $ 132,695,250. including grants of $) (Revenue $ 155,324,676.)
Provide access to healthcare for all people through direct patient care at Mercy's various hospital, clinical and physician locations. In providing these services, the organization absorbs significant costs that are not reimbursed through Medicare, Medicaid or other programs. In addition, as part of our mission, we maintain a financial assistance program with income eligibility thresholds that exceed the State of Maine income eligibility guidelines for free care (the Federal regulations do not mandate a particular eligibility requirement). The Company also provides and sponsors a number of socially responsible activities and events that have a positive impact on the lives of the residents of the Greater Portland Community.

4b (Code:) (Expenses $ including grants of $) (Revenue $)

4c (Code:) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O.)
(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ 132,695,250.

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	X	
2	Is the organization required to complete *Schedule B, Schedule of Contributors*?	2	X	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	X	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		X
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10	X	
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI*	11a	X	
b	Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		X
c	Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d	X	
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f		X
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		X
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		X
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		X
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the United States? *If "Yes," complete Schedule F, Parts II and IV*	15		X
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the United States? *If "Yes," complete Schedule F, Parts III and IV*	16		X
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		X
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18	X	
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		X
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a	X	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	X	

Part IV Checklist of Required Schedules *(continued)*

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

Part V **Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response to any question in this Part V ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a 0			
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b 0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		1c		
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 0			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		2b		
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?		3a		X
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*		3b		
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		X
b	If "Yes," enter the name of the foreign country: ▶				
	See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b		X
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		X
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	X	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b	X	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d 0			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f		X
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 and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		8		X
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?		9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		9b		
10	**Section 501(c)(7) organizations.** Enter:				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter:				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?		12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**				
a	Is the organization licensed to issue qualified health plans in more than one state?		13a		
	Note. See the instructions for additional information the organization must report on Schedule O.				
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		X
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 line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.*

Check if Schedule O contains a response to any question in this Part VI ..... [X]

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	28		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.				
b	Enter the number of voting members included in line 1a, above, who are independent	1b	25		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2			X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3			X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4			X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5			X
6	Did the organization have members or stockholders?	6		X	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		X	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		X	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a	The governing body?	8a		X	
b	Each committee with authority to act on behalf of the governing body?	8b		X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*	9			X

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

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

Section C. Disclosure

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

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

[X] Own website [ ] Another's website [X] Upon request [ ] Other *(explain in Schedule O)*

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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶

Michael Hachey - 207-879-3000
144 State Street, Portland, ME 04101-3795

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

Check if Schedule O contains a response to any question in this Part VII ☐

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(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
(1) Eileen Skinner	37.50									
President & CEO	2.50	X		X				0.	0.	0.
(2) David Langdon, MD	2.50									
Trustee (Pres Med Staff 7/1-9/30/13)	2.50	X						0.	0.	0.
(3) Thomas W. Yoder, Jr.	5.00									
Chairman	5.00	X		X				0.	0.	0.
(4) Joseph R. Foley	5.00									
Vice Chairman	5.00	X		X				0.	0.	0.
(5) Karen Hart	5.00									
Secretary	5.00	X		X				0.	0.	0.
(6) Sr. Barbara Brennan, RSM	2.50									
Trustee	2.50	X						0.	0.	0.
(7) Sr. Patricia Flynn, RSM, PhD	2.50									
Trustee	2.50	X						0.	0.	0.
(8) Joseph Gray	2.50									
Trustee	2.50	X						0.	0.	0.
(9) Margaret Hourigan	2.50									
Trustee	2.50	X						0.	0.	0.
(10) Wendy Bush	2.50									
Trustee	2.50	X						0.	0.	0.
(11) Paul Lones	2.50									
Trustee	2.50	X						0.	0.	0.
(12) Sr. Michele Aronica, RSM	2.50									
Trustee	2.50	X						0.	0.	0.
(13) Brenda Miley	2.50									
Trustee	2.50	X						0.	0.	0.
(14) Lisa Miller	2.50									
Trustee	2.50	X						0.	0.	0.
(15) Thimi Mina	2.50									
Trustee	2.50	X						0.	0.	0.
(16) Sr. Mary Morey, RSM	2.50									
Trustee	2.50	X						0.	0.	0.
(17) Mary Louise Norton	2.50									
Trustee	2.50	X						0.	0.	0.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(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
(18) Debra Taylor	2.50									
Trustee	2.50	X						0.	0.	0.
(19) Sr. Patricia Pora, RSM	2.50									
Trustee	2.50	X						0.	0.	0.
(20) Jon Jennings	2.50									
Trustee	2.50	X						0.	0.	0.
(21) David Small	2.50									
Trustee	2.50	X						0.	0.	0.
(22) Sr. Kathleen M. Smith, RSM	2.50									
Trustee	2.50	X						0.	0.	0.
(23) Nelson A. Toner, Esq.	2.50									
Immediate Past Chairman	2.50	X		X				0.	0.	0.
(24) Isabella Thurston, M.D.	2.50									
Trustee	2.50	X						0.	0.	0.
(25) William Schirmer, MD	2.50									
Trustee	2.50	X						0.	0.	0.
(26) Daniel P Sheridan, PhD	2.50									
Trustee	2.50	X						0.	0.	0.
1b Sub-total ▶								0.	0.	0.
c Total from continuation sheets to Part VII, Section A ▶								0.	0.	0.
d Total (add lines 1b and 1c) ▶								0.	0.	0.

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 ▶ 0

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

Section B. Independent Contractors

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

(A) Name and business address NONE	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 0

See Part VII, Section A Continuation sheets

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (check all that apply): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(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
(27) John Walters	2.50									
Trustee	2.50	X						0.	0.	0.
(28) William Demicco, MD	37.50									
Trustee (Pres Med Staff 1/1-6/30/13)	2.50	X						0.	0.	0.
(29) Paul Bloch, MD	2.50									
Trustee	2.50	X						0.	0.	0.
(30) Bruce Wagner	2.50									
Trustee	2.50	X						0.	0.	0.
(31) Michael Hachey	37.50									
SVP Ambulatory Ser./CFO	2.50			X				0.	0.	0.
Total to Part VII, Section A, line 1c										

Part VIII Statement of Revenue

Check if Schedule O contains a response to any question 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, 513, or 514
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c	298,341.				
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	341,952.				
	g Noncash contributions included in lines 1a-1f: $						
	h **Total.** Add lines 1a-1f ▶			640,293.			
Program Service Revenue			Business Code				
	2 a Patient Service Revenu		621110	150,890,118.	150,890,118.		
	b All Other Program Serv		621110	4,434,558.	4,434,558.		
	c						
	d						
	e						
	f All other program service revenue						
	g **Total.** Add lines 2a-2f ▶			155,324,676.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶			110,516.			110,516.
	4 Income from investment of tax-exempt bond proceeds ▶						
	5 Royalties ▶						
		(i) Real	(ii) Personal				
	6 a Gross rents	124,882.					
	b Less: rental expenses	0.					
	c Rental income or (loss)	124,882.					
	d Net rental income or (loss) ▶			124,882.			124,882.
		(i) Securities	(ii) Other				
	7 a Gross amount from sales of assets other than inventory	71,771.	671,887.				
	b Less: cost or other basis and sales expenses	0.	210,376.				
	c Gain or (loss)	71,771.	461,511.				
	d Net gain or (loss) ▶			533,282.			533,282.
	8 a Gross income from fundraising events (not including $ 298,341. of contributions reported on line 1c). See Part IV, line 18	a	66,824.				
	b Less: direct expenses	b	91,618.				
	c Net income or (loss) from fundraising events ▶			-24,794.			-24,794.
	9 a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities ▶						
	10 a Gross sales of inventory, less returns and allowances	a					
	b Less: cost of goods sold	b					
	c Net income or (loss) from sales of inventory ▶						
	Miscellaneous Revenue		Business Code				
	11 a Cafeteria Income		722210	662,135.			662,135.
	b						
	c						
	d All other revenue						
	e **Total.** Add lines 11a-11d ▶			662,135.			
	12 **Total revenue.** See instructions. ▶			157,370,990.	155,324,676.	0.	1,406,021.

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 to any question in this Part IX [X]

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	72,729,355.	66,395,843.	6,213,375.	120,137.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	2,537,183.	2,372,002.	158,887.	6,294.
9 Other employee benefits	10,115,459.	8,574,015.	1,528,030.	13,414.
10 Payroll taxes	4,953,574.	4,357,975.	586,638.	8,961.
11 Fees for services (non-employees):				
a Management				
b Legal	212,439.	7,516.	204,923.	
c Accounting	175,826.		175,826.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	18,390,018.	9,922,956.	8,302,609.	164,453.
12 Advertising and promotion	313,383.	5,206.	302,013.	6,164.
13 Office expenses	31,902,869.	28,895,949.	2,979,544.	27,376.
14 Information technology	1,762,799.		1,762,799.	
15 Royalties				
16 Occupancy	4,969,884.	4,723,456.	246,428.	
17 Travel	161,224.	133,507.	23,496.	4,221.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	858.	225.	633.	
20 Interest	1,914,184.	28,670.	1,885,514.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	8,338,902.	6,176,051.	2,159,524.	3,327.
23 Insurance	2,033,207.	734,983.	1,298,224.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a Dues and Subscriptions	2,761,743.	247,745.	2,513,335.	663.
b Restructuring	2,205,000.		2,205,000.	
c Auxiliary	119,151.	119,151.		
d				
e All other expenses				
25 **Total functional expenses.** Add lines 1 through 24e	165,597,058.	132,695,250.	32,546,798.	355,010.
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ▶ [ ] if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response to any question in this Part X ☐

			(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing		1	
	2	Savings and temporary cash investments	3,117,383.	2	9,553,135.
	3	Pledges and grants receivable, net		3	
	4	Accounts receivable, net	29,890,429.	4	33,459,769.
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use	4,994,851.	8	5,166,132.
	9	Prepaid expenses and deferred charges	1,025,590.	9	1,526,438.
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D — 10a 195,631,779.			
	b	Less: accumulated depreciation — 10b 99,841,053.	100,801,310.	10c	95,790,726.
	11	Investments - publicly traded securities	10,583,199.	11	15,106,104.
	12	Investments - other securities. See Part IV, line 11	2,775,087.	12	
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets	64,167.	14	45,417.
	15	Other assets. See Part IV, line 11	39,538,616.	15	18,393,520.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	192,790,632.	16	179,041,241.
Liabilities	17	Accounts payable and accrued expenses	19,576,196.	17	19,616,688.
	18	Grants payable		18	
	19	Deferred revenue	972,458.	19	850,685.
	20	Tax-exempt bond liabilities	70,953,524.	20	68,637,326.
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties	298,118.	23	286,485.
	24	Unsecured notes and loans payable to unrelated third parties	2,384.	24	0.
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	39,920,398.	25	35,827,887.
	26	**Total liabilities.** Add lines 17 through 25	131,723,078.	26	125,219,071.
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	56,765,101.	27	50,120,056.
	28	Temporarily restricted net assets	2,524,411.	28	1,866,393.
	29	Permanently restricted net assets	1,778,042.	29	1,835,721.
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	61,067,554.	33	53,822,170.
	34	Total liabilities and net assets/fund balances	192,790,632.	34	179,041,241.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	157,370,990.
2	Total expenses (must equal Part IX, column (A), line 25)	2	165,597,058.
3	Revenue less expenses. Subtract line 2 from line 1	3	-8,226,068.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	61,067,554.
5	Net unrealized gains (losses) on investments	5	980,684.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	53,822,170.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII ☐

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

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization: Mercy Hospital

Employer identification number: 01-0211534

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

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

1 [ ] A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
2 [ ] A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
3 [X] A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
4 [ ] A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
5 [ ] An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
6 [ ] A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
7 [ ] An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
8 [ ] A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
9 [ ] An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
10 [ ] An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
11 [ ] An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a [ ] Type I **b** [ ] Type II **c** [ ] Type III - Functionally integrated **d** [ ] Type III - Non-functionally integrated

e [ ] By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ..... [ ]

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

			Yes	No
(i)	A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	**11g(i)**		
(ii)	A family member of a person described in (i) above?	**11g(ii)**		
(iii)	A 35% controlled entity of a person described in (i) or (ii) above?	**11g(iii)**		

h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
Total									

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.**

Schedule A (Form 990 or 990-EZ) 2012

232021
12-04-12

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4.						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 **Total support.** Add lines 7 through 10						

12 Gross receipts from related activities, etc. (see instructions) **12**

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f)) ..... **14** %

15 Public support percentage from 2011 Schedule A, Part II, line 14 ..... **15** %

16a **33 1/3% support test - 2012.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ..... ▶ ☐

b **33 1/3% support test - 2011.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ..... ▶ ☐

17a **10% -facts-and-circumstances test - 2012.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ..... ▶ ☐

b **10% -facts-and-circumstances test - 2011.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ..... ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ..... ▶ ☐

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 **Total support.** (Add lines 9, 10c, 11, and 12.)						

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

Section C. Computation of Public Support Percentage

15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2011 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2012** (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from **2011** Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests - 2012.** 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 - 2011.** 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 ▶ ☐

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

OMB No. 1545-0047

2012

Open to Public Inspection

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

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

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

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

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

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

Name of organization	Employer identification number
Mercy Hospital	01-0211534

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

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

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

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

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

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

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

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

Schedule C (Form 990 or 990-EZ) 2012

LHA

232041
01-07-13

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

A Check ▶ ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).

B Check ▶ ☐ if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	**(a)** Filing organization's totals	**(b)** Affiliated group totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.		
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a. If zero or less, enter -0-		
i Subtract line 1f from line 1c. If zero or less, enter -0-		

If the amount on line 1e, column (a) or (b) is:	**The lobbying nontaxable amount is:**
Not over $500,000	20% of the amount on line 1e.
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000.
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000.
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000.
Over $17,000,000	$1,000,000.

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ **Yes** ☐ **No**

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

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	**(a)** 2009	**(b)** 2010	**(c)** 2011	**(d)** 2012	**(e)** Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

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

For each "Yes," response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a) Yes	(a) No	(b) Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	X		
c Media advertisements?		X	
d Mailings to members, legislators, or the public?	X		500.
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		76,700.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		1,040.
j Total. Add lines 1c through 1i			78,240.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A **Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).**

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

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

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

Part IV **Supplemental Information**

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, line 2; and Part II-B, line 1. Also, complete this part for any additional information.

Part II-B, Line 1, Lobbying Activities:

Percentage of dues paid to American Hospital Association (AHA) used by AHA for lobbying purposes.

SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No. 1545-0047
2012
Open to Public Inspection

Name of the organization Mercy Hospital

Employer identification number 01-0211534

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

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

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

☐ Preservation of land for public use (e.g., recreation or education)
☐ Preservation of an historically important land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

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

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

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

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

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

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

(ii) Assets included in Form 990, Part X ▶ $ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

b Assets included in Form 990, Part X ▶ $ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

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

a ☐ Public exhibition
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other _____

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

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

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

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII ☐

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	1,778,042.	1,041,946.	1,052,325.	983,424.	873,360.
b Contributions	59,976.	656,155.	1,850.	4,188.	31,500.
c Net investment earnings, gains, and losses	-2,297.	79,941.	-12,229.	64,713.	78,564.
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	1,835,721.	1,778,042.	1,041,946.	1,052,325.	983,424.

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

a Board designated or quasi-endowment ▶ _____ %
b Permanent endowment ▶ 100.00 %
c Temporarily restricted endowment ▶ _____ %
The percentages in lines 2a, 2b, and 2c should equal 100%.

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

		Yes	No
(i) unrelated organizations	3a(i)		X
(ii) related organizations	3a(ii)		X
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		6,220,656.		6,220,656.
b Buildings		102,066,119.	39,167,877.	62,898,242.
c Leasehold improvements		2,886,699.	1,281,413.	1,605,286.
d Equipment		82,517,149.	58,352,130.	24,165,019.
e Other		1,941,156.	1,039,633.	901,523.
Total. Add lines 1a through 1e. *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				95,790,726.

Part VII Investments - Other Securities. 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)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) Due from Third-Party Payors	2,660,106.
(2) Other Accounts Receivable	4,384,562.
(3) Unamortized Financing	621,496.
(4) Other Assets	1,129,215.
(5) Market Value Swap Asset	487,141.
(6) Insurance Recoveries	9,111,000.
(7)	
(8)	
(9)	
(10)	
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 15.)* ▶	18,393,520.

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) Market Value Swap Liability	425,738.
(3) Workers' Compensation Reserve	3,400,000.
(4) Accrued Pension Liability	1,868,313.
(5) AR Credit Balances	3,024,210.
(6) Due to Third-Party Payors	4,748,721.
(7) Health Claim Reserves	1,627,000.
(8) Due to Related Companies	6,000,000.
(9) Misc. Reserves	12,583,840.
(10) Deferred Compensation	2,150,065.
(11)	
Total. *(Column (b) must equal Form 990, Part X, col. (B) line 25.)* ▶	35,827,887.

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

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

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

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

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

Part XIII Supplemental Information

Complete this part to 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.

Part V, line 4: Endowment funds restricted uses include funding operations, educational programs, hospice and Alzheimer's screening.

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

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

OMB No. 1545-0047

2012

Open To Public Inspection

Name of the organization: Mercy Hospital

Employer identification number: 01-0211534

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

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

- **a** ☐ Mail solicitations
- **b** ☐ Internet and email solicitations
- **c** ☐ Phone solicitations
- **d** ☐ In-person solicitations
- **e** ☐ Solicitation of non-government grants
- **f** ☐ Solicitation of government grants
- **g** ☐ Special fundraising events

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

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

(i) Name and address of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions? Yes	No	**(iv)** Gross receipts from activity	**(v)** Amount paid to (or retained by) fundraiser listed in col. **(i)**	**(vi)** Amount paid to (or retained by) organization
Total ▶						

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

LHA **Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.**

Schedule G (Form 990 or 990-EZ) 2012

232081
01-07-13

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

		(a) Event #1 Gary's House Golf (event type)	(b) Event #2 Soar Into Silver (event type)	(c) Other events 2 (total number)	(d) Total events (add col. (a) through col. (c))
Revenue	1 Gross receipts	225,665.	62,980.	76,520.	365,165.
	2 Less: Contributions	195,965.	51,118.	51,258.	298,341.
	3 Gross income (line 1 minus line 2)	29,700.	11,862.	25,262.	66,824.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes	11,534.		4,181.	15,715.
	6 Rent/facility costs	10,101.	4,818.	10,826.	25,745.
	7 Food and beverages	17,579.	6,538.	5,147.	29,264.
	8 Entertainment		2,000.	300.	2,300.
	9 Other direct expenses	12,469.	1,207.	4,918.	18,594.
	10 Direct expense summary. Add lines 4 through 9 in column (d) ▶				(91,618.)
	11 Net income summary. Combine line 3, column (d), and line 10 ▶				-24,794.

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

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ____ % ☐ No	☐ Yes ____ % ☐ No	☐ Yes ____ % ☐ No	
	7 Direct expense summary. Add lines 2 through 5 in column (d) ▶				( )
	8 Net gaming income summary. Combine line 1, column d, and line 7 ▶				

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

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

b If "No," explain: _____

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

b If "Yes," explain: _____

11 Does the organization operate gaming activities with nonmembers? ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No

13 Indicate the percentage of gaming activity operated in:

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

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

Name ▶

Address ▶

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No

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

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

Name ▶

Address ▶

16 Gaming manager information:

Name ▶

Gaming manager compensation ▶ $ _____

Description of services provided ▶

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No

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

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

SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization Mercy Hospital

Employer identification number 01-0211534

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	X	
b	If "Yes," was it a written policy?	1b	X	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. ☐ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: ☐ 100% ☐ 150% ☒ 200% ☐ Other _____ %	3a	X	
b	Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: ☐ 200% ☒ 250% ☐ 300% ☐ 350% ☐ 400% ☐ Other _____ %	3b	X	
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	4	X	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	X	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	5b	X	
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		X
6a	Did the organization prepare a community benefit report during the tax year?	6a		X
b	If "Yes," did the organization make it available to the public?	6b		

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

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			5,918,440.		5,918,440.	3.57%
b Medicaid (from Worksheet 3, column a)			20,640,412.	14,469,019.	6,171,393.	3.73%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Financial Assistance and Means-Tested Government Programs			26,558,852.	14,469,019.	12,089,833.	7.30%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			646,335.	472,973.	173,362.	.10%
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j **Total.** Other Benefits			646,335.	472,973.	173,362.	.10%
k **Total.** Add lines 7d and 7j			27,205,187.	14,941,992.	12,263,195.	7.40%

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

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

			Yes	No
1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1		X	
2 Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount	2	5,250,905.		
3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3	189,605.		
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.				

Section B. Medicare

5 Enter total revenue received from Medicare (including DSH and IME)	5	51,856,557.
6 Enter Medicare allowable costs of care relating to payments on line 5	6	66,423,860.
7 Subtract line 6 from line 5. This is the surplus (or shortfall)	7	-14,567,303.

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

☐ Cost accounting system ☒ Cost to charge ratio ☐ Other

Section C. Collection Practices

		Yes	No
9a Did the organization have a written debt collection policy during the tax year?	9a	X	
b If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	X	

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians - see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %

Part V Facility Information

Section A. Hospital Facilities
(list in order of size, from largest to smallest)

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

Name, address, and primary website address	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 Mercy Hospital 144 State Street Portland, ME 04101	X	X					X			

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group Mercy Hospital

For single facility filers only: line number of hospital facility (from Schedule H, Part V, Section A) 1

		Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)			
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	1	X	
If "Yes," indicate what the CHNA report describes (check all that apply):			
a [X] A definition of the community served by the hospital facility			
b [X] Demographics of the community			
c [X] Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d [X] How data was obtained			
e [X] The health needs of the community			
f [X] Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g [X] The process for identifying and prioritizing community health needs and services to meet the community health needs			
h [X] The process for consulting with persons representing the community's interests			
i [ ] Information gaps that limit the hospital facility's ability to assess the community's health needs			
j [ ] Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a CHNA: 20 13			
3 In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	X	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4		X
5 Did the hospital facility make its CHNA report widely available to the public?	5	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):			
a [X] Hospital facility's website			
b [X] Available upon request from the hospital facility			
c [ ] Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date):			
a [X] Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b [X] Execution of the implementation strategy			
c [ ] Participation in the development of a community-wide plan			
d [X] Participation in the execution of a community-wide plan			
e [X] Inclusion of a community benefit section in operational plans			
f [X] Adoption of a budget for provision of services that address the needs identified in the CHNA			
g [X] Prioritization of health needs in its community			
h [X] Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i [ ] Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		X
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		X
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $			

Part V Facility Information *(continued)* Mercy Hospital

Financial Assistance Policy		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
9 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	9	X	
10 Used federal poverty guidelines (FPG) to determine eligibility for providing *free* care?	10	X	
If "Yes," indicate the FPG family income limit for eligibility for free care: 200 %			
If "No," explain in Part VI the criteria the hospital facility used.			
11 Used FPG to determine eligibility for providing *discounted* care?	11	X	
If "Yes," indicate the FPG family income limit for eligibility for discounted care: 250 %			
If "No," explain in Part VI the criteria the hospital facility used.			
12 Explained the basis for calculating amounts charged to patients?	12	X	
If "Yes," indicate the factors used in determining such amounts (check all that apply):			
a [X] Income level			
b [ ] Asset level			
c [X] Medical indigency			
d [X] Insurance status			
e [X] Uninsured discount			
f [X] Medicaid/Medicare			
g [X] State regulation			
h [ ] Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?	13	X	
14 Included measures to publicize the policy within the community served by the hospital facility?	14	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a [X] The policy was posted on the hospital facility's website			
b [ ] The policy was attached to billing invoices			
c [X] The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d [X] The policy was posted in the hospital facility's admissions offices			
e [ ] The policy was provided, in writing, to patients on admission to the hospital facility			
f [X] The policy was available on request			
g [ ] Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	15	X	
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine patient's eligibility under the facility's FAP:			
a [ ] Reporting to credit agency			
b [ ] Lawsuits			
c [ ] Liens on residences			
d [ ] Body attachments			
e [ ] Other similar actions (describe in Part VI)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	17		X
If "Yes," check all actions in which the hospital facility or a third party engaged:			
a [ ] Reporting to credit agency			
b [ ] Lawsuits			
c [ ] Liens on residences			
d [ ] Body attachments			
e [ ] Other similar actions (describe in Part VI)			

Part V Facility Information *(continued)* Mercy Hospital

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):

- **a** [ ] Notified individuals of the financial assistance policy on admission
- **b** [ ] Notified individuals of the financial assistance policy prior to discharge
- **c** [ ] Notified individuals of the financial assistance policy in communications with the patients regarding the patients' bills
- **d** [ ] Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy
- **e** [X] Other (describe in Part VI)

Policy Relating to Emergency Medical Care

		Yes	No
19 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	19	X	

If "No," indicate why:

- **a** [ ] The hospital facility did not provide care for any emergency medical conditions
- **b** [ ] The hospital facility's policy was not in writing
- **c** [ ] The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
- **d** [ ] Other (describe in Part VI)

Charges to Individuals Eligible for Assistance under the FAP (FAP-Eligible Individuals)

20 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.

- **a** [ ] The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged
- **b** [ ] The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged
- **c** [ ] The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged
- **d** [X] Other (describe in Part VI)

21 During the tax year, did the hospital facility charge any of its FAP-eligible individuals, 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 Part VI.	21		X
22 During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Part VI.	22		X

Part V Facility Information *(continued)*

Section C. 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? 0

Name and address	Type of Facility (describe)

Part VI Supplemental Information

Complete this part to provide the following information.

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments 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.

8 **Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

Part I, Line 7: The method used was a cost-to-charge ratio derived from the most recent Medicare Cost Report data.

Part III, Line 2: Please see response to Part III, Line 4.

Part III, Line 3: Please see response to Part III, Line 4.

