

**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2011

Open to Public Inspection

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

Department of the Treasury
Internal Revenue Service
Name of the organization

Employer identification number

MUNSTER MEDICAL RESEARCH FOUNDATION, INC.

35-1107009

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	X	
1b If "Yes," was it a written policy?	X	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year.		
<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 <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care:	X	
<input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ %		
b Did the organization use FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care:	X	
<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 _____ %		
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"?	X	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	X	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	X	
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		X
6a Did the organization prepare a community benefit report during the tax year?	X	
b If "Yes," did the organization make it available to the public?	X	

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

7 Financial Assistance and Certain Other Community Benefits at Cost						
Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)		6200	6,457,071.	67,737.	6,389,334.	1.48
b Medicaid (from Worksheet 3, column a)		30456	55,269,942.	33,693,140.	21,576,802.	5.00
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs		36656	61,727,013.	33,760,877.	27,966,136.	6.48
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	107	14115	599,770.	13,164.	586,606.	.14
f Health professions education (from Worksheet 5)	34	657	520,016.		520,016.	.12
g Subsidized health services (from Worksheet 6)		892	1,831,184.	1,301,951.	529,233.	.12
h Research (from Worksheet 7)		11186	1,077,809.	252,871.	824,938.	.19
i Cash and in-kind contributions for community benefit (from Worksheet 8)	46		196,257.	1,047.	195,210.	.05
j Total. Other Benefits	187	26850	4,225,036.	1,569,033.	2,656,003.	.62
k Total. Add lines 7d and 7j.	187	63506	65,952,049.	35,329,910.	30,622,139.	7.10

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

Schedule H (Form 990) 2011

Part II Community Building Activities Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support			87,573.	38,275.	49,298.	.01
4 Environmental improvements						
5 Leadership development and training for community members			10,101.		10,101.	
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 Total			97,674.	38,275.	59,399.	.01

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

- 1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? **1** X
- 2 Enter the amount of the organization's bad debt expense **2** 6,359,033.
- 3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy **3** 63,590.
- 4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit.

	Yes	No
1	X	
2		
3		
5		
6		
7		
9a	X	
9b	X	

Section B. Medicare

- 5 Enter total revenue received from Medicare (including DSH and IME) **5** 173,369,527.
- 6 Enter Medicare allowable costs of care relating to payments on line 5 **6** 209,642,006.
- 7 Subtract line 6 from line 5. This is the surplus (or shortfall) **7** -36,272,479.

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

Section C. Collection Practices

- 9a Did the organization have a written debt collection policy during the tax year? **9a** X
- b If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI **9b** X

Part IV Management Companies and Joint Ventures (see instructions)

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

Schedule H (Form 990) 2011

Part V Facility Information

Section A. Hospital Facilities

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

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

Name and address

1 MUNSTER MEDICAL RESEARCH FOUNDATION, INC
901 MACARTHUR BOULEVARD
MUNSTER IN 46321

Table with 7 columns: Licensed hospital, General medical & surgical, Children's hospital, Teaching hospital, Critical access hospital, Research facility, ER-24 hours, ER-other, and Other (describe). Row 1 contains 'X' marks in the first three columns and 'X' in the ER-24 hours column.

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: MUNSTER MEDICAL RESEARCH FOUNDATION, INC

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

	Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for tax year 2011)		
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 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		
8 Did the hospital facility have in place during the tax year a written financial assistance policy that explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	X
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	X
If "Yes," indicate the FPG family income limit for eligibility for free care: <u>2</u> <u>0</u> <u>0</u> %		
If "No," explain in Part VI the criteria the hospital facility used.		

Part V Facility Information (continued) MUNSTER MEDICAL RESEARCH FOUNDATION, INC

Table with 3 columns: Question, Yes, No. Rows include questions 10-13 regarding FPG eligibility, financial assistance, and policy publicization.

Billing and Collections

Table with 3 columns: Question, Yes, No. Rows include questions 14-17 regarding billing and collections policies and actions.

