

Public Disclosure Copy

Form 990

****PLEASE SIGN THIS COPY AND RETAIN FOR YOUR RECORDS****

Public Inspection Requirement

An exempt organization must make available for public inspection, upon request and without charge, a copy of its original and amended annual information returns. Each information return must be made available from the date it is required to be filed (determined without regard to any extensions), or is actually filed, whichever is later. An original return does not have to be made available if more than 3 years have passed from the date the return was required to be filed (including any extensions) or was filed, whichever is later. An amended return does not have to be made available if more than 3 years have passed from the date it was filed.

An annual information return includes an exact copy of the return (Form 990 or 990-EZ and amended return, if any) and all schedules, attachments, and supporting documents filed with the IRS. In the case of a tax-exempt organization other than a private foundation, the names and addresses of contributors to the organization need not be disclosed, and Schedule B has been redacted accordingly.

For returns filed by Section 501(c)(3) organizations after August 17, 2006, Form 990-T must also be made available for public inspection. However, only those schedules, statements, and attachments to Form 990-T that relate to the imposition of the unrelated business income tax must be made available for public inspection.

This copy of the return is provided only for Public Disclosure purposes. Any confidential information regarding donors, and schedules or attachments to Form 990-T that do not relate to the calculation of unrelated business income tax, have been removed.

Form **990**

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

OMB No. 1545-0047

2020

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Do not enter social security numbers on this form as it may be made public.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

A For the 2020 calendar year, or tax year beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization THE METHODIST HOSPITALS, INC.		D Employer identification number 35-0868133
	Doing business as		E Telephone number (219) 886-4402
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	G Gross receipts \$ 422,524,317.
	600 GRANT STREET		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
City or town, state or province, country, and ZIP or foreign postal code GARY, IN 46402		H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No	If "No," attach a list. See instructions
F Name and address of principal officer: MATTHEW DOYLE SAME AS C ABOVE		H(c) Group exemption number ▶	
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: ▶ WWW.METHODISTHOSPITALS.ORG			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: 1941	M State of legal domicile: IN

Part I Summary		Prior Year	Current Year
Activities & Governance	1 Briefly describe the organization's mission or most significant activities: THE METHODIST HOSPITALS, INC. (METHODIST) IS AN INDIANA NONPROFIT CORPORATION OPERATING TWO		
	2 Check this box <input type="checkbox"/> 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	14
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	13
	5 Total number of individuals employed in calendar year 2020 (Part V, line 2a)	5	2721
	6 Total number of volunteers (estimate if necessary)	6	65
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	11,360.
b Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	522,636.	33,629,197.
	9 Program service revenue (Part VIII, line 2g)	378,660,323.	370,601,257.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	3,691,297.	5,212,102.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	440,518.	428,628.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	383,314,774.	409,871,184.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	188,843.	88,955.
	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)	186,532,432.	187,650,524.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	202,604,425.	209,065,693.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	389,325,700.	396,805,172.	
19 Revenue less expenses. Subtract line 18 from line 12	-6,010,926.	13,066,012.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	368,092,378.	450,659,553.
	21 Total liabilities (Part X, line 26)	125,194,798.	195,355,672.
	22 Net assets or fund balances. Subtract line 21 from line 20	242,897,580.	255,303,881.

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 11.3.2021			
	MATTHEW DOYLE, CHIEF EXECUTIVE OFFICER Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name DAVID LOWENTHAL	Preparer's signature DAVID LOWENTHAL	Date 11/01/21	Check if self-employed <input type="checkbox"/>	PTIN P00378651
	Firm's name ▶ PLANTE & MORAN, PLLC	Firm's address ▶ 10 S. RIVERSIDE PLAZA, 9TH FLOOR CHICAGO, IL 60606	Firm's EIN ▶ 38-1357951	Phone no. (312) 207-1040	

May the IRS discuss this return with the preparer shown above? See instructions Yes No

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission: THE METHODIST HOSPITALS, INC'S MISSION IS TO PROVIDE COMPASSIONATE, QUALITY HEALTH CARE SERVICES TO ALL THOSE IN NEED.

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 [X] No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No

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 \$ 346,494,266. including grants of \$ 88,955.) (Revenue \$ 370,589,897.) THE METHODIST HOSPITALS, INC. HAS A COMMITMENT TO THE NEEDS OF ITS DIVERSE COMMUNITIES THROUGH QUALITY SERVICES. ITS REGIONAL REPUTATION FOR EXCELLENCE SINCE 1923 CONTINUES TO SUPPORT THE MARKET POSITION.

METHODIST HOSPITALS IS AN INDIANA NOT-FOR-PROFIT CORPORATION, 562 BED COMMUNITY-BASED HEALTHCARE SYSTEMS GOVERNED BY A BOARD OF DIRECTORS. AS STEWARDS OF THE MISSION, REINVESTMENT IN THE COMMUNITIES IS CARRIED OUT THROUGH CHARITABLE GIVING, COMMUNITY EDUCATION PROGRAMS, ECONOMIC DEVELOPMENT FORUMS, SUPPORT SERVICES, SCREENINGS, AND ADVOCATING QUALITY CARE FOR THE MOST VULNERABLE AND UNDERSERVED. METHODIST HOSPITALS CONTINUES TO BE A FRONTRUNNER IN PROMOTING COMMUNITY HEALTH INITIATIVES AND SERVING POPULATIONS WITH HIGH INCIDENTS OF ACUTE

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

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

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

4e Total program service expenses 346,494,266.

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)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		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? <i>If "Yes," complete Schedule C, Part II</i>	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? <i>If "Yes," complete Schedule C, Part III</i>		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? <i>If "Yes," complete Schedule D, Part I</i>		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? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		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? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? <i>If "Yes," complete Schedule D, Part V</i>		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? <i>If "Yes," complete Schedule D, Part VI</i>	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? <i>If "Yes," complete Schedule D, Part VII</i>		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? <i>If "Yes," complete Schedule D, Part VIII</i>		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? <i>If "Yes," complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	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)? <i>If "Yes," complete Schedule D, Part X</i>		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		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? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		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? <i>If "Yes," complete Schedule G, Part I</i>		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? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	X	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	X	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	X	

Part IV Checklist of Required Schedules (continued)

	Yes	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III		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	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 25a	X	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		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?		X
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		X
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		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		X
26 Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? If "Yes," complete Schedule L, Part III		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, key employee, creator or founder, or substantial contributor? If "Yes," complete Schedule L, Part IV		X
b A family member of any individual described in line 28a? If "Yes," complete Schedule L, Part IV		X
c A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? If "Yes," complete Schedule L, Part IV		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		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		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	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	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	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	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		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		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19?	X	

Note: All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

	Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

		Yes	No
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 2721		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	<input checked="" type="checkbox"/>	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	<input checked="" type="checkbox"/>	
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O	<input checked="" type="checkbox"/>	
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)?		<input checked="" type="checkbox"/>
b	If "Yes," enter the name of the foreign country See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		<input checked="" type="checkbox"/>
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		<input checked="" type="checkbox"/>
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		<input checked="" type="checkbox"/>
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		<input checked="" type="checkbox"/>
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		<input checked="" type="checkbox"/>
d	If "Yes," indicate the number of Forms 8282 filed during the year		
	7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		<input checked="" type="checkbox"/>
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		<input checked="" type="checkbox"/>
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the sponsoring organization make any taxable distributions under section 4966?		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? Note: See the instructions for additional information the organization must report on Schedule O.	13a	
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c	Enter the amount of reserves on hand	13c	
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a	<input checked="" type="checkbox"/>
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O	14b	
15	Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year? If "Yes," see instructions and file Form 4720, Schedule N.	15	<input checked="" type="checkbox"/>
16	Is the organization an educational institution subject to the section 4968 excise tax on net investment income? If "Yes," complete Form 4720, Schedule O.	16	<input checked="" type="checkbox"/>

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 on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line 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 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 on Schedule O.		
	1a 14		
b	Enter the number of voting members included on line 1a, above, who are independent		
	1b 13		
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?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?		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?		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?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?	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 on Schedule O		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?		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?		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	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	X	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	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	X	
13	Did the organization have a written whistleblower policy?	X	
14	Did the organization have a written document retention and destruction policy?	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	X	
b	Other officers or key employees of the organization	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?	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?		X

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed **IN**
- 18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, 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.
 Own website Another's website Upon request Other (explain on Schedule O)
- 19** Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records **MATTHEW DOYLE - 219-886-4000**
600 GRANT STREET, GARY, IN 46402

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

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

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

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

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

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)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) RAYMOND GRADY CEO (THRU 4-2020)	40.00 0.10			X				886,386.	0.	10,200.
(2) ANDRE ARTIS, MD PHYSICIAN	40.00 0.00					X		817,960.	0.	26,597.
(3) MIHAS KODENCHERY, MD PHYSICIAN	40.00 0.00					X		766,201.	0.	29,872.
(4) VINEET SHAH, MD PHYSICIAN	40.00 0.00					X		692,411.	0.	34,779.
(5) HARISH A. SHAH, MD PHYSICIAN	40.00 0.00					X		665,991.	0.	29,447.
(6) THACH NGUYEN, MD PHYSICIAN	40.00 0.00					X		561,206.	0.	11,561.
(7) MATTHEW DOYLE CFO (THRU 4-2020); CEO (BEG. 5-2020)	40.00 0.70			X				487,938.	0.	20,453.
(8) VINCENT SEVIER, MD CHIEF MEDICAL OFFICER	40.00 0.00					X		372,602.	0.	33,785.
(9) JAMES RENNEKER CHIEF NURSING OFFICER (THRU 7-2020)	40.00 0.00					X		351,632.	0.	12,556.
(10) MARLA HOYER-LAREAU CHIEF ADMINISTRATIVE OFFICER	40.00 0.00					X		296,280.	0.	22,104.
(11) WRIGHT ALCORN VP OF OPERATIONS	40.00 0.00					X		272,250.	0.	21,848.
(12) TRACEY CRANDALL VP OF HUMAN RESOURCES (THRU 9-2020)	40.00 0.00					X		212,811.	0.	18,172.
(13) BHARAT H. BARAI, MD BOARD MEMBER	2.00 0.00	X						59,170.	0.	0.
(14) ROBERT E. JOHNSON, III BOARD CHAIRMAN	2.20 0.00	X		X				6,000.	0.	0.
(15) JOHN A. LOWENSTINE, CPA BOARD VICE-CHAIRMAN	2.20 0.00	X		X				6,000.	0.	0.
(16) MATTISON A. DILTS BOARD TREASURER	2.20 0.40	X		X				6,000.	0.	0.
(17) GLENN S. VICIAN BOARD SECRETARY	2.20 0.40	X		X				6,000.	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)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) SCOTT J. MAY, CPA BOARD MEMBER	2.00 0.00	X						6,000.	0.	0.
(19) CHERYL L. PRUITT, PHD BOARD MEMBER	2.00 0.00	X						6,000.	0.	0.
(20) SCOTT T. RIBORDY BOARD MEMBER	2.20 0.00	X						6,000.	0.	0.
(21) KATRINA WRIGHT, MD BOARD MEMBER	2.00 0.00	X						6,000.	0.	0.
(22) SANETA MAIKO, PHD BOARD MEMBER	2.00 0.00	X						4,500.	0.	0.
(23) RITA R. JACKSON BOARD MEMBER	2.00 0.00	X						4,000.	0.	0.
(24) SHELICE R. TOLBERT BOARD MEMBER (BEG. 6-2020)	2.00 0.00	X						3,500.	0.	0.
(25) CURTIS WHITTAKER, SR., CPA BOARD MEMBER (BEG. 6-2020)	2.00 0.00	X						3,500.	0.	0.
(26) CHARLES D. BROOKS, JR. BOARD MEMBER (THRU 1-2020)	2.00 0.00	X						500.	0.	0.
1b Subtotal								6,506,838.	0.	271,374.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								6,506,838.	0.	271,374.

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 **210**

	Yes	No
3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual		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	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		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	(B) Description of services	(C) Compensation
COMPREHENSIVE PHARMACY SERVICES, LLC PO BOX 638316, CINCINNATI, OH 45263	PHARMACY MANAGEMENT SVCS	13,857,831.
SODEXOMAGIC, LLC PO BOX 360170, PITTSBURG, PA 15251	FOOD SVCS AND FACILITY SVCS MANAGE	8,256,530.
CROTHALL SERVICES GROUP, 13028 COLLECTION CENTER DR, CHICAGO, IL 60693	BIOMEDICAL SERVICES	4,238,350.
MEDICAL SOLUTIONS L.L.C. PO BOX 310737, DES MOINES, IA 50331	CONTRACTED NURSING LABOR	3,893,419.
AMERICAN ANESTHESIOLOGY ASSOCIATES OF ILLIN PO BOX 281034, ATLANTA, GA 30384	ANESTHESIOLOGY SERVICES	3,632,880.

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 **81**

SEE PART VII, SECTION A CONTINUATION SHEETS

Part VIII Statement of Revenue

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

			(A)	(B)	(C)	(D)
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514
Contributions, Gifts, Grants and Other-Similar Amounts	1 a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d	198,700.			
	e Government grants (contributions)	1e	32,981,752.			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	448,745.			
	g Noncash contributions included in lines 1a-1f	1g	\$			
	h Total. Add lines 1a-1f			33,629,197.		
Program Service Revenue	2 a HEALTHCARE AND SOCIAL ASSISTANCE	Business Code	621500	300,920,518.	300,920,518.	
	b DISPROPORTIONATE SHARE		621500	63,310,370.	63,310,370.	
	c OTHER PATIENT SERVICES		621500	6,320,342.	6,320,342.	
	d EMR INCENTIVE PAYMENTS		900099	38,667.	38,667.	
	e PARTNERSHIP INCOME		621500	11,360.		11,360.
	f All other program service revenue					
	g Total. Add lines 2a-2f			370,601,257.		
	3 Investment income (including dividends, interest, and other similar amounts)			3,278,328.		3,278,328.
4 Income from investment of tax-exempt bond proceeds						
5 Royalties						
Other Revenue	6 a Gross rents	6a	(i) Real	899,540.		
			(ii) Personal			
			6b Less: rental expenses	470,912.		
	6c Rental income or (loss)		428,628.			
	d Net rental income or (loss)			428,628.		428,628.
	7 a Gross amount from sales of assets other than inventory	7a	(i) Securities	14,094,266.	21,729.	
			(ii) Other			
			7b Less: cost or other basis and sales expenses	11,920,148.	262,073.	
	7c Gain or (loss)		2,174,118.	-240,344.		
	d Net gain or (loss)			1,933,774.		1,933,774.
	8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	8a				
	b Less: direct expenses	8b				
	c Net income or (loss) from fundraising events					
	9 a Gross income from gaming activities. See Part IV, line 19	9a				
	b Less: direct expenses	9b				
c Net income or (loss) from gaming activities						
10 a Gross sales of inventory, less returns and allowances	10a					
b Less: cost of goods sold	10b					
c Net income or (loss) from sales of inventory						
Miscellaneous Revenue	11 a _____	Business Code				
	b _____					
	c _____					
	d All other revenue					
	e Total. Add lines 11a-11d					
12 Total revenue. See instructions			409,871,184.	370,589,897.	11,360.	5,640,730.

Part IX Statement of Functional Expenses

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

Check if Schedule O contains a response or note to any line in this Part IX 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 domestic organizations and domestic governments. See Part IV, line 21	88,955.	88,955.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	3,141,687.	823,746.	2,317,941.	
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	146,032,724.	126,958,265.	19,074,459.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	4,496,244.	3,858,033.	638,211.	
9 Other employee benefits	23,813,958.	20,192,362.	3,621,596.	
10 Payroll taxes	10,165,911.	8,646,751.	1,519,160.	
11 Fees for services (nonemployees):				
a Management	2,093,654.	1,544,535.	549,119.	
b Legal	1,563,040.	1,207,443.	355,597.	
c Accounting	221,700.		221,700.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees	182,458.		182,458.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	54,319,195.	47,134,572.	7,184,623.	
12 Advertising and promotion	965,932.	826,204.	139,728.	
13 Office expenses	73,776,807.	67,941,517.	5,835,290.	
14 Information technology	7,161,722.	5,912,592.	1,249,130.	
15 Royalties				
16 Occupancy	9,871,835.	5,703,167.	4,168,668.	
17 Travel	173,764.	162,413.	11,351.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	13,737.	12,153.	1,584.	
20 Interest	2,611,542.	2,239,531.	372,011.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	17,798,395.	15,517,069.	2,281,326.	
23 Insurance	2,795,912.	2,550,423.	245,489.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a BAD DEBT EXPENSE	18,154,636.	18,154,636.		
b MEDICAID ASSESSMENT FEE	16,695,496.	16,695,496.		
c DUES & SUBSCRIPTIONS	524,421.	294,451.	229,970.	
d REORGANIZATION COSTS	141,447.	29,952.	111,495.	
e All other expenses				
25 Total functional expenses. Add lines 1 through 24e	396,805,172.	346,494,266.	50,310,906.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here if following SOP 98-2 (ASC 958-720)

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	23,491,118.	1	111,181,633.
	2 Savings and temporary cash investments	8,822,929.	2	8,510,135.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	65,511,578.	4	49,044,634.
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use	13,016,086.	8	12,739,123.
	9 Prepaid expenses and deferred charges	5,320,361.	9	3,884,320.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 522,277,293.		
	b Less: accumulated depreciation	10b 384,093,653.	10c	138,183,640.
	11 Investments - publicly traded securities	102,053,375.	11	109,992,041.
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	6,354,966.	15	17,124,027.
16 Total assets. Add lines 1 through 15 (must equal line 33)	368,092,378.	16	450,659,553.	
Liabilities	17 Accounts payable and accrued expenses	32,802,806.	17	39,944,538.
	18 Grants payable		18	
	19 Deferred revenue	0.	19	53,227,603.
	20 Tax-exempt bond liabilities	52,226,704.	20	72,515,662.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23 Secured mortgages and notes payable to unrelated third parties	18,800,001.	23	0.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	21,365,287.	25	29,667,869.
	26 Total liabilities. Add lines 17 through 25	125,194,798.	26	195,355,672.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	242,645,213.	27	254,561,753.
	28 Net assets with donor restrictions	252,367.	28	742,128.
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
32 Total net assets or fund balances	242,897,580.	32	255,303,881.	
33 Total liabilities and net assets/fund balances	368,092,378.	33	450,659,553.	

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	409,871,184.
2	Total expenses (must equal Part IX, column (A), line 25)	2	396,805,172.
3	Revenue less expenses. Subtract line 2 from line 1	3	13,066,012.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	242,897,580.
5	Net unrealized gains (losses) on investments	5	3,017,551.
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 on Schedule O)	9	-3,677,262.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	255,303,881.

Part XII Financial Statements and Reporting

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

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

Form 990 (2020)

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.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2020

Open to Public Inspection

Name of the organization **THE METHODIST HOSPITALS, INC.** Employer identification number **35-0868133**

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

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990 or 990-EZ).)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: _____
- 10 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions, subject to certain exceptions; and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
 - f Enter the number of supported organizations _____

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) 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) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(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) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2020 (line 6, column (f), divided by line 11, column (f))	14	%
15 Public support percentage from 2019 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test - 2020. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 33 1/3% support test - 2019. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% -facts-and-circumstances test - 2020. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% -facts-and-circumstances test - 2019. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		<input type="checkbox"/>

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

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(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) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First 5 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 2020 (line 8, column (f), divided by line 13, column (f))	15	%
16 Public support percentage from 2019 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2020 (line 10c, column (f), divided by line 13, column (f))	17	%
18 Investment income percentage from 2019 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2020. 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 - 2019. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer lines 3b and 3c below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in lines 11b and 11c below, the governing body of a supported organization?		
11a		
b A family member of a person described in line 11a above?		
11b		
c A 35% controlled entity of a person described in line 11a or 11b above? If "Yes" to line 11a, 11b, or 11c, provide detail in Part VI.		
11c		

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally Integrated Supporting Organizations

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

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

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

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

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (<i>explain in detail in Part VI</i>):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

Schedule A (Form 990 or 990-EZ) 2020

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

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	1
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	3
4	Amounts paid to acquire exempt-use assets	4
5	Qualified set-aside amounts (prior IRS approval required - provide details in Part VI)	5
6	Other distributions (describe in Part VI). See instructions.	6
7	Total annual distributions. Add lines 1 through 6.	7
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	8
9	Distributable amount for 2020 from Section C, line 6	9
10	Line 8 amount divided by line 9 amount	10

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2020	(iii) Distributable Amount for 2020
1	Distributable amount for 2020 from Section C, line 6		
2	Underdistributions, if any, for years prior to 2020 (reasonable cause required - explain in Part VI). See instructions.		
3	Excess distributions carryover, if any, to 2020		
a	From 2015		
b	From 2016		
c	From 2017		
d	From 2018		
e	From 2019		
f	Total of lines 3a through 3e		
g	Applied to underdistributions of prior years		
h	Applied to 2020 distributable amount		
i	Carryover from 2015 not applied (see instructions)		
j	Remainder. Subtract lines 3g, 3h, and 3i from line 3f.		
4	Distributions for 2020 from Section D, line 7: \$		
a	Applied to underdistributions of prior years		
b	Applied to 2020 distributable amount		
c	Remainder. Subtract lines 4a and 4b from line 4.		
5	Remaining underdistributions for years prior to 2020, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.		
6	Remaining underdistributions for 2020. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.		
7	Excess distributions carryover to 2021. Add lines 3j and 4c.		
8	Breakdown of line 7:		
a	Excess from 2016		
b	Excess from 2017		
c	Excess from 2018		
d	Excess from 2019		
e	Excess from 2020		

Schedule A (Form 990 or 990-EZ) 2020

Part VI

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

Lined area for supplemental information.

Schedule B

(Form 990, 990-EZ, or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2020

Name of the organization

THE METHODIST HOSPITALS, INC.

Employer identification number

35-0868133

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust not treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000; or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization

Employer identification number

THE METHODIST HOSPITALS, INC.

35-0868133

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
<u>1</u>	_____	\$ <u>32,881,752.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>2</u>	_____	\$ <u>335,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>3</u>	_____	\$ <u>198,700.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>4</u>	_____	\$ <u>100,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>5</u>	_____	\$ <u>50,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
<u>6</u>	_____	\$ <u>29,750.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization

Employer identification number

THE METHODIST HOSPITALS, INC.

35-0868133

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
7		\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization

Employer identification number

THE METHODIST HOSPITALS, INC.

35-0868133

Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____
_____	_____ _____ _____	\$ _____	_____

Name of organization

Employer identification number

THE METHODIST HOSPITALS, INC.

35-0868133

Part III

Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this info. once.) ▶ \$ _____
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	_____	_____	_____
	_____	_____	_____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____		_____	
_____		_____	
_____		_____	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	_____	_____	_____
	_____	_____	_____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____		_____	
_____		_____	
_____		_____	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	_____	_____	_____
	_____	_____	_____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____		_____	
_____		_____	
_____		_____	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	_____	_____	_____
	_____	_____	_____
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
_____		_____	
_____		_____	
_____		_____	

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

2020

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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.**
▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

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

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

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

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

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

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

Name of organization THE METHODIST HOSPITALS, INC.	Employer identification number 35-0868133
--	---

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 campaign activity expenditures ▶ \$ _____
- 3 Volunteer hours for political campaign activities _____

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-.

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 (grassroots lobbying)														
b Total lobbying expenditures to influence a legislative body (direct lobbying)														
c Total lobbying expenditures (add lines 1a and 1b)														
d Other exempt purpose expenditures														
e Total exempt purpose expenditures (add lines 1c and 1d)														
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:35%;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width:65%;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>	If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:													
Not over \$500,000	20% of the amount on line 1e.													
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.													
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.													
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.													
Over \$17,000,000	\$1,000,000.													
g Grassroots nontaxable amount (enter 25% of line 1f)														
h Subtract line 1g from line 1a. If zero or less, enter -0-														
i Subtract line 1f from line 1c. If zero or less, enter -0-														
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?	<input type="checkbox"/> Yes	<input type="checkbox"/> No												

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2017	(b) 2018	(c) 2019	(d) 2020	(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					

Schedule C (Form 990 or 990-EZ) 2020

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)).

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		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	
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		126,720.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		8,366.
j Total. Add lines 1c through 1i			135,086.
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?		
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?		
3 Did the organization agree to carry over lobbying and political campaign activity expenditures from the prior year?		

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

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

Part IV Supplemental Information

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

PART II-B, LINE 1, LOBBYING ACTIVITIES:

A PORTION OF MEMBERSHIP DUES PAID TO THE INDIANA HOSPITAL ASSOCIATION (IHA) IS ATTRIBUTABLE TO LOBBYING ACTIVITIES. A PERCENTAGE HAS BEEN APPLIED, AS PROVIDED BY THE ORGANIZATION.

PART II-B, LINE 1(G):

Part IV Supplemental Information *(continued)*

THE CHIEF CONSULTANT OF GOVERNMENTAL AFFAIRS MEETS WITH STATE AND LOCAL
LEGISLATORS ON ISSUES AFFECTING THE ORGANIZATION.

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2020
Open to Public Inspection

Name of the organization

THE METHODIST HOSPITALS, INC.

Employer identification number

35-0868133

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

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

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

<input type="checkbox"/> Preservation of land for public use (for example, recreation or education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> 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 7/25/06, and not on a historic structure listed in the National Register	2d

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

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

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

Yes No

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

Yes No

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

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

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

1a If the organization elected, as permitted under FASB 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 FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenue included on Form 990, Part VIII, line 1	▶ \$ _____
(ii) Assets included in Form 990, Part X	▶ \$ _____

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

a Revenue included on Form 990, Part VIII, line 1	▶ \$ _____
b Assets included in Form 990, Part X	▶ \$ _____

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

Schedule D (Form 990) 2020

032051 12-01-20

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 make 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 program
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

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

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | 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, for escrow or custodial account liability? Yes No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 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 _____ %
 - c Term endowment _____ %
- The percentages on lines 2a, 2b, and 2c should equal 100%.
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|---|--------|----|
| (i) Unrelated organizations | 3a(i) | |
| (ii) Related organizations | 3a(ii) | |
| b If "Yes" on line 3a(i), are the related organizations listed as required on Schedule R? | 3b | |

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

Part VI Land, Buildings, and Equipment.

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		5,373,674.		5,373,674.
b Buildings		315,182,414.	228,466,075.	86,716,339.
c Leasehold improvements		1,230,154.	662,548.	567,606.
d Equipment		196,043,759.	154,965,030.	41,078,729.
e Other		4,447,292.		4,447,292.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				138,183,640.

Part VII Investments - Other Securities.

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

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

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

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

Part IX Other Assets.

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

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

Part X Other Liabilities.

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) THIRD PARTY PAYOR SETTLEMENT	2,242,131.
(3) ESTIMATED SELF INSURANCE LIABILITY	6,416,732.
(4) ASBESTOS MITIGATION LIABILITY	695,089.
(5) PENSION & POST RETIREMENT	
(6) OBLIGATIONS	8,956,432.
(7) OTHER LIABILITIES	635,375.
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	29,667,869.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB 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.

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

1	Total revenue, gains, and other support per audited financial statements		1	389,453,837.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains (losses) on investments	2a	3,017,551.	
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d	-23,723,352.	
e	Add lines 2a through 2d	2e		-20,705,801.
3	Subtract line 2e from line 1	3		410,159,638.
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	182,458.	
b	Other (Describe in Part XIII.)	4b	-470,912.	
c	Add lines 4a and 4b	4c		-288,454.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5		409,871,184.

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

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

1	Total expenses and losses per audited financial statements		1	376,855,861.
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	567,866.	
e	Add lines 2a through 2d	2e		567,866.
3	Subtract line 2e from line 1	3		376,287,995.
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	182,458.	
b	Other (Describe in Part XIII.)	4b	20,334,719.	
c	Add lines 4a and 4b	4c		20,517,177.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5		396,805,172.