Part III, Line 4: Mercy Hospital provides an allowance for doubtful accounts for estimated losses resulting from the unwillingness of patients or third-party payors to make payments for services. The allowance is determined by analyzing historical data and trends. Accounts receivable are written-off against the allowance for doubtful accounts when managment determines that recovery is unlikely and refers collection efforts to a third-party collector under contract. Recoveries of bad debt write-offs reduce bad debt expense. The costing methodology for determining Mercy Hospital's bad debt expense at cost is calculated by applying a cost-to-charge ratio on the value of the organization's bad debt expense. To determine the estimated amount of

Part VI Supplemental Information

bad debt expense (at cost) attributable to patients eligible under the organization's financial assistance policy, the calculated percentage of total financial assistance to total gross patient revenue was applied to the total bad debt expense. The resulting amount was multiplied by the Medicare cost-to-charge ratio. Although our financial assistance policies and procedures make every effort to identify thoses patients who are eligible for financial assistance before the billing process begins, often it is not possible to make an appropriate determination until after the billing and collection cycle has commenced. The rationale for including bad debt amounts in community benefits would be to account for those patients who were classified as bad debt expense, but would have qualified for financial assistance if sufficient information had been availiable to make a determination of their eligibility.

Discounts on patient accounts are not considered to be bad debts.

Part III, Line 8: The costing methodology to determine Mercy Hospital's Medicare shortfall is calculated by applying a cost-to-charge ratio on the value of gross Medicare revenue to determine an estimate of total revenue received from Medicare and comparing this amount to allowable costs of care.

Part III, Line 9b: Mercy Hospital's written financial assistance policy clearly states that patients who are known to qualify for financial assistance are covered under Mercy Hospital's financial assistance policy. The following is taken from Mercy Hospital's financial assistance policy

Part VI Supplemental Information

and outlines specific parameters for collection practices for financial assistance patients:

"H. Hospital Collection Efforts

Self-pay balances may be transferred to professional collection agencies when the accounts complete a patient statement dunning cycle (e.g., approximately 90 days) with no payment from the patient or proof of eligibility for Financial Assistance or other programs. Accounts with applications pending for Financial Assistance or other assistance programs are held until the outcome of the application. A "pending application" is defined as an application that has been fully completed by the patient, received by Mercy's Financial Assistance area, and is in the process of being determined for eligibility.

1. It is acceptable (but not preferable) to take an account through the full collection cycle and later reclassify it as Financial Assistance, as long as a consistent process is followed and a legitimate basis is established for the patient's inability to pay.

2. In some cases, a patient eligible for Financial Assistance may not have been identified prior to initiating external collection action. Accordingly, each collection agency engaged is aware of the policy on Financial Assistance. This allows the agency to report amounts that they have determined to be uncollectible due to the inability to pay in accordance with the Financial Assistance eligibility guidelines. If a collection agency identifies special circumstances demonstrating a particular patient as being unable (versus unwilling) to pay their bill, per the eligibility criteria of this policy, their liability may be considered Financial Assistance, even if they were originally classified as a Bad Debt.

Part VI Supplemental Information

3. Collection agencies shall not, in dealing with uninsured patients at or below the MHSM Financial Assistance guidelines, use or threaten to use wage garnishments or liens on primary residences as a means of collecting on unpaid hospital bills.

4. When a patient's financial picture indicates that he/she has the financial resources to pay, a payment plan may be established at the patient's request; therefore, a financial application is not necessary.

5. If the patient/responsible party does not cooperate with MHSM, i.e., return of necessary documentation within 60 days of receipt of denial for missing documents (Appendix E), and every attempt to obtain the best resolution of the account has been made; the account may be processed for placement with a MHSM collection agency.

I. Collection Agency

In some cases, a patient eligible for Financial Assistance may not have been identified prior to initiating external collection action. Accordingly, each collection agency engaged is aware of the MHSM policy on Financial Assistance. This allows the agency to report amounts that they have determined to be uncollectible due to the inability to pay in accordance with the Financial Assistance eligibility guidelines. If a collection agency identifies special circumstances demonstrating a particular patient as being unable (versus unwilling) to pay their bill, their liability may be considered Financial Assistance, even if they were originally classified as a Bad Debt. The patient should be reclassified to Financial Assistance."

Mercy Hospital:

Part V, Section B, Line 3: Input from representatives of the community

Part VI Supplemental Information

served by the hospital facility, including those with special knowledge of or expertise in public health was incorporated into the Mercy Hospital Community Health Needs Assessment ("CHNA") by including community representatives on the Community Advisory Council. Representatives included: The Director of DHHS for the City of Portland and executive representative of the City of Portland's Healthcare for the Homeless, the CEO of Portland Community Health Center, the COO of Opportunity Alliance, the COO of Catholic Charities, and the CEO of Community Housing of Maine. In addition to community representatives, Mercy Hospital included Mercy clinical, executive and Board leaders on the Community Advisory Council.

Mercy Hospital:

Part V, Section B, Line 7: Mercy Hospital did not address all of the needs identified in its most recently conducted CHNA. Access to oral health services was identified as a priority. The Community Advisory Team did not feel that Mercy Hospital or its parent company, Mercy Health System of Maine, had the capacity to offer preventative oral health services.

Mercy Hospital:

Part V, Section B, Line 18e: The organization does not take any of the actions listed on Line 17 with respect to patients eligible for assistance under the organization's FAP.

Mercy Hospital:

Part VI Supplemental Information

Part V, Section B, Line 20d: The hospital discounts charges to patients eligible for financial assistance based on income levels and other factors.

Full Financial Assistance: 100% Discount (less applicable copays)
A patient whose family income (as calculated on the Financial Assistance Application/Disclosure Form) is equal to or less than 200% of the most recent Department of Human Services defined poverty level (Federal Poverty Guidelines) qualifies for a full (100%) Financial Assistance discount (Appendix D) with no out-of-pocket responsibility.

Partial Financial Assistance: 50% Discount
A patient whose family income (as calculated on the Financial Assistance Application/Disclosure Form) is more than 200%, but less than 250%, of the most recent Department of Human Services defined poverty level (Federal Poverty Guidelines) qualifies for Partial Financial Assistance, a 50% discount of charges.

All uninsured patients with income greater than 250% of poverty are eligible for a 20% discount from charges.

The discounted rate for Mercy Hospital's FAP eligible patients is below the lowest negotiated commercial discounted rate and Mercy's policy exceeds the State of Maine's requirements for financial assistance.

Part VI, Line 2:
Mercy Hospital was founded in 1918 as the Queen's Hospital in response

Part VI Supplemental Information

to a devastating flu epidemic. Mercy strives for the highest standards of care for patients' physical, mental, and spiritual needs and has a mission that is grounded in a special commitment to care for the poor and disadvantaged. Mercy continues its long-held tradition of responding to distinct community needs as identified in the 2013 Community Health Needs Assessment. Gaps in services in regards to supportive housing, access to comprehensive healthcare services with integrated substance abuse and mental health services, chronic disease education and outreach within diverse communities, lung cancer screenings, and immunizations for marginalized population were identified as priorities for our community health implementation plan. Oral Health Services were also noted as a distinct need, but the community advisory board did not feel that Mercy Hospital or Mercy Health System had capacity to offer preventive oral health care.

Portland Community Health Center ("PCHC") is a full-service, primary care medical facility serving the greater Portland area. The Federally Qualified Health Center is located in the Parkside neighborhood and the Riverside Park, a Portland Housing Authority property. In 2013, PCHC served nearly 3,100 patients with 53% of patients reporting their preferred language to be a language other than English.

The Healthcare for the Homeless Clinic, also a Federally Qualified Health Center in Portland, offers adult and adolescent primary care, mental health and substance abuse treatment, medical respite care, dental services, case management, and outreach to the city's most vulnerable populations. In Fiscal year 2013, the Clinic provided primary care for over 1,111 patients.

Part VI Supplemental Information

Also, the India Street Public Health Clinic offered a variety of programs in 2013 focused on the testing, treatment, management, and immunization of various infectious diseases. In 2013, the HIV Positive Care Program cared for 233 patients; the Immunization Program served 2,568 patients; the HIV/STD Prevention Clinic served 1,703 patients; the Needle Exchange Program served 624 clients with 162,000 needles exchanged. The Portland Community Free Clinic provided primary care for 586 patients without insurance.

As a Refugee Resettlement Community, the city of Portland is home to people from all over the world, with sixty-seven languages spoken at the local public schools. Portland's Health Equity and Research Department serves as a bridge between service providers and the ethnic communities working to eliminate disparities and ensure access to health care and social services through the oversight of Community Health Outreach Workers ("CHOWS"), which are funded by Mercy Hospital. In 2013, Mercy Health System provided $18,750 for the CHOW Program and additional in-kind supports for associated programs. Twenty-two new Community Health Outreach Workers were trained to provide outreach and services to 486 clients.

Mercy Hospital is a 230-bed, $200 million net revenue organization with three acute-care campuses: Mercy State Street, Mercy Fore River, and Mercy Westbrook, as well as four urgent care facilities: Mercy Windham, Mercy Gorham Crossing, Mercy Westbrook and Mercy Yarmouth. Mercy Hospital provides a wide array of clinically superior services and programs with a breadth and depth that compliments its status as

Part VI Supplemental Information

the fifth largest hospital in the state. Mercy has evolved into a health care provider increasingly dedicated to outpatient services, demonstrated by a revenue base that is nearly 70% outpatient services. Mercy's service area includes hospital locations at State Street, Fore River, and Westbrook; Primary and Specialty Practices in Falmouth, W. Falmouth, Fore River, Gorham, Portland, Standish, Westbrook, Windham, and Yarmouth; Women's Health at the Fore River campus and VNA Home Health & Hospice services. The following includes Mercy's extensive network of Specialty Provider services: Addiction Medicine, Breast Care, Cardiology, Diabetes, Eating Disorders, Foot & Ankle Orthopaedics, Gastroenterology, General Surgery, Hematology/Oncology, Obstetrics/Gynecology, Otolaryngology (ENT), Pain (Medical & Interventional), Pulmonology, Urology/Urogynecology, Wound Healing, Spine Surgery, and Thoracic Surgery.

All Mercy Primary Care and Specialty Care Practices are accepting new patients regardless of their ability to pay. The Federally Qualified Health Centers also are accepting new patients, offer financial assistance, and assistance with transportation. While indicators show adequate access to primary care, hospital utilization (both inpatient and Emergency Department) for Ambulatory Care Sensitive ("ACS") conditions is elevated in several counties compared to the state.

Substance Abuse and Mental Health Services:
Maine residents show high patterns of Emergency Department ("ED") utilization for a wide range of mental health issues, including senility and organic mental disorders, major depressive disorders, bipolar disorders, schizophrenia, and anxiety disorders. The primary

Part VI Supplemental Information

data reviewed showed a significant prevalence of mental illness and substance abuse among frequent users of Emergency Services with 22.67% of visits attributed to mental illness.

Mercy's Recovery Center is the State's largest substance abuse treatment service, with 24 inpatient detox beds, a partial hospitalization program (5 hours per day, six days per week), an intensive outpatient program (3 hours per day, six days per week), level one group therapy sessions offered days and evenings, a family program offered every Saturday, and Mercy Addiction Medicine, a medical office practice with four addictionologists, physician assistants and nurse practitioners.

As noted in the OneMaine Health Assessment, Cumberland County has high rates of chronic heavy drinking (7.9%), high rates of binge drinking (18%), and high rates of substance abuse, alcohol abuse and drug abuse hospitalizations, and ED admissions for acute alcohol-related mental disorders. Also noted, the Annual Portland Public Health Assessment identified a significant increase in substance use arrests (53%) and violent crimes (27%), many of which can be attributed to drug seeking behaviors.

CHNA Identified Needs and Implementation Strategy

The CHNA task force identified gaps in services in regards to supportive housing, access to comprehensive and coordinated care that integrates both substance abuse and mental health services, access to oral health services, preventative screenings for cancer and chronic

Part VI Supplemental Information

disease, and effective practices for engaging service resistant chronically homeless persons. With increased prevalence of substance abuse, ED and hospital utilization, and homelessness, the CHNA Task Force identified the need for coordinated healthcare services that integrates case management and behavioral health services into preventative primary care and supportive housing as priorities for 2013. Outreach and education to include vaccinations for vulnerable adults and preventative health screenings for diverse communities were also recognized as priorities. While access to comprehensive Oral health services is a distinct community need, the CHNA task force recognized that efforts of the FQHCs and other community agencies were better able to address this need.

Part VI, Line 3: The following is taken from Mercy's Financial Assistance policy and describes how the organization informs and educates patients on Financial Assistance. Public Notice of the availability of assistance through this policy is made through each of the following means:

1. Posting notices in a visible manner in locations where there is a high volume of inpatient or outpatient admitting/registration, such as emergency departments, billing offices, admitting offices, and hospital outpatient service settings.

2. Posting notice of the availability of assistance and contact names and phone numbers on Mercy Hospital's web site.

3. Providing uninsured patients a matrix outlining the types of financial assistance available. Upon request, a full text copy of the Financial Assistance policy should be made available.

Part VI Supplemental Information

4. Making available to the public on a reasonable basis:

- The annual level of Financial Assistance provided.

- The unreimbursed costs of care provided to beneficiaries of government programs that serve the poor (being defined as shortfalls between costs and off-setting reimbursement/revenue that Mercy Hospital experiences in providing care under the Medicaid and local/county indigent programs for care provided to Medicare beneficiaries who are dually eligible for Medicaid).

5. Posted notices (as listed above) shall be in the primary language(s) of the service area and in a manner consistent with all applicable federal and state laws and regulations.

6. Should any provision of this Policy conflict with State of Maine requirements surrounding Financial Assistance, State law shall supersede the conflicting policy provision and the facility shall act in conformance with applicable State law.

Part VI, Line 4: The geographic area served by Mercy Hospital programs is primarily Cumberland and York counties, in south coastal Maine. Two distinct geographic exceptions are the Mercy Recovery Center, Maine's largest addiction treatment facility, which serves patients statewide, and the Northern New England Eating Disorders Program, the only such program located north of Massachusetts. The "community" can be defined as the City of Portland or the larger geographical service area (primarily the two counties, but with a widening catchment area). Portland - Mercy's acute care campuses at Fore River and State Street are located in Portland (Cumberland County), the state's most populous city (pop. 66,214). While population density for the state as a whole is 43 people per square mile, Portland itself is 3,107 people per square mile. Median

Part VI Supplemental Information

income is lower in Portland compared to the state of Maine, ($44,487 vs. $48,219).

As a designated Refugee Resettlement city, Portland has a more culturally and ethnically diverse population than Maine (12.0% vs. 3.5% non-white, non-Hispanic) and a larger percentage of residents are foreign born (11.2% vs. 3.3%). Portland is home to the largest population of Somali / Sudanese / Rwandan and other pan-African populations in Maine, as well as large populations of Hispanics, Asians, Russians and other ethnic groups. In summary, Portland is more densely populated, poorer and more culturally diverse than the rest of Maine. Portland is also home to a significant population of homeless individuals, drawn to the city by the network of homeless-serving social service agencies, including a dedicated FQHC operated by the City of Portland Public Health Division, located less than a mile from Mercy's State Street campus. This FQHC is strictly for homeless individuals, though Portland Public Health and Mercy Hospital collaborate to provide clinic based services to the poor who are Medicaid (MaineCare) ineligible by subsidizing the Portland Free Clinic with funding and volunteers. A second FQHC, the Portland Community Health Center for MaineCare eligible individuals and children opened in 2009 Mercy Hospital provides the necessary ancillary services and referrals for inpatient admissions from the FQHCs.

Mercy's involvement in a wide range of community benefit initiatives to improve the health and lives of individuals and families in the City of Portland is discussed elsewhere in this narrative.

Overall Service Area - While the Portland community is a major focus of Mercy healthcare and community involvement, the organization's catchment area (Cumberland and York counties, and wider) also includes more rural

Part VI Supplemental Information

areas such as Gorham, Standish and Buxton (designated as "very rural" or "rural"). To facilitate access to primary care - the basic building block of healthcare reform - in these outlying rural areas, Mercy has established primary care practice (PCP) sites in several of them: Windham; Gorham; Standish; Falmouth; Yarmouth; and West Falmouth. These are in addition to PCP sites in Portland and Westbrook."

Part VI, Line 5: In addition to the activities listed in Part VI, Line 2, the Hospital maintains an open medical staff and is governed by a board consisting largely of independent members.

SCHEDULE K (Form 990)
Department of the Treasury
Internal Revenue Service

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. ▶ See separate instructions.

OMB No. 1545-0047
2012
Open to Public Inspection

Name of the organization: Mercy Hospital

Employer identification number: 01-0211534

Part I Bond Issues See Part VI for Column (f) Continuations

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased Yes	(g) Defeased No	(h) On behalf of issuer Yes	(h) On behalf of issuer No	(i) Pooled financing Yes	(i) Pooled financing No
A	Maine Health and Higher Educational	01-0314384	560425G61	12/20/06	68,400,000.	Construction of Fore River Hospit		X		X		X
B	Maine Health and Higher Educational	01-0314384	560427JA5	06/24/10	11,275,000.	Refinancing 1998A Bonds		X		X		X
C												
D												

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	1,475,000.	1,455,000.		
2	Amount of bonds legally defeased				
3	Total proceeds of issue	68,400,000.	11,275,000.		
4	Gross proceeds in reserve funds	4,710,502.	1,097,744.		
5	Capitalized interest from proceeds				
6	Proceeds in refunding escrows				
7	Issuance costs from proceeds	496,240.	112,393.		
8	Credit enhancement from proceeds	195,080.			
9	Working capital expenditures from proceeds				
10	Capital expenditures from proceeds	62,998,175.			
11	Other spent proceeds		10,064,863.		
12	Other unspent proceeds				
13	Year of substantial completion	2008	2010		

		A Yes	A No	B Yes	B No	C Yes	C No	D Yes	D No
14	Were the bonds issued as part of a current refunding issue?		X	X					
15	Were the bonds issued as part of an advance refunding issue?		X		X				
16	Has the final allocation of proceeds been made?	X		X					
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X					

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?	X							
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?	X							
c Are there any research agreements that may result in private business use of bond-financed property?		X						
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government ▶	.00 %		%		%		%	
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶	.00 %		%		%		%	
6 Total of lines 4 and 5	.00 %		%		%		%	
7 Does the bond issue meet the private security or payment test?		X						
8a Has there been a sale or disposition of any of the bond-financed property to a non-governmental person other than a 501(c)(3) organization since the bonds were issued?		X						
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of	%		%		%		%	
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X							

Part IV Arbitrage

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

Part IV Arbitrage *(Continued)*

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
5a Were gross proceeds invested in a guaranteed investment contract (GIC)?	X			X				
b Name of provider	Pallas Capital Corp							
c Term of GIC	2.5000000							
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?	X							
6 Were any gross proceeds invested beyond an available temporary period?		X		X				
7 Has the organization established written procedures to monitor the requirements of section 148?	X		X					

Part V Procedures To Undertake Corrective Action

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

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K (see instructions).

Schedule K, Part I, Bond Issues:
(a) Issuer Name: Maine Health and Higher Educational
(f) Description of Purpose: Construction of Fore River Hospital

Schedule K, Supplemental Information: Part III, Line 3a: The Company has entered into various management and service contracts. Collectively, these contracts do not constitute an amount of private business use that exceeds the prescribed percentage.

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, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

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2012
Open To Public Inspection

Name of the organization: Mercy Hospital
Employer identification number: 01-0211534

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.**

Schedule L (Form 990 or 990-EZ) 2012

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues? Yes	No
William Demicco, MD	William Demicco, MD	187,795.	Dr. Demicco		X
Yvonne Bonney Mina	Thimi Mina, Board M	140,980.	Mr. Thimi M		X
Traverse CEO LLC	Bruce Wagner, Board	155,712.	Mr. Wagner,		X

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

Sch L, Part IV, Business Transactions Involving Interested Persons:

(a) Name of Person: William Demicco, MD

(b) Relationship Between Interested Person and Organization:

William Demicco, MD, Board Member

(d) Description of Transaction: Dr. Demicco is a Mercy Hospital employed Pulmonologist and is paid for his work as a physician.

(a) Name of Person: Yvonne Bonney Mina

(b) Relationship Between Interested Person and Organization:

Thimi Mina, Board Member

(d) Description of Transaction: Mr. Thimi Mina, a Board Member of Mercy Hospital, is married to Ms. Yvonne Bonney Mina, an employee of Mercy Hospital who was paid a salary for her work as a CRNA in 2013.

(a) Name of Person: Traverse CEO LLC

(b) Relationship Between Interested Person and Organization:

Bruce Wagner, Board Member

(d) Description of Transaction: Mr. Wagner, a Board Member of Mercy Hospital, provided consulting services to Mercy Hospital.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

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Name of the organization: Mercy Hospital

Employer identification number: 01-0211534

Form 990, Part I, Line 1, Description of Organization Mission:
compassionate healthcare for all, with special concern for the poor and disadvantaged.

Form 990, Part VI, Section A, line 6: Mercy Health System of Maine ("MHSM") is the sole member of Mercy Hospital.

Form 990, Part VI, Section A, line 7a: MHSM is the sole member of Mercy Hospital. MHSM approves all members of the Board of Trustees of Mercy Hospital.

Form 990, Part VI, Section A, line 7b: MHSM has reserved powers in the following areas:
- changes in articles of incorporation;
- in all Bylaws Provisions, appoint and remove Trustees;
- approve philosophy and mission, strategic plan, operating plan and budget;
- significant financial transactions, significant budget variances and
- establishment or dissolution of organizational relationships.

Form 990, Part VI, Section B, line 11: The Board of Directors/Trustees received education about the Form 990 during the July Board meeting. The Board of Directors/Trustees discussed significant issues included in the draft Form 990 for Mercy Health System of Maine and Mercy Hospital during this meeting. The Board of Trustees endorsed the Finance Committee's approval of the review process of the Form 990 for Mercy Hospital during

Name of the organization: Mercy Hospital

Employer identification number: 01-0211534

the July meeting and the Board of Directors endorsed the Finance Committee's approval of the review process of the Form 990 for Mercy Health System of Maine by unanimous written consent in July. The Finance Committee received education about the Form 990 at the July Committee meeting and reviewed the Form 990 for MHSM and Mercy Hospital at the July Committee meeting. The Finance Committee approved the review process of the Form 990 for MHSM and Mercy Hospital during the July Finance Committee meeting.

Form 990, Part VI, Section B, Line 12c: Mercy Hospital Attachment A to the Bylaws sets forth the organization's conflict-of-interest policy and processes. Annually, all those serving Mercy Hospital in a fiduciary capacity, including directors, trustees, officers, non-board committee members and key employees receive a copy of the policy and annual disclosure statement to be completed. Disclosures of financial interest or other reportable circumstances as defined in the policy are submitted and reviewed by the organization's Chairman of the Board and Compliance Officer. Summary information is reported to the Governance Committee and entire board. This is available to the board throughout the year as business comes before the board or management for action. The policy contains a continuing affirmative obligation on all affected individuals to disclose compensation or other circumstances throughout the year which may rise to the level of an actual or apparent conflict. The determination of whether a disclosed financial or other interest constitutes a conflict of interest is made by the board or an appropriate committee thereof comprised of dis-interested persons and without the participation of the affected individual except to respond to questions about the disclosure. The policy further addresses the procedure for the board's further consideration of the proposed transaction/matter without the participation of the affected

Name of the organization: Mercy Hospital

Employer identification number: 01-0211534

person and the documentation of the proceedings. Lastly, the policy addresses potential disciplinary action for violations of the policy. The policy is available to the public upon request.

Form 990, Part VI, Section B, Line 15: For 2013, there was joint approval by Catholic Health East's ("CHE") Executive Vice President and the MHSM Board of Directors of the compensation paid to the organization's CEO. The process for determining compensation includes the following: The board has an independent committee review and approve all elements of remuneration for all disqualified parties, as well as other key management. The board/committee has an established compensation philosophy which details the objectives of market positioning and pay elements. The committee engages with external consultants to provide market data comparing Mercy Hospital roles to similarly sized health systems utilizing both title and job content comparisons. The committee reviews the market analysis, approves any salary adjustments for the executive and employed physician populations, considers both reasonableness and effectiveness of all remunerative programs and establishes the performance expectations which are incorporated into the incentive plan. All of these discussions and decisions are documented through the provision of meeting minutes.

Form 990, Part VI, Section C, Line 19: Organizational Articles of Incorporation, Corporate Bylaws, governance policies, conflict-of-interest policy and audited financial statements are available upon request. IRS Form 990 is posted on the Mercy Hospital website.

Form 990, Part IX, Line 11g, Other Fees:

Service Contracts:

Name of the organization: Mercy Hospital

Employer identification number: 01-0211534

Program service expenses	2,158,148.
Management and general expenses	2,531,301.
Fundraising expenses	0.
Total expenses	4,689,449.

Contract Labor:

Program service expenses	3,181,653.
Management and general expenses	461,011.
Fundraising expenses	0.
Total expenses	3,642,664.

Other Fees:

Program service expenses	1,048,476.
Management and general expenses	392,621.
Fundraising expenses	164,453.
Total expenses	1,605,550.

Consultant Fees:

Program service expenses	178,443.
Management and general expenses	2,190,384.
Fundraising expenses	0.
Total expenses	2,368,827.

Purchased Services:

Program service expenses	1,164,906.
Management and general expenses	557,116.
Fundraising expenses	0.
Total expenses	1,722,022.

Name of the organization: Mercy Hospital

Employer identification number: 01-0211534

Collection Agency Fees:

Program service expenses	0.
Management and general expenses	1,236,616.
Fundraising expenses	0.
Total expenses	1,236,616.

Physician Fees:

Program service expenses	1,131,680.
Management and general expenses	0.
Fundraising expenses	0.
Total expenses	1,131,680.

Patient Tests:

Program service expenses	1,059,650.
Management and general expenses	0.
Fundraising expenses	0.
Total expenses	1,059,650.

System Allocations:

Program service expenses	0.
Management and general expenses	933,560.
Fundraising expenses	0.
Total expenses	933,560.
Total Other Fees on Form 990, Part IX, line 11g, Col A	18,390,018.

Disclosure Statement Related to Form 5471 Filed by Catholic Health East, Saint Michael's Medical Center, and Trinity Health - Michigan

Name of the organization: Mercy Hospital

Employer identification number: 01-0211534

Under the constructive ownership rules of Internal Revenue Code Sections 318(a) and 958(b), the organization is required to file Form 5471, Information Return of U.S. Persons With Respect to Certain Foreign Corporations, as a Category 4 and/or Category 5 filer with respect to Stella Maris Insurance Company Limited, Chestnut Risk Services, LTD, and Venzke Insurance Company, LTD (collectively, the "foreign corporations"). This filing requirement is, or will be, satisfied through the filing of Forms 5471 with respect to the foreign corporations on the organization's behalf by the U.S. organizations identified below.