Part V Facility Information (continued) MUNSTER MEDICAL RESEARCH FOUNDATION, INC

Policy Relating to Emergency Medical Care

		Yes	No
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? If "No," indicate why:	X	
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 Part VI)		
d	<input type="checkbox"/> Other (describe in Part VI)		

Individuals Eligible for Financial Assistance

19	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.		
a	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	<input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input checked="" type="checkbox"/> Other (describe in 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? If "Yes," explain in Part VI.		X
21	Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for any service provided to that patient? If "Yes," explain in Part VI.		X

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

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

How many non-hospital health care facilities did the organization operate during the tax year? 19

Name and address	Type of Facility (describe)
1 COMMUNITY SURGERY CENTER 801 MACARTHUR BLVD MUNSTER IN 46321	OP SURGERY CENTER
2 COMMUNITY CARDIOLOGY CENTER 801 MACARTHUR BLVD MUNSTER IN 46321	CARDIAC CATH LAB
3 COMMUNITY DIAGNOSTIC CENTER 10020 DONALD S POWERS DRIVE MUNSTER IN 46321	OP ANCILLARY SERVICE
4 ST JOHN OUTPATIENT CENTER 9660 WICKER AVE. ST. JOHN IN 46373	OP ANCILLARY SERVICES & PHYSICIAN PRACTICE
5 FITNESS POINTE 9550 CALUMET AVE. MUNSTER IN 46321	CARDIAC REHAB SERVICES
6 COMMUNITY SPINE & NEUROSURGERY INSTITUTE 801 MACARTHUR BLVD., SUITE 405 MUNSTER IN 46321	PHYSICIAN PRACTICE
7 HOEHN MEDICAL GROUP 505 W. LINCOLN HWY. SCHERERVILLE IN 46375	PHYSICIAN PRACTICE
8 COMMUNITY CARE CENTER FOR WOMEN 9100 COLUMBIA AVE MUNSTER IN 46321	PHYSICIAN PRACTICE
9 COMMUNITY CARE CENTER FOR WOMEN 929 RIDGE ROAD MUNSTER IN 46321	PHYSICIAN PRACTICE
10 COMMUNITY CARE CENTER FOR WOMEN 800 MACARTHUR BLVD., SUITE 6 MUNSTER IN 46321	PHYSICIAN PRACTICE

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

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

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

Name and address	Type of Facility (describe)
1 COMMUNITY CARE CENTER 13963 MORSE STREET CEDAR LAKE IN 46303	PHYSICIAN PRACTICE
2 COMMUNITY CARE NETWORK INTERNISTS 9122 COLUMBIA AVE. MUNSTER IN 46321	PHYSICIAN PRACTICE
3 FAMILY CARE CENTER 8731 INDIANAPOLIS BLVD. HIGHLAND IN 46322	PHYSICIAN PRACTICE
4 COMMUNITY CARE CENTER 800 MACARTHUR BLVD., SUITE 11 MUNSTER IN 46321	PHYSICIAN PRACTICE
5 COMMUNITY CARE NETWORK 1650 45TH STREET, SUITE C MUNSTER IN 46321	PHYSICIAN PRACTICE
6 COMMUNITY CARE CENTER FOR WOMEN 9124A COLUMBIA AVE. MUNSTER IN 46321	PHYSICIAN PRACTICE
7 COMMUNITY CARE NETWORK 9307 CALUMET AVE. SUITE 2A MUNSTER IN 46321	PHYSICIAN PRACTICE
8 COMMUNITY SPINE & NEUROSURGERY INSTITUTE 1600 SOUTH LAKE PARK AVE., SUITE 1102 HOBART IN 46342	PHYSICIAN PRACTICE
9 COMMUNITY HOME HEALTH SERVICES 9104 COLUMBIA AVE MUNSTER IN 46321	HOME HEALTH
10	

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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, 9, 10, 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 hospitals 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 6A

N/A

PART I, LINE 7G

COMPLETED THE IRS WORKSHEETS AND USED COST ACCOUNTING FOR THE METHODOLOGY. WE DID NOT INCLUDE ANY PHYSICIAN PRACTICE INFORMATION WHEN CALCULATING SUBSIDIZED SERVICES.

PART I, LINE 7, COLUMN F

BAD DEBT OF \$19,799,032 IS EXCLUDED FROM THE CALCULATION.

PART I, LINE 7A

THE METHODOLOGY USED TOOK THE FINANCIAL STATEMENT COST TO CHARGE RATIO AND MULTIPLIED IT BY THE RELATED CHARGES. THIS NUMBER WAS THEN REDUCED BY THE ACTUAL PAYMENT RECEIVED.