Part XIII Supplemental Information.

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

PART XI, LINE 2D - OTHER ADJUSTMENTS:

REVENUE FROM FOUNDATION	288,629.
BAD DEBT EXPENSE	-18,154,637.
PENSION-RELATED CHANGES OTHER THAN NET PERIODIC COST	-2,997,262.
GOODWILL IMPAIRMENT	-680,000.
PENSION-RELATED CHARGES NETTED WITH REVENUE	-2,180,082.
TOTAL TO SCHEDULE D, PART XI, LINE 2D	-23,723,352.

PART XI, LINE 4B - OTHER ADJUSTMENTS:

RENTAL EXPENSE	-470,912.
----------------	-----------

Part XIII Supplemental Information (continued)

PART XII, LINE 2D - OTHER ADJUSTMENTS:

FOUNDATION EXPENSES	96,954.
RENTAL EXPENSE	470,912.
TOTAL TO SCHEDULE D, PART XII, LINE 2D	567,866.

PART XII, LINE 4B - OTHER ADJUSTMENTS:

BAD DEBT EXPENSE	18,154,637.
PENSION RELATED CHARGES NETTED WITH REVENUE	2,180,082.
TOTAL TO SCHEDULE D, PART XII, LINE 4B	20,334,719.

**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2020

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, question 20.**
▶ **Attach to Form 990.**
▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

Name of the organization **THE METHODIST HOSPITALS, INC.** Employer identification number **35-0868133**

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	<input checked="" type="checkbox"/>	
b If "Yes," was it a written policy?	<input checked="" type="checkbox"/>	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing free care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	<input checked="" type="checkbox"/>	
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: <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input checked="" type="checkbox"/> 400% <input type="checkbox"/> Other _____ %	<input checked="" type="checkbox"/>	
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	<input checked="" type="checkbox"/>	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	<input checked="" type="checkbox"/>	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?		<input checked="" type="checkbox"/>
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?		
6a Did the organization prepare a community benefit report during the tax year?	<input checked="" type="checkbox"/>	
b If "Yes," did the organization make it available to the public?	<input checked="" type="checkbox"/>	

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						
	(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
Financial Assistance and Means-Tested Government Programs						
a Financial Assistance at cost (from Worksheet 1)			6259099.	0.	6259099.	1.65%
b Medicaid (from Worksheet 3, column a)			108637896	133096092	0.	.00%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total. Financial Assistance and Means-Tested Government Programs			114896995	133096092	6259099.	1.65%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	5	2,069	521,936.	0.	521,936.	.14%
f Health professions education (from Worksheet 5)	3	83	695,479.	213,825.	481,654.	.13%
g Subsidized health services (from Worksheet 6)			131,110.		131,110.	.03%
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			130,720.	0.	130,720.	.03%
j Total. Other Benefits	8	2,152	1479245.	213,825.	1265420.	.33%
k Total. Add lines 7d and 7j	8	2,152	116376240	133309917	7524519.	1.98%

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.

Table with 7 columns: (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. Rows include Physical improvements and housing, Economic development, Community support, Environmental improvements, Leadership development and training for community members, Coalition building, Community health improvement advocacy, Workforce development, Other, and Total.

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense: 1 Did the organization report bad debt expense... 2 Enter the amount of the organization's bad debt expense... 3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible... 4 Provide in Part VI the text of the footnote... Section B. Medicare: 5 Enter total revenue received from Medicare... 6 Enter Medicare allowable costs of care... 7 Subtract line 6 from line 5... 8 Describe in Part VI the extent to which any shortfall... Section C. Collection Practices: 9a Did the organization have a written debt collection policy... 9b If "Yes," did the organization's collection policy...

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

Table with 5 columns: (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 (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or letter of facility reporting group THE METHODIST HOSPITALS, INC (NORTHLAKE

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 1

	Yes	No
Community Health Needs Assessment		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?	1	X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C	2	X
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12	3	X
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j <input checked="" type="checkbox"/> Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>19</u>		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	5	X
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	6a	X
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C	6b	X
7 Did the hospital facility make its CHNA report widely available to the public?	7	X
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>TINYURL.COM/YT838HNJ</u>		
b <input type="checkbox"/> Other website (list url):		
c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input checked="" type="checkbox"/> Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	8	X
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>19</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	10	X
a If "Yes," (list url):		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?	10b	X
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	12a	X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?	12b	
c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

Part V Facility Information (continued)

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group THE METHODIST HOSPITALS, INC (NORTHLAKE

	Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:		
13 Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	X	
If "Yes," indicate the eligibility criteria explained in the FAP:		
a <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>200</u> % and FPG family income limit for eligibility for discounted care of <u>400</u> %		
b <input checked="" type="checkbox"/> Income level other than FPG (describe in Section C)		
c <input checked="" type="checkbox"/> Asset level		
d <input checked="" type="checkbox"/> Medical indigency		
e <input checked="" type="checkbox"/> Insurance status		
f <input checked="" type="checkbox"/> Underinsurance status		
g <input checked="" type="checkbox"/> Residency		
h <input checked="" type="checkbox"/> Other (describe in Section C)		
14 Explained the basis for calculating amounts charged to patients?	X	
15 Explained the method for applying for financial assistance?	X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):		
a <input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b <input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c <input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d <input checked="" type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e <input checked="" type="checkbox"/> Other (describe in Section C)		
16 Was widely publicized within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
a <input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>TINYURL.COM/58HM9H77</u>		
b <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>TINYURL.COM/3HH9RYDT</u>		
c <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>TINYURL.COM/FD222BD8</u>		
d <input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e <input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f <input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g <input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
h <input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i <input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations		
j <input checked="" type="checkbox"/> Other (describe in Section C)		

Schedule H (Form 990) 2020

Part V Facility Information (continued)

Billing and Collections

Name of hospital facility or letter of facility reporting group THE METHODIST HOSPITALS, INC (NORTHLAKE

	Yes	No
17 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon nonpayment?	X	
18 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:		
a <input type="checkbox"/> Reporting to credit agency(ies)		
b <input type="checkbox"/> Selling an individual's debt to another party		
c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP		
d <input type="checkbox"/> Actions that require a legal or judicial process		
e <input type="checkbox"/> Other similar actions (describe in Section C)		
f <input checked="" type="checkbox"/> None of these actions or other similar actions were permitted		
19 Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?		X
If "Yes," check all actions in which the hospital facility or a third party engaged:		
a <input type="checkbox"/> Reporting to credit agency(ies)		
b <input type="checkbox"/> Selling an individual's debt to another party		
c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP		
d <input type="checkbox"/> Actions that require a legal or judicial process		
e <input type="checkbox"/> Other similar actions (describe in Section C)		
20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply):		
a <input checked="" type="checkbox"/> Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs (if not, describe in Section C)		
b <input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process (if not, describe in Section C)		
c <input checked="" type="checkbox"/> Processed incomplete and complete FAP applications (if not, describe in Section C)		
d <input checked="" type="checkbox"/> Made presumptive eligibility determinations (if not, describe in Section C)		
e <input type="checkbox"/> Other (describe in Section C)		
f <input type="checkbox"/> None of these efforts were made		

Policy Relating to Emergency Medical Care

	Yes	No
21 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	X	
If "No," indicate why:		
a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b <input type="checkbox"/> The hospital facility's policy was not in writing		
c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)		
d <input type="checkbox"/> Other (describe in Section C)		

Part V Facility Information *(continued)*

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

Name of hospital facility or letter of facility reporting group THE METHODIST HOSPITALS, INC (NORTHLAKE

		Yes	No
22	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.		
	a <input checked="" type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period		
	b <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
	c <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
	d <input type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method		
23	During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Section C.		X
24	During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Section C.		X

Schedule H (Form 990) 2020

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or letter of facility reporting group THE METHODIST HOSPITALS, INC (SOUTHLAKE

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 2

	Yes	No
Community Health Needs Assessment		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?	1	X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C	2	X
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12	3	X
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j <input checked="" type="checkbox"/> Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>19</u>		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	5	X
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C	6a	X
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C	6b	X
7 Did the hospital facility make its CHNA report widely available to the public?	7	X
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>TINYURL.COM/YT838HNJ</u>		
b <input type="checkbox"/> Other website (list url):		
c <input checked="" type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input checked="" type="checkbox"/> Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	8	X
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>19</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	10	X
a If "Yes," (list url):		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?	10b	X
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	12a	X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?	12b	
c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

Part V Facility Information (continued)

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group THE METHODIST HOSPITALS, INC (SOUTHLAKE

	Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:		
13 Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	X	
If "Yes," indicate the eligibility criteria explained in the FAP:		
a <input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>200</u> % and FPG family income limit for eligibility for discounted care of <u>400</u> %		
b <input checked="" type="checkbox"/> Income level other than FPG (describe in Section C)		
c <input checked="" type="checkbox"/> Asset level		
d <input checked="" type="checkbox"/> Medical indigency		
e <input checked="" type="checkbox"/> Insurance status		
f <input checked="" type="checkbox"/> Underinsurance status		
g <input checked="" type="checkbox"/> Residency		
h <input checked="" type="checkbox"/> Other (describe in Section C)		
14 Explained the basis for calculating amounts charged to patients?	X	
15 Explained the method for applying for financial assistance?	X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):		
a <input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b <input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c <input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d <input checked="" type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e <input checked="" type="checkbox"/> Other (describe in Section C)		
16 Was widely publicized within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
a <input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>TINYURL.COM/58HM9H77</u>		
b <input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>TINYURL.COM/3HH9RYDT</u>		
c <input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>TINYURL.COM/FD222BD8</u>		
d <input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e <input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f <input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g <input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
h <input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i <input checked="" type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations		
j <input checked="" type="checkbox"/> Other (describe in Section C)		

Part V Facility Information (continued)

Billing and Collections

Name of hospital facility or letter of facility reporting group THE METHODIST HOSPITALS, INC (SOUTHLAKE

17 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon nonpayment?

18 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:

- a Reporting to credit agency(ies)
- b Selling an individual's debt to another party
- c Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP
- d Actions that require a legal or judicial process
- e Other similar actions (describe in Section C)
- f None of these actions or other similar actions were permitted

19 Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?

If "Yes," check all actions in which the hospital facility or a third party engaged:

- a Reporting to credit agency(ies)
- b Selling an individual's debt to another party
- c Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP
- d Actions that require a legal or judicial process
- e Other similar actions (describe in Section C)

20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply):

- a Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs (if not, describe in Section C)
- b Made a reasonable effort to orally notify individuals about the FAP and FAP application process (if not, describe in Section C)
- c Processed incomplete and complete FAP applications (if not, describe in Section C)
- d Made presumptive eligibility determinations (if not, describe in Section C)
- e Other (describe in Section C)
- f None of these efforts were made

Policy Relating to Emergency Medical Care

21 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?

If "No," indicate why:

- 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 Section C)
- d Other (describe in Section C)

	Yes	No
17	X	
18		
19		X
20		
21	X	

Part V Facility Information *(continued)*

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

Name of hospital facility or letter of facility reporting group THE METHODIST HOSPITALS, INC (SOUTHLAKE

	Yes	No
<p>22 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.</p> <p>a <input checked="" type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period</p> <p>b <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period</p> <p>c <input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period</p> <p>d <input type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method</p>		
<p>23 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?</p> <p>If "Yes," explain in Section C.</p>	23	X
<p>24 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?</p> <p>If "Yes," explain in Section C.</p>	24	X

Schedule H (Form 990) 2020

Part V Facility Information *(continued)*

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

THE METHODIST HOSPITALS, INC (NORTHLAKE CAMPUS):

PART V, SECTION B, LINE 3J: THE CHNA THAT WAS CONDUCTED CONTAINED: THE TOP COMMUNITY HEALTH AND SOCIAL PROBLEMS, BARRIERS TO GOOD HEALTH, DEMOGRAPHICS OF THE PRIMARY SERVICE AREAS AS COMPARED TO THE STATE AND COUNTY THE HOSPITAL IS LOCATED IN; DEATH, DISEASE, AND CHRONIC CONDITIONS THAT ARE PREVALENT IN THE PRIMARY SERVICE AREA. THE SURVEY ALSO DEFINES THE SAMPLE AND DATA COLLECTION METHODOLOGY USED ALONG WITH A COPY OF THE SURVEY.

THE METHODIST HOSPITALS, INC (SOUTHLAKE CAMPUS):

PART V, SECTION B, LINE 3J: THE CHNA THAT WAS CONDUCTED CONTAINED: THE TOP COMMUNITY HEALTH AND SOCIAL PROBLEMS, BARRIERS TO GOOD HEALTH, DEMOGRAPHICS OF THE PRIMARY SERVICE AREAS AS COMPARED TO THE STATE AND COUNTY THE HOSPITAL IS LOCATED IN; DEATH, DISEASE, AND CHRONIC CONDITIONS THAT ARE PREVALENT IN THE PRIMARY SERVICE AREA. THE SURVEY ALSO DEFINES THE SAMPLE AND DATA COLLECTION METHODOLOGY USED ALONG WITH A COPY OF THE SURVEY.

THE METHODIST HOSPITALS, INC (NORTHLAKE CAMPUS):

PART V, SECTION B, LINE 5: THE COMMUNITY HEALTH NEEDS ASSESSMENT WAS COMPRISED OF A SERIES OF ONLINE INTERVIEWS WITH COMMUNITY AND HEALTH CARE LEADERS, SECONDARY ANALYSIS OF THE REGIONAL DEMOGRAPHICS AND HEALTH TRENDS, AND A QUANTITATIVE SURVEY OF RESIDENTS OF THE REGION USING BOTH AN ONLINE AND PAPER-BASED SURVEY THAT WAS DISTRIBUTED AT LOCATIONS AND EVENTS SUCH AS: SENIOR CENTERS, FOHCS, LOCAL COLLEGES, HEALTH FAIRS, PHYSICIAN

Part V Facility Information (continued)

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

SEMINARS, AND CHURCHES. OUTREACH TO DISTRIBUTE PAPER SURVEYS WAS USED SO AS TO IMPROVE THE SURVEY SCOPE TO THOSE THAT MAY BE UNDER-REPRESENTED IN A TRADITIONAL SURVEY RESEARCH PROJECT.

THE METHODIST HOSPITALS, INC (SOUTHLAKE CAMPUS):

PART V, SECTION B, LINE 5: THE COMMUNITY HEALTH NEEDS ASSESSMENT WAS COMPRISED OF A SERIES OF ONLINE INTERVIEWS WITH COMMUNITY AND HEALTH CARE LEADERS, SECONDARY ANALYSIS OF THE REGIONAL DEMOGRAPHICS AND HEALTH TRENDS, AND A QUANTITATIVE SURVEY OF RESIDENTS OF THE REGION USING BOTH AN ONLINE AND PAPER-BASED SURVEY THAT WAS DISTRIBUTED AT LOCATIONS AND EVENTS SUCH AS: SENIOR CENTERS, FOHCS, LOCAL COLLEGES, HEALTH FAIRS, PHYSICIAN SEMINARS, AND CHURCHES. OUTREACH TO DISTRIBUTE PAPER SURVEYS WAS USED SO AS TO IMPROVE THE SURVEY SCOPE TO THOSE THAT MAY BE UNDER-REPRESENTED IN A TRADITIONAL SURVEY RESEARCH PROJECT.

THE METHODIST HOSPITALS, INC (NORTHLAKE CAMPUS):

PART V, SECTION B, LINE 6A: THE METHODIST HOSPITALS, INC'S CHNA WAS CONDUCTED JOINTLY WITH THE FOLLOWING OTHER HOSPITAL ORGANIZATIONS: COMMUNITY HEALTHCARE SYSTEMS AND FRANCISCAN ALLIANCE OF NORTHWEST INDIANA.

THE METHODIST HOSPITALS, INC (SOUTHLAKE CAMPUS):

PART V, SECTION B, LINE 6A: THE METHODIST HOSPITALS, INC'S CHNA WAS CONDUCTED JOINTLY WITH THE FOLLOWING OTHER HOSPITAL ORGANIZATIONS: COMMUNITY HEALTHCARE SYSTEMS AND FRANCISCAN ALLIANCE OF NORTHWEST INDIANA.

Part V Facility Information (continued)

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

THE METHODIST HOSPITALS, INC (NORTHLAKE CAMPUS):

PART V, SECTION B, LINE 7D: THE COMMUNITY HEALTH NEEDS ASSESSMENT IS AVAILABLE ON METHODIST HOSPITAL'S WEBSITE AND IS ALSO AVAILABLE UPON REQUEST.

THE METHODIST HOSPITALS, INC (SOUTHLAKE CAMPUS):

PART V, SECTION B, LINE 7D: THE COMMUNITY HEALTH NEEDS ASSESSMENT IS AVAILABLE ON METHODIST HOSPITAL'S WEBSITE AND IS ALSO AVAILABLE UPON REQUEST.

THE METHODIST HOSPITALS, INC (NORTHLAKE CAMPUS):

PART V, SECTION B, LINE 11: METHODIST HOSPITALS USED THE CHNA TO IDENTIFY ISSUES OF GREATEST CONCERN, THAT ARE ALIGNED WITH STATE HEALTH DEPARTMENT PRIORITIES AND DEVELOPED ACTION PLANS ON KEY FOCUS AREAS IN WHICH METHODIST HAS BOTH EXPERTISE AND RESOURCES TO COMMIT IN ORDER TO IMPROVE RESIDENT'S HEALTH, IMPROVE QUALITY OF LIFE, REDUCE HEALTH DISPARITIES AND TO INCREASE ACCESSIBILITY TO PREVENTATIVE SERVICES. THE HEALTH NEEDS IDENTIFIED IN THE 2019 CHNA INCLUDED THE FOLLOWING PRIORITY FOCUS AREAS: CHILD HEALTH AND WELLBEING WITH FOCUSES ON REDUCING INFANT MORTALITY, ENCOURAGING BREASTFEEDING, AND DEVELOPING DAY CARE SERVICES; FOOD AND NUTRITION - WITH FOCUS ON IMPROVING ACCESS TO HEALTHY FOODS; AND CHRONIC DISEASE WITH A FOCUS ON HEART DISEASE PREVENTION AND SMOKING CESSATION. DURING 2020, THE COVID-19 PANDEMIC CAUSED METHODIST TO PUT ON HOLD SOME OF ITS INITIATIVES IN ORDER TO LIMIT EXPOSURE AND SPREAD OF COVID-19 TO THE COMMUNITY IT SERVES. LATE IN 2020 AND WHILE STILL IN THE MIDST OF THE COVID-19 PANDEMIC, METHODIST DEVELOPED DIFFERENT WAYS TO SAFELY REFOCUS

Part V Facility Information (continued)

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

EFFORTS ON THE FOLLOWING AREAS OF: CANCER, HEART DISEASE AND STROKE, AND ACCESS TO CARE PROGRAMS. METHODIST HOSPITALS DOES NOT CURRENTLY HAVE PROGRAMS THAT SPECIFICALLY ADDRESS THE REGION'S DISABILITY CARE, UNEMPLOYMENT/JOB TRAINING, POVERTY AND HOMELESSNESS, AND VIOLENCE, VIOLENT CRIME AND DOMESTIC ABUSE.

THE METHODIST HOSPITALS, INC (SOUTHLAKE CAMPUS):

PART V, SECTION B, LINE 11: METHODIST HOSPITALS USED THE CHNA TO IDENTIFY ISSUES OF GREATEST CONCERN, THAT ARE ALIGNED WITH STATE HEALTH DEPARTMENT PRIORITIES AND DEVELOPED ACTION PLANS ON KEY FOCUS AREAS IN WHICH METHODIST HAS BOTH EXPERTISE AND RESOURCES TO COMMIT IN ORDER TO IMPROVE RESIDENT'S HEALTH, IMPROVE QUALITY OF LIFE, REDUCE HEALTH DISPARITIES AND TO INCREASE ACCESSIBILITY TO PREVENTATIVE SERVICES. THE HEALTH NEEDS IDENTIFIED IN THE 2019 CHNA INCLUDED THE FOLLOWING PRIORITY FOCUS AREAS: CHILD HEALTH AND WELLBEING WITH FOCUSES ON REDUCING INFANT MORTALITY, ENCOURAGING BREASTFEEDING, AND DEVELOPING DAY CARE SERVICES; FOOD AND NUTRITION - WITH FOCUS ON IMPROVING ACCESS TO HEALTHY FOODS; AND CHRONIC DISEASE WITH A FOCUS ON HEART DISEASE PREVENTION AND SMOKING CESSATION. DURING 2020, THE COVID-19 PANDEMIC CAUSED METHODIST TO PUT ON HOLD SOME OF ITS INITIATIVES IN ORDER TO LIMIT EXPOSURE AND SPREAD OF COVID-19 TO THE COMMUNITY IT SERVES. LATE IN 2020 AND WHILE STILL IN THE MIDST OF THE COVID-19 PANDEMIC, METHODIST DEVELOPED DIFFERENT WAYS TO SAFELY REFOCUS EFFORTS ON THE FOLLOWING AREAS OF: CANCER, HEART DISEASE AND STROKE, AND ACCESS TO CARE PROGRAMS. METHODIST HOSPITALS DOES NOT CURRENTLY HAVE PROGRAMS THAT SPECIFICALLY ADDRESS THE REGION'S DISABILITY CARE, UNEMPLOYMENT/JOB TRAINING, POVERTY AND HOMELESSNESS, AND VIOLENCE, VIOLENT CRIME AND DOMESTIC ABUSE.

Part V Facility Information (continued)

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

THE METHODIST HOSPITALS, INC (NORTHLAKE CAMPUS):

PART V, SECTION B, LINE 13B: METHODIST HOSPITALS PROVIDES EMERGENCY AND OTHER MEDICALLY NECESSARY SERVICES AT NO CHARGE TO THE PATIENT IF THE FAMILY INCOME IS AT OR BELOW 200% OF THE FEDERAL POVERTY GUIDELINES (FPG). PATIENTS WHOSE FAMILY INCOME IS BETWEEN 200 - 400% OF FPG ARE ELIGIBLE FOR SLIDING-SCALE FINANCIAL RELIEF. ALL OTHER APPLICANTS WILL BE SCREENED FOR OTHER SOURCES OF PAYMENT TO DETERMINE WHAT LEVEL OF FINANCIAL ASSISTANCE MAY BE GRANTED.

THE METHODIST HOSPITALS, INC (SOUTHLAKE CAMPUS):

PART V, SECTION B, LINE 13B: METHODIST HOSPITALS PROVIDES EMERGENCY AND OTHER MEDICALLY NECESSARY SERVICES AT NO CHARGE TO THE PATIENT IF THE FAMILY INCOME IS AT OR BELOW 200% OF THE FEDERAL POVERTY GUIDELINES (FPG). PATIENTS WHOSE FAMILY INCOME IS BETWEEN 200 - 400% OF FPG ARE ELIGIBLE FOR SLIDING-SCALE FINANCIAL RELIEF. ALL OTHER APPLICANTS WILL BE SCREENED FOR OTHER SOURCES OF PAYMENT TO DETERMINE WHAT LEVEL OF FINANCIAL ASSISTANCE MAY BE GRANTED.

THE METHODIST HOSPITALS, INC (NORTHLAKE CAMPUS):

PART V, SECTION B, LINE 13H: FAMILY SIZE AND COMPOSITION.

THE METHODIST HOSPITALS, INC (SOUTHLAKE CAMPUS):

PART V, SECTION B, LINE 13H: FAMILY SIZE AND COMPOSITION

Part V Facility Information (continued)

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

THE METHODIST HOSPITALS, INC (NORTHLAKE CAMPUS):

PART V, SECTION B, LINE 15E: METHODIST HOSPITALS MAY UTILIZE OTHER SOURCES OF INFORMATION TO MAKE INDIVIDUAL ASSESSMENTS OF FINANCIAL NEED. METHODIST MAY UTILIZE A THIRD-PARTY TO CONDUCT AN ELECTRONIC REVIEW OF PATIENT INFORMATION TO ASSESS FINANCIAL NEED USING A HEALTHCARE INDUSTRY-RECOGNIZED MODEL BASED ON PUBLIC RECORD DATABASES. IN ADDITION, METHODIST HOSPITALS PROVIDES WEB LINKS TO STATE AND FEDERAL INSURANCE PROGRAMS GEARED TOWARDS THE UNINSURED.

THE METHODIST HOSPITALS, INC (SOUTHLAKE CAMPUS):

PART V, SECTION B, LINE 15E: METHODIST HOSPITALS MAY UTILIZE OTHER SOURCES OF INFORMATION TO MAKE INDIVIDUAL ASSESSMENTS OF FINANCIAL NEED. METHODIST MAY UTILIZE A THIRD-PARTY TO CONDUCT AN ELECTRONIC REVIEW OF PATIENT INFORMATION TO ASSESS FINANCIAL NEED USING A HEALTHCARE INDUSTRY-RECOGNIZED MODEL BASED ON PUBLIC RECORD DATABASES. IN ADDITION, METHODIST HOSPITALS PROVIDES WEB LINKS TO STATE AND FEDERAL INSURANCE PROGRAMS GEARED TOWARDS THE UNINSURED.

THE METHODIST HOSPITALS, INC (NORTHLAKE CAMPUS):

PART V, SECTION B, LINE 16J: METHODIST HOSPITALS' FINANCIAL ASSISTANCE POLICY AND INSTRUCTIONS ON HOW TO CONTACT METHODIST FOR ASSISTANCE AND FURTHER INFORMATION IS POSTED IN THE HOSPITAL AND CLINIC REGISTRATION AND ADMITTING LOCATIONS, AND IN THE EMERGENCY DEPARTMENT AND ON THE HOSPITAL'S WEBSITE. INFORMATION MAY ALSO BE OBTAINED FROM FINANCIAL COUNSELORS. IN ADDITION, METHODIST HOSPITALS INCLUDES A REFERENCE TO THE PAYMENT POLICIES

Part V Facility Information (continued)

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

AND FINANCIAL ASSISTANCE ON ALL PRINTED MONTHLY STATEMENTS AND COLLECTION LETTERS.

THE METHODIST HOSPITALS, INC (SOUTHLAKE CAMPUS):

PART V, SECTION B, LINE 16J: METHODIST HOSPITALS' FINANCIAL ASSISTANCE POLICY AND INSTRUCTIONS ON HOW TO CONTACT METHODIST FOR ASSISTANCE AND FURTHER INFORMATION IS POSTED IN THE HOSPITAL AND CLINIC REGISTRATION AND ADMITTING LOCATIONS, AND IN THE EMERGENCY DEPARTMENT AND ON THE HOSPITAL'S WEBSITE. INFORMATION MAY ALSO BE OBTAINED FROM FINANCIAL COUNSELORS. IN ADDITION, METHODIST HOSPITALS INCLUDES A REFERENCE TO THE PAYMENT POLICIES AND FINANCIAL ASSISTANCE ON ALL PRINTED MONTHLY STATEMENTS AND COLLECTION LETTERS.