Foreign Corporation: Stella Maris Insurance Company

U.S. Organization: Catholic Health East

Address: 3805 West Chester Pike, Suite 100, Newtown Square, Pennsylvania 19073

Identifying Number of U.S. Tax Return with Which Form 5471 was filed: 23-2929748

IRS Service Center Where U.S. Return Was Filed: Ogden, UT

Foreign Corporation: Chestnut Risk Services, LTD

U.S. Organization: Saint Michael's Medical Center

Address: 111 Central Avenue, Newark, New Jersey 07102

Identifying Number of U.S. Tax Return with Which Form 5471 was filed: 26-2616046

IRS Service Center Where U.S. Return Was Filed: Ogden, UT

Foreign Corporation: Venzke Insurance Company, LTD

Name of the organization: Mercy Hospital

Employer identification number: 01-0211534

U.S. Organization: Trinity Health - Michigan

Address: 20555 Victor Parkway, Livonia, MI 48152

Identifying Number of U.S. Tax Return with which Form 5471 was filed:

38-2113393

IRS Service Center Where U.S. Return Was Filed: Ogden, UT

SCHEDULE R (Form 990)
Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047
2012
Open to Public Inspection

Name of the organization: Mercy Hospital

Employer identification number: 01-0211534

Part I **Identification of Disregarded Entities** (Complete if the organization answered "Yes" to 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
SETON REAL ESTATE HOLDINGS - 32-0393870 1300 MASSACHUSETTS AVENUE TROY, NY 12180	MANAGEMENT REAL ESTATE	New York			SETON HEALTH SYSTEM, INC.
BIG RUN URGENT CARE LTD. - 31-1581575 6150 E. BROAD STREET, 3RD FLOOR COLUMBUS, OH 43213	MEDICAL SERVICES	Ohio			MOUNT CARMEL HEALTH SYSTEM
C.L.R. INVESTMENTS LLC - 32-0008631 120 W. HARRIS ST. CADILLAC, MI 49601	REAL ESTATE RENTAL & DEVELOPMENT	Michigan			TRINITY HEALTH-MICHIGAN
CONCORD RADIATION THERAPY, LLC - 20-8596889 3100 PLAZA PROPERTIES BLVD. COLUMBUS, OH 43219	MEDICAL SERVICES	Ohio			MOUNT CARMEL HEALTH SYSTEM

Part II **Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" to 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
CATHOLIC HEALTH EAST - 23-2929748 3805 WEST CHESTER PIKE, SUITE 100 NEWTOWN SQUARE, PA 19073	MANAGEMENT SERVICES	Pennsylvania	501(c)(3)	Line 11c, III-FI	CHE TRINITY, INC.	X	
CONTINUING CARE MANAGEMENT SERVICES NETWORK - 35-2336834, 3805 WEST CHESTER PIKE, SUITE 100, NEWTOWN SQUARE, PA 19073	MANAGEMENT & SUPPORT SERVICES	Pennsylvania	501(c)(3)	Line 11b, II	CATHOLIC HEALTH EAST	X	
VNA HOME HEALTH & HOSPICE - 01-0246804 50 FODEN ROAD SOUTH PORTLAND, ME 04106	HOME HEALTH & HOSPICE	Maine	501(c)(3)	Line 11a, I	MERCY HEALTH SYSTEM OF MAINE	X	
MERCY HEALTH SYSTEM OF MAINE - 01-0484074 144 STATE STREET PORTLAND, MA 04101	MANAGEMENT & SUPPORT SERVICES	Maine	501(c)(3)	Line 11c, III-FI	CATHOLIC HEALTH EAST	X	

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

See Part VII for Continuations

Part I **Continuation of Identification of Disregarded Entities**

(a) Name, address, and EIN 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
LOYOLA AMBULATORY CENTERS, LLC - 36-4321058 2160 SOUTH FIRST AVENUE MAYWOOD, IL 60153	AMBULATORY SERVICES	Illinois			LOYOLA UNIVERSITY MEDICAL CENTER
MOUNT CARMEL HEALTH PROVIDERS III, LLC - 20-4145781, 10 WEST BROAD ST., STE 2100, COLUMBUS, OH 43215	MEDICAL SERVICES	Ohio			MOUNT CARMEL HEALTH PROVIDERS, INC.
MOUNT CARMEL HEALTHPROVIDERS TWO, LLC - 20-1983271, 6150 E. BROAD STREET, COLUMBUS, OH 43213	MEDICAL SERVICES	Ohio			MOUNT CARMEL HEALTH PROVIDERS, INC.
PATHWAY HOSPICE, LLC - 93-1310235 1050 SW 3RD AVE., SUITE 1600 ONTARIO, OR 97914	HOSPICE CARE	Oregon			SAINT ALPHONSUS MEDICAL CENTER-ONTARIO
SAINT AGNES HOME HEALTH AND HOSPICE, LLC - 38-2621935, 17410 COLLEGE PARKWAY, STE 150, LIVONIA, MI 48152	PROVIDE HOME HEALTH SERVICES	California			TRINITY HOME HEALTH SERVICES, INC.
SAINT JOSEPH REGIONAL MEDICAL CENTER-HEALTH INSURANCE SERVICES, LLC - 46-281, 5215 HOLY CROSS PARKWAY, MISHAWAKA, IN 46545	SELL INSURANCE PRODUCTS FOR COMMISSION	Indiana			SAINT JOSEPH REGIONAL MEDICAL CENTER, INC.
SAINT MARY'S PHARMACY LLC - 38-3404443 200 JEFFERSON AVE. SE GRAND RAPIDS, MI 49503	PHARMACY	Michigan			TRINITY HEALTH-MICHIGAN
TRINITY HEALTH-WARDE LAB, LLC - 27-2681908 20555 VICTOR PARKWAY LIVONIA, MI 48152	REAL ESTATE RENTAL	Delaware			TRINITY HEALTH-MICHIGAN
HOLY CROSS PHYSICIAN PARTNERS, LLC - 36-4712116, 4725 N. FEDERAL HWY, FT. LAUDERDALE, FL 33308	MEDICAL SERVICES	Florida			HOLY CROSS HOSPITAL, INC.

Part II **Continuation of Identification of Related Tax-Exempt Organizations**

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization? Yes	No
SUNNYVIEW HOSPITAL & REHABILITATION CENTER FOUNDATION - 22-2505127, 1270 BELMONT AVE., SCHENECTADY, NY 12308	SUPPORTING FOUNDATION	New York	501(c)(3)	Line 11a, I	SUNNYVIEW HOSPITAL & REHABILITATION	X	
MERCY CARE FOR KIDS, INC. - 14-1717564 310 SOUTH MANNING BLVD ALBANY, NY 12208	DISCONTINUED OPERATIONS	New York	501(c)(3)	Line 9	ST. PETER'S HEALTH CARE SERVICES	X	
OUR LADY OF MERCY LIFE CENTER - 14-1743506 2 MERCYCARE LANE GUILDERLAND, NY 12084	NURSING HOME FACILITY	New York	501(c)(3)	Line 3	ST. PETER'S HEALTH CARE SERVICES	X	
ST. PETER'S AUXILIARY - 22-2843206 315 SOUTH MANNING BLVD ALBANY, NY 01228	AUXILIARY	New York	501(c)(3)	Line 11a, I	ST. PETER'S HEALTH CARE SERVICES	X	
ST. PETER'S HEALTH CARE SERVICES - 22-2702507, 315 SOUTH MANNING BLVD, ALBANY, NY 12208	MANAGEMENT & SUPPORT SERVICES	New York	501(c)(3)	Line 9	ST. PETER'S HEALTH PARTNERS	X	
ST. PETER'S HOSPITAL - 14-1348692 315 SOUTH MANNING BLVD ALBANY, NY 12208	HOSPITAL	New York	501(c)(3)	Line 3	ST. PETER'S HEALTH CARE SERVICES	X	
ST. PETER'S HOSPITAL FOUNDATION, INC. - 22-2262982, 319 SOUTH MANNING BLVD, SUITE 309, ALBANY, NY 12208	FUNDRAISING & PUBLIC RELATIONS	New York	501(c)(3)	Line 7	ST. PETER'S HEALTH CARE SERVICES	X	
EDDY LICENSED HOME CARE AGENCY - 14-1818568 433 RIVER ST SUITE 3000 TROY, NY 12180	HOME HEALTH	New York	501(c)(3)	Line 3	LTC(EDDY), INC.	X	
THE COMMUNITY HOSPICE FOUNDATION, INC. - 22-2692940, 295 VALLEY VIEW BLVD, RENSSELAER, NY 12144	FUNDRAISING & PUBLIC RELATIONS	New York	501(c)(3)	Line 7	THE COMMUNITY HOSPICE, INC.	X	
THE COMMUNITY HOSPICE, INC. - 14-1608921 295 VALLEY VIEW BLVD RENSSELAER, NY 12144	SERVING SERIOUSLY ILL PEOPLE & THEIR FAMILIES	New York	501(c)(3)	Line 3	ST. PETER'S HEALTH CARE SERVICES	X	
VILLA MARY IMMACULATE - 14-1438749 301 HACKETT BLVD ALBANY, NY 12208	NURSING HOME & PHYSICAL REHAB	New York	501(c)(3)	Line 3	ST. PETER'S HOSPITAL	X	
WARDE SERVICE CORPORATION, INC. - 14-1732097 159 WOLF ROAD, 3RD FLOOR ALBANY, NY 12205	DISCONTINUED OPERATIONS	New York	501(c)(3)	Line 9	ST. PETER'S HEALTH CARE SERVICES	X	

Part II **Continuation of Identification of Related Tax-Exempt Organizations**

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NORTHEAST HEALTH, INC. - 04-2450756 2212 BURDETT AVE. TROY, NY 12180	SUPPORTING ORGANIZATION	New York	501(c)(3)	Line 11b, II	ST. PETER'S HEALTH PARTNERS	X	
MEMORIAL HOSPITAL, ALBANY, N.Y. - 14-1338457 600 NORTHERN BLVD. ALBANY, NY 12204	GENERAL HOSPITAL	New York	501(c)(3)	Line 3	NORTHEAST HEALTH, INC.	X	
SAMARITAN HOSPITAL OF TROY, NEW YORK - 14-1338544, 2215 BURDETT AVE., TROY, NY 12180	GENERAL HOSPITAL	New York	501(c)(3)	Line 3	NORTHEAST HEALTH, INC.	X	
THE NORTHEAST HEALTH FOUNDATION, INC. - 22-2743478, 2224 BURDETT AVE., TROY, NY 12180	SUPPORTING FOUNDATION	New York	501(c)(3)	Line 7	NORTHEAST HEALTH, INC.	X	
SAMARITAN CHILD CARE CENTER, INC. - 14-1710225, 2213 BURDETT AVE., TROY, NY 12180	CHILD DAY CARE	New York	501(c)(3)	Line 9	NORTHEAST HEALTH, INC.	X	
SHAKER PROPERTIES, INC. - 22-3119822 2212 BURDETT AVE. TROY, NY 12180	DISCONTINUED OPERATIONS	New York	501(c)(2)	N/A	NORTHEAST HEALTH, INC.	X	
SUNNYVIEW HOSPITAL & REHABILITATION CTR - 14-1338386, 1270 BELMONT AVE., SCHENECTADY, NY 12308	REHABILITATION HOSPITAL	New York	501(c)(3)	Line 3	LTC (EDDY), INC.	X	
JAMES A. EDDY MEMORIAL GERIATRIC CENTER, INC. - 22-2570478, 2256 BURDETT AVE., TROY, NY 12180	NURSING HOME	New York	501(c)(3)	Line 9	LTC (EDDY), INC.	X	
CAPITAL REGION GERIATRIC CENTER, INC. - 14-1701597, 421 WEST COLUMBIA ST., COHOES, NY 12047	NURSING HOME	New York	501(c)(3)	Line 9	LTC (EDDY), INC.	X	
HERITAGE HOUSE NURSING CENTER, INC. - 14-1725101, 2920 TIBBITS AVE, TROY, NY 12180	NURSING HOME	New York	501(c)(3)	Line 9	LTC (EDDY), INC.	X	
THE MARJORIE DOYLE ROCKWELL CENTER, INC. - 14-1793885, 421 WEST COLUMBIA ST., COHOES, NY 12047	ADULT HOME/ALZHEIMER'S	New York	501(c)(3)	Line 9	LTC (EDDY), INC.	X	
BEVERWYCK, INC. - 14-1717028 40 AUTUMN DRIVE SLINGERLANDS, NY 12159	INDEPENDENT/ASSISTED LIVING RETIREMENT COMMUNITY	New York	501(c)(3)	Line 9	LTC (EDDY), INC.	X	

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HAWTHORNE RIDGE, INC. - 80-0102840 30 COMMUNITY WAY EAST GREENBUSH, NY 12061	INDEPENDENT/ASSISTED LIVING RETIREMENT COMMUNITY	New York	501(c)(3)	Line 9	LTC (EDDY), INC.	X	
GLEN EDDY, INC. - 14-1794150 ONE GLEN EDDY DRIVE NISKAYUNA, NY 12309	INDEPENDENT/ASSISTED LIVING COMMUNITY	New York	501(c)(3)	Line 9	LTC (EDDY), INC.	X	
BEECHWOOD, INC. - 14-1651563 2212 BURDETT AVE. TROY, NY 12180	REAL ESTATE HOLDING	New York	501(c)(2)	N/A	LTC (EDDY), INC.	X	
SENIOR CARE CONNECTION, INC. - 14-1708754 504 STATE ST. SCHENECTADY, NY 12305	PACE PROGRAM	New York	501(c)(3)	Line 9	LTC (EDDY), INC.	X	
HOME AID SERVICE OF EASTERN NEW YORK INC. - 14-1514867, 433 RIVER ST SUITE 3000, TROY, NY 12180	HOME CARE	New York	501(c)(3)	Line 9	LTC (EDDY), INC.	X	
SETON HEALTH SYSTEM, INC. - 14-1776186 1300 MASSACHUSETTS AVENUE TROY, NY 12180	HOSPITAL	New York	501(c)(3)	Line 3	ST. PETER'S HEALTH PARTNERS	X	
SETON HEALTH AT SCHUYLER RIDGE RESIDENTIAL HEALTHCARE - 14-1756230, 1 ABELE BLVD., CLIFTON PARK, NY 12065	SKILLED NURSING	New York	501(c)(3)	Line 9	SETON HEALTH SYSTEM, INC.	X	
SETON HEALTH FOUNDATION - 22-2345416 1300 MASSACHUSETTS AVENUE TROY, NY 12180	SUPPORTING ORGANIZATION	New York	501(c)(3)	Line 11a, I	SETON HEALTH SYSTEM, INC.	X	
SETON AUXILIARY, INC. - 14-1505031 1300 MASSACHUSETTS AVENUE TROY, NY 12180	SUPPORTING ORGANIZATION	New York	501(c)(3)	Line 9	SETON HEALTH SYSTEM, INC.	X	
SETON LICENSED HOME CARE, INC. - 14-1809134 1300 MASSACHUSETTS AVENUE TROY, NY 12180	DISCONTINUED OPERATIONS	New York	501(c)(3)	Line 3	SETON HEALTH SYSTEM, INC.	X	
EMPIRE HOME INFUSION SERVICE INC. - 14-1795732, 10 BLACKSMITH DRIVE, MALTA, NY 12020	HOME CARE	New York	501(c)(3)	Line 9	HOME AID SERVICE OF EASTERN NEW YORK INC.	X	
LTC (EDDY), INC. - 22-2564710 2212 BURDETT AVE. TROY, NY 12180	ELDERLY HEALTH/HOUSING SUPPORTING ORG	New York	501(c)(3)	Line 11a, I	NORTHEAST HEALTH, INC.	X	

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ST. PETER'S HEALTH PARTNERS - 45-3570715 315 SOUTH MANNING BLVD ALBANY, NY 12208	MANAGEMENT & SUPPORT SERVICES	New York	501(c)(3)	Line 11b, II	CATHOLIC HEALTH EAST	X	
ST. PETER'S HEALTH PARTNERS MEDICAL ASSOCIATES, P.C. - 46-1177336, 315 SOUTH MANNING BLVD, ALBANY, NY 12208	PHYSICIANS PRACTICE	New York	501(c)(3)	Line 3	ST. PETER'S HEALTH PARTNERS	X	
PROVIDENCE PLACE, INC. - 04-3404084 5 GAMELIN STREET HOLYOKE, MA 01040	RETIREMENT COMMUNITY	Massachusetts	501(c)(3)	Line 9	SISTER OF PROVIDENCE	X	
MARY'S MEADOW AT PROVIDENCE PLACE - 26-2043754, C/O SPHS, 1221 MAIN STREET, SUITE 213, HOLYOKE, MA 01040	LONG-TERM CARE	Massachusetts	501(c)(3)	Line 3	SISTER OF PROVIDENCE	X	
BRIGHTSIDE, INC. - 04-2182395 C/O SPHS, 1221 MAIN STREET, SUITE 108 HOLYOKE, MA 01040	BEHAVIORAL CARE	Massachusetts	501(c)(3)	Line 9	SISTERS OF PROVIDENCE HEALTH SYSTEM, INC.	X	
FARREN CARE CENTER, INC. - 04-2501711 C/O SPHS, 1221 MAIN STREET, SUITE 108 HOLYOKE, MA 01040	LONG-TERM CARE	Massachusetts	501(c)(3)	Line 3	SISTERS OF PROVIDENCE HEALTH SYSTEM, INC.	X	
MERCY HOSPITAL, INC. - 04-3398280 C/O SPHS, 1221 MAIN STREET, SUITE 108 HOLYOKE, MA 01040	ACUTE CARE	Massachusetts	501(c)(3)	Line 3	SISTERS OF PROVIDENCE HEALTH SYSTEM, INC.	X	
MERCY SPECIALIST PHYSICIANS, INC. - 26-4033168, C/O SPHS, 1221 MAIN STREET, SUITE 108, HOLYOKE, MA 01040	NEUROSURGERY MEDICAL SERVICES	Massachusetts	501(c)(3)	Line 3	SISTERS OF PROVIDENCE HEALTH SYSTEM, INC.	X	
SISTERS OF PROVIDENCE CARE CENTERS INC. - 22-2541103, C/O SPHS, 1221 MAIN STREET, SUITE 108, HOLYOKE, MA 01040	LONG-TERM CARE	Massachusetts	501(c)(3)	Line 3	SISTERS OF PROVIDENCE HEALTH SYSTEM, INC.	X	
SISTERS OF PROVIDENCE HEALTH SYSTEM INC. - 04-3398374, C/O SPHS, 1221 MAIN STREET, SUITE 108, HOLYOKE, MA 01040	MANAGEMENT & SUPPORT SERVICES	Massachusetts	501(c)(3)	Line 11a, I	CATHOLIC HEALTH EAST	X	
MERCY LIFE, INC. - 45-3086711 C/O SPHS, 1221 MAIN STREET, SUITE 108 HOLYOKE, MA 01040	ACUTE CARE	Massachusetts	501(c)(3)	Line 3	SISTERS OF PROVIDENCE HEALTH SYSTEM, INC.	X	
PIONEER VALLEY CARDIOLOGY ASSOCIATES, INC. - 45-4208896, C/O SPHS, 1221 MAIN STREET, SUITE 213, HOLYOKE, MA 01040	CARDIOLOGY SERVICES	Massachusetts	501(c)(3)	Line 4	SISTERS OF PROVIDENCE HEALTH SYSTEM, INC.	X	

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MERCY ONCOLOGY SERVICES, INC. - 45-4884805 C/O SPHS, 1221 MAIN STREET, SUITE 213 HOLYOKE, MA 01040	ONCOLOGY MEDICAL SERVICES	Massachusetts	501(c)(3)	N/A	SISTERS OF PROVIDENCE HEALTH SYSTEM, INC.	X	
MCAULEY CENTER INC. - 06-1058086 275 STEELE ROAD WEST HARTFORD, CT 06117	INDEPENDENT LIVING	Connecticut	501(c)(3)	Line 9	MERCY COMMUNITY HEALTH INC.	X	
MERCY COMMUNITY HEALTH INC. - 06-1492707 2021 ALBANY AVENUE WEST HARTFORD, CT 06117	MANAGEMENT & SUPPORT SERVICES	Connecticut	501(c)(3)	Line 11a, I	CATHOLIC HEALTH EAST	X	
MERCY COMMUNITY HOMECARE SERVICES - 06-1488137, 2021 ALBANY AVENUE, WEST HARTFORD, CT 06117	IN-HOME HEALTH CARE	Connecticut	501(c)(3)	Line 9	MERCY COMMUNITY HEALTH INC.	X	
MERCY SERVICES - 06-1453323 2021 ALBANY AVENUE WEST HARTFORD, CT 06117	SUPPORT SERVICES	Connecticut	501(c)(3)	Line 1	MERCY COMMUNITY HEALTH INC.	X	
MERCYKNOLL INC. - 06-0757380 2021 ALBANY AVENUE WEST HARTFORD, CT 06117	SKILLED NURSING	Connecticut	501(c)(3)	Line 3	MERCY COMMUNITY HEALTH INC.	X	
SAINT MARY HOME II, INC. - 06-1164104 2021 ALBANY AVENUE WEST HARTFORD, CT 06117	ELDERLY CARE	Connecticut	501(c)(3)	Line 3	MERCY COMMUNITY HEALTH INC.	X	
ST MARY HOME INCORPORATED - 06-0646843 2021 ALBANY AVENUE WEST HARTFORD, CT 06117	SKILLED NURSING	Connecticut	501(c)(3)	Line 3	MERCY COMMUNITY HEALTH INC.	X	
MERCY HEALTHCARE CENTER - 15-0532211 114 WAWBEEK AVENUE TUPPER LAKE, NY 12986	IN DISSOLUTION	New York	501(c)(3)	Line 3	CATHOLIC HEALTH EAST	X	
MERCY UIHLEIN HEALTH CORPORATION - 16-1535133, 185 OLD MILITARY ROAD, LAKE PLACID, NY 12946	IN DISSOLUTION	New York	501(c)(3)	Line 11b, II	MERCY HEALTHCARE CENTER	X	
UIHLEIN MERCY CENTER - 15-0532190 185 OLD MILITARY ROAD LAKE PLACID, NY 12946	IN DISSOLUTION	New York	501(c)(3)	Line 3	MERCY HEALTHCARE CENTER	X	
ST. JAMES MERCY FOUNDATION, INC. - 16-1486437, 411 CANISTEO STREET, HORNELL, NY 14843	FOUNDATION	New York	501(c)(3)	Line 7	ST. JAMES MERCY HEALTH SYSTEM, INC.	X	

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ST. JAMES MERCY HEALTH SYSTEM, INC. - 22-3127184, 411 CANISTEO STREET, HORNELL, NY 14843	MANAGEMENT & SUPPORT SERVICES	New York	501(c)(3)	Line 11b, II	CATHOLIC HEALTH EAST	X	
ST. JAMES MERCY HOSPITAL - 16-0743310 411 CANISTEO STREET HORNELL, NY 14843	HOSPITAL	New York	501(c)(3)	Line 3	ST. JAMES MERCY HEALTH SYSTEM, INC.	X	
MAXIS MEDICAL SERVICES - 23-2577185 100 LINCOLN AVE. CARBONDALE, PA 18407	PHYSICIAN PRACTICES	Pennsylvania	501(c)(3)	Line 3	MAXIS HEALTH SYSTEM	X	
MARIAN COMMUNITY HOSPITAL - 24-0711230 100 LINCOLN AVE. CARBONDALE, PA 18407	IN DISSOLUTION	Pennsylvania	501(c)(3)	Line 3	MAXIS HEALTH SYSTEM	X	
MARIAN COMMUNITY HOSPITAL AUXILIARY - 25-1874733, 100 LINCOLN AVE., CARBONDALE, PA 18407	IN DISSOLUTION	Pennsylvania	501(c)(3)	Line 11b, II	MAXIS HEALTH SYSTEM	X	
MAXIS FOUNDATION - 23-2330090 100 LINCOLN AVE. CARBONDALE, PA 18407	IN DISSOLUTION	Pennsylvania	501(c)(3)	Line 11b, II	MAXIS HEALTH SYSTEM	X	
MAXIS HEALTH SYSTEM - 91-1940902 100 LINCOLN AVE. CARBONDALE, PA 18407	IN DISSOLUTION	Pennsylvania	501(c)(3)	Line 11b, II	MAXIS HEALTH SYSTEM	X	
TRI-COUNTY HUMAN SERVICES CENTER, INC. - 23-1938528, P.O. BOX 517, CARBONDALE, PA 18407	IN DISSOLUTION	Pennsylvania	501(c)(3)	Line 7	MAXIS HEALTH SYSTEM	X	
COLUMBUS ACQUISITION CORP - 26-2616342 111 CENTRAL AVENUE NEWARK, NJ 07102	INACTIVE ENTITY	New Jersey	501(c)(3)	Line 9	SAINT MICHAELS MEDICAL CENTER	X	
SAINT MICHAELS MEDICAL CENTER - 26-2616046 111 CENTRAL AVENUE NEWARK, NJ 07102	HOSPITAL	New Jersey	501(c)(3)	Line 3	CATHOLIC HEALTH EAST	X	
ST. JAMES CARE INC. - 26-2616230 111 CENTRAL AVENUE NEWARK, NJ 07102	INACTIVE ENTITY	New Jersey	501(c)(3)	Line 9	SAINT MICHAELS MEDICAL CENTER	X	
ST. MICHAEL'S FOUNDATION, INC. - 22-3311976 111 CENTRAL AVENUE NEWARK, NJ 07102	FOUNDATION	New Jersey	501(c)(3)	Line 11a, I	SAINT MICHAELS MEDICAL CENTER	X	

