

**SCHEDULE H
(Form 990)**

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No. 1545-0047

2010

Open to Public
Inspection

Name of the organization **St. Vincent Madison County Health System, Inc.** Employer identification number **35-0876389**

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) to determine eligibility for providing free care to low income individuals? 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 to determine eligibility for providing discounted care to low income individuals? 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 did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, to determine 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?		<input checked="" type="checkbox"/>
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 Worksheets 1 and 2)			10,800,992.		10,800,992.	4.53%
b Unreimbursed Medicaid (from Worksheet 3, column a)			12,193,016.		12,193,016.	5.11%
c Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			22,994,008.		22,994,008.	9.64%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)		19,477	858,939.	7,770.	851,169.	.36%
f Health professions education (from Worksheet 5)		271	30,268.		30,268.	.01%
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)		36,187	197,524.	140.	197,384.	.08%
j Total. Other Benefits		55,935	1,086,731.	7,910.	1,078,821.	.45%
k Total. Add lines 7d and 7j		55,935	24,080,739.	7,910.	24,072,829.	10.09%

St. Vincent Madison County Health System, Inc.

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of Hospital Facility: Saint John's Hospital

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 1

Community Health Needs Assessment (Lines 1 through 7 are optional for 2010)		Yes	No
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8		1	
If "Yes," indicate what the Needs Assessment describes (check all that apply):			
a <input type="checkbox"/> A definition of the community served by the hospital facility			
b <input type="checkbox"/> Demographics of the community			
c <input 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 type="checkbox"/> How data was obtained			
e <input type="checkbox"/> The health needs of the community			
f <input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g <input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs			
h <input type="checkbox"/> The process for consulting with persons representing the community's interests			
i <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess all of the community's health needs			
j <input type="checkbox"/> Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 ____			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted		3	
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI		4	
5 Did the hospital facility make its Needs Assessment widely available to the public?		5	
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):			
a <input type="checkbox"/> Hospital facility's website			
b <input type="checkbox"/> Available upon request from the hospital facility			
c <input type="checkbox"/> Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):			
a <input type="checkbox"/> Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b <input type="checkbox"/> Execution of the implementation strategy			
c <input type="checkbox"/> Participation in the development of a community-wide community benefit plan			
d <input type="checkbox"/> Participation in the execution of a community-wide community benefit plan			
e <input type="checkbox"/> Inclusion of a community benefit section in operational plans			
f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the Needs Assessment			
g <input type="checkbox"/> Prioritization of health needs in its community			
h <input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i <input type="checkbox"/> Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs		7	
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
8 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?		8	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care to low income individuals?		9	
If "Yes," indicate the FPG family income limit for eligibility for free care: _____ %			

St. Vincent Madison County Health System, Inc.

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Part V Facility Information (continued) Saint John's Hospital

	Yes	No
10 Used FPG to determine eligibility for providing <i>discounted</i> care to low income individuals?	10	
If "Yes," indicate the FPG family income limit for eligibility for discounted care: _____ %		
11 Explained the basis for calculating amounts charged to patients?	11	
If "Yes," indicate the factors used in determining such amounts (check all that apply):		
a <input type="checkbox"/> Income level		
b <input type="checkbox"/> Asset level		
c <input type="checkbox"/> Medical indigency		
d <input type="checkbox"/> Insurance status		
e <input type="checkbox"/> Uninsured discount		
f <input type="checkbox"/> Medicaid/Medicare		
g <input type="checkbox"/> State regulation		
h <input type="checkbox"/> Other (describe in Part VI)		
12 Explained the method for applying for financial assistance?	12	
13 Included measures to publicize the policy within the community served by the hospital facility?	13	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
a <input type="checkbox"/> The policy was posted on the hospital facility's website		
b <input type="checkbox"/> The policy was attached to billing invoices		
c <input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d <input type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e <input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f <input type="checkbox"/> The policy was available on request		
g <input type="checkbox"/> Other (describe in Part VI)		