THE METHODIST HOSPITALS, INC (NORTHLAKE AND SOUTHLAKE CAMPUS)

PART V, SECTION B, LINE 16A:

[HTTPS://METHODISTHOSPITALS.ORG/WP-CONTENT/UPLOADS/2021/06/PA_03-2021-FINANCIAL-ASSISTANCE-POLICY.PDF](https://methodisthospitals.org/wp-content/uploads/2021/06/pa_03-2021-financial-assistance-policy.pdf)

PART V, SECTION B, LINE 16B:

[HTTPS://METHODISTHOSPITALS.ORG/WP-CONTENT/UPLOADS/2021/03/FINANCIAL-ASSISTANCE-APPLICATION-ENGLISH2019.PDF](https://methodisthospitals.org/wp-content/uploads/2021/03/financial-assistance-application-english2019.pdf)

PART V, SECTION B, LINE 16C:

[HTTPS://METHODISTHOSPITALS.ORG/WP-CONTENT/UPLOADS/2021/03/FINANCIAL-ASSISTANCE-PLAIN-LANGUAGE-SUMMARY.PDF](https://methodisthospitals.org/wp-content/uploads/2021/03/financial-assistance-plain-language-summary.pdf)

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

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

How many non-hospital health care facilities did the organization operate during the tax year? 22

Name and address	Type of Facility (describe)
1 METHODIST HOSPITALS MEDICAL OFFICE BU 101 E 87TH AVE MERRILLVILLE, IN 46410	IMAGING AND LAB SERVICES; OUTPATIENT SURGERY CENTER; BREAST CENTER; PHYSICIA
2 METHODIST HOSPITALS ENDOSCOPY CENTER 8895 BROADWAY MERRILLVILLE, IN 46410	OUTPATIENT ENDOSCOPY CENTER
3 METHODIST HOSPITALS, INC. 2269 WEST 25TH STREET GARY, IN 46404	OUTPATIENT REHAB/PHYSICIAN OFFICES
4 METHODIST HOSPITALS PHYSICIAN GROUP 5800 BROADWAY MERRILLVILLE, IN 46410	PHYSICIAN OFFICES-CARDIOLOGY
5 METHODIST HOSPITALS NORTHLAKE PHYSICI 650 GRANT ST GARY, IN 46408	PHYSICIAN OFFICES-FAMILY MEDICINE, SURGERY, UROLOGY
6 METHODIST HOSPITALS PHYSICIAN GROUP 202 E 86TH BROADWAY STES 200, 201, 20 MERRILLVILLE, IN 46410	PHYSICIAN OFFICES-CARDIOLOGY
7 METHODIST HOSPITALS REHAB CENTER 303 E 89TH AVE MERRILLVILLE, IN 46410	OUTPATIENT REHAB, HOME HEALTH SERVICES
8 METHODIST HOSPITAL CARDIOGRAPHICS, LL 600 GRANT STREET GARY, IN 46402	EKG READINGS
9 METHODIST HOSPITALS CARE FIRST/CARDIA 751-761 EAST 81ST AVE MERRILLVILLE, IN 46410	OUTPATIENT CARDIAC REHAB, IMMEDIATE CARE CLINIC, AND PHYSICIAN OFFICES-FAMIL
10 METHODIST HOSPITALS PHYSICIAN GROUP 3195 BROADWAY GARY, IN 46403	PHYSICIAN OFFICE-INTERNAL MEDICINE

Schedule H (Form 990) 2020

Part V Facility Information (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**

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

How many non-hospital health care facilities did the organization operate during the tax year? 22

Name and address	Type of Facility (describe)
11 METHODIST HOSPITALS CENTER FOR ADVANC 200 E 89TH AVE MERRILLVILLE, IN 46410	PHYSICIAN OFFICES-NEUROSCIENCES
12 SCHERERVILLE IMAGING CENTER 7860 BURR STREET SCHERERVILLE, IN 46375	IMAGING CENTER
13 METHODIST HOSPITALS PHYSICIAN GROUP 244 E 90TH DRIVE MERRILLVILLE, IN 46410	PHYSICIAN OFFICE-PODIATRY
14 METHODIST HOSPITALS PHYSICIAN GROUP 9105-A INDIANAPOLIS BLVD HIGHLAND, IN 46322	PHYSICIAN OFFICE-PODIATRY
15 METHODIST HOSPITALS PHYSICIAN GROUP 1275 E. NORTH STREET CROWN POINT, IN 46307	IMMEDIATE CARE CLINIC AND PHYSICIAN OFFICES
16 METHODIST HOSPITALS PHYSICIAN GROUP 6101 MILLER AVE GARY, IN 46403	PHYSICIAN OFFICE-INTERNAL MEDICINE
17 METHODIST HOSPITALS PHYSICIAN GROUP 2200 GRANT ST GARY, IN 46404	PHYSICIAN OFFICE-OB/GYN
18 METHODIST HOSPITALS PHYSICIAN GROUP 502 EAST CULVER RD KNOX, IN 46534	PHYSICIAN OFFICE-CARDIOLOGY AND PODIATRY
19 METHODIST HOSPITALS PHYSICIAN GROUP 255 EAST 90TH DR - SUITE W1 MERRILLVILLE, IN 46410	PHYSICIAN OFFICE-OTOLARYNGOLOGY
20 METHODIST HOSPITALS PHYSICIAN GROUP 3229 BROADWAY - STE 104 GARY, IN 46409	PHYSICIAN OFFICES-CARDIOLOGY

Schedule H (Form 990) 2020

Part VI Supplemental Information

Provide the following information.

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

PART I, LINE 3C:

METHODIST HOSPITALS USES PUBLISHED FEDERAL POVERTY GUIDELINES TO DETERMINE ELIGIBILITY FOR CHARITY OR MAY BE ELIGIBLE FOR SLIDING-SCALE FINANCIAL RELIEF. IF A PATIENT IS DEEMED TO HAVE A CATASTROPHIC BALANCE WHICH IS A BALANCE DUE TO METHODIST HOSPITALS THAT IS GREATER THAN 25% OF THE PATIENT'S ANNUAL FAMILY INCOME AS DETERMINED OVER A 12-MONTH PERIOD, THE PATIENT MAY BE ELIGIBLE FOR FINANCIAL ASSISTANCE.

PART I, LINE 7:

THE METHODOLOGY USED IS A COST-TO-CHARGE RATIO.

PART I, LINE 7, COLUMN (F):

THE BAD DEBT EXPENSE INCLUDED ON FORM 990, PART IX, LINE 25(A), BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE IN THIS COLUMN IS \$ 18,154,636.

PART II, COMMUNITY BUILDING ACTIVITIES:

METHODIST HOSPITALS' COMMUNITY ENGAGEMENT INCLUDES A BROAD RANGE OF

Part VI Supplemental Information (Continuation)

AFFILIATIONS AND PARTNERSHIPS INCLUDING THE CITY OF GARY, GARY LITERACY COALITION, YWCA OF GARY, LOCAL CHAMBERS OF COMMERCE, COMMUNITY ORGANIZATIONS FOR FAMILIES AND YOUTH, AND THE MERRILLVILLE HIGH SCHOOL INTERNSHIP PROGRAM. THE HOSPITAL IS ALSO A LEADER IN THE SUPPORT OF A NUMBER OF HEALTH ADVOCACY ORGANIZATION INCLUDING THE AMERICAN HEART ASSOCIATION, AMERICAN CANCER SOCIETY, PINK RIBBON SOCIETY, NATIONAL MULTIPLE SCLEROSIS SOCIETY, PARKINSON'S FOUNDATION, AND THE MARCH OF DIMES. METHODIST ALSO DEMONSTRATES ITS COMMITMENT TO THE HEALTH OF ITS SURROUNDING COMMUNITIES THROUGH A WIDE ARRAY OF COMMUNITY OUTREACH PROGRAMS INCLUDING: VARIOUS SCREENING PROGRAMS, SUPPORT GROUPS, FREE HEALTH FAIRS, AND EDUCATION SEMINARS.

PART III, LINE 2:

A SIGNIFICANT PORTION OF UNINSURED PATIENTS ARE UNABLE OR UNWILLING TO PAY FOR SERVICES RENDERED BY THE HOSPITAL. FOR THOSE PATIENTS THAT DO NOT QUALIFY FOR CHARITY CARE, BASED ON HISTORICAL EXPERIENCE, A PROVISION FOR BAD DEBTS IS RECORDED RELATED TO THESE PARTICULAR PATIENTS.

PART III, LINE 3:

FOR UNINSURED AND UNDERINSURED PATIENTS WHO DO NOT QUALIFY FOR CHARITY CARE DUE TO INCOMPLETE APPLICATIONS, A PROVISION FOR BAD DEBT IS RECORDED BASED UPON HISTORICAL EXPERIENCE.

PART III, LINE 4:

GENERALLY, PATIENTS WHO ARE COVERED BY THIRD-PARTY PAYORS ARE RESPONSIBLE FOR RELATED DEDUCTIBLES AND COINSURANCE, WHICH VARY IN AMOUNT. THE HOSPITAL ALSO PROVIDES SERVICES TO UNINSURED PATIENTS, AND OFFERS THOSE UNINSURED PATIENTS A DISCOUNT, EITHER BY POLICY OR LAW, FROM STANDARD

Schedule H (Form 990)

Part VI Supplemental Information (Continuation)

CHARGES. THE HOSPITAL ESTIMATES THE TRANSACTION PRICE FOR PATIENTS WITH DEDUCTIBLES AND COINSURANCE AND FROM THOSE WHO ARE UNINSURED BASED ON HISTORICAL EXPERIENCE AND CURRENT MARKET CONDITIONS. THE INITIAL ESTIMATE OF THE TRANSACTION PRICE IS DETERMINED BY REDUCING THE STANDARD CHARGE BY ANY CONTRACTUAL ADJUSTMENTS, DISCOUNTS, AND IMPLICIT PRICE CONCESSIONS. SUBSEQUENT CHANGES TO THE ESTIMATE OF THE TRANSACTION PRICE ARE GENERALLY RECORDED AS ADJUSTMENTS TO PATIENT SERVICE REVENUE IN THE PERIOD OF THE CHANGE. FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019, CHANGES IN ITS ESTIMATES OF IMPLICIT PRICE CONCESSIONS, DISCOUNTS, AND CONTRACTUAL ADJUSTMENTS FOR PERFORMANCE OBLIGATIONS SATISFIED IN PRIOR YEARS WERE NOT SIGNIFICANT. SUBSEQUENT CHANGES THAT ARE DETERMINED TO BE THE RESULT OF AN ADVERSE CHANGE IN THE PATIENT'S ABILITY TO PAY ARE RECORDED AS BAD DEBT EXPENSE.

CONSISTENT WITH THE HOSPITAL'S MISSION, CARE IS PROVIDED TO PATIENTS REGARDLESS OF THEIR ABILITY TO PAY. THEREFORE, THE HOSPITAL HAS DETERMINED IT HAS PROVIDED IMPLICIT PRICE CONCESSIONS TO UNINSURED PATIENTS AND PATIENTS WITH OTHER UNINSURED BALANCES (FOR EXAMPLE, COPAYS AND DEDUCTIBLES). THE IMPLICIT PRICE CONCESSIONS INCLUDED IN ESTIMATING THE TRANSACTION PRICE REPRESENT THE DIFFERENCE BETWEEN AMOUNTS BILLED TO PATIENTS AND THE AMOUNTS THE HOSPITAL EXPECTS TO COLLECT BASED ON ITS COLLECTION HISTORY WITH THOSE PATIENTS.

PART III, LINE 8:

THE HOSPITAL DOES NOT REPORT ANY SHORTFALL WITH MEDICARE AS A COMMUNITY BENEFIT.

PART III, LINE 9B:

LIABILITIES FOR NON-COVERED SERVICES, INSURANCE RESIDUALS AND PURE SELF

Schedule H (Form 990)

Part VI Supplemental Information (Continuation)

PAY LIABILITIES ARE DUE WITHIN 30 DAYS OF DISCHARGE. ATTEMPTS ARE MADE TO COLLECT DEDUCTIBLES PRE-SERVICE AND DEPOSITS OR PAYMENT IN-FULL PRE-SERVICE FOR SELF-PAY PATIENTS. IF A PATIENT CANNOT PAY THE ENTIRE BALANCE WITHIN 30 DAYS, PAYMENT PLANS ARE AVAILABLE. IF THE PATIENT CANNOT PAY AT ALL, THE HOSPITAL OFFERS NEED-BASED FINANCIAL ASSISTANCE BASED ON HOUSEHOLD INCOME AS A PERCENT OF THE FPL. PATIENTS WHO HAVE THE ABILITY TO PAY, YET DEFAULT ON PAYMENT PLANS ARE SENT TO COLLECTIONS (BAD DEBT). ACCOUNTS EVALUATED FOR BAD DEBT ARE PERIODICALLY RE-SCREENED FOR PRESUMPTIVE CHARITY QUALIFICATION AND IF QUALIFIED, ARE REMOVED FROM THE COLLECTION PROCESS. MEDICARE RESIDUALS ARE INVOICED TO THE PATIENT AND SENT THROUGH A BAD DEBT COLLECTION CYCLE. IF COLLECTION ATTEMPTS ARE UNSUCCESSFUL, THE MEDICARE ACCOUNT IS REMOVED FROM COLLECTIONS AND IS REPORTED AS MEDICARE BAD DEBT.

PART VI, LINE 2:

METHODIST HOSPITALS, INC. ASSESSES THE SERVICES NEEDED BASED UPON A REVIEW OF DEMOGRAPHIC AND CLINICAL FACTORS. BASED UPON THE DATA, THE HEALTHCARE NEEDS ARE THEN COMPARED TO THE SERVICES CURRENTLY PROVIDED OR AVAILABLE IN THE IMMEDIATE AREA AND SURROUNDING COMMUNITIES. METHODIST HOSPITAL PERFORMED AN ASSESSMENT TO DETERMINE THE HEALTH STATUS, BEHAVIORS, AND NEEDS FOR RESIDENTS IN THE HOSPITAL'S SERVICE AREAS.

PART VI, LINE 3:

METHODIST PROVIDES PATIENTS WITH A PAYMENT OPTIONS BROCHURE AND "FINANCIALLY CLEARS" PATIENTS PRIOR TO SERVICE DELIVERY. FINANCIAL CLEARANCE INVOLVES ESTIMATING THE PATIENT LIABILITY, EDUCATING THE PATIENT ABOUT INSURANCE BENEFITS AND OUT-OF-POCKET EXPENSES AND AGREEING TO A PLAN WITH THE PATIENT FOR HOW THAT LIABILITY WILL BE COVERED. SELF PAY

Schedule H (Form 990)

Part VI Supplemental Information (Continuation)

PATIENTS ARE SCREENED FOR ELIGIBILITY FOR FEDERAL, STATE AND LOCAL PAYMENT SOURCES. IN ADDITION, METHODIST PUBLICIZES ON ITS WEBSITE INFORMATION ABOUT THE VARIOUS FINANCIAL ASSISTANCE PLANS THAT A PATIENT MAY BE ELIGIBLE FOR ALONG WITH THE NECESSARY APPLICATIONS.

PART VI, LINE 4:

METHODIST HOSPITALS SERVES NORTHWEST INDIANA WITH THE PRIMARY GEOGRAPHIC AREA BEING SERVED AS LAKE COUNTY, INDIANA. PORTER COUNTY, INDIANA COMPRISES MOST OF THE SECONDARY SERVICE AREA. THE DEMOGRAPHIC AREA OF THE REGION IS VERY DIVERSE, RANGING FROM THE VERY AFFLUENT TO A SIGNIFICANT INDIGENT POPULATION.

PART VI, LINE 5:

IN EARLY 2020, METHODIST HOSPITALS HOSTED IN-PERSON EDUCATIONAL, PHYSICIAN-LED SEMINARS, PREVENTATIVE HEALTH EVENTS WITH SCREENINGS AND SUPPORT GROUPS FOR OUR COMMUNITY. DUE TO THE COVID-19 PANDEMIC, IN-PERSON EVENTS WERE HALTED FOR A PERIOD OF TIME IN ORDER TO PROTECT THOSE COMMUNITY MEMBERS WE SERVE. STARTING IN THE 3RD QUARTER OF 2020, METHODIST TRANSITIONED TO VIRTUAL SUPPORT GROUPS AND PHYSICIAN-LED EDUCATIONAL SEMINARS. THE MAJORITY OF THE GOVERNING BODY MEMBERS LIVE AND/OR WORK WITHIN METHODIST HOSPITALS' SERVICE AREAS.

PART VI, LINE 6:

N/A

SCHEDULE I (Form 990)
 Department of the Treasury Internal Revenue Service
Grants and Other Assistance to Organizations, Governments, and Individuals in the United States
 Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.
 Attach to Form 990.
 Go to www.irs.gov/Form990 for the latest information.

Name of the organization: **THE METHODIST HOSPITALS, INC.**
 Employer identification number: **35-0868133**

Part I General Information on Grants and Assistance
 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No

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

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
AMERICAN HEART ASSOCIATION 405 BOARDWALK HEBRON, IN 46341	13-5613797	501(C)(3)	25,000.	0.			HEART DISEASE AWARENESS/PREVENTION PROGRAMS
GARY LITERACY COALITION 650 GRANT ST - SUITE 5 GARY, IN 46402	20-1323689	501(C)(3)	23,374.	0.			SUPPORT LOCAL LITERACY PROGRAMS

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

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No. 1545-0047

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
 ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.
 ▶ Attach to Form 990.
 ▶ Go to www.irs.gov/Form990 for instructions and the latest information.

2020

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization **THE METHODIST HOSPITALS, INC.** Employer identification number **35-0868133**

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (such as maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?

3 Indicate which, if any, of the following the organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- | | |
|---|---|
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract |
| <input type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input checked="" type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment? **4a** Yes No
- b** Participate in or receive payment from a supplemental nonqualified retirement plan? **4b** Yes No
- c** Participate in or receive payment from an equity-based compensation arrangement? **4c** Yes No
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.

5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization? **5a** Yes No
- b** Any related organization? **5b** Yes No
- If "Yes" on line 5a or 5b, describe in Part III.

6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization? **6a** Yes No
- b** Any related organization? **6b** Yes No
- If "Yes" on line 6a or 6b, describe in Part III.

7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III **7** Yes No

8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III **8** Yes No

9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? **9** Yes No

	Yes	No
1b		
2		
4a	<input checked="" type="checkbox"/>	
4b	<input checked="" type="checkbox"/>	
4c		<input checked="" type="checkbox"/>
5a		<input checked="" type="checkbox"/>
5b		<input checked="" type="checkbox"/>
6a		<input checked="" type="checkbox"/>
6b		<input checked="" type="checkbox"/>
7	<input checked="" type="checkbox"/>	
8		<input checked="" type="checkbox"/>
9		

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

Schedule J (Form 990) 2020

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.
 For each individual whose compensation must be reported on Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii).
 Do not list any individuals that aren't listed on Form 990, Part VII.

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

(A) Name and Title	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) RAYMOND GRADY CEO (THRU 4-2020)	(i) 217,977. (ii) 0.	0.	668,409.	5,997. 0.	4,203. 0.	896,586. 0.	56,919. 0.
(2) ANDRE ARTIS, MD PHYSICIAN	(i) 788,854. (ii) 0.	29,106.	0.	5,700. 0.	20,897. 0.	844,557. 0.	0. 0.
(3) MIHAS KODENCHERY, MD PHYSICIAN	(i) 733,131. (ii) 0.	33,070.	0.	4,275. 0.	25,597. 0.	796,073. 0.	0. 0.
(4) VINEET SHAH, MD PHYSICIAN	(i) 687,411. (ii) 0.	5,000.	0.	8,550. 0.	26,229. 0.	727,190. 0.	0. 0.
(5) HARISH A. SHAH, MD PHYSICIAN	(i) 648,358. (ii) 0.	17,633.	0.	8,550. 0.	20,897. 0.	695,438. 0.	0. 0.
(6) THACH NGUYEN, MD PHYSICIAN	(i) 542,289. (ii) 0.	18,917.	0.	0. 0.	11,561. 0.	572,767. 0.	0. 0.
(7) MATTHEW DOYLE CFO (THRU 4-2020); CEO (BEG. 5-2020)	(i) 477,938. (ii) 0.	10,000.	0.	0. 0.	20,453. 0.	508,391. 0.	0. 0.
(8) VINCENT SEVIER, MD CHIEF MEDICAL OFFICER	(i) 372,602. (ii) 0.	0.	0.	8,550. 0.	25,235. 0.	406,387. 0.	0. 0.
(9) JAMES RENNEKER CHIEF NURSING OFFICER (THRU 7-2020)	(i) 187,216. (ii) 0.	0.	164,416.	5,464. 0.	7,092. 0.	364,188. 0.	0. 0.
(10) MARLA HOVER-LAREAU CHIEF ADMINISTRATIVE OFFICER	(i) 296,280. (ii) 0.	0.	0.	5,538. 0.	16,566. 0.	318,384. 0.	0. 0.
(11) WRIGHT ALCORN VP OF OPERATIONS	(i) 272,250. (ii) 0.	0.	0.	3,741. 0.	18,107. 0.	294,098. 0.	0. 0.
(12) TRACEY CRANDALL VP OF HUMAN RESOURCES (THRU 9-2020)	(i) 212,811. (ii) 0.	0.	0.	0. 0.	18,172. 0.	230,983. 0.	0. 0.
	(i) (ii) (iii) (iv) (v) (vi) (vii) (viii) (ix) (x) (xi) (xii) (xiii) (xiv) (xv) (xvi) (xvii) (xviii) (xix) (xx) (xxi) (xxii) (xxiii) (xxiv) (xxv) (xxvi) (xxvii) (xxviii) (xxix) (xxx)						

Part III Supplemental Information

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

PART I, LINES 4A-B:

LINE 4A: RAYMOND GRADY RECEIVED A SEVERANCE PAYMENT OF \$369,540 IN THE CALENDAR YEAR 2020. JAMES RENNEKER RECEIVED A SEVERANCE PAYMENT OF \$113,979 IN THE CALENDAR YEAR 2020.

LINE 4B: RAYMOND GRADY PARTICIPATES IN A 457(F) PLAN. THE PURPOSE OF THE PLAN IS TO PROVIDE DEFERRED COMPENSATION PRIMARILY FOR THE PARTICIPANT. THE 457(F) PLAN IS AVAILABLE TO A SELECT GROUP OF MANAGEMENT AND HIGHLY COMPENSATED EMPLOYEES. RAYMOND GRADY RECEIVED A DISTRIBUTION FROM THE PLAN OF \$56,919 IN THE CALENDAR YEAR 2020.

PART I, LINE 7:

AS INDICATED IN SCHEDULE J, PART II, OFFICERS AND OTHER KEY EMPLOYEES RECEIVED A BONUS BASED ON PERFORMANCE AND THE FINANCIAL RESULTS OF THE ORGANIZATION. THIS BONUS WAS APPROVED BY THE EXECUTIVE STAFF FOR DIRECTOR-LEVEL BONUSES AND BY THE BOARD FOR EXECUTIVE STAFF-LEVEL BONUSES.

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

Supplemental Information on Tax-Exempt Bonds
 Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
 Attach to Form 990. Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047
2020
 Open to Public Inspection

Name of the organization: **THE METHODIST HOSPITALS, INC.**
 Employer identification number: **35-0868133**

Part I Bond Issues	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased (h) On behalf of issuer		(i) Pooled financing			
							Yes	No	Yes	No	Yes	No
A	INDIANA FINANCE AUTHORITY	35-1602316	45471AMK5	08/27/14	52517507.	REFUND PRIOR ISSUE DATED 8/15/		X				X
B												
C												
D												

Part II Proceeds	A	B	C	D
1	2,455,000.			
2				
3	52,517,507.			
4	4,672,245.			
5				
6	425,250.			
7				
8				
9				
10				
11				
12				
13	2005			

14	Were the bonds issued as part of a refunding issue of tax-exempt bonds (or, if issued prior to 2018, a current refunding issue)?	Yes		No	
		Yes	No	Yes	No
		X			
15	Were the bonds issued as part of a refunding issue of taxable bonds (or, if issued prior to 2018, an advance refunding issue)?		X		
16	Has the final allocation of proceeds been made?	X			
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X			

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule K (Form 990) 2020

Part III Private Business Use

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

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?		X						
2 If "No" to line 1, did the following apply?								
a Rebate not due yet?		X						
b Exception to rebate?	X							
c No rebate due?		X						
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed								
3 Is the bond issue a variable rate issue?		X						

Part IV Arbitrage (continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X						
b Name of provider								
c Term of hedge								
d Was the hedge superintegrated?								
e Was the hedge terminated?								
5a Were gross proceeds invested in a guaranteed investment contract (GIC)?		X						
b Name of provider								
c Term of GIC								
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?								
7 Has the organization established written procedures to monitor the requirements of section 148?	X							

Part V Procedures To Undertake Corrective Action

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

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K. See instructions.

SCHEDULE K, PART I, BOND ISSUES:
(A) ISSUER NAME: INDIANA FINANCE AUTHORITY
(F) DESCRIPTION OF PURPOSE: REFUND PRIOR ISSUE DATED 8/15/2001

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No. 1545-0047

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.

▶ Go to www.irs.gov/Form990 for the latest information.

2020

Open to Public
Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization

THE METHODIST HOSPITALS, INC.

Employer identification number

35-0868133

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

GENERAL ACUTE CARE HOSPITALS IN NORTHWEST INDIANA. AS GENERAL ACUTE
CARE FACILITIES, METHODIST PROVIDES A BROAD RANGE OF DIAGNOSTIC,
THERAPEUTIC, EMERGENCY, REHABILITATION, INPATIENT, OUTPATIENT, AND
ANCILLARY SERVICES. METHODIST'S MISSION IS TO PROVIDE HIGH QUALITY
HEALTHCARE TO ALL PERSONS REGARDLESS OF THEIR RACE, RELIGION, SEX,
NATIONAL ORIGIN, HANDICAP, AGE, OR ABILITY TO PAY. METHODIST STRIVES TO
PROVIDE APPROPRIATE HEALTH EDUCATION, WELLNESS, AND PREVENTATIVE
SERVICES. IN ADDITION, METHODIST IS COMMITTED TO BEING A RESPONSIBLE
MEMBER OF THE COMMUNITY, OFFERING ITS RESOURCES TO ASSIST IN THE
ACCOMPLISHMENT OF COMMUNITY OBJECTIVES.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

ILLNESSES.

METHODIST HOSPITALS HAS TWO FULL SERVICE ACUTE CARE CAMPUSES, 14 MILES
APART. NORTHLAKE IS THE URBAN CAMPUS IN GARY, WHILE SOUTHLAKE CAMPUS IN
MERRILLVILLE IS LOCATED NEAR ONE OF THE MIDWEST'S BUSIEST RETAIL AREAS.
COMBINED CAMPUS BED CAPACITY IS 562 INCLUDING NURSERIES. METHODIST
PROVIDES A BROAD RANGE OF DIAGNOSTIC, THERAPEUTIC, EMERGENCY,
REHABILITATION, INPATIENT, OUTPATIENT AND ANCILLARY SERVICES.

MIDLAKE CAMPUS IS AN OUTPATIENT FACILITY IN GARY CONVENIENTLY LOCATED
BETWEEN NORTHLAKE AND SOUTHLAKE CAMPUSES, PARALLEL TO INTERSTATE 80/94.
THE REHAB CENTERS, PROVIDING OUTPATIENT REHABILITATION SERVICES AT
MIDLAKE, OPENED IN 2003. LOCATED ADJACENT TO THE MAIN ENTRANCE OF THE

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

Schedule O (Form 990 or 990-EZ) 2020

032211 11-20-20

Name of the organization THE METHODIST HOSPITALS, INC.	Employer identification number 35-0868133
--	---

SOUTHLAKE CAMPUS IN MERRILLVILLE, IS THE DIAGNOSTIC OUTPATIENT CENTER AND MEDICAL OFFICE BUILDING. THIS FACILITY PROVIDES ADVANCED DIAGNOSTIC, IMAGING SERVICES, AND LABORATORY SERVICES AS WELL AS PROFESSIONAL OFFICES FOR MANY OF THE MEDICAL STAFF.

THE MEDICAL STAFF OF MORE THAN 400 PHYSICIANS REPRESENTS NEARLY 40 MEDICAL SPECIALTIES. METHODIST HOSPITALS IS ONE OF THE TOP EMPLOYERS IN NORTHWEST INDIANA WITH OVER 2,000 EMPLOYEES.