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UNIVERSITY HEIGHTS PROPERTY COMPANY, INC. - 22-3100162, 111 CENTRAL AVENUE, NEWARK, NJ 07102	MEDICAL PROPERTY HOLDING COMPANY	New Jersey	501(c)(2)	N/A	SAINT MICHAELS MEDICAL CENTER	X	
LIFE ST. FRANCIS CORPORATION - 22-2797282 601 HAMILTON AVENUE TRENTON, NJ 08629	HEALTH SERVICES	New Jersey	501(c)(3)	Line 11a, I	ST. FRANCIS MEDICAL CENTER TRENTON NJ	X	
ST. FRANCIS MEDICAL CENTER FOUNDATION NJ - 52-1025476, 601 HAMILTON AVENUE, TRENTON, NJ 08629	FOUNDATION	New Jersey	501(c)(3)	Line 11a, I	ST. FRANCIS MEDICAL CENTER TRENTON NJ	X	
ST. FRANCIS MEDICAL CENTER TRENTON NJ - 22-3431049, 601 HAMILTON AVENUE, TRENTON, NJ 08629	HOSPITAL	New Jersey	501(c)(3)	Line 3	CATHOLIC HEALTH EAST	X	
LANGHORNE MRI, INC. - 23-2519529 1201 LANGHORNE-NEWTOWN ROAD LANGHORNE, PA 19047	INACTIVE ENTITY	Pennsylvania	501(c)(3)	Line 9	ST. MARY MEDICAL CENTER	X	
LANGHORNE PHYSICIAN SERVICES, INC. - 23-2571699, 1201 LANGHORNE-NEWTOWN ROAD, LANGHORNE, PA 19047	PHYSICIAN SERVICES	Pennsylvania	501(c)(3)	Line 9: 509(a)(2)	ST. MARY MEDICAL CENTER	X	
LIFE ST. MARY - 26-2976184 1201 LANGHORNE-NEWTOWN ROAD LANGHORNE, PA 19047	ELDERLY CARE	Pennsylvania	501(c)(3)	Line 9	ST. MARY MEDICAL CENTER	X	
ST. MARY MEDICAL CENTER - 23-1913910 1201 LANGHORNE-NEWTOWN ROAD LANGHORNE, PA 19047	HOSPITAL	Pennsylvania	501(c)(3)	Line 3	CATHOLIC HEALTH EAST	X	
ST. MARY MEDICAL CENTER FOUNDATION, INC. - 23-2567468, 1201 LANGHORNE-NEWTOWN ROAD, LANGHORNE, PA 19047	FOUNDATION	Pennsylvania	501(c)(3)	Line 7	ST. MARY MEDICAL CENTER	X	
EAST NORRITON PHYSICIAN SERVICES - 23-2515999, C/O ONE WEST ELM STREET, CONSHOHOCKEN, PA 19428	PHYSICIAN SERVICES	Pennsylvania	501(c)(3)	Line 3	MERCY HEALTH SYSTEM OF SOUTHEASTERN	X	
MERCY CATHOLIC MEDICAL CENTER OF SOUTHEASTERN PENNSYLVANIA - 23-1352191, ONE WEST ELM STREET, CONSHOHOCKEN, PA 19428	ACUTE CARE HOSPITAL	Pennsylvania	501(c)(3)	Line 3	MERCY HEALTH SYSTEM OF SOUTHEASTERN	X	
MERCY FAMILY SUPPORT - 23-2325059 1001 BALTIMORE PIKE, SUITE 310 SPRINGFIELD, PA 19064	HOME HEALTH	Pennsylvania	501(c)(3)	Line 9	MERCY HEALTH SYSTEM OF SOUTHEASTERN	X	

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MERCY HEALTH FOUNDATION OF SOUTHEASTERN PENNSYLVANIA - 23-2829864, C/O ONE WEST ELM STREET, CONSHOHOCKEN, PA 19428	FUNDRAISING	Pennsylvania	501(c)(3)	Line 11b, II	MERCY HEALTH SYSTEM OF SOUTHEASTERN	X	
MERCY HEALTH PLAN - 22-2483605 C/O ONE WEST ELM STREET CONSHOHOCKEN, PA 19428	HEALTH PLANS	Pennsylvania	501(c)(3)	Line 11b, II	MERCY HEALTH SYSTEM OF SOUTHEASTERN	X	
MERCY HEALTH SYSTEM OF SOUTHEASTERN PENNSYLVANIA - 23-2212638, ONE WEST ELM STREET, CONSHOHOCKEN, PA 19428	MANAGEMENT & SUPPORT SERVICES	Pennsylvania	501(c)(3)	Line 11b, II	CATHOLIC HEALTH EAST	X	
MERCY HOME HEALTH - 23-1352099 1001 BALTIMORE PIKE, SUITE 310 SPRINGFIELD, PA 19064	HOME HEALTH	Pennsylvania	501(c)(3)	Line 9	MERCY HEALTH SYSTEM OF SOUTHEASTERN	X	
MERCY HOME HEALTH SERVICES - 23-2325058 1001 BALTIMORE PIKE, SUITE 310 SPRINGFIELD, PA 19064	HOME HEALTH	Pennsylvania	501(c)(3)	Line 11b, II	MERCY HEALTH SYSTEM OF SOUTHEASTERN	X	
MERCY MANAGEMENT OF SOUTHEASTERN PENNSYLVANIA - 23-2627944, ONE WEST ELM STREET, CONSHOHOCKEN, PA 19428	PHYSICIAN PRACTICES	Pennsylvania	501(c)(3)	Line 11b, II	MERCY HEALTH SYSTEM OF SOUTHEASTERN	X	
MERCY SUBURBAN HOSPITAL - 23-1396763 ONE WEST ELM STREET CONSHOHOCKEN, PA 19428	ACUTE CARE HOSPITAL	Pennsylvania	501(c)(3)	Line 3	MERCY HEALTH SYSTEM OF SOUTHEASTERN	X	
NAZARETH HEALTH CARE FOUNDATION - 23-2300951 2701 HOLME AVENUE PHILADELPHIA, PA 19152	FUNDRAISING	Pennsylvania	501(c)(3)	Line 11b, II	MERCY HEALTH SYSTEM OF SOUTHEASTERN	X	
NAZARETH HOSPITAL - 23-2794121 2601 HOLME AVENUE PHILADELPHIA, PA 19152	ACUTE CARE HOSPITAL	Pennsylvania	501(c)(3)	Line 3	MERCY HEALTH SYSTEM OF SOUTHEASTERN	X	
NAZARETH PHYSICIAN SERVICES, INC. - 20-3261266, 2601 HOLME AVENUE, PHILADELPHIA, PA 19152	PHYSICIAN PRACTICES	Pennsylvania	501(c)(3)	Line 3	MERCY HEALTH SYSTEM OF SOUTHEASTERN	X	
NE PHYSICIAN SERVICES - 23-2497355 2601 HOLME AVENUE PHILADELPHIA, PA 19152	PHYSICIAN PRACTICES	Pennsylvania	501(c)(3)	Line 3	MERCY HEALTH SYSTEM OF SOUTHEASTERN	X	
ST. AGNES CONTINUING CARE CENTER - 23-2840137, 1900 S. BROAD STREET, PHILADELPHIA, PA 19145	CONTINUING CARE SERVICES	Pennsylvania	501(c)(3)	Line 3	MERCY HEALTH SYSTEM OF SOUTHEASTERN	X	

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ST. AGNES CONTINUING CARE CENTER FOUNDATION - 23-2415137, 1900 S. BROAD STREET, PHILADELPHIA, PA 19145	FUNDRAISING	Pennsylvania	501(c)(3)	Line 11b, II	MERCY HEALTH SYSTEM OF SOUTHEASTERN	X	
LIFE AT LOURDES INC. - 26-1854750 1600 HADDON AVENUE CAMDEN, NJ 08108	ELDERLY CARE	New Jersey	501(c)(3)	Line 3	OUR LADY OF LOURDES HEALTH CARE SERVICES	X	
LOURDES ANCILLARY SERVICES - 22-2568525 1600 HADDON AVENUE CAMDEN, NJ 08103	SUPPORTING ORGANIZATION	New Jersey	501(c)(3)	Line 11b, II	OUR LADY OF LOURDES HEALTH CARE SERVICES	X	
LOURDES DIALYSIS AT INNOVA, INC. - 26-3237625, 1600 HADDON AVENUE, CAMDEN, NJ 08108	HOSPITAL	New Jersey	501(c)(3)	Line 3	OUR LADY OF LOURDES HEALTH CARE SERVICES	X	
LOURDES MEDICAL CENTER BURLINGTON COUNTY - 22-3612265, 218 SUNSET ROAD, WILLINGBORO, NJ 08046	HOSPITAL	New Jersey	501(c)(3)	Line 3	OUR LADY OF LOURDES HEALTH CARE SERVICES	X	
OUR LADY OF LOURDES HEALTH CARE SERVICES - 22-2568528, 1600 HADDON AVENUE, CAMDEN, NJ 08103	MANAGEMENT & SUPPORT SERVICES	New Jersey	501(c)(3)	Line 11b, II	CATHOLIC HEALTH EAST	X	
OUR LADY OF LOURDES HEALTH FOUNDATION, INC. - 22-2351960, 1600 HADDON AVENUE, CAMDEN, NJ 08103	FOUNDATION	New Jersey	501(c)(3)	Line 7	OUR LADY OF LOURDES HEALTH CARE SERVICES	X	
OUR LADY OF LOURDES MEDICAL CENTER - 21-0635001, 1600 HADDON AVENUE, CAMDEN, NJ 08103	HOSPITAL	New Jersey	501(c)(3)	Line 3	OUR LADY OF LOURDES HEALTH CARE SERVICES	X	
LOURDES CARDIOLOGY SERVICES PC - 27-4357794 1600 HADDON AVENUE CAMDEN, NJ 08108	CARDIOLOGY SERVICES	New Jersey	501(c)(3)	Line 3	OUR LADY OF LOURDES HEALTH CARE SERVICES	X	
FRANCISCAN ELDERCARE CORPORATION - 22-3008680, P.O. BOX 2500, WILMINGTON, DE 19805	SKILLED NURSING	Delaware	501(c)(3)	Line 9	ST. FRANCIS HOSPITAL	X	
ST. FRANCIS FOUNDATION - 51-0374158 P.O. BOX 2500 WILMINGTON, DE 19805	FOUNDATION	Delaware	501(c)(3)	Line 11b, II	ST. FRANCIS HOSPITAL	X	
ST. FRANCIS HOSPITAL - 51-0064326 P.O. BOX 2500 WILMINGTON, DE 19805	HOSPITAL	Delaware	501(c)(3)	Line 3	CATHOLIC HEALTH EAST	X	

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LIFE AT ST. FRANCIS HEALTHCARE, INC. - 45-2569214, P.O. BOX 2500, WILMINGTON, DE 19805	ELDERLY CARE	Delaware	501(c)(3)	Line 3	ST. FRANCIS HOSPITAL	X	
MCAULEY MINISTRIES - 94-3436142 MCAULEY HALL 3333 FIFTH AVENUE PITTSBURGH, PA 15213	MANAGEMENT & SUPPORT SERVICES	Pennsylvania	501(c)(3)	Line 9	PITTSBURGH MERCY HEALTH SYSTEM	X	
MERCY JEANNETTE HOSPITAL - 25-1310602 3805 WEST CHESTER PIKE NEWTOWN SQUARE, PA 19073	INACTIVE ENTITY	Pennsylvania	501(c)(3)	Line 9	PITTSBURGH MERCY HEALTH SYSTEM	X	
MERCY LIFE CENTER CORPORATION - 25-1604115 1200 REEDSDALE STREET PITTSBURGH, PA 15233	COMMUNITY TREATMENT	Pennsylvania	501(c)(3)	Line 9	PITTSBURGH MERCY HEALTH SYSTEM	X	
PITTSBURGH MERCY HEALTH SYSTEM - 25-1464211 3333 5TH AVENUE PITTSBURGH, PA 15213	MANAGEMENT & SUPPORT SERVICES	Pennsylvania	501(c)(3)	Line 11b, II	CATHOLIC HEALTH EAST	X	
ST. JOSEPH'S OF THE PINES, INC. - 56-0694200 100 GOSSMAN DRIVE, SUITE B SOUTHERN PINES, NC 28387	HOSPITAL	North Carolina	501(c)(3)	Line 3	CATHOLIC HEALTH EAST	X	
LIFE ST. JOSEPH OF THE PINES, INC. - 27-2159847, 100 GOSSMAN DRIVE, SUITE B, SOUTHERN PINES, NC 28387	HEALTHCARE SERVICES	North Carolina	501(c)(3)	Line 3	ST. JOSEPH'S OF THE PINES, INC.	X	
MERCY SENIOR CARE, INC. - 58-1366508 300 CHATILLON ROAD, P.O. BOX 866 ROME, GA 30162	COMMUNITY OUTREACH	Georgia	501(c)(3)	Line 7	SAINT JOSEPH'S HEALTH SYSTEM, INC.	X	
SAINT JOSEPH'S HEALTH SYSTEM, INC. - 58-1744848, 424 DECATUR STREET, ATLANTA, GA 30312	MANAGEMENT & SUPPORT SERVICES	Georgia	501(c)(3)	Line 11b, II	CATHOLIC HEALTH EAST	X	
SAINT JOSEPH'S MERCY CARE SERVICES, INC. - 58-1752700, 424 DECATUR STREET, ATLANTA, GA 30312	COMMUNITY OUTREACH	Georgia	501(c)(3)	Line 7	SAINT JOSEPH'S HEALTH SYSTEM, INC.	X	
SAINT JOSEPH'S MERCY FOUNDATION, INC. - 58-1448522, 424 DECATUR STREET, ATLANTA, GA 30312	FUNDRAISING	Georgia	501(c)(3)	Line 11b, II	SAINT JOSEPH'S HEALTH SYSTEM, INC.	X	
MERCY SERVICES DOWNTOWN, INC. - 27-2046353 424 DECATUR STREET ATLANTA, GA 30312	REAL ESTATE HOLDING COMPANY	Georgia	501(c)(3)	Line 11b, II	SAINT JOSEPH'S HEALTH SYSTEM, INC.	X	

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ST MARY'S HEALTH CARE SYSTEM, INC. - 58-0566223, 1230 BAXTER STREET, ATHENS, GA 30606	HOSPITAL	Georgia	501(c)(3)	Line 3	CATHOLIC HEALTH EAST	X	
ST MARY'S FOUNDATION, INC. - 58-2544232 1230 BAXTER STREET ATHENS, GA 30606	FUNDRAISING	Georgia	501(c)(3)	Line 11b, II	ST MARY'S HEALTH CARE SYSTEM, INC.	X	
ST MARY'S HIGHLAND HILLS INC. - 02-0576648 1230 BAXTER STREET ATHENS, GA 30606	ASSISTED LIVING & RETIREMENT COMMUNITY	Georgia	501(c)(3)	Line 3	ST MARY'S HEALTH CARE SYSTEM, INC.	X	
ST. MARY'S MEDICAL GROUP INC. - 26-1858563 1230 BAXTER STREET ATHENS, GA 30606	HOSPITAL / PHYSICIAN SERVICES	Georgia	501(c)(3)	Line 3	ST MARY'S HEALTH CARE SYSTEM, INC.	X	
GOOD SAMARITAN HOSPITAL, INC. - 26-1720984 1201 SILOAM ROAD GREENSBORO, GA 30462	HOSPITAL	Georgia	501(c)(3)	Line 3	ST MARY'S HEALTH CARE SYSTEM, INC.	X	
MERCY MEDICAL CORPORATION - 63-6002215 P.O. BOX 1090, 101 VILLA DRIVE DAPHNE, AL 36526	HOSPITAL	Alabama	501(c)(3)	Line 3	CATHOLIC HEALTH EAST	X	
MERCY LIFE OF ALABAMA - 27-3163002 P.O. BOX 1090, 101 VILLA DRIVE DAPHNE, AL 36526	HOSPITAL	Alabama	501(c)(3)	Line 3	MERCY MEDICAL CORPORATION	X	
ALLEGANY FRANCISCAN MINISTRIES, INC. - 58-1492325, 33920 U.S. HIGHWAY 19 NORTH SUITE 269, PALM HARBOR, FL 34684	GRANTMAKING ORGANIZATION	Florida	501(c)(3)	Line 11b, II	CATHOLIC HEALTH EAST	X	
ST. FRANCIS HOSPITAL, INC. - 59-0624442 33920 U.S. HIGHWAY 19 NORTH SUITE 269 PALM HARBOR, FL 34684	GRANTMAKING ORGANIZATION	Florida	501(c)(3)	Line 11a, I	ALLEGANY FRANCISCAN MINISTRIES, INC.	X	
HOLY CROSS HOSPITAL, INC. - 59-0791028 4725 NORTH FEDERAL HIGHWAY FT. LAUDERDALE, FL 33308	HOSPITAL-HEALTHCARE PROVIDER	Florida	501(c)(3)	Line 3	CATHOLIC HEALTH EAST	X	
HOLY CROSS LONG-TERM CARE, INC. - 65-0787320 4725 NORTH FEDERAL HIGHWAY FT. LAUDERDALE, FL 33308	MEDICAL SERVICES	Florida	501(c)(3)	Line 3	HOLY CROSS HOSPITAL, INC.	X	
HOLY CROSS MEDICAL PROPERTIES, INC. - 65-0666283, 4725 NORTH FEDERAL HIGHWAY, FT. LAUDERDALE, FL 33308	MEDICAL BUILDING REAL ESTATE MANAGEMENT	Florida	501(c)(2)	N/A	HOLY CROSS HOSPITAL, INC.	X	

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SSJ HEALTH FOUNDATION, INC. - 59-1709438 3663 SOUTH MIAMI AVENUE MIAMI, FL 33133	FUNDRAISING	Florida	501(c)(3)	Line 7	MERCY HOSPITAL, INC.	X	
MERCY HOSPITAL, INC. - 59-0791034 3663 SOUTH MIAMI AVENUE MIAMI, FL 33133	HOSPITAL	Florida	501(c)(3)	Line 3	CATHOLIC HEALTH EAST	X	
MERCY MEDICAL DEVELOPMENT, INC. - 59-2789194 3663 SOUTH MIAMI AVENUE MIAMI, FL 33133	OUTPATIENT SERVICES	Florida	501(c)(3)	Line 9	MERCY HOSPITAL, INC.	X	
MERCY MISSION SERVICES, INC. - 65-0435764 3663 SOUTH MIAMI AVENUE MIAMI, FL 33133	HEALTH CARE	Florida	501(c)(3)	Line 11a, I	MERCY HOSPITAL, INC.	X	
MERCY OUTPATIENT SERVICES, INC. DBA SISTER EMMANUEL HOSPITAL - 51-0461511, 3663 SOUTH MIAMI AVENUE, MIAMI, FL 33133	HOSPITAL	Florida	501(c)(3)	Line 3	MERCY HOSPITAL, INC.	X	
GLOBAL HEALTH MINISTRY - 23-3068656 3805 WEST CHESTER PIKE, SUITE 100 NEWTOWN SQUARE, PA 19073	HEALTH CARE	Pennsylvania	501(c)(3)	Line 7	CATHOLIC HEALTH EAST	X	
INTRACOASTAL HEALTH SYSTEMS - 65-0556413 3805 WEST CHESTER PIKE, SUITE 100 NEWTOWN SQUARE, PA 19073	MANAGEMENT & SUPPORT SERVICES	Pennsylvania	501(c)(3)	Line 11a, I	CATHOLIC HEALTH EAST	X	
ADVANTAGE HEALTH/SAINT MARY'S MEDICAL GROUP - 27-2491974, 245 STATE ST. SE, GRAND RAPIDS, MI 49503	HEALTHCARE SERVICES	Michigan	501(c)(3)	Line 9	TRINITY HEALTH-MICHIGAN	X	
AMICARE HOSPICE SERVICES INC - 38-2949053 20555 VICTOR PARKWAY LIVONIA, MI 48152	PROVIDE HOSPICE SERVICES	Michigan	501(c)(3)	Line 9	TRINITY HOME HEALTH SERVICES, INC.	X	
AUXILIARY OF HOLY ROSARY HOSPITAL - 94-3059469, 351 S.W. 9TH STREET, ONTARIO, OR 97914	SUPPORTS SERVICES OF RELATED HOSPITAL	Oregon	501(c)(3)	Line 9	SAINT ALPHONSUS MEDICAL CENTER-ONTARIO	X	
BAUM HARMON MERCY HOSPITAL - 42-1500277 255 NORTH WELCH AVENUE PRIMGHAR, IA 51245	ACUTE/AMBULATORY HEALTHCARE SERVICES	Iowa	501(c)(3)	Line 3	MERCY HEALTH SERVICES-IOWA, CORP.	X	
BAUM HARMON MERCY HOSPITAL & CLINICS FOUNDATION - 26-2973307, 255 NORTH WELCH AVENUE, PRIMGHAR, IA 51245	SUPPORT THE SERVICES OF RELATED HOSPITAL	Iowa	501(c)(3)	Line 11a, I	BAUM HARMON MERCY HOSPITAL	X	

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CATHERINE MCAULEY HEALTH SERVICES CORP. - 38-2507173, PO BOX 995, ANN ARBOR, MI 48106	FURTHER TRINITY HEALTH ACTIVITIES, ORGANIZE AND DEVELOP MEDICAL SERVICES	Michigan	501(c)(3)	Line 11b, II	TRINITY HEALTH-MICHIGAN	X	
CHE TRINITY INC. - 90-0931907 20555 VICTOR PARKWAY LIVONIA, MI 48152	HEALTHCARE SYSTEM MANAGEMENT AND SUPPORT	Indiana	501(c)(3)	Line 11b, II	N/A	X	
COMMUNITY HEALTH PARTNERS OF SOUTH BEND - 26-3051440, PO BOX 3998, SOUTH BEND, IN 46619	HEALTHCARE SERVICES	Indiana	501(c)(3)	Line 3	SAINT JOSEPH REGIONAL MEDICAL CENTER, INC.	X	
CRANBROOK HOSPICE CARE - 38-3320699 1111 W. LONG LAKE RD., STE 102 TROY, MI 48098	PROVIDE HOSPICE HEALTH SERVICES	Michigan	501(c)(3)	Line 11a, I	TRINITY HOME HEALTH SERVICES, INC.	X	
DILEY RIDGE MEDICAL CENTER - 34-2032340 6150 EAST BROAD STREET COLUMBUS, OH 43213	HOSPITAL CAMPUS IN FAIRFIELD COUNTY OHIO	Ohio	501(c)(3)	Line 3	MOUNT CARMEL HEALTH SYSTEM	X	
DUBUQUE MERCY HEALTH FOUNDATION, INC. - 26-2227941, 250 MERCY DRIVE, DUBUQUE, IA 52001	SUPPORT THE SERVICES OF RELATED HOSPITAL	Iowa	501(c)(3)	Line 11a, I	MERCY HEALTH SERVICES-IOWA, CORP.	X	
DYERSVILLE HEALTH FOUNDATION, INC. - 20-5383271, 1111 3RD STREET SW, DYERSVILLE, IA 52040	SUPPORT THE SERVICES OF RELATED HOSPITAL	Iowa	501(c)(3)	Line 11a, I	MERCY HEALTH SERVICES-IOWA, CORP.	X	
GOTTLIEB COMMUNITY HEALTH SERVICES CORPORATION - 36-3332852, 701 W. NORTH AVE., MELROSE PARK, IL 60160	SUPPORT THE SERVICES OF RELATED HOSPITAL	Illinois	501(c)(3)	Line 9	GOTTLIEB MEMORIAL HOSPITAL	X	
GOTTLIEB MEMORIAL FOUNDATION - 74-3260011 701 W. NORTH AVE. MELROSE PARK, IL 60160	SUPPORT THE SERVICES OF RELATED HOSPITAL	Illinois	501(c)(3)	Line 11c, III-FI	N/A	X	
GOTTLIEB MEMORIAL HOSPITAL - 36-2379649 701 W. NORTH AVE. MELROSE PARK, IL 60160	HEALTHCARE SERVICES	Illinois	501(c)(3)	Line 3	LOYOLA UNIVERSITY HEALTH SYSTEM	X	
HACKLEY HOSPITAL - 38-1358196 1700 CLINTON ST., PO BOX 3302 MUSKEGON, MI 49443-3302	HEALTHCARE SERVICES	Michigan	501(c)(3)	Line 3	MERCY HEALTH PARTNERS	X	
HACKLEY HOSPITAL SELF INSURANCE PROFESSIONAL LIABILITY TRUST - 38-2299878, PO BOX 3302, MUSKEGON, MI 49443-3302	SELF INSURANCE FOR GENERAL AND MALPRACTICE LIABILITY	Michigan	501(c)(3)	Line 11c, III-FI	MERCY HEALTH PARTNERS	X	

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HACKLEY LIFE COUNSELING - 38-1386362 1352 TERRACE ST. MUSKEGON, MI 49442-3545	COUNSELING, EDUCATION, AND SUPPORT	Michigan	501(c)(3)	Line 9	MERCY HEALTH PARTNERS	X	
HACKLEY VISITING NURSE SERVICES AND HOSPICE, INC. - 38-1359598, 888 TERRACE ST., MUSKEGON, MI 49440	PROVIDE HOME HEALTH CARE SERVICES	Michigan	501(c)(3)	Line 7	MERCY HEALTH PARTNERS	X	
HOLY CROSS CARENET, INC. - 52-1945054 PO BOX 9184 FARMINGTON HILLS, MI 48333	LONG-TERM CARE AND REHABILITATION FOR THE ELDERLY	Maryland	501(c)(3)	Line 9	TRINITY CONTINUING CARE SERVICES	X	
HOLY CROSS HEALTH FOUNDATION, INC. - 20-8428450, 11801 TECH ROAD, SILVER SPRING, MD 20904	CHARITABLE FUNDRAISING	Maryland	501(c)(3)	Line 11a, I	HOLY CROSS HEALTH, INC.	X	
HOLY CROSS HEALTH, INC. - 52-0738041 1500 FOREST GLEN RD. SILVER SPRING, MD 20910-1484	HEALTHCARE SERVICES	Maryland	501(c)(3)	Line 3	TRINITY HEALTH CORPORATION	X	
HOLY CROSS MEDICAL CENTER - 95-1985442 20555 VICTOR PARKWAY LIVONIA, MI 48152	HEALTHCARE SERVICES (FORMERLY)	California	501(c)(3)	Line 3	TRINITY HEALTH CORPORATION	X	
HOSPICE OF NORTH IOWA - 42-1173708 232 SECOND STREET SE MASON CITY, IA 50401-6208	HOSPICE HEALTH CARE SERVICES	Iowa	501(c)(3)	Line 7	MERCY HEALTH SERVICES-IOWA, CORP.	X	
HOSPICE OF SIOUXLAND - 38-3320710 4300 HAMILTON BLVD. SIOUX CITY, IA 51104	HOSPICE SERVICES	Iowa	501(c)(3)	Line 11a, I	N/A	X	
HOSPICE OF WASHTENAW II - 38-3320707 806 AIRPORT BLVD. ANN ARBOR, MI 48108	HOSPICE HEALTH CARE SERVICES	Michigan	501(c)(3)	Line 11a, I	TRINITY HEALTH-MICHIGAN	X	
IHA HEALTH SERVICES CORPORATION - 38-3316559 24 FRANK LLOYD WRIGHT DR., LOBBY J ANN ARBOR, MI 48106	PROVIDES OFFICE-BASED MEDICAL CARE	Michigan	501(c)(3)	Line 9	TRINITY HEALTH-MICHIGAN	X	
LAKESHORE COMMUNITY HOSPITAL, INC. - 38-2549295, 72 S. STATE STREET, SHELBY, MI 49455-1228	ACUTE HEALTHCARE SERVICES	Michigan	501(c)(3)	Line 3	MERCY HEALTH PARTNERS	X	
LOYOLA UNIVERSITY HEALTH SYSTEM - 36-3342448 2160 SOUTH FIRST AVENUE MAYWOOD, IL 60153	HEALTHCARE SYSTEM MANAGEMENT AND SUPPORT	Illinois	501(c)(3)	Line 11b, II	TRINITY HEALTH CORPORATION	X	