Part VI Supplemental Information

Complete this part to provide the following information.

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- 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 II

COMMUNITY HOSPITAL PROVIDES SUPPORT FOR BIOTERRORISM READINESS. THESE MEASURES HELP ENSURE THE SAFETY OF THE PATIENTS AND THE COMMUNITY IN THE EVENT OF A BIOTERRORISM EVENT. ALSO INCLUDED HERE ARE COSTS TO PROVIDE INTERPRETERS FOR PATIENTS WHO ARE DEAF.

PART III, LINE 4

COMMUNITY HOSPITAL EVALUATES THE COLLECTIBILITY OF ITS ACCOUNTS RECEIVABLE BASED ON THE LENGTH OF TIME THE RECEIVABLE IS OUTSTANDING AND THE ANTICIPATED FUTURE UNCOLLECTIBLE AMOUNTS BASED ON HISTORICAL EXPERIENCE. ACCOUNTS RECEIVABLE ARE CHARGED TO THE ALLOWANCE FOR DOUBTFUL ACCOUNTS WHEN THEY ARE DEEMED UNCOLLECTIBLE. COMMUNITY HOSPITAL DOES NOT REQUIRE COLLATERAL.

THE FINANCIAL STATEMENT COST-TO-CHARGE RATIO WAS USED TO CALCULATE THE ESTIMATED COST OF BAD DEBT ATTRIBUTABLE TO PATIENT ACCOUNTS THAT ARE REPORTED ON LINE 2. DISCOUNTS AND PAYMENTS ON PATIENT ACCOUNTS ARE RECORDED AS AN ADJUSTMENT TO REVENUE, NOT BAD DEBT EXPENSE. AS A

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, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.
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- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospitals 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.

TAX-EXEMPT HOSPITAL, WE MUST PROVIDE NECESSARY SERVICES REGARDLESS OF THE PATIENT'S ABILITY TO PAY FOR THE SERVICE PROVIDED. WE ESTIMATED A PERCENTAGE OF BAD DEBTS BASED UPON THE PORTION OF UNINSURED INDIVIDUALS THAT WOULD BE ELIGIBLE FOR THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY. THIS AMOUNT ENTERED ON PART III, LINE 3 SHOULD BE COUNTED AS A COMMUNITY BENEFIT.

PART III, LINE 8

THE TOTAL REVENUE RECEIVED FROM MEDICARE WAS CALCULATED BY USING THE COST TO CHARGE RATIO. WE PROVIDE NECESSARY SERVICES REGARDLESS OF THE PATIENT'S ABILITY TO PAY FOR THE SERVICE PROVIDED OR THE REIMBURSEMENT RECEIVED FROM MEDICARE, QUALIFYING THE \$36,272,479 OF MEDICARE SHORTFALL AS A COMMUNITY BENEFIT.

PART III, LINE 9B

COLLECTION POLICIES ARE THE SAME FOR ALL PATIENTS. PATIENTS ARE SCREENED FOR ELIGIBILITY FOR FINANCIAL ASSISTANCE BEFORE COLLECTION PROCEDURES BEGIN. IF AT ANY POINT IN THE COLLECTION PROCESS, DOCUMENTATION IS

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, 9, 10, 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.
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- 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.

RECEIVED THAT INDICATES THE PATIENT IS POTENTIALLY ELIGIBLE FOR FINANCIAL ASSISTANCE BUT HAS NOT APPLIED FOR IT, THE ACCOUNT IS REFERRED BACK FOR A FINANCIAL ASSISTANCE REVIEW.