MISSION

THE MISSION IS TO PROVIDE COMPASSIONATE, QUALITY HEALTH CARE SERVICES TO ALL THOSE IN NEED.

VISION

THE VISION IS TO BE THE BEST PLACE FOR EMPLOYEES TO WORK, THE BEST PLACE FOR PATIENTS TO RECEIVE CARE AND THE BEST PLACE FOR PHYSICIANS TO PRACTICE MEDICINE.

FORM 990, PART VI, SECTION B, LINE 11B:

THE FORM 990 IS REVIEWED BY THE CONTROLLER AND CFO OF THE ORGANIZATION AND THEN SENT TO MEMBERS OF THE GOVERNING BODY FOR REVIEW PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 12C:

THE BOARD PASSED A RESOLUTION IN 1994 WHICH REQUIRES EACH BOARD MEMBER TO ANNUALLY DISCLOSE ALL SITUATIONS WHERE A POTENTIAL CONFLICT OF INTEREST MAY EXIST. THE CONFLICT OF INTEREST/RELATED PARTY QUESTIONNAIRES ARE COMPLETED AND REVIEWED ON AN ANNUAL BASIS. ANY POTENTIALLY CONFLICTED DIRECTORS ARE PROHIBITED FROM PARTICIPATING IN THE DISCUSSION ABOUT OR VOTING ON ANY

Name of the organization

THE METHODIST HOSPITALS, INC.

Employer identification number

35-0868133

CONFLICTED ISSUE.

FORM 990, PART VI, SECTION B, LINE 15:

THE HR AND GOVERNANCE COMMITTEE USES INDEPENDENT AND EXTERNAL RESOURCES FOR THE ESTABLISHMENT OF COMPENSATION FOR OFFICERS AND OTHER KEY EMPLOYEES. THE COMMITTEE USES COMPARABILITY DATA AND MARKET COMPARISONS INCLUDING COMPENSATION SURVEYS AND FORM 990 INFORMATION FROM OTHER ORGANIZATIONS AS PART OF THE COMPENSATION DETERMINATION PROCESS. THE COMPENSATION APPROACH, PROCESS, AND DATA ARE THOROUGHLY DISCUSSED IN THE COMMITTEE MEETINGS AND THE REVIEW AND APPROVALS ARE DOCUMENTED THROUGHOUT THE PROCESS. THE MOST RECENT YEAR THIS PROCESS WAS UNDERTAKEN WAS 2020.

FORM 990, PART VI, SECTION C, LINE 19:

DOCUMENTS ARE AVAILABLE UPON REQUEST.

FORM 990, PART IX, LINE 11G, OTHER FEES:

CONTRACT LABOR:

PROGRAM SERVICE EXPENSES	6,135,810.
MANAGEMENT AND GENERAL EXPENSES	38,867.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	6,174,677.

CONSULTING:

PROGRAM SERVICE EXPENSES	664,572.
MANAGEMENT AND GENERAL EXPENSES	199,619.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	864,191.

Name of the organization THE METHODIST HOSPITALS, INC.	Employer identification number 35-0868133
--	---

PROFESSIONAL FEES:

PROGRAM SERVICE EXPENSES	10,046,029.
MANAGEMENT AND GENERAL EXPENSES	48,865.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	10,094,894.

PURCHASED SERVICES:

PROGRAM SERVICE EXPENSES	23,773,087.
MANAGEMENT AND GENERAL EXPENSES	5,971,751.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	29,744,838.

BILLING:

PROGRAM SERVICE EXPENSES	90,070.
MANAGEMENT AND GENERAL EXPENSES	24,080.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	114,150.

MARKETING:

PROGRAM SERVICE EXPENSES	149,972.
MANAGEMENT AND GENERAL EXPENSES	25,310.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	175,282.

TRANSCRIPTION SERVICES:

PROGRAM SERVICE EXPENSES	101,613.
MANAGEMENT AND GENERAL EXPENSES	17,027.
FUNDRAISING EXPENSES	0.

Name of the organization THE METHODIST HOSPITALS, INC.	Employer identification number 35-0868133
--	---

TOTAL EXPENSES	118,640.
-----------------------	-----------------

REFERENCE LABORATORY SERVICES:

PROGRAM SERVICE EXPENSES	5,646,158.
---------------------------------	-------------------

MANAGEMENT AND GENERAL EXPENSES	0.
--	-----------

FUNDRAISING EXPENSES	0.
-----------------------------	-----------

TOTAL EXPENSES	5,646,158.
-----------------------	-------------------

TRANSPORTATION SERVICES:

PROGRAM SERVICE EXPENSES	527,261.
---------------------------------	-----------------

MANAGEMENT AND GENERAL EXPENSES	0.
--	-----------

FUNDRAISING EXPENSES	0.
-----------------------------	-----------

TOTAL EXPENSES	527,261.
-----------------------	-----------------

COLLECTION FEES:

PROGRAM SERVICE EXPENSES	0.
---------------------------------	-----------

MANAGEMENT AND GENERAL EXPENSES	859,104.
--	-----------------

FUNDRAISING EXPENSES	0.
-----------------------------	-----------

TOTAL EXPENSES	859,104.
-----------------------	-----------------

TOTAL OTHER FEES ON FORM 990, PART IX, LINE 11G, COL A	54,319,195.
---	--------------------

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

PENSION RELATED CHANGES OTHER THAN NET PERIODIC COST	-2,997,262.
---	--------------------

GOODWILL IMPAIRMENT	-680,000.
----------------------------	------------------

TOTAL TO FORM 990, PART XI, LINE 9	-3,677,262.
---	--------------------

FORM 990, PART XII, LINE 3B:

THE REQUIRED SINGLE AUDIT AS SET FORTH IN THE SINGLE AUDIT ACT AND OMB

Name of the organization

THE METHODIST HOSPITALS, INC.

Employer identification number

35-0868133

CIRCULAR A-133 HAS NOT BEEN COMPLETED YET FOR THE CALENDAR YEAR-END
12/31/20, BUT PLANS TO BE COMPLETED BY THE EXTENDED DUE DATE AS
ESTABLISHED IN OMB M-20-26.

SCHEDULE R (Form 990)
 Department of the Treasury Internal Revenue Service
Related Organizations and Unrelated Partnerships
 Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
 Attach to Form 990.
 Go to www.irs.gov/Form990 for instructions and the latest information.

Name of the organization: **THE METHODIST HOSPITALS, INC.**
 Employer identification number: **35-0868133**

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
METHODIST PATHOLOGY LLC - 20-3642476 600 GRANT ST GARY, IN 46402	PATHOLOGY SERVICES	INDIANA	0.	0.	THE METHODIST HOSPITALS, INC
METHODIST ANESTHESIA LLC - 20-1954536 600 GRANT ST GARY, IN 46402	ANESTHESIA SERVICES	INDIANA	0.	0.	THE METHODIST HOSPITALS, INC
METHODIST RADIOGRAPHICS LLC - 20-1349870 600 GRANT ST GARY, IN 46402	READING RADIOGRAMS	INDIANA	592,727.	70,444.	THE METHODIST HOSPITALS, INC
METHODIST AUXILIARY - 35-0816733 600 GRANT ST GARY, IN 46402	SUPPORTING ORGANIZATION	INDIANA	2,910.	45,103.	THE METHODIST HOSPITALS, INC

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
THE METHODIST HOSPITALS FOUNDATION - 27-1495289, 600 GRANT STREET, GARY, IN 46402	SUPPORTING ORGANIZATION	INDIANA	501(C)(3)	LINE 12A, I	THE METHODIST HOSPITALS, INC.		X

THE METHODIST HOSPITALS, INC.

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

		Yes	No
Note: Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.			
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a	Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity		X
b	Gift, grant, or capital contribution to related organization(s)		X
c	Gift, grant, or capital contribution from related organization(s)	X	
d	Loans or loan guarantees to or for related organization(s)		X
e	Loans or loan guarantees by related organization(s)		X
f	Dividends from related organization(s)		X
g	Sale of assets to related organization(s)		X
h	Purchase of assets from related organization(s)		X
i	Exchange of assets with related organization(s)		X
j	Lease of facilities, equipment, or other assets to related organization(s)		X
k	Lease of facilities, equipment, or other assets from related organization(s)		X
l	Performance of services or membership or fundraising solicitations for related organization(s)	X	
m	Performance of services or membership or fundraising solicitations by related organization(s)		X
n	Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	X	
o	Sharing of paid employees with related organization(s)	X	
p	Reimbursement paid to related organization(s) for expenses		X
q	Reimbursement paid by related organization(s) for expenses	X	
r	Other transfer of cash or property to related organization(s)		X
s	Other transfer of cash or property from related organization(s)		X

2	(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)	THE METHODIST HOSPITALS FOUNDATION, INC.	C	198,700.	CASH
(2)	THE METHODIST HOSPITALS FOUNDATION, INC.	Q	73,951.	ACTUAL COST
(3)				
(4)				
(5)				
(6)				

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

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

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

Exempt Organization Business Income Tax Return
(and proxy tax under section 6033(e))

2020

For calendar year 2020 or other tax year beginning _____, and ending _____

▶ Go to www.irs.gov/Form990T for instructions and the latest information.

▶ Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

Open to Public Inspection for 501(c)(3) Organizations Only

Department of the Treasury
Internal Revenue Service

A <input type="checkbox"/> Check box if address changed.	Print or Type	Name of organization (<input type="checkbox"/> Check box if name changed and see instructions.) THE METHODIST HOSPITALS, INC.	D Employer identification number 35-0868133
B Exempt under section <input checked="" type="checkbox"/> 501(c)(3)) <input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e) <input type="checkbox"/> 408A <input type="checkbox"/> 530(a) <input type="checkbox"/> 529(a) <input type="checkbox"/> 529S		Number, street, and room or suite no. If a P.O. box, see instructions. 600 GRANT STREET	E Group exemption number (see instructions)
		City or town, state or province, country, and ZIP or foreign postal code GARY, IN 46402	F <input type="checkbox"/> Check box if an amended return.
		C Book value of all assets at end of year ▶ 450,659,553.	
G Check organization type ▶ <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust <input type="checkbox"/> Applicable reinsurance entity			
H Check if filing only to ▶ <input type="checkbox"/> Claim credit from Form 8941 <input type="checkbox"/> Claim a refund shown on Form 2439			
I Check if a 501(c)(3) organization filing a consolidated return with a 501(c)(2) titleholding corporation ▶ <input type="checkbox"/>			
J Enter the number of attached Schedules A (Form 990-T) ▶ 1			
K During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsi- diary controlled group? ▶ <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," enter the name and identifying number of the parent corporation. ▶			
L The books are in care of ▶ MATTHEW DOYLE Telephone number ▶ 219-886-4000			

Part I Total Unrelated Business Taxable Income

1 Total of unrelated business taxable income computed from all unrelated trades or businesses (see instructions)	1	11,360.
2 Reserved	2	
3 Add lines 1 and 2	3	11,360.
4 Charitable contributions (see instructions for limitation rules)	4	0.
5 Total unrelated business taxable income before net operating losses. Subtract line 4 from line 3	5	11,360.
6 Deduction for net operating loss. See instructions STATEMENT 1	6	11,360.
7 Total of unrelated business taxable income before specific deduction and section 199A deduction. Subtract line 6 from line 5	7	
8 Specific deduction (generally \$1,000, but see instructions for exceptions)	8	1,000.
9 Trusts. Section 199A deduction. See instructions	9	
10 Total deductions. Add lines 8 and 9	10	1,000.
11 Unrelated business taxable income. Subtract line 10 from line 7. If line 10 is greater than line 7, enter zero	11	0.

Part II Tax Computation

1 Organizations taxable as corporations. Multiply Part I, line 11 by 21% (0.21)	1	0.
2 Trusts taxable at trust rates. See instructions for tax computation. Income tax on the amount on Part I, line 11 from: <input type="checkbox"/> Tax rate schedule or <input type="checkbox"/> Schedule D (Form 1041)	2	
3 Proxy tax. See instructions	3	
4 Other tax amounts. See instructions	4	
5 Alternative minimum tax (trusts only)	5	
6 Tax on noncompliant facility income. See instructions	6	
7 Total. Add lines 3 through 6 to line 1 or 2, whichever applies	7	0.

LHA For Paperwork Reduction Act Notice, see instructions.

Part III Tax and Payments

1a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116)	1a		
b Other credits (see instructions)	1b		
c General business credit. Attach Form 3800 (see instructions)	1c		
d Credit for prior year minimum tax (attach Form 8801 or 8827)	1d		
e Total credits. Add lines 1a through 1d		1e	
2 Subtract line 1e from Part II, line 7		2	0.
3 Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Other (attach statement)		3	
4 Total tax. Add lines 2 and 3 (see instructions). <input type="checkbox"/> Check if includes tax previously deferred under section 1294. Enter tax amount here		4	0.
5 2020 net 965 tax liability paid from Form 965-A or Form 965-B, Part II, column (k), line 4		5	0.
6a Payments: A 2019 overpayment credited to 2020	6a		
b 2020 estimated tax payments. Check if section 643(g) election applies <input type="checkbox"/>	6b		
c Tax deposited with Form 8868	6c		
d Foreign organizations: Tax paid or withheld at source (see instructions)	6d		
e Backup withholding (see instructions)	6e		
f Credit for small employer health insurance premiums (attach Form 8941)	6f		
g Other credits, adjustments, and payments: <input type="checkbox"/> Form 2439 <input type="checkbox"/> Form 4136 <input type="checkbox"/> Other	6g		
7 Total payments. Add lines 6a through 6g		7	
8 Estimated tax penalty (see instructions). Check if Form 2220 is attached <input type="checkbox"/>		8	
9 Tax due. If line 7 is smaller than the total of lines 4, 5, and 8, enter amount owed		9	
10 Overpayment. If line 7 is larger than the total of lines 4, 5, and 8, enter amount overpaid		10	
11 Enter the amount of line 10 you want: Credited to 2021 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>		11	

Part IV Statements Regarding Certain Activities and Other Information (see instructions)

	Yes	No
1 At any time during the 2020 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If "Yes," the organization may have to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If "Yes," enter the name of the foreign country here		X
2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust?		X
If "Yes," see instructions for other forms the organization may have to file.		
3 Enter the amount of tax-exempt interest received or accrued during the tax year		
4a Did the organization change its method of accounting? (see instructions)		X
b If 4a is "Yes," has the organization described the change on Form 990, 990-EZ, 990-PF, or Form 1128? If "No," explain in Part V		

Part V Supplemental Information

Provide the explanation required by Part IV, line 4b. Also, provide any other additional information. See instructions.

Sign Here	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 taxpayer) is based on all information of which preparer has any knowledge.				
	Signature of officer _____	Date _____	CHIEF EXECUTIVE OFFICER	May the IRS discuss this return with the preparer shown below (see instructions)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	DAVID LOWENTHAL	DAVID LOWENTHAL	11/01/21		P00378651
	Firm's name ▶ PLANTE & MORAN, PLLC			Firm's EIN ▶ 38-1357951	
Firm's address ▶ 10 S. RIVERSIDE PLAZA, 9TH FLOOR			Phone no. (312) 207-1040		
CHICAGO, IL 60606					

Form 990-T (2020)

FORM 990-T

PRE 2018 NOL SCHEDULE

STATEMENT 1

PRE-2018 NOL CARRY FORWARD FROM PRIOR YEAR	2,183,962.
PRE-2018 NOL DEDUCTION INCLUDED IN PART I, LINE 6	11,360.

SCHEDULE A PORTION OF PRE-2018 NOL	
SCHEDULE A ENTITY	SCHEDULE A SHARE
<u>1</u>	<u>0.</u>

TOTAL SCHEDULE A SHARE OF PRE-2018 NOL	0.
NET OPERATING DEDUCTION	11,360.
BALANCE AFTER PRE-2018 NOL DEDUCTION	0.
EXPIRING NET OPERATING LOSSES	0.
CARRY FORWARD OF NET OPERATING LOSS	2,172,602.

**SCHEDULE A
(Form 990-T)**

**Unrelated Business Taxable Income
From an Unrelated Trade or Business**

ENTITY **1**

OMB No. 1545-0047

2020

Department of the Treasury
Internal Revenue Service

▶ Go to www.irs.gov/Form990T for instructions and the latest information.
▶ Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

Open to Public Inspection for
501(c)(3) Organizations Only

A Name of the organization THE METHODIST HOSPITALS, INC.	B Employer identification number 35-0868133
C Unrelated business activity code (see instructions) ▶ 901101	D Sequence: 1 of 1

E Describe the unrelated trade or business ▶ INVESTMENT IN QUALIFYING PARTNERSHIP INTEREST

Part I Unrelated Trade or Business Income		(A) Income	(B) Expenses	(C) Net
1 a Gross receipts or sales				
b Less returns and allowances	c Balance ▶	1c		
2 Cost of goods sold (Part III, line 8)	2			
3 Gross profit. Subtract line 2 from line 1c	3			
4 a Capital gain net income (attach Sch D (Form 1041 or Form 1120)) (see instructions)	4a			
b Net gain (loss) (Form 4797) (attach Form 4797) (see instructions)	4b			
c Capital loss deduction for trusts	4c			
5 Income (loss) from a partnership or an S corporation (attach statement) STATEMENT 2	5	11,360.		11,360.
6 Rent income (Part IV)	6			
7 Unrelated debt-financed income (Part V)	7			
8 Interest, annuities, royalties, and rents from a controlled organization (Part VI)	8			
9 Investment income of section 501(c)(7), (9), or (17) organizations (Part VII)	9			
10 Exploited exempt activity income (Part VIII)	10			
11 Advertising income (Part IX)	11			
12 Other income (see instructions; attach statement)	12			
13 Total. Combine lines 3 through 12	13	11,360.		11,360.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions) Deductions must be directly connected with the unrelated business income

1 Compensation of officers, directors, and trustees (Part X)							
2 Salaries and wages				2			
3 Repairs and maintenance				3			
4 Bad debts				4			
5 Interest (attach statement) (see instructions)				5			
6 Taxes and licenses				6			
7 Depreciation (attach Form 4562) (see instructions)		7					
8 Less depreciation claimed in Part III and elsewhere on return		8a			8b		
9 Depletion				9			
10 Contributions to deferred compensation plans				10			
11 Employee benefit programs				11			
12 Excess exempt expenses (Part VIII)				12			
13 Excess readership costs (Part IX)				13			
14 Other deductions (attach statement)				14			
15 Total deductions. Add lines 1 through 14				15			0.
16 Unrelated business income before net operating loss deduction. Subtract line 15 from Part I, line 13, column (C)				16			11,360.
17 Deduction for net operating loss (see instructions)				17			0.
18 Unrelated business taxable income. Subtract line 17 from line 16				18			11,360.

LHA For Paperwork Reduction Act Notice, see instructions.

Schedule A (Form 990-T) 2020

Part III Cost of Goods Sold

Enter method of inventory valuation ▶

1 Inventory at beginning of year	1	
2 Purchases	2	
3 Cost of labor	3	
4 Additional section 263A costs (attach statement)	4	
5 Other costs (attach statement)	5	
6 Total. Add lines 1 through 5	6	
7 Inventory at end of year	7	
8 Cost of goods sold. Subtract line 7 from line 6. Enter here and in Part I, line 2	8	
9 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization? <input type="checkbox"/> Yes <input type="checkbox"/> No		

Part IV Rent Income (From Real Property and Personal Property Leased with Real Property)

1 Description of property (property street address, city, state, ZIP code). Check if a dual-use (see instructions)				
A	<input type="checkbox"/>			
B	<input type="checkbox"/>			
C	<input type="checkbox"/>			
D	<input type="checkbox"/>			
	A	B	C	D
2 Rent received or accrued				
a From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)				
b From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)				
c Total rents received or accrued by property. Add lines 2a and 2b, columns A through D				
3 Total rents received or accrued. Add line 2c columns A through D. Enter here and on Part I, line 6, column (A) ▶				0.
4 Deductions directly connected with the income in lines 2(a) and 2(b) (attach statement)				
5 Total deductions. Add line 4 columns A through D. Enter here and on Part I, line 6, column (B) ▶				0.

Part V Unrelated Debt-Financed Income (see instructions)

1 Description of debt-financed property (street address, city, state, ZIP code). Check if a dual-use (see instructions)				
A	<input type="checkbox"/>			
B	<input type="checkbox"/>			
C	<input type="checkbox"/>			
D	<input type="checkbox"/>			
	A	B	C	D
2 Gross income from or allocable to debt-financed property				
3 Deductions directly connected with or allocable to debt-financed property				
a Straight line depreciation (attach statement)				
b Other deductions (attach statement)				
c Total deductions (add lines 3a and 3b, columns A through D)				
4 Amount of average acquisition debt on or allocable to debt-financed property (attach statement)				
5 Average adjusted basis of or allocable to debt-financed property (attach statement)				
6 Divide line 4 by line 5	%	%	%	%
7 Gross income reportable. Multiply line 2 by line 6				
8 Total gross income (add line 7, columns A through D). Enter here and on Part I, line 7, column (A) ▶				0.
9 Allocable deductions. Multiply line 3c by line 6				
10 Total allocable deductions. Add line 9, columns A through D. Enter here and on Part I, line 7, column (B) ▶				0.
11 Total dividends-received deductions included in line 10 ▶				0.

Part VI Interest, Annuities, Royalties, and Rents from Controlled Organizations (see instructions)

1. Name of controlled organization		2. Employer identification number	Exempt Controlled Organizations			
			3. Net unrelated income (loss) (see instructions)	4. Total of specified payments made	5. Part of column 4 that is included in the controlling organization's gross income	6. Deductions directly connected with income in column 5
(1)						
(2)						
(3)						
(4)						
7. Taxable Income		8. Net unrelated income (loss) (see instructions)	9. Total of specified payments made	10. Part of column 9 that is included in the controlling organization's gross income	11. Deductions directly connected with income in column 10	
(1)						
(2)						
(3)						
(4)						
				Add columns 5 and 10. Enter here and on Part I, line 8, column (A)	Add columns 6 and 11. Enter here and on Part I, line 8, column (B)	
Totals				0.	0.	

Part VII Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions)

1. Description of income	2. Amount of income	3. Deductions directly connected (attach statement)	4. Set-asides (attach statement)	5. Total deductions and set-asides (add cols 3 and 4)
(1)				
(2)				
(3)				
(4)				
		Add amounts in column 2. Enter here and on Part I, line 9, column (A)		Add amounts in column 5. Enter here and on Part I, line 9, column (B)
Totals		0.		0.

Part VIII Exploited Exempt Activity Income, Other Than Advertising Income (see instructions)

1	Description of exploited activity:	
2	Gross unrelated business income from trade or business. Enter here and on Part I, line 10, column (A)	2
3	Expenses directly connected with production of unrelated business income. Enter here and on Part I, line 10, column (B)	3
4	Net income (loss) from unrelated trade or business. Subtract line 3 from line 2. If a gain, complete lines 5 through 7	4
5	Gross income from activity that is not unrelated business income	5
6	Expenses attributable to income entered on line 5	6
7	Excess exempt expenses. Subtract line 5 from line 6, but do not enter more than the amount on line 4. Enter here and on Part II, line 12	7

Part IX Advertising Income

1 Name(s) of periodical(s). Check box if reporting two or more periodicals on a consolidated basis.

- A
- B
- C
- D

Enter amounts for each periodical listed above in the corresponding column.

	A	B	C	D
2 Gross advertising income				
Add columns A through D. Enter here and on Part I, line 11, column (A)				0.
a				
3 Direct advertising costs by periodical				
a Add columns A through D. Enter here and on Part I, line 11, column (B)				0.
4 Advertising gain (loss). Subtract line 3 from line 2. For any column in line 4 showing a gain, complete lines 5 through 8. For any column in line 4 showing a loss or zero, do not complete lines 5 through 7, and enter zero on line 8				
5 Readership costs				
6 Circulation income				
7 Excess readership costs. If line 6 is less than line 5, subtract line 6 from line 5. If line 5 is less than line 6, enter zero				
8 Excess readership costs allowed as a deduction. For each column showing a gain on line 4, enter the lesser of line 4 or line 7				
a Add line 8, columns A through D. Enter the greater of the line 8a, columns total or zero here and on Part II, line 13				0.

Part X Compensation of Officers, Directors, and Trustees (see instructions)

1. Name	2. Title	3. Percentage of time devoted to business	4. Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
Total. Enter here and on Part II, line 1			0.

Part XI Supplemental Information (see instructions)

SCHEDULE A, LINE C: THE ORGANIZATION MADE AN UNINTENTIONAL ERROR IN THE INITIAL CLASSIFICATION OF THE UNRELATED BUSINESS ACTIVITY. THE ORGANIZATION HAS UPDATED SCHEDULE A, LINE C TO SHOW THE CORRECT UNRELATED BUSINESS ACTIVITY CODE. 2019 CODE: 525990; 2020 CODE: 901101

FORM 990-T (A)	INCOME (LOSS) FROM PARTNERSHIPS	STATEMENT 2
DESCRIPTION		NET INCOME OR (LOSS)
PREMIER HEALTHCARE ALLIANCE, L.P. - ORDINARY BUSINESS INCOME (LOSS)		11,360.
TOTAL INCLUDED ON SCHEDULE A, PART I, LINE 5		11,360.

FORM 990-T SCHEDULE A	DESCRIPTION OF ORGANIZATION'S UNRELATED BUSINESS ACTIVITY	STATEMENT 3
-----------------------	---	-------------

INVESTMENT IN QUALIFYING PARTNERSHIP INTERESTS

TO FORM 990-T, SCHEDULE A, LINE E

The Methodist Hospitals, Inc.

Consolidated Financial Report

December 31, 2020

Independent Auditor's Report	1-2
Consolidated Financial Statements	
Balance Sheet	3
Statement of Operations	4
Statement of Changes in Net Assets	5
Statement of Cash Flows	6
Notes to Consolidated Financial Statements	7-28

Independent Auditor's Report

To the Board of Directors
The Methodist Hospitals, Inc.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of The Methodist Hospitals, Inc. (the "Hospital"), which comprise the consolidated balance sheet as of December 31, 2020 and 2019 and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; 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 audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. The consolidated financial statements for the year ended December 31, 2019 were not audited in accordance with *Government Auditing Standards*.

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.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Methodist Hospitals, Inc. as of December 31, 2020 and 2019 and the consolidated results of its operations, changes in net assets, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors
The Methodist Hospitals, Inc.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 15, 2021 on our consideration of The Methodist Hospitals, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Methodist Hospitals, Inc.'s internal control over financial reporting and compliance.