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LOYOLA UNIVERSITY MEDICAL CENTER - 36-4015560, 2160 SOUTH FIRST AVENUE, MAYWOOD, IL 60153	HEALTHCARE SERVICES	Illinois	501(c)(3)	Line 3	LOYOLA UNIVERSITY HEALTH SYSTEM	X	
MARIAN HOME HEALTHCARE - 38-3320705 801 5TH STREET SIOUX CITY, IA 51101	PROVIDE HOME HEALTH CARE SERVICES	Iowa	501(c)(3)	Line 11a, I	MERCY HEALTH SERVICES-IOWA, CORP.	X	
MARYCREST HEIGHTS - 27-0291722 P.O. BOX 9184 FARMINGTON HILLS, MI 48333	PROVIDES HOUSING FOR ELDERLY INDIVIDUALS	Michigan	501(c)(3)	Line 11a, I	TRINITY CONTINUING CARE SERVICES	X	
MCAULEY CLINIC CORPORATION - 38-2561013 PO BOX 992 ANN ARBOR, MI 48106	HEALTHCARE SERVICES (FORMERLY)	Michigan	501(c)(3)	Line 3	CATHERINE MCAULEY HEALTH SERVICES CORP.	X	
MERCY AMICARE HOME HEALTHCARE, OAKLAND - 38-3320698, 1111 W. LONG LAKE RD., STE 102, TROY, MI 48098	PROVIDE HOME HEALTH CARE SERVICES	Michigan	501(c)(3)	Line 11a, I	TRINITY HOME HEALTH SERVICES, INC.	X	
MERCY AMICARE HOME HEALTHCARE, PORT HURON - 38-3320701, 505 HURON AVENUE, PORT HURON, MI 48060	PROVIDE HOME HEALTH CARE SERVICES	Michigan	501(c)(3)	Line 11a, I	TRINITY HOME HEALTH SERVICES, INC.	X	
MERCY FOUNDATION, INC. - 36-3227350 2525 SOUTH MICHIGAN AVENUE CHICAGO, IL 60616	SUPPORTS THE SERVICES OF RELATED HEALTH CARE SYSTEM	Illinois	501(c)(3)	Line 11a, I	MERCY HEALTH SYSTEM OF CHICAGO	X	
MERCY GENERAL HEALTH PARTNERS, AMICARE HOMECARE - 38-3321856, 684 HARVEY STREET, MUSKEGON, MI 49442	PROVIDE HOME HEALTH CARE SERVICES	Michigan	501(c)(3)	Line 11a, I	TRINITY HOME HEALTH SERVICES, INC.	X	
MERCY HEALTH NETWORK - 42-1478417 1111 6TH AVENUE DES MOINES, IA 50314	HEALTHCARE MANAGEMENT	Delaware	501(c)(3)	Line 11a, I	N/A	X	
MERCY HEALTH PARTNERS - 38-2589966 1415 LEAHY STREET MUSKEGON, MI 49442	HEALTHCARE SYSTEM SUPPORT	Michigan	501(c)(3)	Line 3	TRINITY HEALTH-MICHIGAN	X	
MERCY HEALTH SERVICES - IOWA, CORP. - 31-1373080, 1000 4TH STREET SW, MASON CITY, IA 50401	HEALTHCARE SERVICES	Delaware	501(c)(3)	Line 3	TRINITY HEALTH-MICHIGAN	X	
MERCY HEALTH SYSTEM OF CHICAGO - 36-3163327 2525 SOUTH MICHIGAN AVENUE CHICAGO, IL 60616	HEALTHCARE SYSTEM MANAGEMENT AND SUPPORT	Illinois	501(c)(3)	Line 11a, I	TRINITY HEALTH CORPORATION	X	

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MERCY HEALTH SYSTEM OF CHICAGO LIABILITY SELF INSURANCE TRUST - 91-2092113, BK OF AMERICA 231 S. LASALLE, CHICAGO, IL 60697	SELF INSURANCE FOR PROFESSIONAL AND COMPREHENSIVE LIABILITY	Illinois	501(c)(3)	Line 11c, III-FI	MERCY HEALTH SYSTEM OF CHICAGO	X	
MERCY HEALTHCARE FOUNDATION - 42-1316126 1410 N. 4TH ST. CLINTON, IA 52732	FUNDRAISING AND FINANCIAL ASSISTANCE FOR HOSPITAL CHARITABLE SERVICES	Iowa	501(c)(3)	Line 11c, III-FI	N/A	X	
MERCY HOSPITAL AND MEDICAL CENTER - 36-2170152, 2525 SOUTH MICHIGAN AVENUE, CHICAGO, IL 60616	HEALTHCARE SERVICES	Illinois	501(c)(3)	Line 3	MERCY HEALTH SYSTEM OF CHICAGO	X	
MERCY HOSPITAL CADILLAC FOUNDATION - 20-3357131, 400 HOBART, CADILLAC, MI 49601-2331	SUPPORT THE SERVICES OF RELATED HOSPITAL	Michigan	501(c)(3)	Line 11a, I	TRINITY HEALTH-MICHIGAN	X	
MERCY HOSPITAL GIFT SHOP - 38-1630480 2601 ELECTRIC AVE. PORT HURON, MI 48060	VOLUNTEER SERVICE AUXILIARY	Michigan	501(c)(3)	Line 11a, I	TRINITY HEALTH-MICHIGAN	X	
MERCY MEDICAL CENTER - CLINTON, INC. - 42-1336618, 1410 NORTH 4TH ST., CLINTON, IA 52732-2940	TO PROVIDE QUALITY HEALTH CARE	Delaware	501(c)(3)	Line 3	MERCY HEALTH SERVICES-IOWA, CORP.	X	
MERCY MEDICAL CENTER - SIOUX CITY FOUNDATION - 14-1880022, 801 5TH STREET, SIOUX CITY, IA 51102	SUPPORT THE SERVICES OF RELATED HOSPITAL	Iowa	501(c)(3)	Line 7	MERCY HEALTH SERVICES-IOWA, CORP.	X	
MERCY MEDICAL CENTER FOUNDATION - NORTH IOWA - 42-1229151, 1000 4TH STREET SW, MASON CITY, IA 50401-2800	SUPPORT THE SERVICES OF RELATED HOSPITAL	Iowa	501(c)(3)	Line 11c, III-FI	N/A	X	
MERCY NORTH HOMECARE AND HOSPICE - 38-3313897, 7985 MACKINAW TRAIL, CADILLAC, MI 49601	HOME HEALTH AND HOSPICE SERVICES	Michigan	501(c)(3)	Line 11a, I	TRINITY HOME HEALTH SERVICES, INC.	X	
MERCY PHYSICIAN GROUP, INC. - 20-8192593 1512 12TH AVENUE ROAD NAMPA, ID 83686	TO PROVIDE QUALITY HEALTH CARE	Idaho	501(c)(3)	Line 9	SAINT ALPHONSUS MEDICAL CENTER-NAMPA	X	
MERCY SERVICES FOR AGING NON-PROFIT HOUSING CORPORATION - 38-2719605, PO BOX 9184, FARMINGTON HILLS, MI 48333-9184	PROVIDES LONG-TERM CARE FOR THE ELDERLY	Michigan	501(c)(3)	Line 11b, II	TRINITY CONTINUING CARE SERVICES, INC.	X	
MIDWEST MEDFLIGHT - 38-2684671 1300 VICTORS WAY ANN ARBOR, MI 48108	AEROMEDICAL TRANSPORT	Michigan	501(c)(3)	Line 9	TRINITY HEALTH-MICHIGAN	X	

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MISSION HEALTH CORPORATION - 38-3181557 37595 SEVEN MILE ROAD LIVONIA, MI 48152	FACILITY USED FOR AMBULATORY CARE	Delaware	501(c)(3)	Line 11a, I	N/A	X	
MOUNT CARMEL COLLEGE OF NURSING - 31-1308555 6150 EAST BROAD STREET COLUMBUS, OH 43213	COLLEGE OF NURSING	Ohio	501(c)(3)	Line 2	MOUNT CARMEL HEALTH	X	
MOUNT CARMEL HEALTH INSURANCE COMPANY - 25-1912781, 6150 EAST BROAD STREET, COLUMBUS, OH 43213	HEALTH INSURANCE	Ohio	501(c)(4)	N/A	MOUNT CARMEL HEALTH SYSTEM	X	
MOUNT CARMEL HEALTH PLAN, INC. - 31-1471229 6150 EAST BROAD STREET COLUMBUS, OH 43213	MEDICARE HMO FOR SENIORS	Ohio	501(c)(4)	N/A	MOUNT CARMEL HEALTH SYSTEM	X	
MOUNT CARMEL HEALTH SYSTEM - 31-1439334 6150 EAST BROAD STREET COLUMBUS, OH 43213	HEALTHCARE SYSTEM MANAGEMENT AND SUPPORT	Ohio	501(c)(3)	Line 3	TRINITY HEALTH CORPORATION	X	
MOUNT CARMEL HEALTH SYSTEM FOUNDATION - 31-1113966, 6150 EAST BROAD STREET, COLUMBUS, OH 43213	SUPPORT THE SERVICES OF RELATED HOSPITAL	Ohio	501(c)(3)	Line 11a, I	MOUNT CARMEL HEALTH SYSTEM	X	
MOUNT CARMEL HOME CARE, LLC - 26-2729300 1144 DUBLIN ROAD, SUITE B COLUMBUS, OH 43215	PROVIDE HOME HEALTH CARE SERVICES	Ohio	501(c)(3)	Line 9	TRINITY HOME HEALTH SERVICES, INC.	X	
MRI MOBILE SERVICES OF WEST MICHIGAN - 38-3073745, 1820 - 44TH STREET, KENTWOOD, MI 49508	OPERATE MAGNETIC IMAGING RESONANCE (FORMERLY)	Michigan	501(c)(3)	Line 9	TRINITY HEALTH-MICHIGAN	X	
MUSKEGON COMMUNITY HEALTH PROJECT - 91-1932918, 565 W. WESTERN AVENUE, MUSKEGON, MI 49440	FACILITATE AND COORDINATE HEALTHCARE AND RELATED SERVICES	Michigan	501(c)(3)	Line 7	MERCY HEALTH PARTNERS	X	
OAKLAND MERCY HOSPITAL - 20-8072234 601 EAST 2ND STREET OAKLAND, NE 68045	HEALTHCARE SERVICES	Nebraska	501(c)(3)	Line 3	MERCY HEALTH SERVICES-IOWA, CORP.	X	
OAKLAND MERCY HOSPITAL FOUNDATION - 31-1678345, 601 E. 2ND STREET, OAKLAND, NE 68045	SUPPORTS SERVICES OF RELATED HOSPITAL	Nebraska	501(c)(3)	Line 11c, III-FI	N/A	X	
OSU/MOUNT CARMEL HEALTH ALLIANCE - 31-1654603, 793 WEST STATE STREET, COLUMBUS, OH 43222	COOPERATIVE HEALTH CARE DELIVERY SYSTEM	Ohio	501(c)(3)	Line 11a, I	N/A	X	

Part II **Continuation of Identification of Related Tax-Exempt Organizations**

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization? Yes	No
PORT HURON MERCY FAMILY CARE, INC. - 20-1855647, 2601 ELECTRIC AVE., PORT HURON, MI 48060	HEALTHCARE SERVICES	Michigan	501(c)(3)	Line 11a, I	TRINITY HEALTH-MICHIGAN	X	
PROFESSIONAL MED TEAM - 38-2638284 965 FORK STREET MUSKEGON, MI 49442-3257	MEDICAL CARE, TRANSPORTATION AND EDUCATION	Michigan	501(c)(3)	Line 9	TRINITY HEALTH-MICHIGAN	X	
PROFESSIONAL OFFICE CORPORATION - 94-2839324 1303 EAST HERNDON AVE. FRESNO, CA 93720	HEALTHCARE SERVICES	California	501(c)(3)	Line 11a, I	SAINT AGNES MEDICAL CENTER	X	
SAINT AGNES MEDICAL CENTER - 94-1437713 1303 EAST HERNDON AVE. FRESNO, CA 93720	HEALTHCARE SERVICES	California	501(c)(3)	Line 3	TRINITY HEALTH CORPORATION	X	
SAINT ALPHONSUS BUILDING COMPANY, INC. - 82-0401011, 1055 NORTH CURTIS RD., BOISE, ID 83706	SUPPORTS SERVICES OF RELATED HOSPITAL	Idaho	501(c)(3)	Line 11a, I	SAINT ALPHONSUS REGIONAL MEDICAL CENTER, INC.	X	
SAINT ALPHONSUS DIVERSIFIED CARE, INC. - 94-3028978, 1055 NORTH CURTIS RD., BOISE, ID 83706	SUPPORTS SERVICES OF RELATED HOSPITAL	Idaho	501(c)(3)	Line 11a, I	SAINT ALPHONSUS REGIONAL MEDICAL CENTER, INC.	X	
SAINT ALPHONSUS FOUNDATION-BAKER CITY, INC. - 94-3164869, 3325 POCAHONTAS ROAD, BAKER CITY, OR 97814	SUPPORT THE SERVICES OF RELATED HOSPITAL	Oregon	501(c)(3)	Line 7	SAINT ALPHONSUS MEDICAL CENTER - BAKER CITY	X	
SAINT ALPHONSUS FOUNDATION-ONTARIO, INC. - 20-2683560, 351 S.W. 9TH STREET, ONTARIO, OR 97914	SUPPORT THE SERVICES OF RELATED HOSPITAL	Oregon	501(c)(3)	Line 11a, I	SAINT ALPHONSUS MEDICAL CENTER-ONTARIO	X	
SAINT ALPHONSUS HEALTH SYSTEM, INC. - 27-1929502, 1055 N. CURTIS ROAD, BOISE, ID 83706	HEALTHCARE SYSTEM MANAGEMENT AND SUPPORT	Idaho	501(c)(3)	Line 11a, I	TRINITY HEALTH CORPORATION	X	
SAINT ALPHONSUS MEDICAL CENTER-BAKER CITY, INC. - 27-1790052, 3325 POCAHONTAS ROAD, BAKER CITY, OR 97814	TO PROVIDE QUALITY HEALTH CARE	Oregon	501(c)(3)	Line 3	SAINT ALPHONSUS HEALTH SYSTEM, INC.	X	
SAINT ALPHONSUS MEDICAL CENTER-NAMPA, INC. - 82-0200896, 1512 12TH AVENUE ROAD, NAMPA, ID 83686	TO PROVIDE QUALITY HEALTH CARE	Idaho	501(c)(3)	Line 3	SAINT ALPHONSUS HEALTH SYSTEM, INC.	X	
SAINT ALPHONSUS MEDICAL CENTER-NAMPA HEALTH FOUNDATION, INC. - 26-1737256, 1512 12TH AVENUE ROAD, NAMPA, ID 83686	SUPPORT THE SERVICES OF RELATED HOSPITAL	Idaho	501(c)(3)	Line 7	SAINT ALPHONSUS MEDICAL CENTER-NAMPA	X	

Part II **Continuation of Identification of Related Tax-Exempt Organizations**

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization? Yes	No
SAINT ALPHONSUS MEDICAL CENTER-ONTARIO, INC. - 27-1789847, 351 S.W. 9TH STREET, ONTARIO, OR 97914	TO PROVIDE QUALITY HEALTH CARE	Oregon	501(c)(3)	Line 3	SAINT ALPHONSUS HEALTH SYSTEM, INC.	X	
SAINT ALPHONSUS REGIONAL MEDICAL CENTER - 82-0200895, 1055 NORTH CURTIS RD., BOISE, ID 83706	HEALTHCARE SERVICES	Idaho	501(c)(3)	Line 3	SAINT ALPHONSUS HEALTH SYSTEM, INC.	X	
SAINT JOSEPH REGIONAL MEDICAL CENTER - PLYMOUTH CAMPUS, INC. - 35-1142669, 1915 LAKE AVENUE, PO BOX 670, PLYMOUTH, IN 46563	HEALTHCARE SERVICES	Indiana	501(c)(3)	Line 3	SAINT JOSEPH REGIONAL MEDICAL CENTER, INC.	X	
SAINT JOSEPH REGIONAL MEDICAL CENTER - SOUTH BEND CAMPUS, INC. - 35-0868157, PO BOX 1935, SOUTH BEND, IN 46634-1935	HEALTHCARE SERVICES	Indiana	501(c)(3)	Line 3	SAINT JOSEPH REGIONAL MEDICAL CENTER, INC.	X	
SAINT JOSEPH REGIONAL MEDICAL CENTER MISHAWAKA AUXILIARY, INC. - 35-6033285, 5215 HOLY CROSS PARKWAY, MISHAWAKA, IN 46545	HOSPITAL SERVICE AUXILIARY	Indiana	501(c)(4)	N/A	SAINT JOSEPH REGIONAL MEDICAL CENTER-S. BEND	X	
SAINT JOSEPH REGIONAL MEDICAL CENTER PLYMOUTH AUXILIARY, INC. - 35-6043563, 1915 LAKE AVENUE, PLYMOUTH, IN 46563	HOSPITAL SERVICE AUXILIARY	Indiana	501(c)(3)	Line 11b, II	SAINT JOSEPH REGIONAL MEDICAL CENTER-PLYMOUTH	X	
SAINT JOSEPH REGIONAL MEDICAL CENTER, INC. - 35-1568821, 801 EAST LASALLE AVE., SOUTH BEND, IN 46617	HEALTHCARE SYSTEM MANAGEMENT AND SUPPORT	Indiana	501(c)(3)	Line 11a, I	TRINITY HEALTH CORPORATION	X	
SAINT JOSEPH'S TOWER, INC. - 31-1040468 PO BOX 9184 FARMINGTON HILLS, MI 48333-9184	PROVIDES HOUSING FOR LOW INCOME ELDERLY INDIVIDUALS	Indiana	501(c)(3)	Line 9	TRINITY CONTINUING CARE SERVICES-INDIANA	X	
SAINT MARY'S AMICARE HOME HEALTHCARE - 38-3320700, 1430 MONROE NW, GRAND RAPIDS, MI 49505	PROVIDE HOME HEALTH CARE SERVICES	Michigan	501(c)(3)	Line 11a, I	TRINITY HOME HEALTH SERVICES, INC.	X	
SAINT MARY'S FOUNDATION - 38-1779602 200 JEFFERSON ST., SE GRAND RAPIDS, MI 49503	SUPPORTS SERVICES OF RELATED HOSPITAL	Michigan	501(c)(3)	Line 7	TRINITY HEALTH-MICHIGAN	X	
ST JOSEPH MERCY OAKLAND FOUNDATION - 35-2356789, 44405 WOODWARD AVE., PONTIAC, MI 48341	SUPPORTS SERVICES OF RELATED HOSPITAL	Michigan	501(c)(3)	Line 11a, I	TRINITY HEALTH-MICHIGAN	X	
THE FOUNDATION OF SAINT JOSEPH REGIONAL MEDICAL CENTER - 35-1654543, 4215 EDISON LAKES PARKWAY, MISHAWAKA, IN 46545	SUPPORTS SERVICES OF RELATED HOSPITAL	Indiana	501(c)(3)	Line 11a, I	SAINT JOSEPH REGIONAL MEDICAL CENTER, INC.	X	

Part II **Continuation of Identification of Related Tax-Exempt Organizations**

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization? Yes	No
TRI-HOSPITAL EMERGENCY MEDICAL SERVICES - 38-2485700, 309 GRAND RIVER, PORT HURON, MI 48060	PROVIDE EMERGENCY AMBULANCE SERVICES	Michigan	501(c)(3)	Line 11d, III-O	N/A	X	
TRI-HOSPITAL MRI CENTER - 38-2884297 4190 24TH AVENUE FORT GRATIOT, MI 48054	MRI SERVICES	Michigan	501(c)(3)	Line 3	TRINITY HEALTH-MICHIGAN	X	
TRINITY CONTINUING CARE SERVICES - 38-2559656, PO BOX 9184, FARMINGTON HILLS, MI 48333-9184	MANAGEMENT SERVICES FOR LONG-TERM CARE AND SENIOR LIVING FACILITIES	Michigan	501(c)(3)	Line 11a, I	TRINITY HEALTH CORPORATION	X	
TRINITY CONTINUING CARE SERVICES - INDIANA, INC. - 93-0907047, PO BOX 9184, FARMINGTON HILLS, MI 48333-9184	PROVIDES LONG-TERM CARE AND RESIDENTIAL HOUSING	Indiana	501(c)(3)	Line 9	TRINITY CONTINUING CARE SERVICES	X	
TRINITY HEALTH - MICHIGAN - 38-2113393 20555 VICTOR PARKWAY LIVONIA, MI 48152	HEALTHCARE SERVICES	Michigan	501(c)(3)	Line 3	TRINITY HEALTH CORPORATION	X	
TRINITY HEALTH CORPORATION - 35-1443425 20555 VICTOR PARKWAY LIVONIA, MI 48152	HEALTHCARE SYSTEM MANAGEMENT AND SUPPORT	Indiana	501(c)(3)	Line 11b, II	CHE TRINITY, INC.	X	
TRINITY HEALTH INTERNATIONAL - 42-1253527 20555 VICTOR PARKWAY LIVONIA, MI 48152	HEALTHCARE TRAINING AND SUPPORT SERVICES	Michigan	501(c)(3)	Line 11a, I	TRINITY HEALTH CORPORATION	X	
TRINITY HEALTH WELFARE BENEFIT TRUST - 20-8151733, 20555 VICTOR PARKWAY, LIVONIA, MI 48152	RETIREE MEDICAL AND RETIREE LIFE INSURANCE COVERAGE	Michigan	501(c)(9)	N/A	TRINITY HEALTH CORPORATION	X	
TRINITY HOME HEALTH SERVICES, INC. - 38-2621935, 17410 COLLEGE PARKWAY, LIVONIA, MI 48152	HOME HEALTH CARE SYSTEM MANAGEMENT SERVICES	Michigan	501(c)(3)	Line 11a, I	TRINITY HEALTH CORPORATION	X	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
ST. PETER'S AMBULATORY SURGERY CENTER, LLC - 46-0463892, 1375 WASHINGTON AVENUE, STE. 201, ALBANY, NY	OUTPATIENT SURGERY	NY	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
CATHERINE HORAN BUILDING LIMITED PARTNERSHIP - 04-2723429, 1221 MAIN STREET, ROOM 108, HOLYOKE, MA	PROPERTY MANAGEMENT	MA	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
WESTERN MASSACHUSETTS PETCT IMAGING CENTER, LLC - 20-4744663, 100 BAYVIEW CIRCLE, STE 400, NEWPORT	OUTPATIENT MEDICAL SERVICES	DE	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
CENTRAL NEW JERSEY HEART SERVICES LLC - 20-8525458, 29 E. 29TH STREET, 2ND FLOOR, BAYONNE, NJ 07002	CARDIAC PROGRAM	NJ	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity? Yes	(i) No
SAMARITAN MEDICAL OFFICE BUILDING, INC. - 14-1607244, 2212 BURDETT AVENUE, TROY, NY 12180	REAL ESTATE	NY	N/A	C CORP	N/A	N/A	N/A	X	
AFFILIATED MANAGEMENT SERVICES CORPORATION, INC. - 14-1668024, 1300 MASSACHUSETTS AVENUE, TROY, NY 12180	REAL ESTATE	NY	N/A	C CORP	N/A	N/A	N/A	X	
CATHERINE HORAN BUILDING, INC. - 04-2938160 C/O SPHS, 1221 MAIN STREET SUITE 108 HOLYOKE, MA 01040-0000	BUILDING MANAGEMENT	MA	N/A	C CORP	N/A	N/A	N/A	X	
DIVERSIFIED COMMUNITY SERVICES, INC. - 04-3128890, C/O SPHS, 1221 MAIN STREET SUITE 108, HOLYOKE, MA 01040-0000	MEDICAL SERVICES	MA	N/A	C CORP	N/A	N/A	N/A	X	
MERCY INPATIENT MEDICAL ASSOCIATES, INC. - 04-3029929, C/O SPHS, 1221 MAIN STREET SUITE 108, HOLYOKE, MA 01040-0000	MEDICAL SERVICES	MA	N/A	C CORP	N/A	N/A	N/A	X	

See Part VII for Continuations

Part III **Continuation of Identification of Related Organizations Taxable as a Partnership**