Billing and Collections

14 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy that explained actions the hospital facility may take upon non-payment?	14	
15 Check all of the following collection actions against a patient that were permitted under the hospital facility's policies at any time during the tax year:		
a <input type="checkbox"/> Reporting to credit agency		
b <input type="checkbox"/> Lawsuits		
c <input type="checkbox"/> Liens on residences		
d <input type="checkbox"/> Body attachments		
e <input type="checkbox"/> Other actions (describe in Part VI)		
16 Did the hospital facility engage in or authorize a third party to perform any of the following collection actions during the tax year?	16	
If "Yes," check all collection actions in which the hospital facility or a third party engaged (check all that apply):		
a <input type="checkbox"/> Reporting to credit agency		
b <input type="checkbox"/> Lawsuits		
c <input type="checkbox"/> Liens on residences		
d <input type="checkbox"/> Body attachments		
e <input type="checkbox"/> Other actions (describe in Part VI)		
17 Indicate which actions the hospital facility took before initiating any of the collection actions checked in line 16 (check all that apply):		
a <input type="checkbox"/> Notified patients of the financial assistance policy on admission		
b <input type="checkbox"/> Notified patients of the financial assistance policy prior to discharge		
c <input type="checkbox"/> Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills		
d <input type="checkbox"/> Documented its determination of whether a patient who applied for financial assistance under the financial assistance policy qualified for financial assistance		
e <input type="checkbox"/> Other (describe in Part VI)		

Part V Facility Information (continued) **Saint John's Hospital**

Policy Relating to Emergency Medical Care

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

	Yes	No
18		

If "No," indicate the reasons why (check all that apply):

- a The hospital facility did not provide care for any emergency medical conditions
- b The hospital facility did not have a policy relating to emergency medical care
- c The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)
- d Other (describe in Part VI)

Charges for Medical Care

19 Indicate how the hospital facility determined the amounts billed to individuals who did not have insurance covering emergency or other medically necessary care (check all that apply):

- a The hospital facility used the lowest negotiated commercial insurance rate for those services at the hospital facility
- b The hospital facility used the average of the three lowest negotiated commercial insurance rates for those services at the hospital facility
- c The hospital facility used the Medicare rate for those services
- d Other (describe in Part VI)

20 Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and 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?

20		
21		

If "Yes," explain in Part VI.

21 Did the hospital facility charge any of its patients an amount equal to the gross charge for any service provided to that patient?

If "Yes," explain in Part VI.

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.
2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
5 Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
6 Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
7 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

Part I, Line 3c: The organization provides medically necessary care to all patients, regardless of race, color, creed, ethnic origin, gender, disability or economic status. St.Vincent Madison County Health System, Inc. uses a percentage of federal poverty level (FPL) to determine free and discounted care. At a minimum, patients with income less than or equal to 200% of the FPL, which may be adjusted for cost of living utilizing the local wage index compared to the national wage index, will be eligible for 100% charity care write off of charges for services that have been provided to them. Also, at a minimum, patients with incomes above 200% of the FPL but not exceeding 400% of the FPL, subject to adjustments for cost of living utilizing the local wage index compared to national wage index, will receive a discount on the services provided to them.

Part I, Line 7: The cost of providing charity care, means tested government programs, and community benefit programs is estimated using internal cost data, and is calculated in compliance with Catholic Health Association ("CHA") guidelines. The organization uses a cost accounting system that addresses all patient segments (for example, inpatient,

Part VI Supplemental Information

outpatient, emergency room, private insurance, Medicaid, Medicare, uninsured, or self pay). The best available data was used to calculate the amounts reported in the table. For the information in the table, a cost-to-charge ratio was calculated and applied.

Part II: While most of St.Vincent Madison County Health System, Inc.'s community benefit activities directly impact the health of its communities as reported in Part I, SVMCHS also invests in community building activities that indirectly improve health by improving quality of life within the community. Research has established that factors such as economic status, employment, housing, education level, and built environment can all be powerful social determinants of health. Additionally, helping to create greater capacity within the community to address a broad range of quality of life issues positively impacts health. In fiscal year 2011, SVMCHS's community-building activities included: Christmas fundraisers, Elwood Community Council, and the St.Vincent STAR Intensive.