Plante & Moran, PLLC

April 15, 2021

Consolidated Balance Sheet

December 31, 2020 and 2019

	2020	2019
Assets		
Current Assets		
Cash and cash equivalents	\$ 111,737,001	\$ 23,867,445
Short-term investments (Note 6)	616,969	603,597
Patient accounts receivable (Note 3)	36,423,966	38,318,290
Cost report settlements receivable (Note 4)	12,617,542	27,173,816
Other current assets (Note 9)	21,628,861	22,327,294
Total current assets	183,024,339	112,290,442
Assets Limited as to Use (Note 6)	117,885,207	110,272,707
Property and Equipment - Net (Note 10)	138,183,640	131,043,819
Right-of-use Operating Lease Assets (Note 14)	10,827,643	12,478,146
Other Assets	1,305,043	2,382,681
Total assets	\$ 451,225,872	\$ 368,467,795
Liabilities and Net Assets		
Current Liabilities		
Accounts payable	\$ 21,389,632	\$ 15,820,302
Current portion of long-term debt (Note 12)	2,585,283	2,674,296
Right-of-use operating lease obligation - Current portion (Note 14)	2,238,497	2,705,131
Cost report settlements payable (Note 4)	2,242,131	6,059,825
Deferred revenue (Note 20)	17,264,997	-
Accrued liabilities and other (Note 11)	32,855,874	17,146,571
Total current liabilities	78,576,414	44,406,125
Long-term Debt - Net of current portion (Note 12)	69,930,379	55,736,806
Right-of-use Operating Lease Obligation - Net of current portion (Note 14)	8,483,613	9,910,472
Other Liabilities (Note 13)	38,365,743	15,142,645
Total liabilities	195,356,149	125,196,048
Net Assets		
Without donor restrictions	254,928,162	242,869,167
With donor restrictions	941,561	402,580
Total net assets	255,869,723	243,271,747
Total liabilities and net assets	\$ 451,225,872	\$ 368,467,795

Consolidated Statement of Operations

Years Ended December 31, 2020 and 2019

	2020	2019
Revenue, Gains, and Other Support		
Patient service revenue	\$ 282,765,881	\$ 280,837,078
Other operating revenue	40,266,414	5,442,229
Medicaid disproportionate share revenue	63,310,370	68,044,191
Net assets released from restrictions used for operations	91,969	333,350
Total revenue, gains, and other support	386,434,634	354,656,848
Operating Expenses		
Salaries and wages	149,144,645	149,674,183
Employee benefits and payroll taxes	36,051,185	35,506,995
Supplies	60,941,463	57,816,881
Outside services	65,281,841	53,097,295
Professional and other liability costs	2,795,919	3,531,659
Utilities	7,235,774	6,938,932
Repairs and maintenance	9,562,083	9,367,235
Medicaid assessment fee (Note 4)	16,695,496	17,509,084
Depreciation and amortization	17,884,495	18,147,458
Interest expense	2,611,544	3,157,298
Other	8,651,416	8,558,249
Total operating expenses	376,855,861	363,305,269
Operating Income (Loss)	9,578,773	(8,648,421)
Nonoperating Income (Loss)		
Investment income	8,298,899	12,264,424
Other loss	(2,821,415)	(3,572,671)
Total nonoperating income	5,477,484	8,691,753
Excess of Revenue Over Expenses	15,056,257	43,332
Pension-related Changes Other Than Net Periodic Cost (Note 16)	(2,997,262)	(3,855,988)
Increase (Decrease) in Net Assets without Donor Restrictions	\$ 12,058,995	\$ (3,812,656)

The Methodist Hospitals, Inc.

Consolidated Statement of Changes in Net Assets

Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Net Assets without Donor Restrictions		
Excess of revenue over expenses	\$ 15,056,257	\$ 43,332
Pension-related changes other than net periodic cost	<u>(2,997,262)</u>	<u>(3,855,988)</u>
Increase (decrease) in net assets without donor restrictions	12,058,995	(3,812,656)
Net Assets with Donor Restrictions		
Restricted contributions	630,950	306,000
Net assets released from restrictions	<u>(91,969)</u>	<u>(333,350)</u>
Increase (decrease) in net assets with donor restrictions	<u>538,981</u>	<u>(27,350)</u>
Increase (Decrease) in Net Assets	12,597,976	(3,840,006)
Net Assets - Beginning of year	<u>243,271,747</u>	<u>247,111,753</u>
Net Assets - End of year	<u>\$ 255,869,723</u>	<u>\$ 243,271,747</u>

Consolidated Statement of Cash Flows

Years Ended December 31, 2020 and 2019

	2020	2019
Cash Flows from Operating Activities		
Increase (decrease) in net assets	\$ 12,597,976	\$ (3,840,006)
Adjustments to reconcile increase (decrease) in net assets to net cash and cash equivalents from operating activities:		
Depreciation and amortization	17,884,495	18,147,458
Net change in unrealized net gains on investments	(3,017,551)	(8,461,712)
Realized gains on investments	(2,174,118)	(544,085)
Pension-related changes other than net periodic costs	2,997,262	3,855,988
Loss on disposal of property and equipment	240,344	213,295
Amortization of bond premium	(318,676)	(318,677)
Amortization of debt issuance costs	290,569	40,582
Changes in operating assets and liabilities that provided (used) cash and cash equivalents:		
Accounts receivable	1,894,324	4,049,114
Other current assets	698,433	449,546
Costs report settlements receivable	14,556,274	(11,082,719)
Other assets	1,077,638	2,360,478
Accounts payable	5,569,330	(614,207)
Accrued liabilities and other	15,709,303	529,806
Cost report settlements payable	(3,817,694)	(585,741)
Other liabilities	20,225,836	(1,853,583)
Deferred revenue	17,264,997	-
Right-of-use operating lease assets and obligations	(242,990)	137,457
Net cash and cash equivalents provided by operating activities	101,435,752	2,482,994
Cash Flows from Investing Activities		
Purchase of property and equipment	(25,256,304)	(10,770,834)
Proceeds from sale of property and equipment	21,729	18,200
Purchases of investments and assets limited as to use	(16,528,469)	(25,734,164)
Proceeds from sales and maturities of investments and assets limited as to use	14,094,266	33,078,825
Net cash and cash equivalents used in investing activities	(27,668,778)	(3,407,973)
Cash Flows from Financing Activities		
Payments on finance lease obligations	(19,247,418)	(202,245)
Principal payments on long-term debt	(2,455,000)	(2,350,000)
Proceeds from bond issuance	35,805,000	-
Net cash and cash equivalents provided by (used in) financing activities	14,102,582	(2,552,245)
Net Increase (Decrease) in Cash and Cash Equivalents	87,869,556	(3,477,224)
Cash and Cash Equivalents - Beginning of year	23,867,445	27,344,669
Cash and Cash Equivalents - End of year	\$ 111,737,001	\$ 23,867,445
Supplemental Cash Flow Information		
Cash paid for interest	\$ 2,335,682	\$ 3,469,663
Right-of-use assets via operating lease obligation	4,185,857	15,036,464
Right-of-use assets via finance lease obligations	30,085	-

See notes to consolidated financial statements.

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 1 - Nature of Business

The Methodist Hospitals, Inc. (the "Hospital") is an Indiana nonprofit corporation operating a 251-staffed-bed general acute-care facility in Gary, Indiana (Northlake Campus) and a 283-staffed-bed general acute-care facility in Merrillville, Indiana (Southlake Campus). The Hospital also provides physician services to patients through the following wholly owned limited liability companies: Methodist Radiographics, LLC; Methodist Anesthesia, LLC; Methodist Pathology, LLC; and Advanced Imaging Center, LLC.

The Hospital is the sole member of The Methodist Hospitals Foundation, Inc. (the "Foundation"), which was established to support and benefit the Hospital. The Foundation has been accounted for within the Hospital's consolidated financial statements.

Note 2 - Significant Accounting Policies

Basis of Consolidation

The consolidated financial statements include the accounts of The Methodist Hospitals, Inc.; The Methodist Hospitals Foundation, Inc.; Methodist Radiographics, LLC; Methodist Anesthesia, LLC; Methodist Pathology, LLC; and Advanced Imaging Center, LLC. All intercompany accounts have been eliminated in consolidation.

Cash and Cash Equivalents

Cash and cash equivalents include cash and highly liquid investments purchased with an original maturity of three months or less, excluding those amounts included in assets limited as to use.

The Hospital's cash balances are only insured up to the Federal Deposit Insurance Corporation limit. As of December 31, 2020 and 2019, there was approximately \$124.6 million and \$31.6 million, respectively, of uninsured cash. The Hospital evaluates the financial institutions with which it deposits funds; however, it is not practical to insure all cash deposits. The Hospital has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on its cash and cash equivalents.

Accounts Receivable

Accounts receivable for patients, insurance companies, and governmental agencies are based on gross charges, reduced by explicit price concessions provided to third-party payors, discounts provided to qualifying individuals as part of our financial assistance policy, and implicit price concessions provided primarily to self-pay patients. Estimates for explicit price concessions are based on provider contracts, payment terms for relevant prospective payment systems, and historical experience adjusted for economic conditions and other trends affecting the Hospital's ability to collect outstanding amounts.

For receivables associated with self-pay patients (which include both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the Hospital records significant implicit price concessions in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the consolidated balance sheet. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in excess of revenue over expenses unless the income or loss is restricted by donor or law.

The Hospital invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the consolidated balance sheet.

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 2 - Significant Accounting Policies (Continued)

Goodwill

The recorded amounts of goodwill from prior business combinations are based on management's best estimates of the fair values of assets acquired and liabilities assumed at the date of acquisition. The Hospital assesses goodwill annually for impairment. Goodwill is recorded within other assets in the consolidated balance sheet.

During 2019, management determined that the carrying amount of the Hospital's investment in IMA Endoscopy Surgicenter, P.C. exceeded fair value, which was estimated based on the present value of expected future cash inflows. Accordingly, a goodwill impairment loss of \$2,500,000 was recognized in 2019.

During 2020, management determined that the carrying amount of the Hospital's investment in an infusion center exceeded fair value, which was estimated based on the present value of expected future cash inflows. Accordingly, a goodwill impairment loss of \$680,000 was recognized in 2020.

Inventories

Inventories, which consist of medical and office supplies and pharmaceutical products, are stated at the lower of cost or net realizable value determined on a first-in, first-out basis.

Assets Limited as to Use

Assets limited as to use include assets designated by the governing board for future capital improvement, over which the board retains control and may, at its discretion, subsequently use for other purposes. Included in these investments are assets held by trustees under bond indenture agreements and assets held in self-insurance trust arrangements. Restricted foundation investments consist of assets whose use by the Hospital has been restricted by the donor.

Property and Equipment

Property and equipment amounts are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method. Equipment under finance 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 in the consolidated financial statements. Repairs and maintenance costs are charged to expense as incurred.

Unamortized Financing Costs

Unamortized financing costs are amortized over the term of the related financing.

Classification of Net Assets

Net assets of the Hospital are classified as net assets without donor restrictions or net assets with donor restrictions depending on the presence and characteristics of donor-imposed restrictions limiting the Hospital's ability to use or dispose of contributed assets or the economic benefits embodied in those assets. Donor-imposed restrictions may expire with the passage of time or be removed by meeting certain requirements. Additionally, donor-imposed restrictions may limit the use of net assets in perpetuity. Earnings, gains, and losses on restricted net assets are classified as changes in net assets without donor restrictions unless specifically restricted by the donor or by applicable state law.

Excess of Revenue Over Expenses

The consolidated statement of changes in net assets includes excess of revenue over expenses. Changes in net assets without donor restrictions, which are excluded from excess of revenue over expenses, consistent with industry practice, include net assets released from restrictions for the acquisition of long-lived assets and pension-related changes other than periodic benefit costs.

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 2 - Significant Accounting Policies (Continued)

Revenue Recognition

Patient care service revenue is reported at the amount that reflects the consideration to which the Hospital expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including health insurers and government programs), and others and include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Hospital bills the patients and third-party payors several days after the services are performed or the patient is discharged from the facility. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided. The majority of the Hospital's services represent a bundle of services that are not capable of being distinct and, as such, are treated as a single performance obligation satisfied over time as services are rendered.

The Hospital determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payers, discounts provided to uninsured patients in accordance with the Hospital's policy, and implicit price concessions provided to uninsured patients. The Hospital determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies, and historical experience. The Hospital determines its estimate of implicit price concessions based on its historical collection experience with this class of patients.

Contributions

The Hospital reports gifts of cash and other assets as 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, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the consolidated statement of changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as contributions without donor restrictions in the accompanying consolidated financial statements.

The Hospital reports gifts of property and equipment as revenue, gains, and other support unless explicit donor stipulations specify how the donated assets must be used. 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, the Hospital reports the expiration of donor restrictions when the assets are placed in service.

Professional and Other Liability Insurance

The Hospital accrues an estimate of the ultimate expense, including litigation and settlement expense, for incidents of potential improper professional service and other liability claims occurring during the year, as well as for those claims that have not been reported at year end. Amounts receivable from insurance related to stop-loss provisions are recorded as a receivable and included in other assets.

Accounting for Conditional Asset Retirement Obligation

Management has considered its legal obligation to report asset retirement activities, such as asbestos removal, on its existing properties. Over the past 20 years, management has systematically renovated, replaced, or constructed the majority of the physical plant facilities, resulting in a relatively small portion of the facility with any remaining hazardous material. Management has calculated the present value of the retirement obligation, and the amount has been recognized as a liability on the consolidated balance sheet within other liabilities.

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 2 - Significant Accounting Policies (Continued)

Charity Care

The Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue. Charity care is determined based on established policies, using patient income and assets to determine payment ability. The amount reflects the cost of free or discounted health services, net of contributions, and other revenue received, as direct assistance for the provision of charity care. The estimated cost of providing charity services is based on a calculation that applies a ratio of cost to charges to the gross uncompensated charges associated with providing care to charity patients.

Federal Income Tax

The Internal Revenue Service (IRS) has ruled that the Hospital and its subsidiaries are exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and, accordingly, no tax provision is reflected in the consolidated financial statements.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The consolidated financial statements and related disclosures include evaluation of events up through and including April 15, 2021, which is the date the consolidated financial statements were issued.

Note 3 - Patient Accounts Receivable

The composition of receivables from patients and third-party payors was as follows as of December 31:

	2020	2019
Medicare	36 %	36 %
Medicaid	29	27
Commercial and managed care	30	28
Self-pay	5	9
Total	100 %	100 %

Note 4 - Cost Report Settlements

A significant portion of the Hospital's revenue from patient services is received from the Medicare and Medicaid programs. A summary of the basis of reimbursement with these third-party payors is as follows:

Medicare

Inpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system based on clinical, diagnostic, and other factors. Outpatient services related to Medicare beneficiaries are reimbursed based on a prospectively determined amount per episode of care.

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 4 - Cost Report Settlements (Continued)

Medicaid and Hospital Assessment Fee

Inpatient and outpatient services rendered to Medicaid program beneficiaries are also paid at prospectively determined rates per discharge or per procedure.

The Indiana Hospital Association (IHA) and the Office of Medicaid Policy and Planning (OMPP) worked together to develop and implement a hospital assessment fee program, as enacted by the 2011 Session of the Indiana General Assembly. In 2012, the Centers for Medicare & Medicaid Services (CMS) approved the state plan amendment necessary to implement these changes with a retroactive effective date of July 1, 2011. The program expired on June 30, 2013. In March 2014, the program was again approved by CMS, with an effective date of July 1, 2013, and continued through June 30, 2019. Effective July 1, 2019, the program was extended through June 30, 2021. Under this program, OMPP will collect an assessment fee from eligible hospitals. The fee will be used in part to increase reimbursement to eligible hospitals for services provided in both fee-for-service (FFS) and managed-care programs and as the state share of Medicaid Disproportionate Share Hospital (DSH) payments. Starting in 2016, the Hospital will be assessed a Hospital assessment fee on the Indiana HIP (Healthy Indiana Plan) 2.0 program based on the Medicaid DSH eligibility surveys. Due to the shift in Medicaid population from FFS to managed care, since 2017, the collection of the existing assessment fee is being made through a combination of offsets from claims payment and check payments. During 2020 and 2019, the Hospital incurred \$16,695,496 and \$17,509,084, respectively, in Medicaid assessment fees under this program, which is reflected in total operating expenses in the accompanying consolidated statement of operations. At December 31, 2020 and 2019, there is \$326,313 and \$3,915,277, respectively, included in cost report settlement payable in the consolidated balance sheet related to the hospital assessment fee program.

Final reimbursement under the Medicare and Medicaid programs is subject to audit by fiscal intermediaries. Although these audits may result in some changes in these amounts, they are not expected to have a material effect on the accompanying consolidated financial statements. The effect of prior year settlements received in 2020 and 2019 resulted in an increase in revenue of approximately \$1,424,000 and \$514,000, respectively.

The Hospital qualifies as a Medicaid Disproportionate Share Hospital provider under Indiana law and, as such, is eligible to receive DSH payments linked to the State of Indiana's fiscal year end, which is June 30. The Hospital records DSH program revenue and receivables when the related amounts are determinable and when collectibility is reasonably assured.

At December 31, 2020 and 2019, the Hospital recorded approximately \$12,600,000 and \$27,200,000, respectively, in amounts due from the State of Indiana under the DSH program. These amounts are reflected in cost report settlements receivable in the accompanying consolidated balance sheet. The amounts recorded represent estimated reimbursement due to the Hospital for services provided through December 31, 2020. During the years ended December 31, 2020 and 2019, approximately \$28,724,000 and \$30,218,000, respectively, was received in cash related to the DSH program.

Cost report settlements result from the adjustment of interim payments to final reimbursement under the Medicare and Medicaid programs that are subject to audit by fiscal intermediaries. Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

The Indiana Family and Social Services Administration (FSSA) has initiated a Medicaid Advisory Committee (MAC) initiative, whereby claims will be reviewed by contractors for validity, accuracy, and proper documentation. The Hospital is unable to determine the extent of liability for overpayments, if any. The potential exists for significant overpayment of claims liability for the Hospital at a future date.

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 4 - Cost Report Settlements (Continued)

Other Third-party Payors

The Hospital has also entered into agreements with certain commercial carriers, health maintenance organizations, and preferred provider organizations. The basis for reimbursement to the Hospital under these agreements is discounts from established charges, prospectively determined rates per discharge, and prospectively determined daily rates.

Note 5 - Charity Care

In support of its mission, the Hospital's policy is to treat patients in need of medical services without regard to their ability to pay for such services. Charity care covers services provided to persons who cannot afford to pay. Charity care is determined based on established policies, using patient income and assets to determine payment ability. The amount reflects the cost of free or discounted health services, net of contributions and other revenue received, as direct assistance for the provision of charity care. The estimated cost of providing charity services is based on a calculation that applies a ratio of cost to charges to the gross uncompensated charges associated with providing care to charity patients. The ratio of cost to charges is calculated based on the Hospital's total operating expenses divided by gross patient service charges. The Hospital estimates that it provided approximately \$8.3 million and \$10.9 million of services to indigent patients during 2020 and 2019, respectively.

In addition, the Hospital performs many activities of community benefit, including programs provided to persons with inadequate health care resources or for other groups within the community that need special services and support. Examples include programs related to the poor, the elderly, those suffering from substance abuse, victims of child abuse, and others with specific particular health care needs. They also include broader populations who benefit from health community initiatives, such as health promotion, education, and health screening.

The Hospital also participates in the Medicare and Medicaid programs. At present, the reimbursement rates for both programs do not fully cover the cost of providing care to these patients. This represents the estimated shortfall created when a facility receives payments below the costs of treating Medicare and Medicaid beneficiaries. These uncompensated costs are not included above.

Note 6 - Assets Limited as to Use

The detail of assets limited as to use is summarized in the following schedule at December 31:

	2020	2019
Funds designated by trustees under bond indenture	\$ 4,672,246	\$ 4,632,368
Funds held in trust for payment of professional and other liability claims	3,308,633	3,614,447
Funds designated by board for future capital improvements	109,879,328	102,000,892
Fund designated by donors for specific purposes	25,000	25,000
Total assets limited as to use	\$ 117,885,207	\$ 110,272,707

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 6 - Assets Limited as to Use (Continued)

Investments, including short-term investments, consist of the following at December 31:

	<u>2020</u>	<u>2019</u>
Money market investments	\$ 8,510,135	\$ 8,822,929
Government securities	9,126,353	11,847,884
Mutual funds	61,752,439	62,742,660
Corporate bonds	22,136,953	18,389,295
Pooled funds	7,796,593	1,997,363
Common stock	<u>9,179,703</u>	<u>7,076,173</u>
Total	<u>\$ 118,502,176</u>	<u>\$ 110,876,304</u>
Classified as:		
Short-term investments	\$ 616,969	\$ 603,597
Assets limited as to use	<u>117,885,207</u>	<u>110,272,707</u>
Total	<u>\$ 118,502,176</u>	<u>\$ 110,876,304</u>

Funds held by the trustee under a bond indenture are held for the purpose of making future bond principal and interest payments. Investment income accrues to the funds as earned.

Investment income and gains and losses are composed of the following for the years ended December 31:

	<u>2020</u>	<u>2019</u>
Interest and dividends	\$ 3,107,230	\$ 3,258,627
Change in net unrealized gains	3,017,551	8,461,712
Realized gains - Net	<u>2,174,118</u>	<u>544,085</u>
Total	<u>\$ 8,298,899</u>	<u>\$ 12,264,424</u>

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 7 - Liquidity

The following reflects the Hospital's financial assets as of December 31, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the consolidated balance sheet date:

	2020	2019
Cash and cash equivalents	\$ 111,737,001	\$ 23,867,445
Short-term investments	616,969	603,597
Patient accounts receivable	36,423,966	38,318,290
Cost report settlements receivable	12,617,542	27,173,816
Other current assets	4,991,341	3,972,285
Assets limited as to use:		
Funds held by trustees under bond indenture	4,672,246	4,632,368
Funds held in trust for payment of professional and other liability claims	3,308,633	3,614,447
Funds held by board for future capital improvements	109,879,328	102,000,892
Fund held by donors for specific purposes	25,000	25,000
Financial assets - At year end	284,272,026	204,208,140
Less those unavailable for general expenditures within one year due to:		
Funds held by trustees under bond indenture	(4,672,245)	(4,632,368)
Funds held in trust for payment of professional and other liability claims	(3,308,633)	(3,614,447)
Funds held by board for future capital improvements	(109,879,328)	(102,000,892)
Fund held by donors for specific purposes	(25,000)	(25,000)
Financial assets available to meet cash needs for general expenditures within one year	\$ 166,386,820	\$ 93,935,433

The Hospital has certain board-designated assets limited to use, which could be made available for general expenditure within one year in the normal course of operations upon appropriate board action. The Hospital has other assets limited to use for donor-restricted purposes, debt service, and the professional and general liability insurance program. Additionally, certain other board-designated assets are designated for future capital expenditures and an operating reserve. These assets limited to use, which are more fully described in Note 6, are not available for general expenditure within the next year. However, the board-designated amounts could be made available, if necessary.

As part of the Hospital's liquidity management plan, cash in excess of daily requirements is invested in short-term investments and money market funds. Occasionally, the board of directors designates a portion of any operating surplus to an operating reserve, which was \$617,000 and \$604,000 as of December 31, 2020 and 2019, respectively. This fund established by the board of directors may be drawn upon, if necessary, to meet unexpected liquidity needs.

As of December 31, 2020, the Hospital was in compliance with bond covenants, as more fully described in Note 12.

Note 8 - Fair Value Measurements

Accounting standards require certain assets and liabilities be reported at fair value in the consolidated financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Hospital's assets measured at fair value on a recurring basis at December 31, 2020 and 2019 and the valuation techniques used by the Hospital to determine those fair values.

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 8 - Fair Value Measurements (Continued)

Fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the Hospital has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Hospital's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

Assets Measured at Fair Value on a Recurring Basis at December 31, 2020				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2020
Short-term Investments				
Money market investments	\$ 360,539	\$ -	\$ -	\$ 360,539
Assets Limited as to Use				
Money market investments	7,779,986	-	-	7,779,986
Common stock	9,179,703	-	-	9,179,703
Mutual funds:				
U.S. companies	20,567,441	-	-	20,567,441
International companies	15,235,209	-	-	15,235,209
Fixed income	3,460,390	-	-	3,460,390
Balanced funds	22,489,399	-	-	22,489,399
Fixed income:				
U.S. Treasuries	-	9,126,353	-	9,126,353
Pooled funds	-	7,796,593	-	7,796,593
Asset-backed securities	-	8,281,485	-	8,281,485
Mortgage-backed securities	-	7,180,910	-	7,180,910
Corporate - Domestic	-	5,270,246	-	5,270,246
Corporate - International	-	1,404,312	-	1,404,312
Total assets limited as to use	78,712,128	39,059,899	-	117,772,027
Total	\$ 79,072,667	\$ 39,059,899	\$ -	\$ 118,132,566

The assets limited as to use and short-term investments included in the consolidated balance sheet at December 31, 2020 included money market investments of \$369,610, which are not measured at fair value on a recurring basis and, therefore, not in the table above.

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 8 - Fair Value Measurements (Continued)

	Assets Measured at Fair Value on a Recurring Basis at December 31, 2019			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2019
Short-term Investments				
Money market investments	\$ 358,218	\$ -	\$ -	\$ 358,218
Assets Limited as to Use				
Money market investments	8,249,395	-	-	8,249,395
Common stock	7,076,173	-	-	7,076,173
Mutual funds:				
U.S. companies	18,554,054	-	-	18,554,054
International companies	17,200,189	-	-	17,200,189
Fixed income	6,857,162	-	-	6,857,162
Balanced funds	20,131,255	-	-	20,131,255
Fixed income:				
U.S. Treasuries	-	11,847,884	-	11,847,884
Pooled funds	-	1,997,363	-	1,997,363
Asset-backed securities	-	8,484,307	-	8,484,307
Mortgage-backed securities	-	6,340,963	-	6,340,963
Corporate - Domestic	-	1,715,434	-	1,715,434
Corporate - International	-	1,848,591	-	1,848,591
Total assets limited as to use	78,068,228	32,234,542	-	110,302,770
Total	\$ 78,426,446	\$ 32,234,542	\$ -	\$ 110,660,988

The assets limited as to use and short-term investments included in the consolidated balance sheet at December 31, 2019 included money market investments of \$215,316, which are not measured at fair value on a recurring basis and, therefore, not in the table above.

The fair value of fixed-income securities at December 31, 2020 and 2019 was determined primarily based on Level 2 inputs. The Methodist Hospitals, Inc. estimates the fair value of these investments using the fair market values determined by the investment custodians.

Note 9 - Other Current Assets

The details of other assets at December 31, 2020 and 2019 are as follows:

	2020	2019
Prepaid expenses	\$ 3,898,397	\$ 5,338,923
Inventory	12,739,123	13,016,086
Other	1,115,210	720,999
Contract assets	3,876,131	3,251,286
Total	\$ 21,628,861	\$ 22,327,294

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 10 - Property and Equipment

The cost of property, plant, and equipment and depreciable lives are summarized as follows:

	2020	2019	Depreciable Life - Years
Land	\$ 5,373,674	\$ 5,373,674	-
Buildings	316,412,568	277,273,610	2-40
Right-of-use finance lease assets	45,813	20,500,000	25-40
Equipment	196,018,896	187,574,190	3-5
Construction in progress	4,447,292	5,222,949	-
Total cost	522,298,243	495,944,423	
Accumulated depreciation	384,114,603	364,900,604	
Net property and equipment	\$ 138,183,640	\$ 131,043,819	

Depreciation and amortization expense, including assets under finance lease, totaled \$17,884,495 and \$18,147,458 in 2020 and 2019, respectively.

The Hospital held a medical office building under a finance lease with an original cost of approximately \$20,500,000 at December 31, 2019. Accumulated amortization for this building was approximately \$6,662,000 at December 31, 2019. Effective February 12, 2020, the Hospital purchased its medical office building finance lease obligation.

Construction in progress consists primarily of costs incurred for building renovations and installation of various clinical equipment. Remaining costs to complete the project are approximately \$819,000 as of December 31, 2020.

Note 11 - Accrued Liabilities and Other

The details of accrued liabilities at December 31 are as follows:

	2020	2019
Payroll and related items	\$ 8,805,684	\$ 7,404,802
Compensated absences	9,205,101	9,046,504
Interest	544,598	531,198
Medicare advance payments - Current portion (Note 20)	13,676,718	-
Other	623,773	164,067
Total accrued liabilities	\$ 32,855,874	\$ 17,146,571

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 12 - Long-term Debt

The following is a summary of long-term debt and finance lease obligations at December 31, 2020 and 2019:

	2020	2019
Indiana Finance Authority Hospital Revenue Refunding Bonds, Series 2014A, interest ranging from 4.0 percent to 5.0 percent, due in installments through 2031	\$ 33,970,000	\$ 36,425,000
Indiana Finance Authority Hospital Revenue Refunding Bonds, Series 2020, variable interest at one-month London Interbank Offered Rate (LIBOR) plus applicable spread ranging from 4.0 percent to 5.0 percent. Interest is payable monthly. Principal due at maturity in 2022	35,805,000	-
Medical office building finance lease obligations collateralized by leased medical office buildings. Finance lease obligations were purchased by the Hospital in February 2020	-	18,736,456
Equipment finance lease obligation	30,085	-
Unamortized premium	3,399,220	3,717,896
Total	73,204,305	58,879,352
Less current portion	2,585,283	2,674,296
Less unamortized debt issuance costs	688,643	468,250
Long-term portion	<u>\$ 69,930,379</u>	<u>\$ 55,736,806</u>

The Indiana Health Facility Financing Authority (the "IHFFA") has issued bonds on behalf of The Methodist Hospitals, Inc. Obligated Group (the "Obligated Group") and has loaned the proceeds to the Obligated Group under the terms of the master indenture. The sole member of the Obligated Group is The Methodist Hospitals, Inc.