PART V, LINE 1J

N/A

PART V, LINE 3

N/A

PART V, LINE 4

N/A

PART V, LINE 5C

N/A

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, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.
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- 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 hospitals 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 V, LINE 6I

N/A

PART V, LINE 7

N/A

PART V, LINE 11H

N/A

PART V, LINE 13G

N/A

PART V, LINE 15E

N/A

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, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.
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- 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 V, LINE 16E

N/A

PART V, LINE 17E

N/A

PART V, LINE 18D

N/A

PART V, LINE 19D

OUR MAXIMUM AMOUNTS THAT CAN BE CHARGED TO FAP-ELIGIBLE INDIVIDUALS FOR EMERGENCY OR OTHER MEDICALLY NECESSARY CARE IS BASED ON A SLIDING SCALE. UP TO 200% OF FEDERAL POVERTY GUIDELINES (FPG) IS 100% FREE CARE. 201%-250% IS CHARGED BASED ON MEDICARE RATES. 251%-300% IS CHARGED BASED ON AVERAGE OF LOWEST MANAGED CARE RATES. 301%-400% IS CHARGED BASED ON AVERAGE MANAGED CARE RATES.

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, 9, 10, 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 hospitals 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 V, LINE 20

N/A

PART V, LINE 21

N/A

NEEDS ASSESSMENT

COMMUNITY HOSPITAL USES A THIRD-PARTY CONSULTING FIRM TO ASSESS THE HEALTH CARE NEEDS OF THE COMMUNITY. COMMUNITY HOSPITAL SERVES ONE OF THE LARGEST POPULATIONS IN NW INDIANA AND IS THE OLDEST POPULATION IN THE AREA WITH AN EXPECTED LOSS OF POPULATION IN THE NEXT FIVE YEARS. COMMUNITY HAS DOMINANT MARKET POSITION IN ALL PRODUCT LINES AND CONTINUES TO SEE GROWTH IN AREAS SUCH AS ORTHOPEDICS, ONCOLOGY AND GENERAL SURGERY.

PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE

PATIENTS WHO ARE ADMITTED WITHOUT INSURANCE ARE REFERRED TO THE HOSPITAL'S FINANCIAL COUNSELORS. THE FINANCIAL COUNSELORS PERFORM AN INTERVIEW WITH THE PATIENT TO EXPLAIN TO THEM THE PROCESS NECESSARY TO

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, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.
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- 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.

RECEIVE FINANCIAL ASSISTANCE. THIS PROCESS INCLUDES APPLYING FOR MEDICAID OR OTHER GOVERNMENT AID. THE APPLICANT THEN MUST FILL OUT A FINANCIAL INFORMATION WORKSHEET AND SUBMIT VARIOUS INFORMATION TO DETERMINE IF THEY QUALIFY FOR FINANCIAL ASSISTANCE IN ACCORDANCE WITH THE FINANCIAL ASSISTANCE POLICY. THE FINANCIAL ASSISTANCE POLICY IS POSTED AT EACH INPATIENT WAITING DESK.

COMMUNITY INFORMATION

THE COMMUNITY SERVED INCLUDES NORTHWEST INDIANA AND ADJACENT COMMUNITIES IN ILLINOIS. OUR MARKET SHARE FOR THE CORE AREA IS 72.2%. THE POPULATION IS OLDER THAN MOST MARKETS BUT HAS A HIGHER MEDIAN HOUSEHOLD INCOME. COMMUNITY'S POPULATION CONSISTS OF AN UNINSURED POPULATION OF 9.9% AND MEDICAID OF 11.3%.

PROMOTION OF COMMUNITY HEALTH

SEE COMMUNITY BENEFITS STATEMENT IN SCHEDULE O.

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, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.
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AFFILIATED HEALTH CARE SYSTEM

COMMUNITY HOSPITAL IS PART OF AN AFFILIATED SYSTEM. EACH HOSPITAL IN THE SYSTEM PROVIDES MEDICAL SERVICES TO THEIR COMMUNITIES AND ADJOINING COMMUNITIES. EACH ENTITY'S PURPOSE IS TO PROVIDE HEALTH CARE TO THOSE WHO NEED IT, INCLUDING THE UNINSURED OR UNDERINSURED.

PART III, LINE 7

COST REPORT	(12,666,442)
PHYSICIAN PRACTICES	(5,436,908)
MEDICARE MANAGED CARE	(1,775,209)
FEE-BASED OUTPATIENT CHARGES	(5,940,264)
DISALLOWED MEDICARE EXPENSES	(10,453,656)
TOTAL (SHORTFALL)	(36,272,479)

PART III, LINE 2

BAD DEBT OF 19,799,032 WAS MULTIPLIED BY THE COST TO CHARGE RATIO, RESULTING IN 6,359,033 IN BAD DEBT AT COST.