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
SMMC MOB II, LP - 36-4559869 1201 LANGHORNE-NEWTOWN ROAD LANGHORNE, PA 19047	INVESTMENT AND OPERATION OF A MEDICAL BUILDING	PA	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
THE AMBULATORY SURGERY CENTER AT ST MARY, LLC - 23-2871206, 1203 LANGHORNE-NEWTOWN ROAD, LANGHORNE, PA 19047	OUTPATIENT SURGERY	PA	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
EAST NORRITON MEDICAL ASSOCIATES - 23-2319531, ONE WEST ELM STREET, CONSHOHOCKEN, PA 19428	MEDICAL OFFICE BUILDING	PA	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
GATEWAY HEALTH PLAN - 25-1691945, 300 GRANT STREET, PITTSBURGH, PA 15219	MEDICAID & MEDICARE/SPECIA NEEDS MANAGED CARE	PA	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
MERCY/MANOR PARTNERSHIP - 52-1931012, PO BOX 10086, TOLEDO, OH 43699-0086	NURSING HOME	PA	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
ST. AGNES LONG-TERM INTENSIVE CARE, LLP - 20-0984882, C/O MERCY HEALTH SYSTEM, ONE WEST ELM STREET, SUITE 100,	LONG-TERM INTENSIVE CARE	PA	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
NAZARETH MEDICAL OFFICE BUILDING ASSOCIATES, LP - 23-2388040, C/O NAZARETH HOSPITAL, 2601 HOLME AVE,	MEDICAL OFFICE BUILDING	PA	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
CENTENNIAL SURGICAL CENTER - 22-3580847, 502 CENTENNIAL BLVD, SUITE 1, VOORHEES, NJ 08043	HEALTHCARE SERVICES	NJ	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
SJV MANAGEMENT LLC - 20-2273476, 200 CENTURY PKWY, STE 200E, MOUNT LAUREL, NJ 08054	RADIOLOGY	NJ	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A

Part III **Continuation of Identification of Related Organizations Taxable as a Partnership**

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
PHYSICIANS OUTPATIENT SURGERY CENTER, LLC - 35-2325646, 1000 NE 56TH STREET, OAKLAND PARK, FL 33334	AMBULATORY SURGERY CENTER	FL	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
ADVENT REHABILITATION LLC - 38-3306673, 607 DEWEY AVENUE, SUITE 300, GRAND RAPIDS, MI 49504	REHABILITATION THERAPY SERVICES	MI	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
BIG RUN MEDICAL OFFICE BUILDING LIMITED PARTNERSHIP - 31-1608125, 793 W. STATE STREET, COLUMBUS, OH 43222	MEDICAL OFFICE BUILDING RENTAL	OH	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
CENTER FOR DIGESTIVE CARE, LLC - 03-0447062, 5300 ELLIOTT DRIVE, YPSILANTI, MI 48197	PROVIDE GASTROINTESTINA SERVICES	MI	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
CENTRAL OHIO SLEEP MEDICINE, LTD. - 31-1701029, 6150 EAST BROAD STREET, COLUMBUS, OH 43213	SLEEP MEDICINE SERVICES	OH	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
CLINTON IMAGING SERVICES, LLC - 41-2044739, 615 VALLEY VIEW DR., STE 202, MOLINE, IL 61265	MRI DIAGNOSTIC SERVICES	IA	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
FOREST PARK IMAGING, LLC - 13-4365966, 1000 4TH STREET SW, MASON CITY, IA 50401	X-RAY AND MAMMOGRAPHY SERVICES	IA	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
FRANCES WARDE MEDICAL LABORATORY - 38-2648446, 300 WEST TEXTILE ROAD, ANN ARBOR, MI 48104	LABORATORY	MI	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
FRESNO IMAGING CENTER - 77-0363563, 1303 E. HERNDON AVE., FRESNO, CA 93720	DIAGNOSTIC IMAGING	CA	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A

Part III **Continuation of Identification of Related Organizations Taxable as a Partnership**

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
HAWARDEN REGIONAL HEALTH CLINICS, LLC - 20-1444339, 1122 AVENUE L, HAWARDEN, IA 51023	MEDICAL CLINIC	IA	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
IDAHO GYN/ONCOLOGY SERVICES, LLC - 20-2975807, 1055 N CURTIS RD, BOISE, ID 83706	PROVIDE GYN ONCOLOGY SERVICES	ID	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
INTERMOUNTAIN MEDICAL IMAGING, LLC - 82-0514422, 877 WEST MAIN ST., STE 603, BOISE, ID 83702	PROVIDE IMAGING SERVICES	ID	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
LOYOLA AMBULATORY SURGERY CENTER - 36-4119522, 3000 RIVERCHASE GALLERIA, STE 500, BIRMINGHAM, AL 35244	SURGICAL SERVICES	IL	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
MAGNETIC RESONANCE SERVICES PARTNERSHIP - 42-1328388, 1416 SIXTH STREET SW, MASON CITY, IA 50401	MRI SERVICES	IA	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
MASON CITY AMBULATORY SURGERY CENTER, LLC - 20-1960348, 990 4TH STREET SW, MASON CITY, IA 50401	SURGERY-SAME DAY	IA	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
MCE MOB IV LIMITED PARTNERSHIP - 42-1544707, 793 W. STATE STREET, COLUMBUS, OH 43222	MEDICAL OFFICE BUILDING RENTAL	OH	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
MCMC POB III LIMITED PARTNERSHIP - 31-1392994, 793 W. STATE STREET, COLUMBUS, OH 43222	MEDICAL OFFICE BUILDING RENTAL	OH	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
MEDILUCENT MOB I - 20-4911370 793 W. STATE STREET COLUMBUS, OH 43222	MEDICAL OFFICE BUILDING RENTAL	OH	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A

Part III **Continuation of Identification of Related Organizations Taxable as a Partnership**

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MERCY ADVANCED MRI, LLC - 26-2116721, 2525 SOUTH MICHIGAN AVE., CHICAGO, IL 60616	SUBLEASE MRI EQUIPMENT	IL	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
MERCY HEART & VASCULAR LLC - 20-5272726, 2525 SOUTH MICHIGAN AVE., CHICAGO, IL 60616	SUBLEASE CT EQUIPMENT	IL	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
MERCY HEART CTR O/P SERVICES, LLC - 13-4237594, 1000 4TH STREET SW, MASON CITY, IA 50401	CARDIOVASCULAR SERVICES	IA	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
MICHIANA HEALTH INFORMATION NETWORK LLC - 35-2050128, 215 WEST MADISON STREET, SOUTH BEND, IN 46601	COMMUNITY BASED CLINICAL INFO SYS & DATA DEPOSITORY	IN	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
MOUNT CARMEL EAST POB III LIMITED PARTNERSHIP - 31-1369473, 793 W. STATE STREET, COLUMBUS, OH 43222	MEDICAL OFFICE BUILDING RENTAL	OH	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
NEWCO AMBULATORY SURGERY CTR, LLP - 30-0136708, 4190 24TH AVENUE, FORT GRATIOT, MI 48059	OUTPATIENT SURGERY CENTER	MI	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
SARMED OUTPATIENT PHARMACY, LLC - 51-0483218, 999 N. CURTIS RD., STE 102, BOISE, ID 83706	PHARMACY	ID	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
SIXTY FOURTH STREET, LLC - 20-2443646, 2373 64TH ST., STE 2200, BYRON CENTER, MI 49315	PROVIDE OUTPATIENT SURGICAL CARE	MI	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
ST. ALPHONSUS CALDWELL CANCER CTR., LLC - 82-0526861, 3123 MEDICAL DR., CALDWELL, ID 83605	RADIATION ONCOLOGY	ID	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A

Part III **Continuation of Identification of Related Organizations Taxable as a Partnership**

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
ST. ANN'S MEDICAL OFFICE BLDG II LIMITED PARTNERSHIP - 31-1603660, 793 W. STATE STREET, COLUMBUS, OH 43222	MEDICAL OFFICE BUILDING RENTAL	OH	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
TAMARACK MEDICAL CLINIC, LLC - 20-1637921, 402 OLD STATE HWY., CASCADE, ID 83611	OUTPATIENT MEDICAL SERVICES	ID	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
WESTAR MEDICAL OFFICE BUILDING LIMITED PARTNERSHIP - 31-1784409, 793 W. STATE STREET, COLUMBUS, OH 43222	MEDICAL OFFICE BUILDING RENTAL	OH	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
WOODLAND IMAGING CENTER, LLC - 76-0820959, 5301 E. HURON RIVER DR., ANN ARBOR, MI 48106	RADIOLOGY/IMAGI	MI	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A
ST. MARY REHABILITATION HOSPITAL, LLP - 27-3938747, 113 SEABOARD LANE, SUITE B201, FRANKLIN, TN 37067	MEDICAL SERVICES	TN	N/A	N/A	N/A	N/A	N/A		N/A	N/A		N/A

Part IV **Continuation of Identification of Related Organizations Taxable as a Corporation or Trust**

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity? Yes	No
PROVIDENCE HOME CARE, INC. - 04-3317426 C/O SPHS, 1221 MAIN STREET SUITE 108 HOLYOKE, MA 01040-0000	HEALTH CARE SERVICES	MA	N/A	C CORP	N/A	N/A	N/A	X	
SYSTEM COORDINATED SERVICES, INC. - 04-2938181, C/O SPHS, 1221 MAIN STREET SUITE 108, HOLYOKE, MA 01040-0000	LAB SERVICES	MA	N/A	C CORP	N/A	N/A	N/A	X	
PHYSICIANS MEDICAL OFFICE BUILDING CONDOMINIUM TRUST - 04-6608649, 1221 MAIN STREET, ROOM 108, HOLYOKE, MA 01040-0000	PROPERTY MANAGEMENT	MA	N/A	C CORP	N/A	N/A	N/A	X	
SJM PROPERTIES, INC. - 16-1294991 411 CANISTEO STREET HORNELL, NY 14848-2101	PROPERTY HOLDINGS	NY	N/A	C CORP	N/A	N/A	N/A	X	
CARBONDALE AREA PHYSICIANS' ASSOCIATION, P.C. - 23-2801677, 100 LINCOLN AVE, CARBONDALE, PA 18407	MEDICAL INSURANCE CONTRACTING	PA	N/A	C CORP	N/A	N/A	N/A	X	
CARBONDALE AREA PHYSICIANS' PHO, INC. - 23-2801676, 100 LINCOLN AVE, CARBONDALE, PA 18407	INACTIVE	PA	N/A	C CORP	N/A	N/A	N/A	X	
CARBONDALE PHYSICIANS' SERVICES, INC. - 23-2365077, 100 LINCOLN AVE, CARBONDALE, PA 18407	PHARMACY	PA	N/A	C CORP	N/A	N/A	N/A	X	
CHESTNUT RISK SERVICES, LTD 11 VICTORIA STREET HAMILTON, BERMUDA	INSURANCE	Bermuda	N/A	C CORP	N/A	N/A	N/A	X	
LIFECARE PHYSICIANS PC - 26-1649038 601 HAMILTON AVENUE TRENTON, NJ 08629-1986	HEALTH CARE SERVICES	NJ	N/A	C CORP	N/A	N/A	N/A	X	
MULTICARE PLUS, INC. - 22-3435844 601 HAMILTON AVENUE TRENTON, NJ 08629-1986	INACTIVE	NJ	N/A	C CORP	N/A	N/A	N/A	X	
LANGHORNE SERVICES II, INC. - 25-3795549 1201 LANGHORNE-NEWTOWN ROAD LANGHORNE, PA 19047	GENERAL PARTNER OF LMOB PARTNERS, II	PA	N/A	C CORP	N/A	N/A	N/A	X	
LANGHORNE SERVICES, INC. - 23-2625981 1201 LANGHORNE-NEWTOWN ROAD LANGHORNE, PA 19047	GENERAL PARTNER OF LMOB PARTNERS,	PA	N/A	C CORP	N/A	N/A	N/A	X	

Part IV **Continuation of Identification of Related Organizations Taxable as a Corporation or Trust**

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity? Yes	No
ST. MARY BUILDING AND DEVELOPMENT COMPANY - 46-1827502, 1201 LANGHORNE-NEWTOWN ROAD, LANGHORNE, PA 19047	BUILDING DEVELOPMENT COMPANY	PA	N/A	C CORP	N/A	N/A	N/A	X	
GATEWAY HEALTH PLAN, INC. - 25-1505506 600 GRANT STREET PITTSBURGH, PA 15219	HEALTH CARE	PA	N/A	C CORP	N/A	N/A	N/A	X	
GATEWAY HEALTH PLAN, INC. OF OHIO - 30-0282076, 600 GRANT STREET, PITTSBURGH, PA 15219	HEALTH CARE	PA	N/A	C CORP	N/A	N/A	N/A	X	
MCMC EASTWICK, INC. - 23-2184261 C/O MHS ONE WEST ELM STREET CONSHOHOCKEN, PA 19428	MEDICAL OFFICE BUILDINGS	PA	N/A	C CORP	N/A	N/A	N/A	X	
HEALTH MANAGEMENT SERVICES ORG. INC. - 22-3366580, 500 GROVE STREET, SUITE 100, HADDON HEIGHTS, NJ 08035	HEALTH CARE BILLING	NJ	N/A	C CORP	N/A	N/A	N/A	X	
LOURDES MEDICAL ASSOCIATES. PA - 22-3361862 500 GROVE STREET, SUITE 100 HADDON HEIGHTS, NJ 08035	MEDICAL SERVICES	NJ	N/A	C CORP	N/A	N/A	N/A	X	
GEORGIA HEALTH ENTERPRISES LLC - 54-1806329 1230 BAXTER STREET ATHENS, GA 30606	HEALTHCARE	GA	N/A	C CORP	N/A	N/A	N/A	X	
ST. MARY'S HIGHLAND HILLS VILLAGE, INC. - 58-2276801, 1660 JENNINGS MILL PKWY, BOGART, GA 30622	ASSISTED LIVING	GA	N/A	C CORP	N/A	N/A	N/A	X	
GHE PHYSICIANS, PC - 58-2277939 3500 PIEDMONT ROAD ATLANTA, GA 30305	PRACTICE MANAGEMENT	GA	N/A	C CORP	N/A	N/A	N/A	X	
NURSING NETWORK, INC. - 59-1145192 4725 NORTH FEDERAL HIGHWAY FORT LAUDERDALE HIGHWAY, FL 33308-0000	MEDICAL SERVICES	FL	N/A	C CORP	N/A	N/A	N/A	X	
STELLA MARIS INSURANCE COMPANY, LIMITED - 98-0078266, P.O. BOX 69, GRAND CAYMAN, CAYMAN ISLANDS KY1-1102	INSURANCE	Cayman Islands	N/A	C CORP	N/A	N/A	N/A	X	
CATHOLIC HEALTH EAST SENIOR SERVICES - 37-1572595, 3805 WEST CHESTER PIKE, SUITE 100, NEWTOWN SQUARE, PA 19073	SENIOR SERVICES	PA	N/A	C CORP	N/A	N/A	N/A	X	

Part IV **Continuation of Identification of Related Organizations Taxable as a Corporation or Trust**

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity? Yes	No
COMMUNITY HEALTH VENTURES, INC. - 38-3522260 565 W. WESTERN AVE. MUSKEGON, MI 49440	SOFTWARE MARKETING	MI	N/A	C CORP	N/A	N/A	N/A	X	
GOTTLIEB MANAGEMENT SERVICES, INC. - 36-3330529, 701 W. NORTH AVE., MELROSE PARK, IL 60160	MANAGEMENT SERVICES	IL	N/A	C CORP	N/A	N/A	N/A	X	
HACKLEY HEALTH MANAGEMENT CENTER - 38-2961814, 1415 LEAHY ST., MUSKEGON, MI 49442	WEIGHT MANAGEMENT	MI	N/A	C CORP	N/A	N/A	N/A	X	
HACKLEY HEALTH VENTURES, INC. - 38-2589959 1415 LEAHY ST. MUSKEGON, MI 49442	OTHER MEDICAL SERVICES	MI	N/A	C CORP	N/A	N/A	N/A	X	
HACKLEY HEALTHCARE EQUIPMENT - 38-2578569 1415 LEAHY ST. MUSKEGON, MI 49442	HOME MEDICAL EQUIPMENT	MI	N/A	C CORP	N/A	N/A	N/A	X	
HACKLEY PROFESSIONAL CENTER - 38-3024797 1415 LEAHY ST. MUSKEGON, MI 49442	REAL ESTATE RENTAL	MI	N/A	C CORP	N/A	N/A	N/A	X	
HACKLEY PROFESSIONAL PHARMACY - 38-2447870 1415 LEAHY ST. MUSKEGON, MI 49442	PHARMACY	MI	N/A	C CORP	N/A	N/A	N/A	X	
HEF, INC. - 38-3086401 1415 LEAHY ST. MUSKEGON, MI 49442	OFFICE STAFFING	MI	N/A	C CORP	N/A	N/A	N/A	X	
HOLY CROSS PRIVATE HOME SERVICES CORP. - 52-1986562, 11801 TECH ROAD, SILVER SPRING, MD 20904	HOME CARE SERVICES	MD	N/A	C CORP	N/A	N/A	N/A	X	
HPC CO-OWNERS ASSOCIATION - 27-0734448 1700 CLINTON MUSKEGON, MI 49442	CONDOMINIUM ASSOCIATION	MI	N/A	C CORP	N/A	N/A	N/A	X	
HURON ARBOR CORPORATION - 38-2475644 5301 EAST HURON RIVER DR., PO BOX 992 ANN ARBOR, MI 48106	PROVIDES OFFICE RENTAL SPACE	MI	N/A	C CORP	N/A	N/A	N/A	X	
IHA AFFILIATION CORPORATION - 38-3188895 24 FRANK LLOYD WRIGHT DR., LOBBY J ANN ARBOR, MI 48106	MEDICAL MANAGEMENT	MI	N/A	C CORP	N/A	N/A	N/A	X	

Part IV **Continuation of Identification of Related Organizations Taxable as a Corporation or Trust**

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity? Yes	No
MARYLAND CARE GROUP, INC. - 52-1815313 11801 TECH ROAD SILVER SPRING, MD 20904	HEALTHCARE HOLDING	MD	N/A	C CORP	N/A	N/A	N/A	X	
MEDNOW, INC. - 82-0389927 1512 12TH AVENUE ROAD NAMPA, ID 83686	OUTPATIENT PHARMACY	ID	N/A	C CORP	N/A	N/A	N/A	X	
MERCY MEDICAL SERVICES - 42-1283849 801 5TH STREET SIOUX CITY, IA 51101	PRIMARY CARE PHYSICIANS	IA	N/A	C CORP	N/A	N/A	N/A	X	
MERCY SERVICES CORPORATION - 36-3227348 2525 SOUTH MICHIGAN AVENUE CHICAGO, IL 60616	Dormant	IL	N/A	C CORP	N/A	N/A	N/A	X	
MICHIGAN ATHLETIC CLUB - 38-2647304 2500 BURTON GRAND RAPIDS, MI 49546	ATHLETIC CLUB	MI	N/A	C CORP	N/A	N/A	N/A	X	
MOUNT CARMEL HEALTH PROVIDERS, INC. - 31-1382442, 6150 EAST BROAD STREET, COLUMBUS, OH 43213	MEDICAL SERVICES	OH	N/A	C CORP	N/A	N/A	N/A	X	
NORTH IOWA MERCY MEDICAL SERVICES, INC. - 42-1382308, 1000 4TH ST. SW, MASON CITY, IA 50401	MEDICAL SERVICES	IA	N/A	C CORP	N/A	N/A	N/A	X	
PRIORITY PLUS OF CALIFORNIA - 77-0395267 PO BOX 27230 FRESNO, CA 93729	FORMERLY HLTH MGMT NOW DISCONTINUED OPERATIONS	CA	N/A	C CORP	N/A	N/A	N/A	X	
SAINT ALPHONSUS PHYSICIANS, P.A. - 33-1078261, 1055 NORTH CURTIS ROAD, BOISE, ID 83706-1370	PHYSICIANS	ID	N/A	C CORP	N/A	N/A	N/A	X	
SAINT MARY'S HEALTH MANAGEMENT COMPANY - 38-3450733, 1640 EAST PARIS, SE., GRAND RAPIDS, MI 49546	ATHLETIC CLUB	MI	N/A	C CORP	N/A	N/A	N/A	X	
SURGERY CENTER FINANCING CORPORATION - 31-1531102, 6150 EAST BROAD STREET, COLUMBUS, OH 43213	FINANCE, INSURANCE AND REAL ESTATE	OH	N/A	C CORP	N/A	N/A	N/A	X	
THRE SERVICES, LLC - 45-2603654 20555 VICTOR PARKWAY LIVONIA, MI 48152	REAL ESTATE BROKERAGE SERVICES	MI	N/A	C CORP	N/A	N/A	N/A	X	

Part IV **Continuation of Identification of Related Organizations Taxable as a Corporation or Trust**

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity? Yes	No
TRINITY HEALTH EMPLOYEE BENEFIT TRUST - 38-3410377, 20555 VICTOR PARKWAY, LIVONIA, MI 48152	GRANTOR TRUST	MI	N/A	TRUST	N/A	N/A	N/A	X	
VENZKE INSURANCE COMPANY, LTD. - 98-0453602 PO BOX 1051 GRAND CAYMAN GRAND CAYMAN, CAYMAN ISLANDS	PROVISION OF INSURANCE COVERAGE	Cayman Islands	N/A	C CORP	N/A	N/A	N/A	X	
WEST SHORE PROFESSIONAL BUILDING CONDOMINIUM - 38-2700166, 1820 44TH STREET SE, KENTWOOD, MI 49508	CONDOMINIUM ASSOCIATION	MI	N/A	C CORP	N/A	N/A	N/A	X	
WESTSHORE HEALTH NETWORK - 38-3280200 1820 44TH STREET KENTWOOD, MI 49508	PHYSICIAN HOSPITAL ORGANIZATION	MI	N/A	C CORP	N/A	N/A	N/A	X	
WORKPLACE HEALTH OF GRAND HAVEN - 38-3112035 1415 LEAHY ST. MUSKEGON, MI 49442	OCCUPATIONAL HEALTH	MI	N/A	C CORP	N/A	N/A	N/A	X	

Part V **Transactions With Related Organizations** (Complete if the organization answered "Yes" to 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.

			Yes	No
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		X
b	Gift, grant, or capital contribution to related organization(s)	1b		X
c	Gift, grant, or capital contribution from related organization(s)	1c		X
d	Loans or loan guarantees to or for related organization(s)	1d		X
e	Loans or loan guarantees by related organization(s)	1e		X
f	Dividends from related organization(s)	1f		X
g	Sale of assets to related organization(s)	1g		X
h	Purchase of assets from related organization(s)	1h		X
i	Exchange of assets with related organization(s)	1i		X
j	Lease of facilities, equipment, or other assets to related organization(s)	1j		X
k	Lease of facilities, equipment, or other assets from related organization(s)	1k		X
l	Performance of services or membership or fundraising solicitations for related organization(s)	1l		X
m	Performance of services or membership or fundraising solicitations by related organization(s)	1m		X
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n		X
o	Sharing of paid employees with related organization(s)	1o		X
p	Reimbursement paid to related organization(s) for expenses	1p	X	
q	Reimbursement paid by related organization(s) for expenses	1q	X	
r	Other transfer of cash or property to related organization(s)	1r		X
s	Other transfer of cash or property from related organization(s)	1s		X

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 other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)	Mercy Health System of Maine	P	2,388,881.	FMV
(2)	Catholic Health East	P	4,434,156.	FMV
(3)	Visiting Nurse and Hospice Association	Q	131,250.	FMV
(4)				
(5)				
(6)				

Part VI **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to Form 990, Part IV, line 37.)

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners sec. 501(c)(3) orgs.? Yes	(e) No	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) NO	(k) Percentage ownership

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

Part II, Identification of Related Tax-Exempt Organizations:

Name of Related Organization:

SUNNYVIEW HOSPITAL & REHABILITATION CENTER FOUNDATION

Direct Controlling Entity: SUNNYVIEW HOSPITAL & REHABILITATION CTR

Name of Related Organization:

EAST NORRITON PHYSICIAN SERVICES

Direct Controlling Entity: MERCY HEALTH SYSTEM OF SOUTHEASTERN PENNSYLVANIA

Name of Related Organization:

MERCY CATHOLIC MEDICAL CENTER OF SOUTHEASTERN PENNSYLVANIA

Direct Controlling Entity: MERCY HEALTH SYSTEM OF SOUTHEASTERN PENNSYLVANIA

Name of Related Organization:

MERCY FAMILY SUPPORT

Direct Controlling Entity: MERCY HEALTH SYSTEM OF SOUTHEASTERN PENNSYLVANIA

Name of Related Organization:

MERCY HEALTH FOUNDATION OF SOUTHEASTERN PENNSYLVANIA

Direct Controlling Entity: MERCY HEALTH SYSTEM OF SOUTHEASTERN PENNSYLVANIA

Name of Related Organization:

MERCY HEALTH PLAN

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

Direct Controlling Entity: MERCY HEALTH SYSTEM OF SOUTHEASTERN PENNSYLVANIA

Name of Related Organization:

MERCY HOME HEALTH

Direct Controlling Entity: MERCY HEALTH SYSTEM OF SOUTHEASTERN PENNSYLVANIA

Name of Related Organization:

MERCY HOME HEALTH SERVICES

Direct Controlling Entity: MERCY HEALTH SYSTEM OF SOUTHEASTERN PENNSYLVANIA

Name of Related Organization:

MERCY MANAGEMENT OF SOUTHEASTERN PENNSYLVANIA

Direct Controlling Entity: MERCY HEALTH SYSTEM OF SOUTHEASTERN PENNSYLVANIA

Name of Related Organization:

MERCY SUBURBAN HOSPITAL

Direct Controlling Entity: MERCY HEALTH SYSTEM OF SOUTHEASTERN PENNSYLVANIA

Name of Related Organization:

NAZARETH HEALTH CARE FOUNDATION

Direct Controlling Entity: MERCY HEALTH SYSTEM OF SOUTHEASTERN PENNSYLVANIA

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

Name of Related Organization:

NAZARETH HOSPITAL

Direct Controlling Entity: MERCY HEALTH SYSTEM OF SOUTHEASTERN PENNSYLVANIA

Name of Related Organization:

NAZARETH PHYSICIAN SERVICES, INC.