Hospital Obligated Group Bonds Payable, Series 2014A consist of hospital revenue bonds issued by the Indiana Finance Authority (previously, the IHFFA). The bonds consist of serial bonds payable in annual installments for 2015 through 2031, ranging from \$1,875,000 to \$3,465,000 at interest rates ranging from 4 percent to 5 percent and term bonds payable in annual installments through 2031, ranging from \$3,375,000 to \$3,555,000 at 5 percent interest.

Effective January 9, 2020, the Hospital issued \$35,805,000 Taxable Hospital Revenue Bonds, Series 2020. The principal on the bonds is due upon maturity in January 2022. The interest rate on the bonds is the one-month LIBOR plus the applicable spread (for the period beginning on (and including) the issuance date to (and including) January 2, 2021, 130 basis points (1.30 percent) and for the period beginning on (and including) January 3, 2021 to (but excluding) the maturity date, 185 basis points (1.85 percent), provided, however, that (i) in the event the rating assigned for the period beginning January 3, 2021 by S&P Global Ratings shall be BBB or better and the rating assigned by Fitch shall be BBB or better, the applicable spread shall be 155 basis points (1.55 percent); and (ii) in the event that the rating assigned by S&P Global Ratings shall be BB+ or the rating assigned by Fitch shall be BB+, the applicable spread shall be 250 basis points (2.50 percent)).

The Series 2014A and Series 2020 bonds have been issued under a master trust indenture and are secured by the gross revenue of the Hospital. In connection with the bond indenture and loan agreements, the Obligated Group is subject to certain financial covenants related to, among others, transfer of assets, restrictions on additional indebtedness, and maintenance of certain financial covenants, including a minimum debt service coverage ratio and minimum debt service reserve funds.

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 12 - Long-term Debt (Continued)

The Hospital previously entered into a series of finance lease arrangements for a medical office building on the Merrillville hospital campus. Until February 2020, the Hospital leased the underlying land to the developer under terms of a ground lease. In February 2020, the Hospital exercised its right to purchase the medical office building and the underlying land. The medical office building houses physician offices, laboratory and diagnostic facilities, and an ambulatory surgery center. Until February 2020, payments totaling \$144,414 were paid monthly. The right-of-use asset and related lease liability had been calculated using a discount rate of 8.12 percent.

Scheduled principal repayments on long-term debt are as follows as of December 31:

Years Ending December 31	Long-term Debt	Finance Lease Obligations
2021	\$ 2,570,000	\$ 15,283
2022	38,495,000	14,802
2023	2,815,000	-
2024	2,845,000	-
2025	2,975,000	-
Thereafter	20,075,000	-
Total	\$ 69,775,000	\$ 30,085

Note 13 - Other Liabilities

The detail of other liabilities is shown below:

	2020	2019
Accrued pension cost (Note 16)	\$ 8,956,432	\$ 6,979,088
Insurance liabilities (Note 17)	6,416,732	6,909,107
Medicare advance payments - Long-term portion (Note 20)	22,285,888	-
Other	706,691	1,254,450
Total other liabilities	\$ 38,365,743	\$ 15,142,645

Note 14 - Operating Leases

The Hospital is obligated under operating leases primarily for facilities and equipment, expiring at various dates through December 2030. The right-of-use asset and related lease liability have been calculated using discount rates ranging from 4.25 percent to 6.50 percent. The leases require the Hospital to pay taxes, insurance, utilities, and maintenance costs. Total rent expense under these leases was \$2,238,000 and \$2,777,000 for 2020 and 2019, respectively.

The Hospital assesses whether it is reasonable certain to exercise an option to extend or terminate a lease at the lease commencement date. In this assessment, the Hospital considers all relevant factors that create economic incentive to exercise such options, including asset, contract, market, and entity-based factors.

When readily determinable, the Hospital utilizes the interest rate implicit in a lease to determine the present value of future lease payments. For leases where the implicit rate is not readily determinable, the Hospital's incremental borrowing rate is used.

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 14 - Operating Leases (Continued)

Future minimum annual commitments under these operating leases are as follows:

Years Ending December 31	Amount
2021	\$ 2,713,255
2022	2,363,033
2023	2,258,451
2024	2,134,873
2025	1,751,998
Thereafter	<u>919,265</u>
Total	12,140,875
Less amount representing interest	<u>1,417,765</u>
Present value of net minimum lease payments	10,723,110
Less current obligations	<u>2,238,497</u>
Long-term obligations	<u><u>\$ 8,484,613</u></u>

Note 15 - Defined Contribution Plan

The Hospital established a defined contribution retirement plan effective January 1, 2006, which allows for employee contributions and requires a matching employer contribution of 50 percent of the first 6 percent of employees' earnings. Expense for the years ended December 31, 2020 and 2019 was approximately \$2,141,000 and \$2,114,000, respectively.

Note 16 - Pension Plan

The Methodist Hospitals, Inc. sponsors a defined benefit pension plan covering certain employees.

The board of directors of the Hospital elected to freeze the employees' participation in the future accrual of benefits under the existing defined benefit plan effective December 31, 2005.

Effective June 1, 2007, the plan was amended to provide early retirement window benefits to participants who had attained age 50 and completed 10 or more years of service on or before June 30, 2007. Under the terms of the amendment, eligible participants who elected to participate received three years of additional benefits accrual based on 2006 compensation, and the early retirement reduction was calculated assuming a participant was 50 years or older. Participants were allowed to take their full benefit as a lump sum. A significant portion of participants eligible for the early retirement program elected to participate in the program.

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 16 - Pension Plan (Continued)

Obligations and Funded Status

	Pension Benefits	
	2020	2019
Change in benefit obligation:		
Benefit obligation at beginning of year	\$ 135,537,852	\$ 125,119,927
Interest cost	4,493,339	5,263,332
Actuarial gain	12,977,651	15,378,338
Benefits paid	(9,089,053)	(10,223,745)
Benefit obligation at end of year	143,919,789	135,537,852
Change in plan assets:		
Fair value of plan assets at beginning of year	128,558,764	119,889,915
Actual return on plan assets	12,293,646	15,692,594
Employer contributions	3,200,000	3,200,000
Benefits paid	(9,089,053)	(10,223,745)
Fair value of plan assets at end of year	134,963,357	128,558,764
Funded status at end of year	\$ (8,956,432)	\$ (6,979,088)

Components of net periodic benefit cost and other amounts recognized are as follows:

	Pension Benefits	
	2020	2019
Net Periodic Benefit Cost		
Interest cost	\$ 4,493,339	\$ 5,263,332
Expected return on plan assets	(5,326,023)	(6,805,009)
Amortization of net loss	3,012,766	2,634,765
Total cost	\$ 2,180,082	\$ 1,093,088

Included in net assets without donor restrictions are the following amounts that have not yet been recognized in net periodic pension cost:

	Pension Benefits	
	2020	2019
Net loss	\$ 2,997,262	\$ 3,855,988

Weighted-average assumptions used to determine benefit obligations at December 31 are as follows:

	Pension Benefits	
	2020	2019
Discount rate	2.60%	3.40%

Weighted-average assumptions used to determine net periodic benefit cost for the years ended December 31 are as follows:

	Pension Benefits	
	2020	2019
Discount rate	3.40%	4.30%
Expected long-term return on plan assets	4.25%	5.75%

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 16 - Pension Plan (Continued)

In selecting the expected long-term rate of return on assets, the Hospital considered the average rate of earnings expected on the funds invested or to be invested to provide for the benefits of this plan. This included considering the allocation of trust assets and the expected returns likely to be earned over the life of the plan.

Pension Plan Assets

The goals of the pension plan investment program are to fully fund the obligation to pay retirement benefits in accordance with the plan documents and to provide returns that, along with appropriate funding from the Hospital, maintain an asset/liability ratio that is in compliance with all applicable laws and regulations and ensures timely payment of retirement benefits. Pension funds are invested in growth-oriented securities up to 30 percent in equities, including international equities.

The target allocation range of percentages for plan assets is 14 percent equity securities and 86 percent debt securities as of December 31, 2020 and 2019.

The fair values of the Hospital's pension plan assets at December 31, 2020 and 2019 by major asset categories are as follows:

		Fair Value Measurements at December 31, 2020			
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Asset Classes					
Equity securities:					
U.S. companies	\$	32,317,778	\$ -	\$ -	\$ 32,317,778
International companies		10,428,448	-	-	10,428,448
Debt securities		-	45,192,199	-	45,192,199
Total	\$	42,746,226	\$ 45,192,199	\$ -	\$ 87,938,425
		Fair Value Measurements at December 31, 2019			
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Asset Classes					
Equity securities:					
U.S. companies	\$	29,827,955	\$ -	\$ -	\$ 29,827,955
International companies		8,888,175	-	-	8,888,175
Debt securities		-	47,171,721	-	47,171,721
Total	\$	38,716,130	\$ 47,171,721	\$ -	\$ 85,887,851

The pension plan assets shown above included cash and cash equivalents of \$6,824 and \$101,934 at December 31, 2020 and 2019, respectively. Cash and cash equivalents are not measured at fair value on a recurring basis and, therefore, are not included in the tables above.

The tables above present information about the pension plan assets measured at fair value at December 31, 2020 and 2019 and the valuation techniques used by the Hospital to determine those fair values.

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets that the plan has the ability to access.

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 16 - Pension Plan (Continued)

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets and other inputs, such as interest rates and yield curves, that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Hospital's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each plan asset.

The fair value of debt securities, fixed-income securities, and common collective trust fund at December 31, 2020 and 2019 was determined based on Level 2 inputs. The Methodist Hospitals, Inc. estimates the fair value of these investments using the fair market values determined by the investment custodians.

Investments in Entities that Calculate Net Asset Value per Share

The Hospital has investments in a common collective trust fund and 103-12 investment totaling \$47,018,108 and \$42,568,979 at December 31, 2020 and 2019, respectively. The Hospital holds shares or interests in the common collective trust fund and 103-12 investment at year end whereby the fair value of the investment held is estimated based on net asset value per share (or its equivalent) of the common collective trust fund and 103-12 investment.

The common collective trust fund invests primarily in common stock of small-cap companies in the U.S. The fair value of this investment has been estimated using net asset value per share of the investment.

The 103-12 investment fund invests primarily in U.S. dollar-denominated investment-grade and government securities, U.S. high yield, non-U.S. bonds, and TIPS. The fair value of this investment has been estimated using net asset value per share of the investment.

The investments measured at net asset value per share (or its equivalent) of the common collective trust fund and 103-12 investment do not have unfunded commitments or redemption periods.

Cash Flow

Contributions

The Hospital expects to contribute \$3.2 million to the pension plan in 2021.

Estimated Future Benefit Payments

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid:

<u>Years Ending</u>	<u>Pension Benefits</u>
2021	\$ 5,680,416
2022	5,992,270
2023	6,312,524
2024	6,584,049
2025	6,848,596
2026-2030	37,261,714

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 17 - Professional Liability Self-insurance

On April 2, 1983, the Hospital became qualified under the Indiana Medical Malpractice Act (the "Act"). The Act limits the amount of individual claims to \$1,250,000 (\$7,500,000 annual aggregate), of which \$1,000,000 would be paid by the State of Indiana Patient Compensation Fund and \$250,000 by the Hospital. The Hospital carries commercial insurance coverage for incidents that would exceed coverages specified by the self-insurance program. Prior to April 2, 1983, the Hospital carried commercial insurance for professional liability risks on an occurrence basis. The Hospital's liability for medical malpractice self-insurance is actuarially determined based upon the Hospital's estimated claims reserves and various assumptions and includes an estimate for claims incurred but not yet reported.

In connection with the self-insurance program, the Hospital established a trust. Under the trust agreement, the trust assets can only be used for payment of professional liability losses, related expenses, and the costs of administering the trust. The assets of the trust are included in funds and income from the trust assets, and administrative costs are included in the consolidated statement of operations.

Note 18 - Patient Care Service Revenue

Patient care service revenue is reported at the amount that reflects the consideration to which the Hospital expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including health insurers and government programs), and others and include variable consideration for retroactive revenue adjustments due to settlement of audits, reviews, and investigations. Generally, the Hospital bills the patients and third-party payors several days after the services are performed or the patient is discharged from the facility. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Hospital. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Hospital believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patients in our hospitals receiving inpatient acute-care services or patients receiving services in our outpatient centers or in their homes (home care). The Hospital measures the performance obligation from admission into the Hospital or the commencement of an outpatient service to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge or completion of the outpatient services. Revenue for performance obligations satisfied at a point in time is generally recognized when goods are provided to our patients and customers in a retail setting (for example, pharmaceuticals and medical equipment) and the Hospital does not believe it is required to provide additional goods or services related to that sale. The Hospital's revenue that is satisfied at a point in time is insignificant for both years ended December 31, 2020 and 2019.

Because all of its performance obligations relate to contracts with a duration of less than one year, the Hospital has elected to apply the optional exemption provided in FASB ASC 606-10-50-14(a) and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to inpatient acute-care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 18 - Patient Care Service Revenue (Continued)

The Hospital determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with the Hospital's policy, and implicit price concessions provided to uninsured patients. The Hospital determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies, and historical experience. The Hospital determines its estimate of implicit price concessions based on its historical collection experience with this class of patients.

Laws and regulations concerning government programs, including Medicare and Medicaid, are complex and subject to varying interpretation. As a result of investigations by governmental agencies, various health care organizations have received requests for information and notices regarding alleged noncompliance with those laws and regulations, which, in some instances, have resulted in organizations entering into significant settlement agreements. Compliance with such laws and regulations may also be subject to future government review and interpretation, as well as significant regulatory action, including fines, penalties, and potential exclusion from the related programs. There can be no assurance that regulatory authorities will not challenge the Hospital's compliance with these laws and regulations, and it is not possible to determine the impact (if any) such claims or penalties would have upon the Hospital. In addition, the contracts the Hospital has with commercial payors also provide for retroactive audit and review of claims.

Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Hospital also provides services to uninsured patients and offers those uninsured patients a discount, either by policy or law, from standard charges. The Hospital estimates the transaction price for patients with deductibles and coinsurance and from those who are uninsured based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts, and implicit price concessions. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to patient service revenue in the period of the change. For the years ended December 31, 2020 and 2019, changes in its estimates of implicit price concessions, discounts, and contractual adjustments for performance obligations satisfied in prior years were not significant. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as bad debt expense.

Consistent with the Hospital's mission, care is provided to patients regardless of their ability to pay. Therefore, the Hospital has determined it has provided implicit price concessions to uninsured patients and patients with other uninsured balances (for example, copays and deductibles). The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to patients and the amounts the Hospital expects to collect based on its collection history with those patients.

Patients who meet the Hospital's criteria for charity care are provided care without charge or at amounts less than established rates. Such amounts determined to qualify as charity care are not reported as revenue.

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 18 - Patient Care Service Revenue (Continued)

The Hospital has determined that the nature, amount, timing, and uncertainty of revenue and cash flows are affected by the following factors: payors and service lines. Tables providing details of these factors are presented below.

The composition of patient care service revenue by primary payor for the years ended December 31 is as follows:

	2020	2019
Payors:		
Blue Cross	\$ 54,297,374	\$ 54,530,551
Commercial	38,127,436	39,626,238
Medicaid	47,583,159	45,985,509
Medicare	117,474,815	116,477,715
Other	20,378,044	21,529,047
Uninsured	4,905,053	2,688,018
Total	<u>\$ 282,765,881</u>	<u>\$ 280,837,078</u>
Major service lines:		
Home health	\$ 3,376,805	\$ 2,601,534
Hospital	260,669,578	259,427,453
Provider services	18,719,498	18,808,091
Total	<u>\$ 282,765,881</u>	<u>\$ 280,837,078</u>

After a review of reimbursement methods and contract obligations, the Hospital deems all significant patient revenue to be fee for service, and the performance obligation is met over time.

There is \$3,876,131 and \$3,251,286 of contract assets included within other current assets on the consolidated balance sheet as of December 31, 2020 and 2019, respectively.

Note 19 - Functional Expenses

The Hospital is a general acute-care facility that provides inpatient and outpatient health care services to patients in Lake County and several surrounding counties. Expenses related to providing these services for the years ended December 31, 2020 and 2019 are as follows:

	2020		
	Program Services	Management and General	Total
Salaries and wages	\$ 127,751,780	\$ 21,392,865	\$ 149,144,645
Employee benefits and payroll taxes	30,345,640	5,705,545	36,051,185
Supplies	57,235,947	3,705,516	60,941,463
Outside services	55,677,952	9,603,889	65,281,841
Professional and other liability costs	2,795,919	-	2,795,919
Utilities	4,463,800	2,771,974	7,235,774
Repairs and maintenance	4,349,007	5,213,076	9,562,083
Medicaid assessment fee	16,695,496	-	16,695,496
Depreciation and amortization	15,776,893	2,107,602	17,884,495
Interest expense	2,611,544	-	2,611,544
Other	4,695,892	3,955,524	8,651,416
Total	<u>\$ 322,399,870</u>	<u>\$ 54,455,991</u>	<u>\$ 376,855,861</u>

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 19 - Functional Expenses (Continued)

	2019		
	Program Services	Management and General	Total
Salaries and wages	\$ 127,959,817	\$ 21,714,366	\$ 149,674,183
Employee benefits and payroll taxes	29,763,353	5,743,642	35,506,995
Supplies	54,218,534	3,598,347	57,816,881
Outside services	42,325,833	10,771,462	53,097,295
Professional and other liability costs	3,531,659	-	3,531,659
Utilities	3,944,459	2,994,473	6,938,932
Repairs and maintenance	3,920,694	5,446,541	9,367,235
Medicaid assessment fee	17,509,084	-	17,509,084
Depreciation and amortization	15,999,290	2,148,168	18,147,458
Interest expense	3,157,298	-	3,157,298
Other	5,978,531	2,579,718	8,558,249
Total	\$ 308,308,552	\$ 54,996,717	\$ 363,305,269

The consolidated financial statements report certain functions or expense categories that support both program and support functions. Therefore, these expenses require an allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function, including revenue cycle, patient services, purchasing, and information technology expenses, are allocated between program and support based on based pro rata percentage of expense to total expenses.

Note 20 - COVID-19 Pandemic

On March 11, 2020, the World Health Organization declared a pandemic outbreak of a respiratory disease caused by a new coronavirus. First identified in late 2019 and now known as COVID-19, the outbreak has impacted millions of individuals in the United States and worldwide. In response, the United States federal government and individual state and local governments have implemented measures to combat the outbreak that have impacted health care business operations. During the second quarter of fiscal year 2020, the Hospital's operations were significantly impacted, as shelter-in-place orders and government mandates to suspend elective procedures reduced volumes significantly during the period. The Hospital mitigated the impact by managing workforce productivity, delaying capital expenditures, actively managing cash disbursements, and implementing other cost reduction measures.

Enacted on March 27, 2020 by the federal government, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was established, which authorizes \$100 billion to be administered through grants and other mechanisms to hospitals, public entities, not-for-profit entities, and Medicare- and Medicaid-enrolled suppliers and institutional providers. The purpose of these funds is to reimburse providers for lost revenue attributable to COVID-19, such as forgone revenue from canceled procedures, and to provide support for related health care expenses, such as constructing temporary structures or emergency operation centers; retrofitting facilities; purchasing medical supplies and equipment, including personal protective equipment and testing supplies; and increasing workforce. Further, these relief funds ensure uninsured patients are receiving testing and treatment for COVID-19.

Notes to Consolidated Financial Statements

December 31, 2020 and 2019

Note 20 - COVID-19 Pandemic (Continued)

On April 10, 2020, the U.S. Department of Health and Human Services (HHS) began making payments to health care providers from the \$100 billion appropriation. These are payments to health care providers that will not need to be repaid as long as the Hospital complies with certain terms and conditions outlined by HHS. The Hospital relied upon guidance issued by HHS through the date the financial statements were available to be issued. The terms and conditions first require the health care provider to identify health care-related expenses attributed to COVID-19 that another source has not reimbursed or is obligated to reimburse. If those expenses do not exceed the funding received, the health care provider then applies the funds to patient care lost revenue. The HHS' January 15, 2021 notice, *Post-Payment Notice of Reporting Requirements*, provided health care providers three options to calculate patient care lost revenue. To determine the total distributions to be recognized as revenue as of December 31, 2020, the Hospital totaled unreimbursed related expenses attributed to COVID-19 and calculated patient care lost revenue based on the difference between 2020 budgeted and 2020 actual patient care revenue.

The Hospital received approximately \$50.1 million of payments as part of general and targeted distributions of the CARES Act Provider Relief Fund. As of December 31, 2020, the Hospital has recognized \$32.9 million as other operating revenue on the consolidated statement of operations. The Hospital has asserted that it has met the conditions and restrictions outlined within the HHS published terms and conditions for the CARES Act as of December 31, 2020. The Hospital has the remaining \$17.3 million recorded within deferred revenue on the consolidated balance sheet, as the Hospital has asserted it has not yet met all of the terms and conditions and restrictions for the CARES Act relative to these funds as of December 31, 2020. The Hospital has an additional 6 months from January 1, 2021 to June 30, 2021 in which to use amounts remaining toward expenses attributable to COVID-19 but not reimbursed by other sources and/or lost patient care revenue. HHS is entitled to recoup Provider Relief Funds that are unused as for the purposes disclosed above.

HHS' requirements for the uses of the CARES Act funds are subject to change and are open to interpretation and clarification and, therefore, may result in changes in the amounts recognized as other operating revenue during the year ended December 31, 2020. Any changes in amounts recognized as result of new guidance, interpretation, or clarification will be recognized in the period in which the change occurred.

Medicare Advance Payments

The Hospital requested accelerated Medicare payments, as provided for in the CARES Act, which allows for eligible health care facilities to request up to 6 months of advance Medicare payments.

Subsequent to year end, U.S. Congress and CMS extended the repayment terms of the accelerated Medicare payments to begin one year after the first payment was issued, at which point these amounts will be repaid at 25 percent of the Medicare payments to the Hospital for 11 months. After 11 months, the recoupment will increase to 50 percent of the Medicare payments for 6 additional months (or until all amounts are repaid). Any unapplied accelerated payment amounts that are unpaid after this 17-month period are due to CMS, plus interest at a rate of 4 percent on the outstanding balance. Repayment of the accelerated payments for the Hospital will begin during the year ending December 31, 2021 and will continue into the year ending December 31, 2023.

As of December 31, 2020, the Hospital has recorded a total of approximately \$36 million, which is recorded as accrued liabilities and other and other liabilities on the consolidated balance sheet.



2019 - 2020

Community Health Needs Assessment



TABLE OF CONTENTS

SECTION 1: INTRODUCTION TO METHODIST HOSPITALS

SECTION 2: OUR COMMUNITY

SECTION 3: HEALTH INDICATORS

SECTION 4: COMMUNITY HEALTH NEEDS

SECTION 5: PRIORITIES

HOW TO USE THIS REPORT

1

**INTRODUCTION / LEARN
ABOUT METHODIST
HOSPITALS**

2

**EXAMINE THE
GEOGRAPHIC,
DEMOGRAPHIC AND
ECONOMIC TRAITS OF
THE COMMUNITY**

3

**EXPLORE THE SOCIAL
DETERMINANTS OF
HEALTH AND OTHER
HEALTH INDICATORS**

4

**IDENTIFY THE TOP
HEALTH NEEDS IN
THE COMMUNITY**

5

**2020 - 2022
PRIORITIES**



1

INTRODUCTION / LEARN ABOUT METHODIST HOSPITALS

About the CHNA,

This report provides findings from the Community Health Needs Assessment (CHNA), a comprehensive review of health data and community input on health issues relevant to the community served by Methodist Hospitals. The assessment covers a large range of topics, but is not a complete analysis of any one issue. Rather, this data helps to identify priorities which lead to productive community discussions and the creation of goals and objectives. We invite you to investigate and use the information in this report to move toward solutions for healthier communities.

This report meets the current Internal Revenue Service's requirement for tax-exempt hospitals, which is based on the Patient Protection and Affordable Care Act of 2010. More importantly, this document assists in identifying services essential to those most in need. Based on the findings in this report, Methodist Hospitals develops a three-year plan for activities we will undertake to better meet community health needs as capacity and resources allow.

The CHNA collected input from persons representing the broad interests of the overall community, including those with specialized knowledge of, or expertise in, public health and residents of the communities the hospital serves. Methodist Hospitals partnered with other hospital systems, foundations, and non-profits to conduct a resident survey. Data from a variety of federal, state, and local entities were also reviewed. These findings are put into context by County Health Rankings & Roadmaps, Indiana Indicators, Center for Disease Control and Prevention (CDC), Healthy Communities Institute (HCI), the Indiana State Department of Health (ISDH), etc.

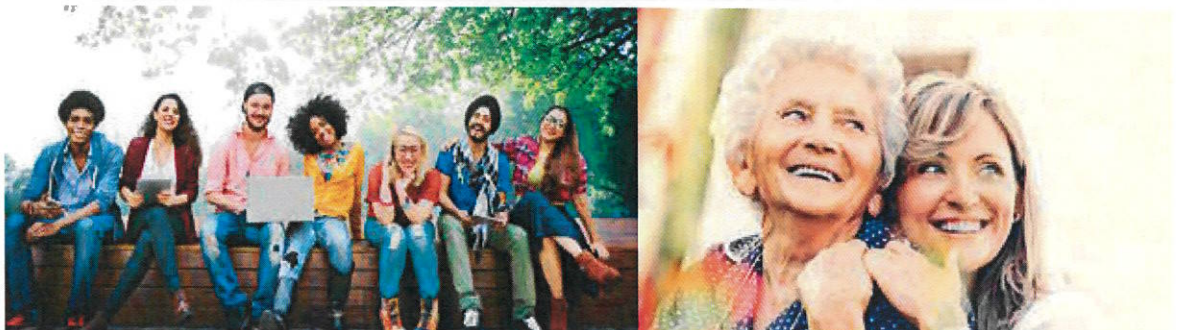
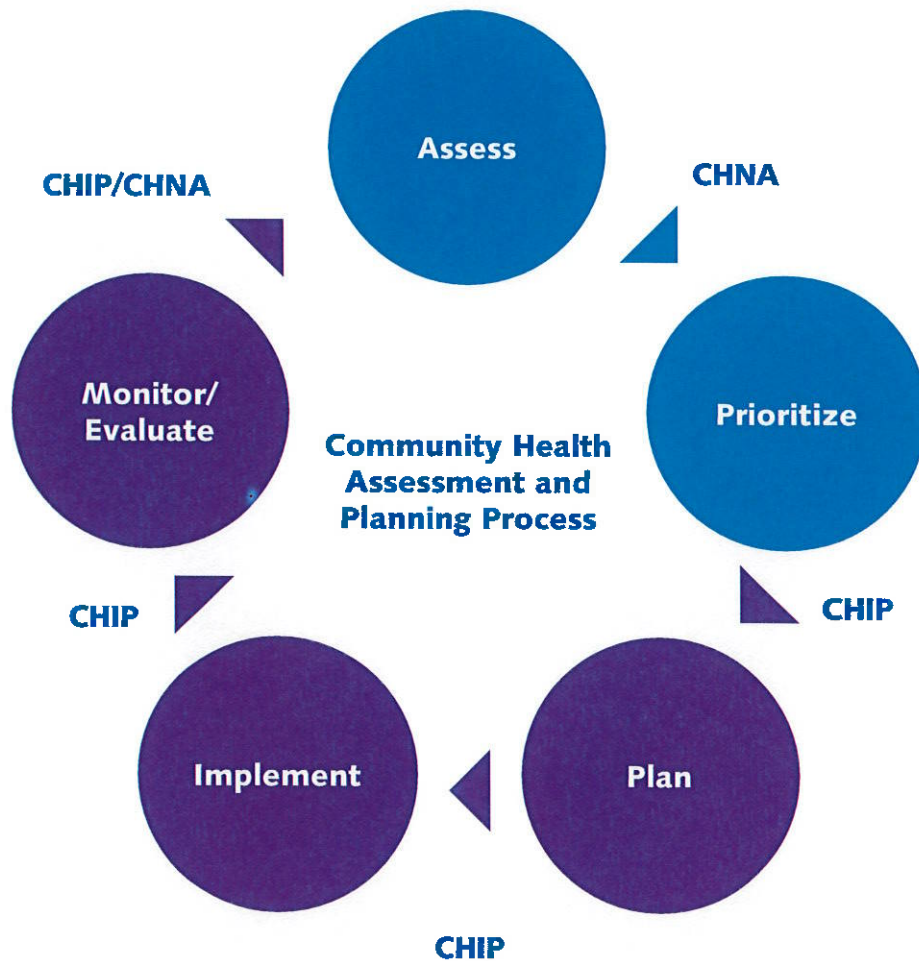
You'll find this document organized in such a way as to guide you through the community. Most importantly, please see the Call to Action. In this section, we share our priorities for improving community health in 2019-2021. We think it's important to be transparent, and we invite others to join us as we know improving health is a total community effort.