Part III, Line 4: The organization is a part of the St.Vincent Health System consolidated audit. The provision for bad debts is based upon management's assessment of expected net collections considering economic conditions, historical experience, trends in health care coverage, and other collection indicators. Periodically throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon historical write-off experience by payor category, including those amounts not covered by insurance. The results of this review are then used to make modifications to the provision for bad debts to establish an appropriate allowance for uncollectible accounts. After satisfaction of

Part VI Supplemental Information

amounts due from insurance and reasonable efforts to collect from the patient have been exhausted, the Corporation follows established guidelines for placing certain past-due patient balances within collection agencies, subject to the terms of certain restrictions on collection efforts as determined by Ascension Health. Accounts receivable are written off after collection efforts have been followed in accordance with the Corporation's policies. The share of the bad debt expense in fiscal year 2011 was \$20,875,974 at charges (\$6,905,120 at cost).

Part III, Line 8: Ascension Health and related health ministries follow the Catholic Health Association ("CHA") guidelines for determining community benefit. CHA community benefit reporting guidelines suggest that Medicare shortfall is not treated as community benefit.

Part III, Line 9b: The organization has a written debt collection policy that also includes a provision on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance. If a patient qualifies for charity or financial assistance certain collection practices do not apply.

St.Vincent Madison County Health System, Inc. (SVMCHS) and its related St.Vincent Health affiliates file a Community Benefit report in the state of Indiana. A copy of the full report (including SVMCHS - Saint John's Health System and St.Vincent Mercy section) is available at <http://www.stvincent.org>.

Part VI, Line 2: Communities are dynamic systems in which multiple factors interact to impact quality of life and health status. St.Vincent

Part VI Supplemental Information

Madison County Health System, Inc. (SVMCHS) helps to lead two community roundtables called Elwood Community Council and Madison County Coalition (currently under Madison County Covering Kids and Families) whose purpose is to periodically assess assets and needs within the community, prioritize action and work in partnership to address identified challenges. As part of the St.Vincent Health System, the goal of SVMCHS is to work with its community to conduct an assessment at least every three years. Assessments may include primary survey data, secondary data, focus group input, community leaders' survey and other data. Results are made available to organizations and individuals throughout the community. These needs assessments are also utilized in creating the Health System's Integrated Strategic Financial and Operational Plan.

Part VI, Line 3: St.Vincent Madison County Health System, Inc.

communicates with patients in multiple ways to ensure that those who are billed for services are aware of the hospital's charity care program as well as their potential eligibility for local, state or federal programs. Signs are prominently posted in each service area, and bills contain a formal notice explaining the hospital's charity care program. In addition, the hospital employs financial counselors, health access workers, and enrollment specialists who consult with patients about their eligibility for financial assistance programs and help patients in applying for any public programs for which they may qualify.

Part VI, Line 4: St.Vincent Madison County Health System, Inc.

(SVMCHS) is located in Madison County and serves Madison and contiguous counties, in north central Indiana. Madison County has a population of 131,636. Per capita personal income and median household income lag state

Part VI Supplemental Information

averages and have been significantly impacted by losses to the county's automotive manufacturing job base.

Part VI, Line 5: To provide the highest quality healthcare to all persons in the community, and in keeping with its not-for-profit status, St.Vincent Madison County Health System, Inc.:

- delivers patient services, including emergency department services, to all individuals requiring healthcare, without regard to patient race, ethnicity, economic status, insurance status or ability to pay
- maintains an open medical staff that allows credentialed physicians to practice at its facilities
- trains and educates health care professionals
- participates in government-sponsored programs such as Medicaid and Medicare to provide healthcare to the poor and elderly
- is governed by a board in which independent persons who are representative of the community comprise a majority

Part VI, Line 6: As part of the St.Vincent Health System, St.Vincent Madison County Health System, Inc. (SVMCHS) is dedicated to improving the health status and quality of life for the communities it serves. While designated associates at SVMCHS devote all or a significant portion of their time to leading and administering local community-based programs and partnerships, associates throughout the organization are active participants in community outreach. They are assisted and supported by designated St.Vincent Health community development and service staff who work with each of its healthcare facilities to advocate for and provide technical assistance for community outreach, needs assessments and partnerships as well as to support regional and state-wide programs,

Part VI Supplemental Information

community programs sponsored by St. Vincent Health in which SVMCHS participates.

Part VI, Line 7, List of States Receiving Community Benefit Report:

IN