Direct Controlling Entity: MERCY HEALTH SYSTEM OF SOUTHEASTERN PENNSYLVANIA

Name of Related Organization:

NE PHYSICIAN SERVICES

Direct Controlling Entity: MERCY HEALTH SYSTEM OF SOUTHEASTERN PENNSYLVANIA

Name of Related Organization:

ST. AGNES CONTINUING CARE CENTER

Direct Controlling Entity: MERCY HEALTH SYSTEM OF SOUTHEASTERN PENNSYLVANIA

Name of Related Organization:

ST. AGNES CONTINUING CARE CENTER FOUNDATION

Direct Controlling Entity: MERCY HEALTH SYSTEM OF SOUTHEASTERN PENNSYLVANIA

Part III, Identification of Related Organizations Taxable as Partnership:

Name, Address, and EIN of Related Organization:

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

ST. PETER'S AMBULATORY SURGERY CENTER, LLC

EIN: 46-0463892

1375 WASHINGTON AVENUE, STE. 201

ALBANY, NY 12206

Name, Address, and EIN of Related Organization:

CATHERINE HORAN BUILDING LIMITED PARTNERSHIP

EIN: 04-2723429

1221 MAIN STREET, ROOM 108

HOLYOKE, MA 01040-0000

Name, Address, and EIN of Related Organization:

WESTERN MASSACHUSETTS PETCT IMAGING CENTER, LLC

EIN: 20-4744663

100 BAYVIEW CIRCLE, STE 400

NEWPORT BEACH, CA 92660

Name of Related Organization:

GATEWAY HEALTH PLAN

Primary Activity: MEDICAID & MEDICARE/SPECIAL NEEDS MANAGED CARE ORGANIZATION

Name of Related Organization:

MERCY/MANOR PARTNERSHIP

Direct Controlling Entity: MERCY MANAGEMENT OF SOUTHEASTERN PENNSYLVANIA

Name, Address, and EIN of Related Organization:

ST. AGNES LONG-TERM INTENSIVE CARE, LLP

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

EIN: 20-0984882

C/O MERCY HEALTH SYSTEM, ONE WEST ELM STREET, SUITE 100

CONSHOHOCKEN, PA 19428

Direct Controlling Entity: MERCY MANAGEMENT OF SOUTHEASTERN PENNSYLVANIA

Name, Address, and EIN of Related Organization:

NAZARETH MEDICAL OFFICE BUILDING ASSOCIATES, LP

EIN: 23-2388040

C/O NAZARETH HOSPITAL, 2601 HOLME AVE

PHILADELPHIA, PA 19152

Name of Related Organization:

SJV MANAGEMENT LLC

Direct Controlling Entity: HEALTH MANAGEMENT SERVICES ORGANIZATION

Part IV, Identification of Related Organizations Taxable as Corp or Trust:

Name of Related Organization:

PHYSICIANS MEDICAL OFFICE BUILDING CONDOMINIUM TRUST

Direct Controlling Entity: SISTERS OF PROVIDENCE HEALTH SYSTEM INC.

Name of Related Organization:

CHESTNUT RISK SERVICES, LTD

Direct Controlling Entity: SAINT MICHAEL'S MEDICAL CENTER, INC.

Name of Related Organization:

CATHOLIC HEALTH EAST SENIOR SERVICES

Direct Controlling Entity: CONTINUING CARE MANAGEMENT SERVICES NETWORK

BerryDunn

MERCY HEALTH SYSTEM OF MAINE

CONSOLIDATED FINANCIAL STATEMENTS

and

SUPPLEMENTAL INFORMATION

Nine Months Ended September 30, 2013 and
Year Ended December 31, 2012

With Independent Auditor's Report

MERCY HEALTH SYSTEM OF MAINE

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Nine Month Period Ended September 30, 2013 and Year Ended December 31, 2012

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BerryDunn

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Mercy Health System of Maine

We have audited the accompanying consolidated financial statements of Mercy Health System of Maine (MHSM), which comprise the consolidated balance sheet as of September 30, 2013 and the related consolidated statements of operations, changes in net assets and cash flows for the nine month period then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We did not audit the financial statements of VNA Home Health and Hospice, an entity for which MHSM is the sole member, whose statements reflect total assets constituting 7.6% of consolidated total assets as of September 30, 2013 and total revenue constituting 6.1% of consolidated total revenue for the nine month period then ended. Those statements were audited by another auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the VNA Home Health and Hospice, is based solely on the report of the other auditor. We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

Board of Directors
Mercy Health System of Maine

Opinion

In our opinion, based on our audit and the report of the other auditor, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Mercy Health System of Maine as of September 30, 2013, and the consolidated results of its operations, changes in net assets and cash flows for the nine month period then ended in accordance with U.S. generally accepted accounting principles.

Other Matters

2012 Financial Statements

The consolidated financial statements of MHSM as of December 31, 2012 were audited by other auditors whose report dated April 30, 2013 expressed an unmodified opinion on those financial statements after placing reliance on reports of another auditor for a consolidated entity which included 7.1% of consolidated total assets and 6.2% of consolidated total revenue for the year then ended.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental consolidating information, as identified in the table of contents, is presented for purposes of additional analysis rather than to present the financial position, results of operations, changes in net assets and cash flows of the individual entities, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, based on our audit and the report of the other auditor, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole. The information marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Berry Dunn McNeil & Parker, LLC

Portland, Maine
April 17, 2014

MERCY HEALTH SYSTEM OF MAINE

Consolidated Balance Sheets

September 30, 2013 and December 31, 2012

(in thousands of dollars)	**2013**	2012
Assets		
Current assets		
Cash and cash equivalents	**$ 9,154**	$ 1,217
Marketable securities and investments whose use is limited	**810**	1,383
Patient accounts receivable, net of allowance for doubtful accounts of $13,562 and $11,345 for 2013 and 2012, respectively	**35,955**	32,682
Due from third-party payors	**107**	-
Other accounts receivable	**4,412**	4,133
Prepaid expenses and inventories	**6,716**	6,019
Total current assets	**57,154**	45,434
Marketable securities and investments whose use is limited		
Board-designated investments and funds	**24,285**	22,151
Trustee-held funds	**715**	656
Donor-restricted funds	**2,857**	3,579
	27,857	26,386
Property, plant and equipment, net	**96,713**	101,849
Due from third party payors, net of current portion	**2,554**	25,207
Other assets	**10,687**	9,631
Total assets	**$ 194,965**	$208,507
Liabilities and Net Assets		
Current liabilities		
Current portion of long-term debt	**$ 8,424**	$ 6,784
Current portion of variable rate demand obligations	**-**	6,693
Accounts payable and accrued expenses	**20,771**	27,160
Due to third-party payors	**4,749**	3,296
Other current liabilities	**10,380**	8,010
Total current liabilities	**44,324**	51,943
Long-term debt, net of current portion	**66,500**	63,777
Other liabilities	**5,587**	7,383
Insurance liabilities, net of current portion	**11,043**	10,983
Total liabilities	**127,454**	134,086
Commitments and contingencies (Notes 11, 14 and 15)		
Net assets		
Unrestricted	**63,761**	70,064
Temporarily restricted	**1,904**	2,569
Permanently restricted	**1,846**	1,788
Total net assets	**67,511**	74,421
Total liabilities and net assets	**$194,965**	$208,507

The accompanying notes are an integral part of these consolidated financial statements.

MERCY HEALTH SYSTEM OF MAINE

Consolidated Statements of Operations

Nine Month Period Ended September 30, 2013 and Year Ended December 31, 2012

(in thousands of dollars)	**2013**	2012
Unrestricted revenues, gains and other support		
Net patient service revenue, net of bad debt expense of $11,502 and $12,536 for 2013 and 2012, respectively	**$160,885**	$209,417
Unrestricted contributions	**255**	953
Net assets released from restrictions used for operations	**189**	601
Other operating revenue	**5,123**	5,149
Total unrestricted revenues, gains and other support	**166,452**	216,120
Expenses		
Salaries, wages and benefits	**101,058**	130,291
Medical supplies	**25,302**	32,191
Purchased services, professional fees and other expenses	**33,676**	50,201
Depreciation and amortization	**8,533**	10,751
Interest	**1,747**	2,326
Insurance	**2,040**	2,982
Total expenses	**172,356**	228,742
Operating loss	**(5,904)**	(12,622)
Non-operating gains (losses)		
Investment returns, net	**903**	1,786
Restructuring expenses and impairment losses	**(2,683)**	(366)
Non-operating gains (losses), other	**444**	(146)
Increase in fair value of interest rate swaps	**72**	978
Total non-operating gains (losses)	**(1,264)**	2,252
Deficit of revenues over expenses	**$ (7,168)**	$(10,370)

The accompanying notes are an integral part of these consolidated financial statements.

MERCY HEALTH SYSTEM OF MAINE

Consolidated Statements of Changes in Net Assets

Nine Month Period Ended September 30, 2013 and Year Ended December 31, 2012

(in thousands of dollars)	**2013**	2012
Unrestricted net assets		
Deficit of revenue over expenses	**$(7,168)**	$(10,370)
Net assets released from restrictions - capital expenditures	**865**	1,523
Other changes	**-**	133
Decrease in unrestricted net assets	**(6,303)**	(8,714)
Temporarily restricted net assets		
Contributions	**360**	3,625
Net realized and unrealized gains on investments	**14**	27
Net assets released from restrictions	**(1,054)**	(2,093)
Other changes	**15**	-
(Decrease) increase in temporarily restricted net assets	**(665)**	1,559
Permanently restricted net assets		
Contributions	**60**	656
Net realized and unrealized (losses) gains on investments	**(2)**	81
Increase in permanently restricted net assets	**58**	737
Decrease in net assets	**(6,910)**	(6,418)
Net assets		
Beginning of year	**74,421**	80,839
End of period/year	**$67,511**	$74,421

The accompanying notes are an integral part of these consolidated financial statements.

MERCY HEALTH SYSTEM OF MAINE

Consolidated Statements of Cash Flows

Nine Month Period Ended September 30, 2013 and Year Ended December 31, 2012

(in thousands of dollars)	**2013**	2012
Cash flows from operating activities		
Decrease in net assets	**$(6,910)**	$(6,418)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities		
Restricted contributions and investment income	**(455)**	(4,280)
Depreciation and amortization	**8,533**	10,751
Investment returns, net	**(903)**	(1,785)
(Gain) loss on sale of assets	**(435)**	146
Increase in fair value of interest rate swaps	**(72)**	(978)
Net unrealized losses (gains) on restricted investments	**7**	(108)
Change in certain assets and liabilities		
Patient accounts receivable	**(3,273)**	7
Prepaid expenses, inventories and other assets	**(2,173)**	(3,445)
Accounts payable and accrued expenses	**(6,389)**	6,098
Due to/from third-party payors	**21,775**	(4,197)
Other long-term liabilities	**3,028**	3,806
Net cash provided (used) by operating activities	**12,733**	(403)
Cash flows from investing activities		
Purchases of property, plant and equipment	**(3,584)**	(7,647)
Net (purchases) sales of marketable securities and assets whose use is limited	**(2)**	6,057
Proceeds from sale of property	**665**	265
Net cash used by investing activities	**(2,921)**	(1,325)
Cash flows from financing activities		
Repayments of long-term debt	**(2,330)**	(2,254)
Restricted contributions and investment income	**455**	4,280
Net cash (used) provided by financing activities	**(1,875)**	2,026
Increase in cash and cash equivalents	**7,937**	298
Cash and cash equivalents at beginning of year	**1,217**	919
Cash and equivalents at end of year	**$9,154**	$1,217
Supplemental disclosure		
Interest paid	**$1,710**	$2,066
Property, plant and equipment acquisitions included in accounts payable and accrued expenses	**$371**	$833

The accompanying notes are an integral part of these consolidated financial statements.

1. Organization, Mission and Basis of Presentation

Mercy Health System of Maine ("MHSM") and its affiliates are not-for-profit corporations, exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. MHSM is the sole corporate member of Mercy Hospital (the "Hospital"), a not-for-profit community hospital located in Portland, Maine. The Hospital provides inpatient and outpatient medical, surgical and obstetrical/gynecological care as well as treatment for alcoholism and drug addiction. MHSM is also the sole corporate member of VNA Home Health and Hospice ("VNA"), a provider of home health and hospice services to clients in Cumberland and York counties. All of the activities of MHSM are guided by the fundamental purpose that it shares with the Hospital, which is to advance the apostolate of the New England Regional Community of the Sisters of Mercy, the sponsor of MHSM.

The mission of MHSM is to support the provision of health care services by the Hospital, other health care facilities, and direct providers of health care serving the greater Portland area. The purpose of MHSM is to coordinate the activities of the Hospital and other related organizations engaged in health care activities for the betterment of the general health of the community it serves, to facilitate the interchange of ideas among health care service organizations within the community through educational activities so as to advance the planning for and delivery of high quality health care services, and to sponsor, encourage, promote, and advance the provision of health care and the activities of health care institutions and other agencies in order to improve the health status of the residents of greater Portland.

Through October 3, 2013, MHSM's sole corporate member was Catholic Health East ("CHE"), a tax-exempt Catholic multi-institutional health system. See Note 2 below for discussion of the change in the sole corporate member. The mission of CHE is to be a community of persons committed to being a transforming, healing presence within the communities it serves. MHSM was a Regional Health Corporation ("RHC") of CHE. The consolidated financial statements of MHSM are included with other RHCs in the consolidated financial statements of CHE.

The consolidated financial statements of CHE include activities of its RHCs and related component corporations all of which are wholly or majority owned. These RHCs are located throughout eleven states and the healthcare activities provided by these RHCs include, but are not limited to, general acute care hospitals, long-term care facilities, skilled nursing facilities, behavioral health, and residential facilities for the elderly, physician services, home health, outpatient surgery, and other services.

In May 2013, CHE and Trinity Health merged to form CHE/Trinity Health, a tax-exempt Catholic parent company to the separate CHE and Trinity ministries. Its mission is to serve together in the spirit of the Gospel as a compassionate and transforming healing presence within its communities.

2. Subsequent Events

MHSM evaluated the impact of subsequent events through April 17, 2014, representing the date at which the consolidated financial statements were available to be issued.

On October 4, 2013, Eastern Maine Healthcare Systems (EMHS) became the sole corporate member of MHSM, Mercy Hospital and VNA. EMHS is the parent company in an integrated health care delivery system that provides a broad range of health care and related services to nine Northern and Eastern Maine counties through subsidiary and affiliated corporations. EMHS believes it will benefit from MHSM's extensive work on the development of an ambulatory network and VNA's extensive home-based care systems, which are considered central to improving the health of their communities.

Effective with the change in control, MHSM will adopt a September fiscal year-end to coincide with the year-end of EMHS. The transaction will be accounted for as an acquisition in accordance with Accounting Standards Update No. 2010-07, *Not-for-Profit Entities: Mergers and Acquisitions*, which requires the assets and liabilities of MHSM be accounted for at fair value as of the date of acquisition, which was agreed to be effective October 1, 2013. The accounting for the transaction is expected to be completed in the third quarter of fiscal year 2014 and, therefore, its effect on the consolidated financial statements of MHSM for the year ending September 2014 has not yet been determined.

There was no consideration transferred in connection with the Mercy transaction; however, MHSM had outstanding bonds with its previous parent company, CHE, which needed to be defeased as part of the transaction. On October 4, 2013, $69,661,000 was drawn down on a line of credit and transferred to MHSM in the form of an intercompany loan to fund the defeasance.

3. Summary of Significant Accounting Policies

Basis of Consolidation

The accompanying consolidated financial statements include the accounts of all entities of MHSM and have been prepared on the accrual basis of accounting in accordance with accounting principles accepted in the United States of America. All significant intercompany balances and transactions have been eliminated.

Use of Estimates

The preparation of these consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make assumptions, estimates, and judgments that affect the amounts reported in the financial statements, including the notes thereto, and related disclosures of commitments and contingencies, if any. Management considers critical accounting policies to be those that require more significant judgments and estimates in the preparation of the financial statements including, but not limited to, recognition of net patient service revenues, which includes contractual allowances and provision for bad debts, estimated settlements with third party payors, estimates for healthcare professional, self-insured employee health, and general liabilities and determination of fair values of certain financial instruments. Management relies on historical experience and other assumptions believed to be reasonable relative to the circumstances in making judgments and estimates. Actual results could differ materially from the estimates.

Cash and Cash Equivalents

Cash and cash equivalents include investments in liquid debt instruments with an original maturity of three months or less at the date of purchase. The carrying value of cash and cash equivalents approximates fair value.

Investments and Investment Income

Investments in marketable equities with readily determinable fair market values and all investments in debt securities are measured at fair value in the consolidated balance sheets. Investments not traded on national exchanges are measured at net asset value based on values provided by external fund managers. Investment agreements, which include guaranteed investment contracts, are held at contract value, which approximates fair value.

Investment returns (including unrealized gains and losses on trading securities, realized gains and losses on investments, interest income, and dividends) are included in deficit of revenue over expenses unless such earnings are restricted by donor or law. Investment income restricted by donors or law is reported as an increase in temporarily or permanently restricted net assets. Investment income is reported net of investment-related expenses.

MHSM's investments, including those classified as marketable securities whose use is limited, are invested and managed through the CHE Consolidated Investment Program (the "CIP Program") through September 2013. Additionally, MHSM holds and manages certain investments locally. MHSM classifies its investments in the CIP Program and its locally managed unrestricted investments as cash and trading securities.

The unrealized gains and losses related to investments and marketable securities whose use is limited are reflected as a component of investment returns, net, in the statements of operations in the consolidated financial statements for the periods ended September 30, 2013 and December 31, 2012.

Investments also include equity investments in managed funds, which include hedge funds, private partnerships, and other investments. Investments in hedge funds, private partnerships, and other investments (managed funds) are accounted for under the equity method. The equity income from these managed funds is included in investment returns, net, as a component of the unrealized gain or loss in the accompanying statement of operations.

Investments are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with these securities and the level of uncertainty related to changes in their value, it is at least reasonably possible that changes in risks in the near term could materially affect account balances and the amounts reported in the combined balance sheet and statement of operations and change in net assets.

Marketable Securities and Investments Whose Use Is Limited

Marketable securities and investments whose use is limited primarily include marketable securities designated by governance for future capital improvements and other purposes, amounts set aside in accordance with agreements with outside parties, amounts held by trustees under bond indenture agreements, and donor restricted funds.

Derivative Financial Instruments

MHSM recognizes all derivative instruments in the consolidated balance sheets at fair value. The change in fair value of derivatives is recognized as a component of deficit of revenues over expenses in the consolidated statement of operations for the period ended September 30, 2013 and year ended December 31, 2012.

Inventories

Inventories are stated at average cost, except for inventories of pharmaceutical supplies, which are stated at the lower of market or cost, as determined by the first-in, first-out method.

Property, Plant and Equipment

Property, plant and equipment acquisitions are recorded at cost. Depreciation is expensed over the estimated useful life of each class of depreciable assets and is computed using the straight-line method based on the following estimated useful lives:

Land and land improvements	8-40 years
Buildings and improvements	5-40 years
Leasehold improvements	3-20 years
Equipment	3-20 years

Equipment under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or the estimated useful life of the equipment. Such amortization is included in depreciation and amortization expense in the statements of operations. Interest cost on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of constructing those assets. Repair and maintenance costs are expensed as incurred. When property, plant and equipment are retired, sold or otherwise disposed of, the asset's carrying amount and related accumulated depreciation are removed from the accounts and any gain or loss is included in operations.

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted support, and are included in deficit of revenue over expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Long-Lived Assets

MHSM evaluates the carrying value of its long-lived assets for impairment when impairment indicators are identified. In the event that the carrying value of a long-lived asset is not supported by the fair value, MHSM will recognize an impairment loss for the difference. There were no impairment losses recorded for the period ended September 30, 2013. An impairment loss of $35,000 was recorded for the year ended December 31, 2012.

Deferred Debt Issuance Costs

Debt issuance costs totaled approximately $621,000 and $645,000 at September 30, 2013 and December 31, 2012, respectively, and are included in other assets. These costs are amortized using the straight-line method over the life of the related debt, which approximates the effective interest method.

Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by MHSM has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained in perpetuity.

MHSM classifies portions of donor-restricted contributions of perpetual duration as permanently restricted net assets. Permanently restricted net assets of MHSM are comprised of a) the original value of gifts donated to MHSM, b) the original value of subsequent gifts to MHSM, and c) accumulations to the permanent contribution in accordance with applicable donor gift instruments. Any portions of donor-restricted contributions that are not classified as permanently restricted are classified as temporarily restricted until appropriated in accordance with donor intent.

Net Patient Service Revenue

Third-party payors (Medicare, Medicaid, Champus, Workers' Compensation and commercial insurance payors) provide payments to the Hospital at amounts different from their established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounts from established charges, per diem payments and fee schedules. Net patient service revenue is the estimated amount to be realized for services rendered, including estimated retroactive adjustments. Adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined.

Patient Accounts Receivable and Allowance for Doubtful Accounts

Patient accounts receivable are stated at the amount management expects to collect from outstanding balances.

In evaluating the collectability of accounts receivable, the MHSM analyzes its historical data and trends for each of its major payor sources of revenue to estimate the appropriate allowance for

doubtful accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for doubtful accounts. For receivables associated with services provided to patients who have third-party coverage, the MHSM analyzes contractually due amounts and provides an allowance for doubtful accounts and a provision for bad debts, if necessary. For receivables associated with self-pay patients, the MHSM records a significant provision for bad debts in the period of service on the basis of historical data, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

Charity Care

MHSM provides services to all patients regardless of ability to pay. In accordance with MHSM's policy, a patient is classified as a charity patient based on income eligibility criteria as established by the *Federal Poverty Guidelines*. Charges for services to patients who meet MHSM's guidelines for charity care are not reflected in the accompanying combined financial statements. The costs (direct and indirect) associated with these services for charity care provided by MHSM approximate $11,910,000 and $12,881,000 in 2013 and 2012, respectively. These amounts do not include the provision of bad debts totaling approximately $11,502,000 and $12,536,000 in 2013 and 2012, respectively, which is reflected separately in the consolidated statements of operations.

Donor-Restricted Gifts

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations and consolidated statements of changes in net assets as net assets released from restrictions.

Other Operating Revenue

Other operating revenue is derived from services other than the provision of health care services or coverage to patients. These revenues consist of federal and state grants, rental income, support services, parking garages, gift shop income, cafeteria income, maintenance fee income, unrestricted monetary contributions, and other miscellaneous income.

Non-Operating Gains (Losses)

Non-operating gains (losses) consist primarily of meaningful use payments from the federal government, investment returns, which include investment income, dividends, unrealized and

realized gains and losses on trading securities; restructuring expenses; and the change in the fair value of interest rate swaps.

Deficit of Revenues over Expenses

The statement of activities and changes in net assets includes deficit of revenues over expenses. Changes in unrestricted net assets which are excluded from deficit of revenues over expenses, consistent with industry practice, include permanent transfers of assets to and from affiliates for other than goods and services, and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purpose of acquiring such assets).

4. Net Patient Service Revenue

Net patient service revenue from the Medicare and Medicaid programs, exclusive of managed care, accounted for approximately 35.5% and 8.1%, respectively, of total net patient service revenue in 2013 and 33.7% and 10.6%, respectively, of total net patient service revenue in 2012. Compliance with laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Management believes that adequate provision has been made for adjustments that may result from reviews by third-party payors. There is at least a reasonable possibility that recorded estimates will change by a significant amount in the near term. Estimated net settlements related to Medicare and Medicaid, collectively, of approximately $(2,088,615) and $19,687,000 in 2013 and 2012, respectively, are included as components of current and long term assets and liabilities in the accompanying consolidated balance sheets.

The differences between amounts previously estimated and amounts subsequently determined (based upon audits in process and updated data) to be recoverable from or payable to third-party payors increased net patient service revenue by approximately $2,107,000 and $3,067,000 for the period ended September 30, 2013 and year ended December 31, 2012, respectively.

Patient service revenue and contractual allowances and discounts (deductions) from these major payor sources, are as follows for the nine-month period ended September 30, 2013 and year ended December 31, 2012:

(in thousands of dollars)

	2013		2012	
	Gross Charges	Deductions	Gross Charges	Deductions
Medicare	**$ 146,479**	**$ 88,544**	$ 168,809	$ 91,816
Medicaid	**43,276**	**30,076**	58,142	36,591
Managed care and other	**129,797**	**36,406**	155,697	41,412
Uninsured	**21,521**	**13,660**	24,897	15,773
	$ 341,073	**168,686**	$ 407,545	185,592
Provision for bad debts		**11,502**		12,536
Net patient service revenue		**$ 160,885**		$ 209,417

5. Marketable Securities and Investments Whose Use is Limited

The composition of investments at September 30 and December 31 is as follows:

(in thousands of dollars)

	2013	2012
Reported at fair value		
Cash and cash equivalents	**$20,162**	$5,038
Marketable equity securities	**8,271**	6,449
Marketable debt securities	**234**	11,275
	28,667	22,762
Reported under the equity method		
Managed funds	**-**	5,007
	$28,667	$27,769

A portion of MHSM's long-term investment assets were held in the CIP Program. The CIP Program was structured under a Program Participation Agreement between MHSM and CHE. All investments in the CIP Program are professionally managed under the administration of CHE. These investments were converted to cash in 2013 in anticipation of the member substitution with EMHS.

MHSM's investments held in the CIP Program are assigned a weighted value for the period of time the funds were invested in the CIP Program. Investment income from the CIP Program, including interest income, dividends, and realized gains and losses on sales of securities, and unrealized gains and losses are distributed to MHSM based on their weighted value of investment.

The underlying fair value of investments in the CIP Program, which are traded on national exchanges (except for managed funds), is based on the final reported sales price on the last business day of the year. The fair value of investments traded in over-the-counter markets is based on the average of the last recorded bid and asked prices.

Investment returns, net, is comprised of the following for the period ended September 30, 2013 and year ended December 31:

(in thousands of dollars)	2013	2012
Investment returns, net		
Interest and dividend income, net of fees	**$(61)**	$(66)
Net realized gains on sales of securities	**-**	139
Net unrealized gains on investments-trading securities	**964**	1,713
	$903	$1,786
Temporarily restricted net assets		
Net realized gains on investments	**$13**	$11
Unrealized gains on investments	**1**	16
Net realized and unrealized gains on investments	**$14**	$27
Permanently restricted net assets		
Other changes in permanently restricted net assets		
Net realized and unrealized (losses) gains on investments	**$(2)**	$81

The following managed fund investments were recorded under the equity method of accounting, which is similar to using the net asset value per share of the investments as of December 31, 2012:

(in thousands of dollars)	Recorded Value	Unfunded Commitments	Commitment Term	Redemption Terms
Fund of Hedge Funds	$4,089	$ -	n/a	Quarter-end, semiannually, or anniversary date; with 45-90 days prior written notice
Real Estate	408	$90	2-10 years; n/a for one mutual fund	Redemption not permitted
Private Equity	510	$253	3-15 years	Redemption not permitted
Total	$5,007			

6. Fair Value Measurements

MHSM adheres to applicable accounting guidance for fair value measurements and disclosures. This guidance defines fair value, establishes a framework for measuring fair value under accounting principles generally accepted in the United States of America, and requires disclosures about fair value measurements. Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

As a basis for considering assumptions, the guidance establishes a hierarchical framework for measuring fair value (the fair value hierarchy) as follows:

Level 1: Quoted prices in active markets for identical assets.

Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar instruments; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets.

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

Financial instruments measured at fair value are based on one or more of the three valuation techniques noted in the fair value guidance. The three valuation techniques are as follows:

Market approach: Prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities.

Cost approach: Amount that would be required to replace the service capacity of an asset (i.e., replacement cost).

Income approach: Techniques to convert future amounts to a single present amount based on market expectations (including present value techniques and option-pricing models).

MHSM measures its interest rate swaps at fair market value on a recurring basis. The fair market value of the interest rate swaps is determined based on financial models that consider current and future market interest rates and adjustments for non-performance risk.

The following is a description of the valuation methodologies used for assets and liabilities measured at fair value:

1. **Cash and cash equivalents** – The fair value of cash and cash equivalents, consisting primarily of cash and money market funds, is classified as Level 1, as these financial instruments are highly liquid. The fair value of certificates of deposit and commercial paper are classified as Level 2 Cash and Cash Equivalents because their valuations are based on multiple sources of information, including quoted prices from active and non-active markets, and amortized costs which approximates fair value.

2. **Marketable equity securities** – Equity securities include both domestic equity and international equity asset classes. Investments in certain equity securities represent investments in commingled funds consisting primarily of equity securities. These investments are classified as Level 2 because although they are traded in an active market for daily closing prices measured primarily on a NAV basis, their closing prices are not published or available on active exchanges. At September 30, 2013 and December 31, 2012, notice periods are generally three (3) business days, according to provisions of the respective investment agreements. Investments in other equity (common and preferred) securities that are not considered commingled funds are measured at fair value using quoted market prices on active exchanges. They are classified as Level 1 as they are traded in an active market for which daily closing prices are readily available.

3. **Marketable debt securities** – Investments in certain fixed income securities represent investments in registered investment companies consisting primarily of fixed income securities. These investments, as well as investments in U.S. Government securities, are classified as Level 1 because they are traded in an active market for which daily closing prices, measured primarily on a NAV basis, are available. Investments in other fixed income securities that are not considered registered investment companies or U.S. Government securities are comprised primarily of corporate debt instruments and mortgage-backed securities issued by government sponsored agencies. These fixed income securities are classified as level 2 based on multiple sources of information, which may include quoted market prices from either markets that are not active or are for the same or similar assets in active markets. Investments in certain fixed securities represent investments in commingled funds consisting primarily of fixed securities. These investments are classified as level 2 because although they are traded in an active market for daily closing prices measured primarily on a NAV basis, their closing prices are not published or available on active exchanges.

4. **Interest rate swaps** – The interest rate swap agreements are valued using a pricing service at net present value. These evaluated prices render these instruments Level 2. The volatility in the fair value of the swap agreements change as long-term interest rates change.

Financial instruments that are measured at fair value at September 30 and December 31 consist of:

	2013			
(in thousands of dollars)	Level 1	Level 2	Level 3	Total
Consolidated investment program:				
Cash and cash equivalents	$16,634	$ -	$ -	$16,634
Marketable equity securities	-	-	-	-
Marketable debt securities	-	-	-	-
Total consolidated investment program	16,634	-	-	16,634
Separately invested:				
Cash and cash equivalents	3,528	-	-	3,528
Marketable equity securities	2,524	5,747	-	8,271
Marketable debt securities	-	234	-	234
Total separately invested	6,052	5,981	-	12,033
Total marketable securities and investments whose use is limited	$22,686	$5,981	$ -	$28,667
Derivative financial instruments				
Interest rate swaps - assets		$487		
Interest rate swap - liabilities		$(426)		

	2012			
(in thousands of dollars)	Level 1	Level 2	Level 3	Total
Consolidated investment program:				
Cash and cash equivalents	$899	$306	$ -	$1,205
Marketable equity securities	7	10	-	17
Marketable debt securities	3,343	7,687	-	11,030
Total consolidated investment program	4,249	8,003	-	12,252
Separately invested:				
Cash and cash equivalents	3,833	-	-	3,833
Marketable equity securities	1,607	4,825	-	6,432
Marketable debt securities	-	245	-	245
Total separately invested	5,440	5,070	-	10,510
Managed funds				5,007
Total marketable securities and investments whose use is limited	$9,689	$13,073	$ -	$27,769
Derivative financial instruments				
Interest rate swaps - assets		$584		
Interest rate swaps - liabilities		$(595)		

7. Property, Plant and Equipment

The following summarizes property, plant and equipment at September 30 and December 31:

(in thousands of dollars)	**2013**	2012
Land and land improvements	**$7,824**	$7,829
Buildings and improvements	**102,152**	102,899
Leasehold improvements	**3,067**	3,067
Equipment	**84,370**	80,534
	197,413	194,329
Less accumulated depreciation	**(100,951)**	(95,188)
	96,462	99,141
Construction in progress	**251**	2,708
Total	**$96,713**	$101,849

Depreciation expense for the periods ended September 30, 2013 and December 31, 2012 was $8,490,000 and $10,694,000, respectively.

Property, plant and equipment includes equipment under capital leases of approximately $264,000 and $287,000 at September 30, 2013 and December 31, 2012, respectively. These amounts are net of accumulated amortization at September 30, 2013 and December 31, 2012 of $23,000 and $20,000, respectively.

Disposals of property, plant and equipment had historical costs of $2,956,000 and $5,830,000 for the nine-month period ended September 30, 2013 and year ended December 31, 2012, respectively. These disposals resulted in a gain on disposal of $435,000 and loss of $146,000, respectively, for the nine-month period ended September 30, 2013 and year ended December 31, 2012.

8. Derivative Financial Instruments

CHE has entered into derivative transactions for the purpose of reducing the impact of fluctuations in interest rates and reducing interest expense. CHE has entered into basis swaps, fixed to floating interest rate swaps, and fixed payor interest rate swaps.

MHSM participated in the swaps as part of the blended cost of debt program, described more fully in Note 9. MHSM's participation ended in conjunction with the defeasance of its bonds in October 2013.

The fair value of derivative instruments at each period end is as follows:

	2013		2012	
(in thousands of dollars)	**Balance Sheet Location**	**Fair Value**	**Balance Sheet Location**	**Fair Value**
Interest rate contracts				
Fixed-to-floating	Other assets	**$21**	Other assets	$101
Basis	Other assets	**466**	Other assets	483
Fixed-payor	Other liabilities	**(426)**	Other liabilities	(595)
Total		**$61**		$(11)

The effects of derivative instruments on the consolidated statements of operations and changes in net assets for 2013 and 2012 are as follows:

(in thousands of dollars)	**Location of Gain (Loss)**	**Amount of Gain (Loss)**		**Percentage**	
		2013	**2012**	**2013**	**2012**
Interest rate contracts					
Fixed-to-floating	Change in fair value of interest	**$(80)**	$(103)	**8.2%**	7.7%
Basis	Change in fair value of interest	**(17)**	1,075	**8.9%**	8.1%
Fixed-payor	Change in fair value of interest	**169**	6	**9.2%**	8.4%
Total		**$72**	$978		

Certain of CHE's derivative instruments contain credit-risk-related provisions that require CHE and its counterparties to post collateral in varying amounts based on their respective credit ratings. If CHE's debt were to fall below investment grade, the counterparties to the derivative instruments would require CHE to post collateral only if the aggregate position of all the derivative instruments is negative. Based on CHE's current credit rating, CHE was not required to post collateral as of September 30, 2013.

9. Long-Term Debt

At September 30, long-term debt consisted of the following:

(in thousands of dollars)	2013	2012
Maine Health and Higher Educational Facilities Authority (MHHEFA) 2010C Revenue Bonds, bearing interest at a fixed rate (ranging from 2.50% to 4.00%) with annual principal payments beginning 2011 through 2023	**$7,957**	$8,722
MHHEFA 2006H Revenue Bonds, bearing interest at a variable rate (ranging from 0.05% to 0.29% for the nine-month period ended September 30, 2013), with annual principal payments through 2035	**60,665**	62,214
Other notes	**6,000**	6,002
Less unamortized premium	**16**	17
	74,638	76,955
Capital lease obligations payable in various monthly amounts, interest rates ranging from 5.00% to 8.95%	**286**	299
	74,924	77,254
Less:		
Current portion of long-term debt	**(8,424)**	(6,784)
Current portion of variable rate demand obligations	**-**	(6,693)
Long-term debt, net of current portion	$66,500	$63,777

The fair value of MHSM's long-term debt is based on quoted market prices or estimates using discounted cash flow analysis, which is based on MHSM's incremental borrowing rates for similar types of borrowing arrangements. At September 30, 2013, fair value approximated the carrying value of $74,638,000. The fair value of MHSM's long-term debt, based on quoted market prices, at December 31, 2012 was $71,208,000 compared to the carrying value of $76,955,000. This excludes capital leases, notes payable, and mortgage notes.

MHSM was a member of the CHE Obligated Group. Under CHE's Master Trust Indenture, Obligated Group members provide a gross revenue pledge and are jointly and severally liable on all obligations outstanding under the Master Indenture.

The Series 2010C and 2006H MHHEFA bonds were collateralized by a first mortgage on substantially all of the property, plant and equipment of the Hospital.

Included with the current portion of long-term debt is a $6,000,000 note payable to CHE. Please refer to Note 17 for further details.

Aggregate maturities of long-term debt and capital lease obligations as of September 30, 2013 are as follows:

(in thousands of dollars)

2014	$8,424
2015	2,531
2016	2,629
2017	2,763
2018	2,868
Thereafter	55,693
Unamortized premium and imputed interest	16
	$74,924

Aggregate maturities include maturities of variable rate demand obligations that the Hospital has the intent and ability to refinance if they became due.

Blended Cost of Debt Program

MHSM participated in the Blended Cost of Debt Program (the "Debt Program"). The purpose of the Debt Program is to establish a uniform cost of debt for participating RHCs and to mitigate the interest rate risk of an RHC.

Under the Debt Program, all debt costs, excluding taxable debt, capitalized leases, and short-term borrowing, are blended. The calculation of the blended costs incorporates bond interest, both fixed and variable, debt-related fees, such as letters of credit, credit enhancement, remarketing, auction, as well as periodic rating agency, bond trustee, master trustee and issuing authority fees, net swap payments/receipts and put/guaranty receipts, along with other miscellaneous fees related to tax-exempt debt issued by CHE and its affiliates.

Participants in the Debt Program make periodic payments to CHE. Each participant's periodic payment is based on their respective percentage of total indebtedness included in the Debt Program. Principal payments are not blended. Participants make their scheduled principal payments to CHE in the month they are due. As discussed in Note 2, the bonds were defeased in October 2013.

10. Temporarily and Permanently Restricted Net Assets and Related Endowments

Temporarily restricted net assets are those whose use by MHSM has been limited by donors to a specific time period or purpose. Temporarily restricted net assets are available for the following purposes at September 30:

(in thousands of dollars)	**2013**	2012
Temporarily Restricted Net Assets:		
Building and equipment	**$804**	$1,630
Other	**1,100**	939
	$1,904	$2,569

Investment income earned on the following permanently restricted net asset balances is directed to the following at September 30:

(in thousands of dollars)	**2013**	2012
Permanently restricted		
Other	**$1,846**	$1,788
	$1,846	$1,788

11. Professional Liability and Insurance

Professional and general liability risk was insured through the Coverys Group and a wholly owned captive insurance company of CHE. Excess insurance over the Coverys Group and coverage provided by the captive has been purchased through CHE from the commercial insurance and reinsurance markets. Both the primary and excess professional liability coverage is provided on a claims-made basis. There are known claims and incidents that may result in the assertion of additional claims, as well as claims from unknown incidents that may be asserted arising from services provided to patients. On October 4, 2014, MHSM joined the EMHS professional and general liability insurance program. Tail coverage was obtained for both professional and general liability including both the primary and excess coverage for claims incurred prior to that date. Accrued malpractice losses at September 30, 2013 have been recorded in the amount of the tail premium.

Total amounts accrued under these programs as current liabilities approximate $2,403,000 and $0 at September 30, 2013 and December 31, 2012, respectively. Total amounts accrued under these programs as long-term liabilities approximate $8,311,000 and $6,561,000 at September 30, 2013 and December 31, 2012, respectively. Amounts recognized as insurance receivables related to the claims approximate $8,311,000 and $6,561,000 at September 30, 2013 and December 31, 2012. Insurance recoveries are measured on the same basis as the liability subject to the need for a valuation allowance for uncollectible amounts. The total amount charged to expense for insurance was approximately $2,040,000 and $2,982,000 in 2013 and 2012, respectively.

MHSM participates in a self-insurance program for workers' compensation claims which is administered and maintained by a third party service provider. Losses from asserted claims and from unasserted claims identified under MHSM's incident reporting systems are accrued based on estimates that incorporate MHSM's experience, relevant trends, and other factors. MHSM has employed independent actuaries to estimate the ultimate costs, if any, of the settlement of such claims. Accrued workers compensation losses have been discounted at a rate of 3% and in management's opinion provide an adequate reserve for loss.

Total amounts accrued under these programs as current liabilities approximate $668,000 and $681,000 at September 30, 2013 and December 31, 2012, respectively. Total amounts accrued under these programs as long-term liabilities approximate $2,732,000 and $2,773,000 at September 30, 2013 and December 31, 2012, respectively. Amounts recognized as insurance receivables related to the claims approximate $800,000 and $940,000 at September 30, 2013 and December 31, 2012, respectively. Insurance recoveries are measured on the same basis as the liability subject to the need for a valuation allowance for uncollectible amounts.

On October 4, 2013, MHSM joined the EMHS workers compensation program. As part of the closing agreement, MHSM retained the liability for workers compensation claims with occurrence dates prior to October 4, 2013.

MHSM participates in a self-insurance program for employee health insurance claims which is administered and maintained by a third party service provider. Losses from asserted claims and from unasserted claims identified through program administration are accrued based on estimates that incorporate MHSM's experience, relevant trends, and other factors. MHSM has employed independent actuaries to estimate the ultimate costs, if any, of the settlement of such claims. In management's opinion, accrued employee health claim losses provide an adequate reserve for loss.

The total amounts accrued under these programs approximate $1,627,000 and $1,680,000 at September 30, 2013 and December 31, 2012, respectively, and is included within other current liabilities.

MHSM retained the self-insured employee health insurance through December 31, 2013. On January 1, 2014 MHSM joined the EMHS employee health insurance program.

12. Employee Benefit Plans

MHSM, through CHE, maintains a defined contribution pension plan for substantially all employees. Annual contributions are based on 2% of wages of eligible employees. The plan also requires MHSM to match certain percentages of employee voluntary contributions. Pension expense was approximately $2,958,000 and $3,980,000 for the period ended September 30, 2013 and year ended December 31, 2012, respectively.

MHSM maintains a deferred compensation plan in accordance with the provisions of Section 457 of the Internal Revenue Code that provides benefits to a select group of management and physicians. Under the plan, eligible employees can elect to defer and contribute a percentage or set dollar amount of their annual compensation to be accumulated on a tax-deferred basis. Assets of the plan remain MHSM assets until the designated funds are distributed to individual participants. As of September 30, 2013 and December 31, 2012, assets in the plan were approximately $2,524,000 and $1,595,000, respectively. These balances are included in Board-designated investments and funds, with a corresponding liability included in other non-current liabilities.

In October 2013, the assets of both programs were transferred from CHE to EMHS.

13. Concentrations of Credit Risk

MHSM grants credit without collateral to its patients, most of whom are insured under third-party payor agreements. Net accounts receivable from patients and third-party payors are as follows at December 31:

	2013	2012
Medicare	**32.0%**	26.2%
Medicaid	**11.8%**	19.1%
Self-pay	**23.9%**	23.6%
Other third-party payors	**3.5%**	2.8%
Commercial and managed care	**28.8%**	28.3%
	100.0%	100.0%

In addition, MHSM invests its cash and cash equivalents primarily with banks and financial institutions. These deposits may be in excess of federally insured limits. Management believes that the credit risk related to these deposits is minimal.

14. Commitments and Contingencies

MHSM is a defendant in various lawsuits relating primarily to rendering of health care services. In each instance, management is of the opinion that the liability, if any, resulting there from will be covered by insurance or will not have a material adverse impact on the consolidated financial statements.

On April 9, 2012 Mercy entered into a 5-year agreement with Accretive Health, Inc. to provide certain co-management services over the revenue cycle of Mercy Hospital. The arrangement includes shared responsibility for any increases in the cost of delivering revenue cycle services and fees that range from 20% to 30% of any lift in revenue not attributable to price, volume or changes in payor or service mix. Net fees paid to Accretive were $1,734,133 and $799,884 for the 9 months ended September 30, 2013 and for the 12 months ended December 31, 2012, respectively.

15. Operating Leases

MHSM leases office space and certain equipment under noncancelable operating leases. Rent expense was approximately $3,263,000 and $4,999,000 in 2013 and 2012, respectively.

Future minimum lease payments for all noncancelable operating leases, for which MHSM is the lessee, are as follows:

(in thousands of dollars)	**2013**
Period Ending September 30	
2014	$4,363
2015	3,710
2016	3,445
2017	3,285
2018	3,153
Thereafter	18,231
	$36,187

Future minimum lease payments for all noncancelable operating leases, for which MHSM is the lessor, are as follows:

(in thousands of dollars)	**2013**
Period Ending September 30	
2014	$43
2015	36
2016	36
2017	36
2018	36
Thereafter	2,668
	$2,855

16. Functional Expenses

MHSM provides general health care services to residents within its geographic location, including inpatient and outpatient health care services, medical/surgical, obstetrical/gynecological care, home health and hospice services, and treatment for alcoholism and drug addiction. Expenses related to providing these services are as follows:

(in thousands of dollars)	2013	2012
Health care services	$140,469	$188,611
General and administrative	31,887	40,131
Total	$172,356	$228,742

17. Related Party Transactions

MHSM's portion of the dues, management fees, and shared service fees assessed by CHE was approximately $4,434,000 and $6,621,000 for the period ended September 30, 2013 and year ended December 31, 2012, respectively. These are included as professional fees, purchased services and other expenses in the accompanying consolidated statements of operations.

In addition to fees assessed by CHE, CHE also provided monetary funding and support as needed to certain RHCs in the normal course of operations throughout the year. RHCs can satisfy these obligations by making repayments through their own investment and operating activities. As of September 30, 2013 and December 31, 2012, there was $81,000 and $6,579,000, respectively, due to CHE by MHSM for satisfaction of these obligations incurred during the respective year's operating activities. These balances are included in accounts payable and accrued expenses on the balance sheet as of September 30, 2013 and December 31, 2012, respectively, as there is no set repayment schedule for this obligation.

In October 2011, MSHM entered into a short-term borrowing with CHE for $6,000,000 with principal due upon maturity date of June 30, 2012 and interest accrued and paid on a monthly basis at a variable interest rate (1.19% as of September 30, 2013). This balance is recorded as a current liability based on the repayment terms of the arrangement. The source of the principal repayment to CHE is MaineCare third party settlement receipts reflected in long-term payables. Since MHSM did not receive the anticipated settlements by June 30, 2012, CHE granted an extension of repayment terms until June 30, 2013. The note was extended until the member substitution of MHSM to EMHS. On October 4, 2013, CHE forgave the amount of the short-term borrowing under terms of the EMHS closing agreement.

SUPPLEMENTAL INFORMATION

MERCY HEALTH SYSTEM OF MAINE

Social Accountability Schedule - Unaudited

Nine Month Period Ended September 30, 2013 and Year Ended December 31, 2012

In keeping with the mission and purpose of MHSM, to be a community of persons committed to a transforming, healing presence within the community it serves, MHSM strives to maximize the provision of services in its community and in collaboration with other organizations. A portion of MHSM's overall operating expense relates to costs incurred in providing and meeting certain community needs for which MHSM is not directly compensated.

A standard reporting and accountability process is utilized throughout MHSM to estimate the net cost of these services, referred to as Social Accountability Costs, which provides a basis of accountability and reporting to the community served for purposes of disclosing the utilization of resources. Costs reported are net of contributions or grants that have been provided to MHSM and designated for these purposes.

The information presented below has been calculated and is in presented in accordance with the Catholic Health Association's ***A Guide for Planning and Reporting Community Benefits***, Copyright 2006. Social accountability costs for the period ended September 30, 2013 and year ended December 31, 2012 are as follows:

(in thousands of dollars)	**2013**	**2012**
Cost of care of the poor	**$5,939**	$7,156
Cost of community benefit programs	**117**	305
Volunteer service provided	**56**	105
Unpaid cost of Medicaid programs	**6,171**	7,287
Social accountability costs	**$12,283**	$14,853
Percentage of operating expenses	**7.1%**	6.5%
Unpaid cost of Medicare programs	**$14,567**	$20,153

The cost of care of the poor is based on MHSM's estimated net cost of providing services to those unable to pay. The cost of the community benefit programs reflects the costs to develop and provide programs that are developed and provided to meet special community needs that would not otherwise be available. Volunteer service reflects both internal and external services provided to support patient care activities and community programs. The difference between amounts reimbursed to MHSM under the Medicare and Medicaid programs and the estimated cost of providing care for these respective programs is reflected as an unpaid cost of the program.

MERCY HEALTH SYSTEM OF MAINE

Consolidating Balance Sheet

September 30, 2013

in thousands of dollars)	Total Mercy Health System of Maine	MHSM	Mercy Hospital	VNA Home Health and Hospice
Assets				
Current assets				
Cash and cash equivalents	$ 9,154	$ 995	$ 4,548	$ 3,611
Marketable securities and investments whose use is limited	810	-	810	0
Patient accounts receivable, net of allowance for doubtful accounts of $13,562	35,955	-	33,459	2,496
Due from third-party payors	107	-	107	-
Other accounts receivable	4,412	-	4,385	27
Prepaid expenses and inventories	6,716	-	6,693	23
Total current assets	57,154	995	50,002	6,157
Marketable securities and investments whose use is limited				
Board-designated investments and funds	24,285	374	16,159	7,752
Trustee-held funds	715	-	715	-
Donor-restricted funds	2,857	-	2,809	48
	27,857	374	19,683	7,800
Property, plant and equipment, net	96,713	-	95,790	923
Due from third party payors, net of current portion	2,554	-	2,554	-
Other assets	10,687	-	10,678	9
Total assets	$194,965	$1,369	$178,707	$14,889

MERCY HEALTH SYSTEM OF MAINE

Consolidating Balance Sheet

September 30, 2013

(in thousands of dollars)	Total Mercy Health System of Maine	MHSM	Mercy Hospital	VNA Home Health and Hospice
Liabilities and Net Assets				
Current liabilities				
Current portion of long-term debt	$ 8,424	$ -	$ 8,424	$ -
Accounts payable and accrued expenses	20,771	987	19,283	501
Due to third-party payors	4,749	-	4,749	-
Other current liabilities	10,380	-	9,673	707
Total current liabilities	44,324	987	42,129	1,208
Long-term debt, net of current portion	66,500	-	66,500	-
Other liabilities	5,587	374	5,213	-
Insurance liabilities, net of current portion	11,043	-	11,043	-
Total liabilities	127,454	1,361	124,885	1,208
Net assets				
Unrestricted	63,761	8	50,120	13,633
Temporarily restricted	1,904	-	1,866	38
Permanently restricted	1,846	-	1,836	10
Total net assets	67,511	8	53,822	13,681
Total liabilities and net assets	$194,965	$1,369	$178,707	$14,889

MERCY HEALTH SYSTEM OF MAINE

Consolidating Statement of Operations

Nine Month Period Ended September 30, 2013

(in thousands of dollars)

	Total Mercy Health System of Maine	MHSM	Mercy Hospital	VNA Home Health and Hospice	Eliminations
Unrestricted revenues, gains and other support					
Net patient service revenue, net of bad debt expense of $11,502	$160,885	$ -	$150,890	$ 9,995	$ -
Contributions	255	-	216	39	-
Net assets released from restrictions used for operations	189	-	172	17	-
Other operating revenue	5,123	2,568	5,077	177	(2,699)
	166,452	2,568	156,355	10,228	(2,699)
Expenses					
Salaries, wages and benefits	101,058	1,550	91,669	7,839	-
Medical supplies	25,302	-	24,828	474	-
Purchased services, professional fees and other expenses	33,676	540	34,318	1,517	(2,699)
Depreciation and amortization	8,533	-	8,339	194	-
Interest	1,747	-	1,747	-	-
Insurance	2,040	-	2,033	7	-
	172,356	2,090	162,934	10,031	(2,699)
Operating (loss) income	(5,904)	478	(6,579)	197	-
Non-operating gains (losses)					
Investment returns, net	903	-	750	153	-
Restructuring expenses	(2,683)	(478)	(2,205)	-	-
Non-operating gains (losses), other	444	-	463	(19)	-
Increase in fair value of interest rate swaps	72	-	72	-	-
Total non-operating gains (losses)	(1,264)	(478)	(920)	134	-
(Deficit) excess of revenues over expenses	$(7,168)	$ -	$(7,499)	$ 331	$ -

MERCY HEALTH SYSTEM OF MAINE

Consolidating Statement of Changes in Net Assets

Nine Month Period Ended September 30, 2013

(in thousands of dollars)

	Total Mercy Health System of Maine	MHSM	Mercy Hospital	VNA Home Health and Hospice
Unrestricted net assets				
(Deficit) excess of revenue over expenses	$(7,168)	$ -	$(7,499)	$ 331
Net assets released from restrictions - capital expenditures	865	-	865	-
(Decrease) increase in unrestricted net assets	(6,303)	-	(6,634)	331
Temporarily restricted net assets				
Contributions	360	-	349	11
Net realized and unrealized gains on investments	14	-	14	-
Net assets released from restrictions	(1,054)	-	(1,037)	(17)
Other changes	15	-	15	-
Decrease in temporarily restricted net assets	(665)	-	(659)	(6)
Permanently restricted net assets				
Contributions	60	-	60	-
Net realized and unrealized losses on investments	(2)	-	(2)	-
Increase in permanently restricted net assets	58	-	58	-
(Decrease) increase in net assets	(6,910)	-	(7,235)	325
Net assets				
Beginning of year	74,421	8	61,057	13,356
End of year	$67,511	$ 8	$53,822	$13,681

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