Yours in health,

Methodist Hospitals

INTRODUCTION

Every three years, Methodist Hospitals takes time to assess the health needs of the communities it serves. This assessment allows us to prioritize our resources to implement programs that address these needs with evidence based practices. Throughout each three year cycle, staff evaluate and monitor the effectiveness of our programs. The priorities outlined in this report will form the bases for a plan called the Community Health Improvement Plan (CHIP).



INTRODUCTION

TENTATIVE TIMELINE FOR THE NEXT THREE YEAR CYCLE OF ACTION PLANS:

12/31/19
NEW CHNA POSTED TO
METHODIST WEBSITE - BOARD
APPROVAL OF CHNA

2/28/20
COMPLETION OF
TACTICAL PLAN

MARCH 2020
BOARD APPROVAL OF
TRACTICAL PLAN

APRIL 2020
IMPLEMENTATION BEGINS



MAY 15, 2020
IRS DEADLINE

FACILITY INFORMATION

LEADING THE WAY TO BETTER HEALTH

Methodist Hospitals is leading the way to better health for the communities of Northwest Indiana, implementing patient-centered initiatives that include investing in the latest treatments, technologies, and safety programs. Methodist also has a strong tradition of community outreach. In 2018, Methodist provided \$108.8 million in charity care, uncompensated care and physician and community services.

With a primary service area of Lake county, Methodist's two full-service campuses are just 14 miles apart. The Northlake Campus is located in Gary and the Southlake Campus in Merrillville, the heart of a large, growing suburban area and one of the Midwest's busiest retail centers. Each of our hospital campuses is comprised entirely of private rooms.

Our outpatient facility, the Midlake Campus in Gary, is conveniently located between the Northlake and Southlake campuses just off of Interstate 80/94. Since 2003, Midlake's Rehab Center has provided exceptional outpatient rehabilitation services. Physician offices and other services are also located at this facility. A growing network of Immediate Care Centers, physician practices and other facilities has extended our services to Crown Point, Highland and Schererville, with additional locations in the planning stages.

Methodist Hospitals is a not-for-profit, community-based healthcare system, which is governed by a 17-member Board of Directors. Methodist Hospitals is also a strong advocate for the continued physical, emotional and economic well-being of the residents in the many communities we serve. 100% of profits are reinvested to improve patient care.

Website: www.methodisthospitals.org

2018 Inpatient Admissions: 14,993

2018 Outpatient Visits: 103,211

2018 ED Visits 2018: 67,712

2018 Employees: 2,576

2018 Volunteers: 75

2018 Medical Staff: 463

NORTHLAKE CAMPUS

Address: 600 Grant Street, Gary, IN 46402

General Phone: (219) 886-4000

SOUTHLAKE CAMPUS

Address: 8701 Broadway, Merrillville, IN 46410

General Phone: (219) 738-5500

FACILITY INFORMATION

OUR MISSION

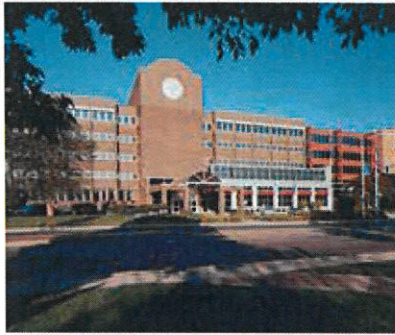
Our mission is to provide compassionate, quality health care services to all those in need.

OUR VISION

Our vision is to be the best place for employees to work, the best place for patients to receive care and the best place for physicians to practice medicine.

OUR VALUES

ICARE – Integrity, Compassion, Accountability, Respect, Excellence



**NORTHLAKE CAMPUS
GARY**



**MIDLAKE CAMPUS
GARY**



**SOUTHLAKE CAMPUS
MERRILLVILLE**

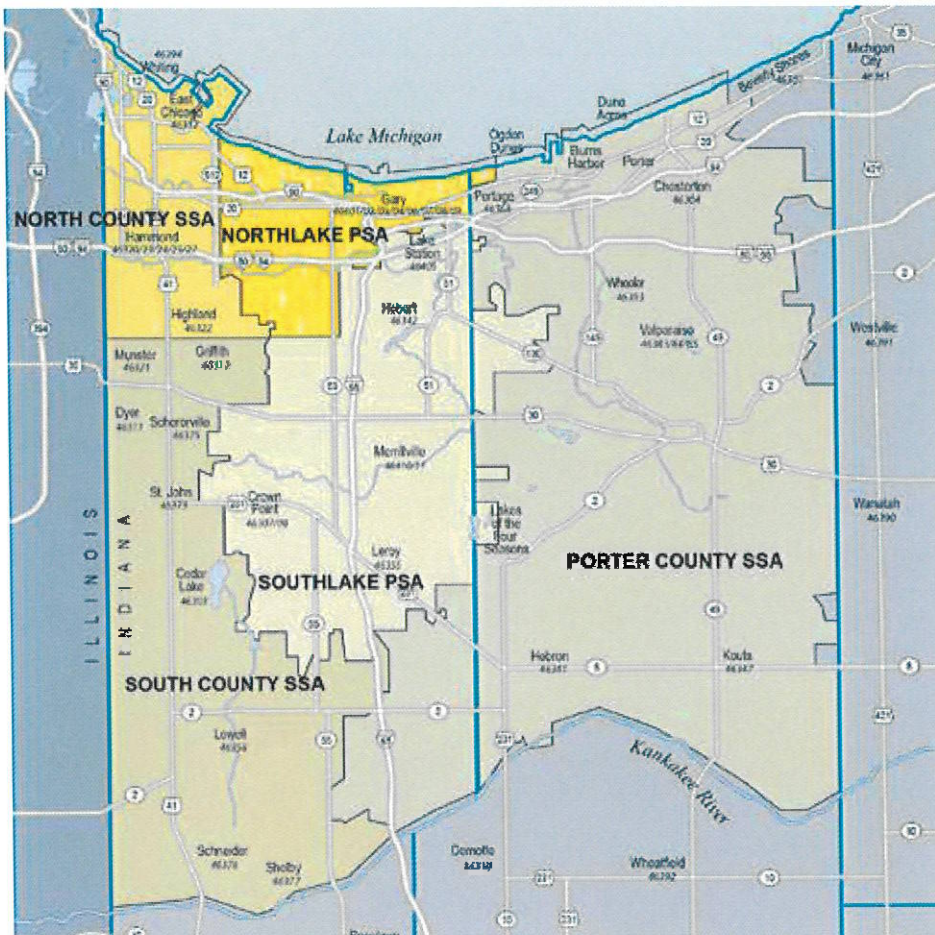


2

**EXAMINE THE
GEOGRAPHIC,
DEMOGRAPHIC AND
ECONOMIC TRAITS OF
THE COMMUNITY**

OUR COMMUNITY

This section details the local community. The community profile contains information such as the geographic details, demographics, and social and economic well-being. Reviewing this information gives readers a sense of the community, including the strengths and challenges of daily living. Because of data constraints and the desire to offer the best snap-shot possible, the community profile may extend beyond the identified target communities for Methodist Hospital's community benefit operations.



GEOGRAPHY

Lake County is part of Northwest Indiana and the Chicago metropolitan area, containing a blend of suburban, urban, and rural areas. The surrounding counties include Porter County (east), Jasper County (southeast), and Newton County (southwest). According to the 2010 Census, Lake County has a total surface area of 626.56 square miles of land and the remaining 127.60 square miles are water.

While Methodist Hospitals serves patients from across counties, our Northlake Campus is a safety-net hospital and the only hospital in Gary, Indiana.

GARY VERSUS REMINDER OF LAKE COUNTY

The Gary community faces some particular challenges and the health needs of its residents may differ from residents of other Lake County communities. Therefore, demographics of the Gary community as well as the responses of Gary residents to the community survey will be broken out from the remainder of Lake County, and the top health needs of the Gary community will form a primary focus of the priorities and action plan. Much of the secondary data in the report is only available on a county level.

OUR COMMUNITY

NATIONALLY PROTECTED LAND

The Indiana Dunes National Lakeshore is the only nationally protected area in the county. The Indiana Dunes is a unit of the National Park System, which is managed by the National Park Service. The beautiful lakeshore stretches 25 miles across Lake County and ends in Chesterton, Indiana.

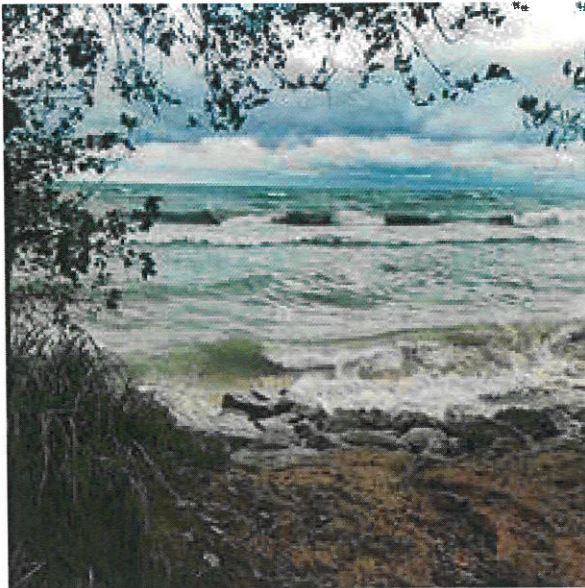


Figure 1.0: Indiana Dunes
Source: National Park Service, 2017



Figure 1.1: Indiana Dunes Map
Source: Student Conservation Association, 2017

AIRPORTS

There are two public airports located in Lake County including the Gary-Chicago International Airport (GYG) and the Griffith-Merrillville Airport (O5C). The Gary-Chicago International airport has several major nearby highways including I-90, I-80, I-94, and I-65. Refer to Table 1.0 for a full list of major highways in Lake County.

Table 1.0: Major Highways

Interstates	U.S. Routes	State Routes
Interstate 65	U.S. Route 6	State Road 2
Interstate 80	U.S. Route 12	State Road 51
Interstate 94	U.S. Route 20	State Road 53
Indiana Toll Road	U.S. Route 30	State Road 55
	U.S. Route 41	State Road 130
	U.S. Route 231	State Road 152
		State Road 312
		State Road 912

OUR COMMUNITY

MUNICIPALITIES

The municipalities in Lake County are below (U.S Census, 2010). In 2016, the total population of Lake County was 486,592.

Table 1.1: Major Cities

Cities & Towns	Populations	Percent of County
Cedar Lake	12,183	2.5%
Crown Point	29,176	6.0%
Dyer	15,941	3.3%
East Chicago	28,418	5.8%
Gary	76,424	15.7%
Griffith	16,252	3.3%
Hammond	77,134	15.9%
Highland	22,737	4.7%
Hobart	28,248	5.8%
Lake Station	11,952	2.5%
Lowell	9,519	2.0%
Merrillville	34,994	7.2%
Munster	22,825	4.7%
New Chicago	1,956	0.4%
St. John	16,800	3.5%
Schererville	28,701	5.9%
Shelby	386	0.1%
Schneider	270	0.1%
Whiting	4,831	1.0%
Winfield	5,560	1.1%

The most populated city in Lake County is Hammond with 77,134 residents. Hammond comprises only 15.9% of Lake County.

The least populated city in Lake County is Schneider with 270 residents. Schneider comprises only 0.1% of Lake County.

Figure 1.2: Graph of Largest Cities & Towns in Lake County

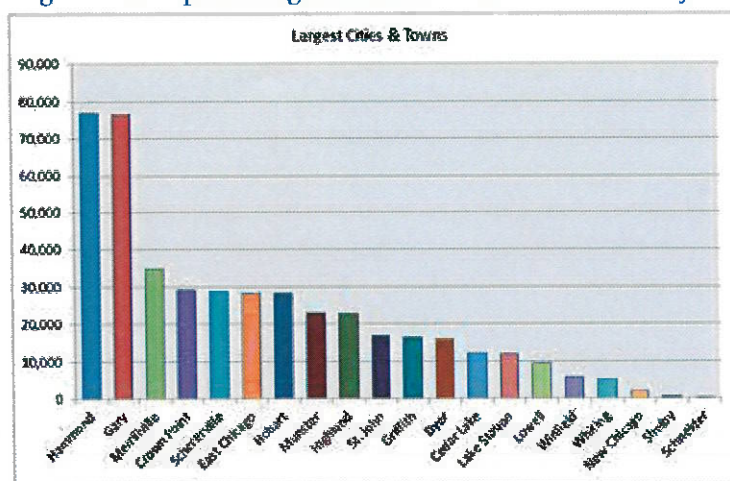


Table 1.2: Population Trends Over Time

Population over Time	Number	Percent of State	Indiana
Yesterday: 2010	496,050	7.7	6,484,136
Today: 2016	486,846	7.3	6,633,053
Tomorrow: 2020 projection*	507,724	7.4	6,852,121
Percent change from 2010 to Today	-2.1%		2.3%

* Projection based on 2010 Census counts.

Source: U.S Census Bureau; Indiana Business Research Center

OUR COMMUNITY

DEMOGRAPHICS

In terms of age and gender, the population of Lake County does not differ from that of Indiana as a whole. The population of Gary tends to be slightly more female and have slightly higher proportions of those ages 18 and under or over 65+.

Both Lake County and the city of Gary are more racially diverse than Indiana as a whole. While Indiana's population is 79% white, whites account for 54% of the Lake County population and 12% of Gary's population. Gary's population is 81% black and 6% Hispanic while Lake County as a whole is 24% black and 19% Hispanic.

In terms of education, 85% of Gary residents and 88% of Lake County and Indiana residents have at least a high school education. Gary residents are less likely than Lake County or Indiana residents as a whole to have a Bachelor's degree or higher.

Median Household income of Lake County residents is similar to that for the state as a whole, but median income in Gary is much lower. More than one-third (36%) of Gary residents live in poverty, compared to 16% of Lake County and 13% of all Indiana residents. Gary has a lower labor force participation rate than Lake County and the state overall.

Gary also has slightly higher proportions of residents without health insurance and who are living with a disability.

Demographics (US Census Quick Facts - July 2018 Population)			
	Gary	Lake County	Indiana
Age			
Under 18	25%	23%	23%
18 - 65	57%	60%	61%
65+	17%	16%	16%
Gender			
Female	54%	52%	51%
Male	46%	48%	49%
Race			
White Alone	12%	54%	79%
Black Alone	81%	24%	10%
Hispanic	6%	19%	7%
Other	1%	3%	4%
Education			
High School Grad +	85%	88%	88%
Bachelor Degree +	13%	21%	25%
Income			
Median Household Income	\$29,293	\$52,559	\$52,182
Persons in Poverty	36%	16%	13%
Employment			
% in Labor force (Age 16+)	51%	61%	64%
Health			
% With a Disability (Under 65)	13%	10%	10%
% With No Health Insurance (Under 65)	16%	10%	10%

OUR COMMUNITY

ENVIRONMENTAL

Air quality

Ozone occurs naturally in the sky and helps protect us from the sun's harmful rays. But ground-level ozone can be bad for your health and the environment. Ground-level ozone is one of the biggest parts of smog. When ozone levels are above the national standard, everyone should try to limit their contact with it by reducing the amount of time spent outside.

Drinking Water & Lead

Within Lake County, lead poisoning remains a serious threat to the public and environmental health of East Chicago residents. In 2016, preventative measures forced residents of the West Calumet Housing Complex out of their homes due to the extent of lead contamination found in the soil. In addition, once the East Chicago School City realized the extent of contamination near Carrie Gosh Elementary School, it was ordered to be closed. Given the magnitude of this modern disaster, the Environmental Protection Agency (EPA) assisted East Chicago in the remediation of the lead contamination. The East Chicago City Health Department provided a fact sheet for community members to reference regarding soil contamination in East Chicago. The EPA has documented that the soil in the West Calumet Housing Complex (WCHC) in East Chicago, Indiana contains elevated levels of lead and arsenic. This fact sheet serves as a tool for residents to use to address any questions or concerns they have as well as provide them with recommendations for reducing exposure to lead and arsenic from the soil in the WCHC.

Table 1.9: Lake County Lead Poisoning Data, 2015

County Name	# of Children Tested	Total # Children Tested 5-9 µg/dL	Confirmed BLLs ≥10 µg/dL		# of Addresses- Multiple Children w/ Confirmed EBLs *	Census 2000 Data		
			Total #	Total %		Total Housing Units	Pre-1950 Housing Units	% of Children < 6 Below Poverty
Lake County	1,183	56	6	0.5%	9	194,992	58,498	21.0%

*Based on most recent five years of data from 2011-2015
Source: National Center for Environmental Health, Division of Emergency and Environmental Health Services, 2016

Table 1.10: Comparison of Physical Environment Statistics

Indicator	Description	Source	Measurement Period	Lake County	Indiana
Annual Ozone Air Quality	This indicator gives a grade to each county in the U.S based on the annual number of high ozone days.	American Lung Association	2013-2015	3	N/A
Annual Particle Pollution	This indicator gives a grade to each county in the U.S based on the average annual number of days that exceed U.S particle pollution standards.	American Lung Association	2013-2015	5	N/A
Air Pollution -- Particulate Matter	Average daily density of fine particulate matter in micrograms per cubic meter (PM2.5)	Environmental Public Health Tracking System	2012	13.1	11.1
Drinking Water Violations	Indicator of the presence of health-related drinking water violations	ISOH	N/A	1.72	N/A

HOUSING

From 2011-2015, 60.1% of Lake County were homeowners, the homeowner vacancy rate was 2.1%, and the percentage of households experiencing severe housing problems was 14.1%.

Table 1.11: Lake County Housing Profile

Indicator	Description	Source	Measurement Period	Lake County	Indiana
Homeowner Vacancy Rates	Percentage of vacant home properties.	American Community Survey	2011-2015	2.1%	1.8%
Severe Housing Problems	Percentage of households with at least one of four housing problems.	County Health Rankings	2009-2013	14.1%	17.5%

TRANSPORTATION

According to American Community Survey, 2.8% of Lake County workers commute via public transportation, compared to 1.1% of the Indiana population as a whole (2011-2015). Vehicle ownership is directly related to the ability to travel. In general, households without a vehicle will make less frequent trips than those who own a car. This limits their access to essential local services, such as grocery stores, pharmacies, doctor's offices and hospitals. According to this same survey, 8.7% of Lake County residents, compared to 7% of all Indiana residents, do not have a vehicle.

HEALTH ACCESS

Healthcare Professional Shortage Areas

Findings from the 2016 CHNA cycle revealed that Lake County does have a proportion designated as health professions shortage area due to low income populations. In addition, there is a shortage of providers, or long waits to see a primary care provider. Data since 2016 shows that this has not changed in current years.

According to the Health Resources and Services Administration, Health Professional Shortage Areas (HPSAs) are defined as "having shortages of primary medical care, dental or mental health providers and may be geographic (a county or service area), population (e.g. low income or Medicaid eligible) or facilities (e.g. federally qualified health center or other state or federal prisons)" (2017).

The ratio of primary care physicians to patient was 1,814:1 in 2016 in Lake County and 1,543:1 in the entire state. The ratio of dentist to patient was 1,920:1 in 2015 (County Health Rankings).

Portions of Lake County, especially in the northern section, are still primary care and mental health professional HPSAs due to geographic and low income designations.

Medically Underserved Areas and Populations

According to HRSA, "medically underserved areas and populations are designated as having too few primary care providers, high infant mortality, high poverty or a high elderly population" (2017).

Medically Underserved Areas (MUA) in Lake County include the following service areas:

1. Lake Station
2. City of Gary
3. City of East Chicago
4. Central Hammond



3

**EXPLORE THE SOCIAL
DETERMINANTS OF
HEALTH AND OTHER
HEALTH INDICATORS**

HEALTH INDICATORS

Section Three reviews social determinants of health that contribute to the community's ability to engage in healthy behaviors and achieve the best quality of life possible. From safe sleep practices to engaging in preventative screenings, these indicators provide an overview of opportunities for improvement.

Public health data and infrastructure is severely lacking in Indiana, as the state consistently ranks in the bottom two to three states for public health funding, service, and support. Much of the data used is from state and national collections that are only implemented every few years. Data may not reflect the current status of health. Also, as a home rule state, county data isn't always available or reliable. Zip code data rarely is available, except in national databases, such as the US Census Bureau. It is the team's hope that by using the available secondary data with the collected primary data, a relatively accurate picture of community health is presented.

MATERNAL CHILD HEALTH

While this indicator is not a social determinant in the strictest sense, these indicators help readers understand some of the first challenges babies and mothers face.

Table 3.0: Lake County Prenatal Care Practices, 2011-2015

Indicator	2011	2012	2013	2014	2015	2011-2015 Combined
# Early Prenatal Care	4,036	4,060	4,083	4,146	4,046	20,371
% Early Prenatal Care	65.3%	67.8%	67.8%	68.2%	68.5%	67.5%
<i>State Percent</i>	68.1%	68.4%	67.4%	67.5%	69.3%	68.1%
# Smoked	771	641	657	618	538	3,225
% Smoked During Pregnancy	12.5%	10.7%	10.9%	10.2%	9.1%	10.7%
<i>State Percent</i>	16.6%	16.5%	15.7%	15.1%	14.3%	15.6%
# Unmarried Mothers	3,349	3,182	3,222	3,311	3,169	16,233
% Unmarried Mothers	54.2%	53.1%	53.5%	54.5%	53.6%	53.8%
<i>State Percent</i>	42.7%	43.2%	43.3%	43.3%	43.3%	43.2%
# Breastfeeding	3,861	3,878	4,065	4,390	4,373	20,567
% Breastfeeding Mothers	62.4%	64.7%	67.5%	72.2%	74.0%	68.1%
<i>State Percent</i>	74.0%	75.6%	77.3%	79.3%	80.5%	77.4%
# Mothers on Medicaid	3,413	3,165	3,170	3,198	3,100	16,046
% Mothers on Medicaid	55.2%	52.8%	52.6%	52.6%	52.5%	53.2%
<i>State Percent</i>	45.6%	44.9%	44.1%	43.7%	43.0%	44.3%
# Teen Births 15-17	194	182	135	129	134	774
Population	10,905	10,712	10,515	10,515	10,499	53,146
Teen Birth Rate (15-17)	17.8	17.0	12.8	12.3	12.8	14.6
<i>State Rate</i>	16.0	15.5	13.6	11.9	11.1	13.6
# Teen Births 15-19	632	571	502	461	421	2,587
Population	17,389	16,906	16,699	16,466	16,251	83,711
Teen Birth Rate 15-19	36.3	33.8	30.1	28.0	25.9	30.9
<i>State Rate</i>	34.8	33.0	30.3	28.0	26.0	30.4

Early Prenatal Care = Prenatal care beginning at first trimester
 Teen Birth Rate = Live births per 1,000 women in specified age group

Source: Indiana State Department of Health, Division of Maternal and Child Health
 Data Source: Indiana State Department of Health, Epidemiology Resource Center, Data Analysis Team

HEALTH INDICATORS

In 2015, 68.5% of mothers received early prenatal care during their pregnancy. There has been a 3.2% increase among mothers receiving prenatal care since 2011. The smoking rate among expecting mothers has decreased by 3.4% since 2011. According to the CDC, tobacco use during pregnancy is linked to increased miscarriage, premature birth, low birthweight, SIDS, and birth defects (2017). In 2015, 62.4% of Lake County mothers breastfed their children.

SAFE SLEEP

Together, the Indiana State Department of Health (ISDH) and Department of Child Services (DCS) have collaborated with agencies throughout Indiana to provide safe sleep education and “Infant Survival Kits” for families that do not have a designated safe space for their infant to sleep. The kit includes a portable crib, fitted sheet with a safe sleep message on it, wearable blanket, pacifier, and recommendations for safe sleep (Indiana State Department of Health & Department of Child Services, 2017). Lake County is in Region 1, shown on the accompanying map. There are 9 Safe Sleep locations in Region 1 as of 2017. NWI.



Figure 2.0: Lake County Safe Sleep Regions
Source: ISDH & Department of Child Services, 2017

HEALTH INDICATORS

CHILDCARE AND HEALTH SERVICES

This indicator shows the percentage of total consumer expenditures spent on all childcare. This includes child care, day care, nursery school, preschool, babysitting, and non-institutional day care. Childcare is a major expense for families with young children. Access to affordable and high quality childcare is essential for parents to be able to provide sufficient income for their family while ensuring all of their children’s social and educational needs are met. In 2016, there were 18 licensed child care options in Lake County.

Table 3.1: Childcare and Health Services Related to Children

Child Care Facility Type (2016)	Number of Facilities
# of Licensed Child Care Centers	18
# of Licensed Child Care Homes	0

FOOD SECURITY

The Food Environment Index ranges from 0 (worst) to 10 (best) and equally weights two indicators of the food environment: 1) Limited access to healthy foods estimates the percentage of the population that is low income and does not live close to a grocery store. Living close to a grocery store is defined differently in rural and nonrural areas; in rural areas, it means living less than 10 miles from a grocery store whereas in nonrural areas, it means less than 1 mile. “Low income” is defined as having an annual family income of less than or equal to 200 percent of the federal poverty threshold for the family size. 2) Food insecurity estimates the percentage of the population who did not have access to a reliable source of food during the past year. A two-stage fixed effects model was created using information from the Community Population Survey, Bureau of Labor Statistics, and American Community Survey.

There are many facets to a healthy food environment, such as the cost, distance, and availability of healthy food options. This measure includes access to healthy foods by considering the distance an individual lives from a grocery store or supermarket; there is strong evidence that food deserts are correlated with high prevalence of overweight, obesity, and premature death. Supermarkets traditionally provide healthier options than convenience stores or smaller grocery stores.

Additionally, access in regards to a constant source of healthy food due to low income can be another barrier to healthy food access. Food insecurity, the other food environment measure included in the index, attempts to capture the access issue by understanding the barrier of cost. Lacking constant access to food is related to negative health outcomes such as weight-gain and premature mortality. In addition to asking about having a constant food supply in the past year, the module also addresses the ability of individuals and families to provide balanced meals further addressing barriers to healthy eating. It is important to have adequate access to a constant food supply, but it may be equally important to have nutritious food available.

Feeding America is the largest domestic hunger-relief organization in the United States. According to the 2017 “Map the Meal Gap”, the population in Lake County was 491,595, the food insecurity rate was 15.3%, and the estimated number of food insecure individuals was roughly 75,110. According to the National Center for Education Statistics, 41.3% of children in Indiana are eligible for Free and Reduced Lunch, while 51.1% is eligible within Lake County (2014-2015).

HEALTH INDICATORS

Table 3.2: Food Security Rates in Lake County


Indicator	Description	Source	Measurement Period	Lake County	Prior Value*
People with Low Access to a Grocery Store	Percentage of individuals living more than 1 mile from a supermarket/large grocery store if in an urban area, or more than 10 miles in a rural area.	U.S Department of Agriculture (USDA) – Food Environment Atlas	2015	28.7%	30.5% 
Households with No Car and Low Access to a Grocery Store	Percentage of housing units that do not have a car and are more than 1 mile from a supermarket/large grocery store if in an urban area, or more than 10 miles in a rural area.	USDA – Food Environment Atlas	2015	2.4%	1.7% 
Low-income and Low Access to a Grocery Store	Percentage of the total population in a county that is low income and living more than 1 mile from a supermarket/large grocery store if in an urban area, or 10 in a rural area.	USDA – Food Environment Atlas	2015	10.2%	8.1% 
Food Environment Index*	Percentage of the population that is low-income and has low access to a grocery store, and the percentage of the population that did not have access to a reliable source of food during the past year (food insecurity).	County Health Rankings	2017	6.7	6.8 
Children with Low Access to a Grocery Store	Percentage of children living more than 1 mile from a supermarket/large grocery store if in an urban area, or more than 10 miles from in a rural area.	USDA – Food Environment Atlas	2015	7.7%	7.3% 
People 65+ with Low Access to a Grocery Store	Percentage of adults aged 65 and older living more than 1 mile from a supermarket/large grocery store if in an urban area or 10 in a rural area.	USDA – Food Environment Atlas	2015	3.8%	3.4% 
Grocery Store Density	Number of supermarkets/grocery stores per 1,000 populations.	USDA – Food Environment Atlas	2014	0.17	0.17 
Fast Food Restaurant Density	Number of fast food restaurants per 1,000 populations.	USDA – Food Environment Atlas	2014	0.83	0.81 
Farmers Market* Density	Number of farmers markets per 1,000 populations.	USDA – Food Environment Atlas	2016	0.02	0.01 

Table Key:



	= Indicates current value is lower than the prior year value, and trending in a positive direction.
	= Indicates current value is higher than the prior year value, and trending in a negative direction.

Table Key:




	= Indicates current value is higher than the prior year value, and trending in a positive direction.
	= Indicates current value is equal to the prior year value.

Table Key:

	= Indicates current value is lower than the prior year value, and trending in a negative direction.
---	---

HEALTH INDICATORS

PHYSICAL ACTIVITY

High Schoolers Physically Active

In 2015, the USDA reported that 25.3% of high schoolers were physically active in Lake County.

PHYSICAL INACTIVITY

Adult physical inactivity is a valuable health indicator that represents the percent of adults 20 years and older who answered “no” to the following question: “During the past month, other than your regular job, did you participate in any physical activities or exercises such as running, calisthenics, golf, gardening, or walking for exercise?” (Indiana Indicators, 2017). According to County Health Rankings, 30% of adults ages 20 or older in Lake County were identified as physically inactive compared to 26% in the entire state (2017). At this time, Healthy People 2020 has not established a goal for this indicator. Regular physical activity is an important component of maintaining a healthy lifestyle, improving overall quality of life, and reduces risk of chronic health conditions, such as, diabetes, high cholesterol and high blood pressure.

SLEEP HEALTH

Insufficient sleep measures are calculated by measuring the percentage of adults who report getting fewer than 7 hours of sleep on average. In 2014, 42% of adults reported this. The state average is 38%.

Proportion of High School Students Who Get Sufficient Sleep

Healthy People 2020 identified sufficient sleep as one of the target health goals for students across the nation. “Sufficient sleep” is defined as 8 or more hours of sleep in a single night. In 2015, it was reported by the Youth Risk Behavior Surveillance System that only 21.4% of Indiana students surveyed identified getting a sufficient amount of sleep.

Proportion of Adults Who Get Sufficient Sleep

In 2015, it was reported by the National Health Interview Survey results that approximately 61.5% of adults in Indiana surveyed identified getting a sufficient amount of sleep.

HEALTH INDICATORS

IMMUNIZATIONS

Updated immunization coverages are necessary for the prevention and spread of infectious diseases. Table 2.3 below outlines immunization rates for Lake County and the state of Indiana for infant immunizations, the flu, pneumonia, and Human Papillomavirus (HPV).

Table 3.3: Immunization Profile Lake County

Indicator	Description	Source	Measurement Period	Lake County	Indiana	HP 2020 Goal
Intestinal Disease Infections	Intestinal disease cases per 100,000 people.	ISDH, Epidemiology Resource Center, Surveillance and Investigation Division	2014	30.2	47.6	N/A
Recommended Infant Immunizations	This measure represents the percent of fully immunized and recorded in Indiana's immunization registry (CHIRP).	ISDH, Epidemiology Resource Center, Surveillance and Investigation Division	2015	50.0%	56.0%	80%
Flu Shot Vaccinations	Percentage of adults, 18 and older, who have received flu shot <u>in the past year</u> .	ISDH & CDC, Behavioral Risk Factor Surveillance System	2006-2010	27.1%	33.5%	N/A
Pneumonia Vaccinations	Percentage of adults, aged 65 and older, who <u>have ever</u> received a pneumonia vaccination.	ISDH & CDC and Prevention, Behavioral Risk Factor Surveillance System	2006-2010	54.8%	66.0%	90%
HIV Prevalence	Existing cases of HIV per 100,000 people.	County Health Rankings	2017	238.9	178.1	N/A
Chlamydia Incidence	New cases of chlamydia per 100,000 people.	County Health Rankings	2017	518.7	434.0	N/A

Source: Indiana Indicators

HEALTH INDICATORS

SCREENINGS

Health screenings are an important part of public health because they allow for early detection and treatment of various health conditions. In Lake County, 82% of diabetic Medicare enrollees received routine monitoring in 2014, 61% of Lake County female Medicare enrollees received a mammogram in 2014, 94.3% of Lake County women reported having a pap smear during 2008-2010, and 48% of Lake County adults reported ever having a colorectal screening (2010) (County Health Rankings & Indiana Indicators). Refer to Table 2.4 below for a comparison of health screening statistics across the state and county.

Table 3.4: Lake County Health Screening Statistics

Indicator	Description	Source	Measurement Period	Lake County	Indiana
Diabetes Monitoring	Percentage of diabetic Medicare enrollees ages 65-75 that receive HbA1c monitoring.	Dartmouth Atlas of Healthcare	2014	82%	85%
Mammography Screening	Percentage of female Medicare enrollees ages 67-69 that receive mammography screening.	Dartmouth Atlas of Healthcare	2014	61%	62%
Pap Screening	Percentage of women ages 18 and older who reported having a pap smear during the previous 2 years.	ISDH & Behavioral Risk Factor Surveillance System	2010	94.3%	94.6%
Colorectal Cancer Screening	Percentage of adults ages 50 and older who have ever had a sigmoidoscopy or colonoscopy.	ISDH & Behavioral Risk Factor Surveillance System	2010	48%	54.7%

HEALTH INDICATORS

The community survey conducted for this report contained a number of questions about residents' perceptions of their own health and well-being, as well as opinions on the most important health issues facing the communities they live in.

PARTICIPANTS PERCEPTION OF HEALTH AND WELL-BEING

Participants were asked to respond to a single question that asked them to respond to the statement "overall I am satisfied with my life" with five response options ranging from strongly disagree to strongly agree. While majorities of participants across Lake County agreed with the statement, Gary residents were significantly less likely to strongly or somewhat agree that overall they are satisfied with their lives (59%) compared to residents of other Lake County communities (73%) and more likely to somewhat or strongly disagree (26% vs 16%).

Figure 3.1: Overall Life Satisfaction

Overall Life Satisfaction		
	Gary	Rest of Lake County
In General, Satisfaction in Their Life	59%	73%
Strongly Agree	28%	45%
Somewhat Agree	31%	28%
Neither Agree or Disagree	13%	10%
Somewhat Disagree	13%	9%
Strongly Disagree	13%	7%
NA		

Figure 3.2: Self-Perceptions of Health and Well-Being

While most respondents across Lake County consider their overall health to be at least "good," Gary residents are less likely than other Lake County residents say their overall health is very good or excellent and are more likely than others to rate their mental health fair or poor. On the other hand, Gary residents are more likely than others to say their physical health and social well-being are good, very good or excellent.

Self Perception of Health Status		
	Gary	Rest of Lake County
Overall Health		
Excellent / Very Good	22%	32%
Good	40%	34%
Fair / Poor	35%	33%
NA	3%	
Physical Health		
Excellent / Very Good	32%	31%
Good	45%	39%
Fair / Poor	22%	29%
NA	1%	1%
Mental Health		
Excellent / Very Good	25%	33%
Good	30%	30%
Fair / Poor	41%	34%
NA	4%	3%
Social Well Being		
Excellent / Very Good	40%	37%
Good	35%	30%
Fair / Poor	22%	30%
NA	3%	3%

HEALTH INDICATORS

Participants were asked to rank their current level of life stress by responding to a single item “Please rank yourself on a scale of 1 to 10 where 1 means you have “little or no stress” and 10 means you have “a great deal of stress.” Gary residents were more likely than others to rate their stress levels as high (8-10), and residents of other Lake County communities were more likely than Gary residents to rate their stress levels as low (1-3). Figure 3.3 provides the percentage of respondents who ranked themselves on this measure.

Figure 3.3: Ranking of Level of Life Stress

Self Perception of Health Status		
	Gary	Rest of Lake County
Stress Level (1 = Little/No Stress, 10 = Great Deal of Stress)		
Low Stress • 1 - 3	23%	33%
Medium Level of Stress • 4 - 5	27%	25%
Medium Level of Stress • 6 - 7	19%	19%
High Stress • 8 - 10	31%	22%

HEALTHCARE ACCESS AND ENGAGEMENT

Participants were asked to respond to a range of questions related to their current level of healthcare coverage and also asked to describe the types of engagement they had with the healthcare system in their community within the 12 months prior to the survey. Also assessed was whether participants had found themselves in situations within the past year that made it necessary to forego some level of health care based on a lack of financial resources or because they had to prioritize other matters.

Participants were asked “Do you currently have insurance or coverage that helps with your healthcare costs?” While the vast majority of all respondents reported having health insurance, Gary residents were slightly less likely to report having health insurance coverage (87% vs 92%). Gary residents were also slightly less likely to report having someone that they think of as their personal doctor or personal healthcare provider (81% vs 84%).

Figure 3.4: Participants’ Reported Insurance and Personal Provider Characteristics

Health Care Coverage or Access To Insurance		
	Gary	Rest of Lake County
Yes	87%	92%
No	12%	30%
Do not know	0%	0%
Missing	1%	1%
Have Access to Personal Physician or Health Care Provider		
	Gary	Rest of Lake County
Yes	81%	84%
No	12%	15%
Do not know	4%	1%
Missing	1%	1%

HEALTH INDICATORS

HEALTHCARE ENGAGEMENT

Participants were provided with a list of 14 health-related services and types of healthcare engagement and asked whether they had received or utilized each of those within the past 12 months.

Respondents were most likely to report having filled a prescription or a having a routine physical exam. Only 16-25% reported having visited an urgent care center or a hospital ED, gotten preventive care/immunizations, or care for a chronic disease. One in ten or fewer reported having had hospital inpatient care, screening or treatment for mental health or addiction problems, acute/injury care or prenatal or family planning care.

While 51% of other Lake County residents reported getting dental care in the past 12 months, only 26% of Gary residents reported past year dental care. Gary residents were also less likely than others to report past year routine physical exams, immunizations or other preventive care.

Table 3.5: Participants' Reported Types of Healthcare Engagement*

Health Care Services Received		
% in Past 12 Months	Gary	Rest of Lake County
Filled a Prescription	57%	55%
Routine Physical Exam	42%	55%
Dental Care	26%	51%
Care at a Hospital Emergency Room	24%	21%
Care at an Urgent Care Facility	24%	21%
Care for a Chronic Disease	22%	16%
Immunizations or other Preventative Care	16%	24%
Screening for Anxiety or Depression by a Medical Provider	11%	7%
Treatment for a Mental Health Diagnosis	10%	6%
Inpatient Care at a Hospital	10%	11%
Acute Care, Like for an Infection or Injury	9%	12%
Treatment for Addiction	8%	3%
Prenatal or Well-Baby Care	6%	5%
Care Related to Family Planning	1%	3%

HEALTH INDICATORS

RESOURCES AND HEALTHCARE ENGAGEMENT

Participants were provided a list of three types of healthcare engagement needs including seeing a provider, filling a prescription and finding transportation for care. Participants were asked to indicate whether there had been a time within the past 12 months that they could not act upon that need because “they couldn’t afford it or had to prioritize spending money on something else.” Less than one-third of participants indicated that they had had to forego needed services in the past year.

However, Gary residents were significantly more likely than other lake County residents to report having needed but not been able to afford filling a prescription (30% vs 19%) and transportation for a health purpose or appointment (26% vs 11%.)

Figure 3.6: Participants’ Reports of Resource Challenges and Healthcare

% Who Needed but Couldn't Afford Services in the Past Year		
	Gary	Rest of Lake County
Seeing a Medical Provider	22%	20%
Filling a Prescription	30%	19%
Transportation for a Health Purpose or Appointment	26%	11%

PERSONAL HEALTH-RELATED BEHAVIORS

The survey developers were interested in a general understanding of the extent to which participants had participated in certain behaviors within the past 30 days. Of particular interest were behaviors that were conceptualized as health-promoting (e.g., behaviors perceived to be supportive of ones’ health and well-being) or health-challenging (e.g., behaviors perceived to be challenging to ones’ health and well-being).

Among health-promoting behaviors, a majority of respondents in Lake County communities outside Gary say they eat a balanced diet and get regular physical activity, and nearly half say they get plenty of sleep. Gary respondents were significantly less likely to report doing these things. But Gary residents were more likely to get their blood pressure checked and to take steps to reduce their stress levels.

Table 3.7: Self-Reported Health Behaviors (n=328)

Health Promoting Behaviors		
	Gary	Rest of Lake County
Had my Blood Pressure Checked	52%	44%
Physically Active on a Regular Basis	37%	53%
Got Plenty of Sleep	37%	48%
Ate a Healthy Balanced Diet	33%	56%
Took Steps to Reduce My Level of Stress	32%	24%
Took Medication for Anxiety, Depression or Mental Health Challenge	13%	9%
Health Challenging Behaviors		
	Gary	Rest of Lake County
Used Tobacco	33%	12%
Took Opioid Prescribed to Me	9%	6%
Drove Intoxicated	1%	1%
Took Opioid Not Prescribed to Me	2%	2%
Drank to Point of Intoxication	4%	10%

Among health-challenging behaviors, Gary residents were more likely than others to have used tobacco, while residents of other Lake County communities were more likely than Gary residents to have drunk to the point of intoxication.

HEALTH INDICATORS

SOCIAL DETERMINANTS OF HEALTH

Of particular interest was a better understanding of whether participants perceived that certain social issues (often considered to be determinant of health status) were impacting their lives. Participants were provided with a list of 10 statements and asked to report the extent to which that statement applied to them. Each statement reflected a particular social determinant of health.

The purpose of those items was to assess the extent to which participants “felt” specific characteristics of social factors known to influence health outcomes.

For residents of Lake County communities other than Gary, large majorities say they always/often have access to safe and reliable transportation, feel safe where they live, feel those around them are healthy and take time to vote in local elections. Smaller majorities also report that they always/often feel satisfied with their education, believe that their town’s environment is healthy and make an effort to socialize outside of work. About one-third say they always/often make efforts to get involved in their communities. On the negative side, very few worry about being able to pay the rent (11%) or about utilities being turned off for non-payment (4%.)

The picture among Gary residents is significantly different. Much smaller majorities say they always/often have access to safe/reliable transportation, feel safe where they live, feel those around them are healthy, vote in local elections and feel satisfied with their educations. They are less likely to say they always/often try to socialize outside of work and only two in ten (compared with more than half of others) feel their town’s environment is healthy. Almost one-quarter (versus 11% of others) worry about being able to pay their rent or mortgage and nearly two in ten (compared to 4% of others) worry about utilities being turned off for non-payment.

Table 3.8: Self-Perceptions on Social Determinants of Health

Social Determinants		
Percentage That Say Statement Always /Often Applies to Them	Gary	Rest of Lake County
I have access to the safe and reliable transportation	61%	82%
I feel safe in the place where I live	59%	80%
I vote when there is an election in my town	55%	69%
I feel those around me are healthy	53%	66%
I feel satisfied with my education	50%	60%
I try to spend with others outside of work	39%	52%
I make efforts to get involved in my community	29%	32%
I worry about being able to pay rent or mortgage	23%	11%
I feel my town's environment is healthy (air, water, etc)	21%	53%
I worry about utilities being turned off for non-payment	18%	4%



4 IDENTIFY THE TOP HEALTH NEEDS IN THE COMMUNITY

COMMUNITY HEALTH NEEDS

COMMUNITY SURVEY

As in every data collection and analysis process, there are limits to the data collected. The survey was only available to a randomized sample. If a resident of the county did not receive the survey, they would not have an opportunity to offer input. The survey sample consisted of a total of 376 Lake County residents, of whom 97 are Gary residents and 279 are residents of other Lake County communities.

The following presents the findings of the community survey with respect to respondents opinions on the top health concern faced by their communities as well as the importance of a variety of health and social service programs.

IMPORTANCE OF COMMUNITY-BASED HEALTH AND SOCIAL SERVICE PROGRAMS

Participants were asked to provide their perspectives on the extent to which health and social service programs are important to their local community. During the survey, participants were provided with a list of 20 different programs that are often present in many communities. Of the twenty programs, 100% were ranked as being either moderately or very important by half or more respondents. While these results suggest that in general most community members perceive the general network of health and social service programs to be important some insights into the types of programs perceived as most important in their local community can be gleaned by looking at the extent to which these programs were rated as Very Important.

Programs/services rated as “very important” by half or more of residents of Lake County outside Gary included aging and older adult services, physical activity programs, walking trails and other outdoor spaces, substance abuse prevention and treatment programs, gun safety education and mental health counseling and support.

Table 4.0: Participants Ratings of the Importance of Community Resources

Importance of Health Services - Rated Very Important		
Community Programs	Gary	Rest of Lake County
Food Pantries	82%	46%
Job Training or Employment Assistance	78%	46%
Free or Emergency Child Care	78%	46%
Mental Health Counseling and Support	77%	50%
Services for Women, Infants and Children	74%	43%
Gun Safety Education	73%	53%
Housing Assistance	73%	35%
Financial Assistance	73%	39%
Food Stamps or SNAP	73%	38%
Substance Abuse Prevention and Treatment	72%	54%
Transportation Assistance	68%	37%
Help Getting Health Insurance	66%	48%
Physical Activity	65%	59%
Aging and Older Adult Services	65%	61%
Family Planning Services	61%	36%
Legal Assistance	60%	32%
Nutrition Education	49%	41%
Assistance with Filling a Prescription	49%	33%
Walking Trails and Other Outdoor Spaces	48%	57%
Needle Exchange	46%	29%

COMMUNITY HEALTH NEEDS

Gary residents were more likely than others to consider almost all these services as “very important.” The single exception is walking trails and outdoor spaces, which only 48% of Gary residents, compared to 57% of others, rated “very important.” Only four of the twenty programs asked about were rated very important by less than half of Gary residents.

For Gary residents, the programs most often considered “very important” were food pantries, job training or employment assistance, free or emergency child care and mental health counseling and support – these were rated “very important” by more than three-quarters of respondents. Services for women, infants and children, gun safety education, housing assistance, financial assistance, food stamps or SNAP and substance abuse prevention and treatment were rated “very important” by nearly three-quarters.

COMMUNITY PERCEPTIONS OF PRIORITY HEALTH NEEDS

Important to the development of the CHNA and the subsequent Implementation Plan was an assessment of the local health issues which community members perceived to be of importance. The hospital developed a list of 21 different health needs that are common in many communities. Survey participants were asked to select the five among that list that they think pose the greatest health concern for people living in their community.

For Gary residents, the top five health concerns were:

1. Food access, affordability and safety
2. Substance use or abuse
3. Assault, violent crime and domestic abuse
4. Poverty
5. Homelessness

Not far behind were chronic disease, tobacco use, alcohol use or abuse, mental health and aging and older adult needs.

For residents of other Lake County communities, the top five health concerns were:

1. Chronic disease and Obesity (tie)
2. Aging and older adult needs
3. Substance use or abuse
4. Mental health

Also among the top concerns of non-Gary respondents were food access, affordability and safety, alcohol use or abuse, disability care, poverty and assault, violent crime and domestic abuse.

Table 4.1: Priority Health Issues Selected by Participants as Being Among the Top 5 Most In Need of Attention (n = 329)

Prioritizing the Top 5 Health Issues - Most Need of Attention		
Health Issue	Gary	Rest of Lake County
Food Access, Affordability, and Safety	46%	29%
Substance Use or Abuse	39%	38%
Assault, Violent Crime, and Domestic Abuse	36%	22%
Poverty	34%	25%
Homelessness	33%	13%
Chronic Disease	30%	41%
Tobacco Use	29%	22%
Alcohol Use or Abuse	28%	29%
Mental Health	26%	30%
Aging and Older Adult Needs	26%	40%
Obesity	23%	41%
Disability Care	19%	26%
Child Neglect and Abuse	16%	13%
Sexual Violence, Assault, Rape, or Human Trafficking	16%	13%
Dental Care	15%	11%
Environmental Issues	13%	20%
Suicide	11%	9%
Infectious Diseases, like HIV, STDs, and Hepatitis	8%	5%
Reproductive Health and Family Planning	7%	7%
Injuries and Accidents	6%	18%
Infant Mortality	0%	2%

COMMUNITY HEALTH NEEDS

COMMUNITY PERCEPTIONS OF HEALTH ISSUES NEEDING PRIORITY RESOURCE ALLOCATION

In addition to assessing the extent to which participants perceived specific needs as being among the most important for action in their community, participants were also asked to prioritize for the allocation of resources in the local community. Participants were given a statement to consider prior to indicating their perceptions. The statement read “Previously you were asked to pick issues that pose the greatest health concern in your community. If you had \$3 and could give \$1 to help solve some of these, which are the three to which you would give \$1?”

Priorities for resource allocation tended to be similar to ratings for the top health concerns. However, among Gary residents, child abuse and neglect ranked higher and tobacco use ranked lower as a focus for resource allocation relative to their rankings as top health concerns.

Among other Lake County residents, child abuse and neglect and food access ranked higher and tobacco use and homelessness ranked lower relative to their rankings as health concerns.

Table 4.2: Ranking of Health Issues Selected by Participants as Being Among the Top 3 to Which They Would Allocate Resources (n = 329)

Ranking the Top 3 Health Issues - Priority for Resource Allocation		
Health Issue	Gary	Rest of Lake County
Food Access, Affordability, and Safety	46%	30%
Homelessness	30%	17%
Poverty	25%	21%
Child Neglect and Abuse	25%	20%
Assault, Violent Crime, and Domestic Abuse	18%	10%
Aging and Older Adult Needs	15%	28%
Chronic Disease	13%	24%
Mental Health	13%	23%
Substance Use or Abuse	12%	17%
Disability Care	11%	18%
Alcohol Use or Abuse	10%	10%
Obesity	10%	15%
Suicide	9%	6%
Dental Care	8%	6%
Sexual Violence, Assault, Rape, or Human Trafficking	7%	8%
Tobacco Use	6%	5%
Environmental Issues	5%	8%
Infectious Diseases, like HIV, STDs, and Hepatitis	4%	2%
Injuries and Accidents	3%	5%
Infant Mortality	3%	4%
Reproductive Health and Family Planning	2%	2%



5

**2020 - 2022
PRIORITIES**

CHNA RESULTS

NLC SERVICE AREA	SLC SERVICE AREA
Top Health Problems Identified:	
<ul style="list-style-type: none"> • Food access, affordability, safety (46%) • Substance/alcohol use/abuse/mental health (39%, 30%, 26%) • Assault, violent crime, domestic abuse (36%) • Poverty, homelessness (34%, 33%) • Chronic disease (30%) • Tobacco use (29%) 	<ul style="list-style-type: none"> • Obesity (41%) • Chronic disease (41%) • Aging and older adult needs (40%) • Substance/alcohol use/abuse/mental health (38%, 30%, 29%) • Food access, affordability, safety (29%) • Disability care (26%)
Top Priorities for Resource Allocation:	
<ul style="list-style-type: none"> • Food Access, affordability, safety • Homelessness and poverty • Child neglect/abuse • Assault, violent crime, domestic abuse • Aging/older adult needs • Chronic disease 	<ul style="list-style-type: none"> • Food Access, affordability, safety • Aging/older adult needs • Chronic disease • Mental health • Child neglect/abuse • Disability care
Among the Most Important Programs / Services	
<ul style="list-style-type: none"> • Food pantries/food stamps/SNAP • Free/emergency child care • Programs for women, infants, children 	<ul style="list-style-type: none"> • Aging/older adult services • Food pantries • Free/emergency child care

2020 - 2022 PRIORITIES

METHODIST HOSPITALS COMMUNITY HEALTH ACTION PLAN 2020-2022 PRIORITY AREAS

Criteria for Determining the Priority Areas of Focus

Methodist Hospitals considered the following criteria in developing its priorities for the community health needs action plan for 2020-2022:

- How serious is the problem
- How widespread is the problem
- Is the problem viewed by community residents as important and a top priority for resource allocation
- Is the problem one that Methodist Hospitals can address given current resources and staffing
- Is there high potential to form partnerships that increase our ability to make a measurable improvement
- Does it align with state health department priorities

Priority Areas Chosen

Using the above criteria, the focus areas chosen were:

Food and Nutrition	Chronic Disease	Child Health and Wellbeing
<ul style="list-style-type: none">• Food as medicine• Community gardening• ACS/RWJ grant• Obesity	<ul style="list-style-type: none">• Diabetes• COPD/smoking cessation• Kidney disease• HIV• Diseases of aging/older adults	<ul style="list-style-type: none">• Daycare• Infant/maternal mortality• Lactation programs

Rationale

- Moving forward, IRS will be looking for hospitals to demonstrate the impact of community health programs
- Need to focus efforts, resources to maximize impact
 - Need to focus on areas where, as a hospital, we have both expertise and resources to address
 - Chosen areas have significant potential for partnerships to enhance impact
- These are among the top health problems across our service areas
 - Align with state health department priorities

Ongoing programs to be maintained:

- Cancer
- Heart Disease and Stroke
- Access to Care
 - Transportation program
 - HIP 2.0, ACA enrollment seminars
 - Medication assistance programs
 - NLC pharmacy

Community Health Needs Not Addressed in Action Plan

Some areas of concern identified by the CHNA were not adopted by the hospital as priority areas for the upcoming action plan. These include:

- Mental health and mental disorders
- Alcohol and substance abuse
- Disability care
- Unemployment and job training
- Poverty and homelessness
- Violence, violent crime and domestic abuse

These are areas that did not meet the criteria outlined above or in which we have ongoing programs to address.