

Department of the Treasury
Internal Revenue Service

Do not enter Social Security numbers on this form as it may be made public.

Information about Form 990 and its instructions is at www.irs.gov/form990

Open to Public Inspection

A For the **2013** calendar year, or tax year beginning **JUL 1, 2013** and ending **JUN 30, 2014**

| | | |
|---|--|---|
| B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending | C Name of organization MERCY MEDICAL CENTER Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite 301 ST. PAUL PLACE City or town, state or province, country, and ZIP or foreign postal code BALTIMORE, MD 21202 F Name and address of principal officer: THOMAS MULLEN 301 ST PAUL PLACE, BALTIMORE, MD 21202 | D Employer identification number 52-0591658 E Telephone number 410-332-9000 G Gross receipts \$ 442,690,549. H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) 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.MDMERCY.COM | | |
| 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: 1949 |
| M State of legal domicile: MD | | |

| Part I Summary | | | |
|--|---|--|---------------------|
| | 1 Briefly describe the organization's mission or most significant activities: MERCY IS DEDICATED TO CARRYING FORWARD THE TRADITION OF THE SISTER'S HEALING MINISTRY IN BALTIMORE. | | |
| | 2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets. | | |
| Activities & Governance | 3 Number of voting members of the governing body (Part VI, line 1a) | 3 | 7 |
| | 4 Number of independent voting members of the governing body (Part VI, line 1b) | 4 | 0 |
| | 5 Total number of individuals employed in calendar year 2013 (Part V, line 2a) | 5 | 3937 |
| | 6 Total number of volunteers (estimate if necessary) | 6 | 190 |
| | 7a Total unrelated business revenue from Part VIII, column (C), line 12 | 7a | 617,882. |
| | b Net unrelated business taxable income from Form 990-T, line 34 | 7b | -258,208. |
| | Revenue | 8 Contributions and grants (Part VIII, line 1h) | 11,060,143. |
| 9 Program service revenue (Part VIII, line 2g) | | 399,628,631. | 409,001,840. |
| 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) | | 3,608,903. | 4,340,520. |
| 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) | | 15,945,594. | 22,177,322. |
| 12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) | | 430,243,271. | 442,126,877. |
| Expenses | | 13 Grants and similar amounts paid (Part IX, column (A), lines 1-3) | 0. |
| | 14 Benefits paid to or for members (Part IX, column (A), line 4) | 0. | 0. |
| | 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) | 196,990,529. | 199,148,978. |
| | 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) | 226,612,848. | 230,088,034. |
| 18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) | 423,603,377. | 429,317,012. | |
| 19 Revenue less expenses. Subtract line 18 from line 12 | 6,639,894. | 12,809,865. | |
| Net Assets or Fund Balances | 20 Total assets (Part X, line 16) | 806,011,712. | 814,805,386. |
| | 21 Total liabilities (Part X, line 26) | 556,516,459. | 553,749,335. |
| | 22 Net assets or fund balances. Subtract line 21 from line 20 | 249,495,253. | 261,056,051. |

| | | | | | |
|---|---|---------------------------------|--|---|--------------------------|
| 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 JUSTIN DEIBEL, CFO Type or print name and title | Date | | | |
| Paid Preparer Use Only | Print/Type preparer's name AARON COHEN | Preparer's signature | Date 05/11/15 | Check if self-employed <input type="checkbox"/> | PTIN P01782580 |
| | Firm's name DIXON HUGHES GOODMAN LLP | Firm's EIN 56-0747981 | Firm's address 111 ROCKVILLE PIKE, 6TH FLOOR ROCKVILLE, MD 20850 | | |
| | | | Phone no. 240-403-3700 | | |

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:
MERCY IS DEDICATED TO CARRYING FORWARD THE TRADITION OF THE SISTER'S HEALING MINISTRY IN BALTIMORE. GROUNDED IN A VISION OF GOD'S HEALING LOVE FOR ALL PEOPLE, WE ARE COMMITTED TO PROVIDING HEALTHCARE FOR PERSONS OF EVERY CREED, COLOR, AND ECONOMIC AND SOCIAL CONDITION IN

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
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No
If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 338,341,913. including grants of \$ 80,000.) (Revenue \$ 429,821,675.)
TO PROVIDE HEALTHCARE TO PATIENTS WITHOUT REGARD TO ABILITY TO PAY. MERCY STRIVES TO PROVIDE EXCELLENT CLINICAL SERVICES ACROSS THE LIFE SPAN WITHIN A COMMUNITY OF COMPASSIONATE CARE. MERCY MEDICAL CENTER(MMC) HAS OVER 200 LICENSED BEDS.MERCY MEDICAL CENTER'S PRIMARY SERVICE AREA (PSA) WHICH COMPRISES 17 ZIP CODES IN BALTIMORE CITY, ACCOUNTS FOR ALMOST 60% OF ITS TOTAL ADMISSIONS. THE KEY DEMOGRAPHIC CHARACTERISTICS OF THE PSA AS OF 2010 ARE AS FOLLOWS: 64% OF THE POPULATION IS BLACK. 62% OF PATIENTS SERVED BY MMC ARE MEMBERS OF A RACIAL OR ETHNIC MINORITY. 65% ARE WOMEN. 53% ARE MEDICAID AND/OR MEDICARE BENEFICIARIES. 12% OF THE POPULATION IS 65 YEAR IN AGE AND OLDER. THE MEDIAN HOUSEHOLD INCOME OF THE POPULATION IS \$39,113. 40% OF BALTIMORE CITY HOUSEHOLDS REPORTED A INCOME OF LESS THAN \$30,000. THREE

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

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

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

4e Total program service expenses 338,341,913.

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 temporarily restricted endowments, permanent endowments, or 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 <i>If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?</i> | X | |

Part IV Checklist of Required Schedules (continued)

| | Yes | No |
|--|-----|----|
| 21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> | X | |
| 22 Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> | | 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? <i>If "Yes," complete Schedule J</i> | 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? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> | 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) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part I</i> | | X |
| 26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If so, complete Schedule L, Part II</i> | | X |
| 27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> | | X |
| 28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions): | | |
| a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> | | X |
| b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> | | X |
| c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> | | X |
| 29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> | | X |
| 30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> | | X |
| 31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> | | X |
| 32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> | | 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? <i>If "Yes," complete Schedule R, Part I</i> | | X |
| 34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> | 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)? <i>If "Yes," complete Schedule R, Part V, line 2</i> | X | |
| 36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> | | 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? <i>If "Yes," complete Schedule R, Part VI</i> | | 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 | | |
| 1b | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable | | |
| 1c | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? | X | |
| 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 | | |
| 2b | 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) | X | |
| 3a | Did the organization have unrelated business gross income of \$1,000 or more during the year? | X | |
| 3b | If "Yes," has it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation in Schedule O | X | |
| 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)? | X | |
| 4b | If "Yes," enter the name of the foreign country: CAYMAN ISLANDS See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. | | |
| 5a | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? | | X |
| 5b | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? | | X |
| 5c | 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? | | X |
| 6b | 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). | | |
| 7a | 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? | | X |
| 7b | If "Yes," did the organization notify the donor of the value of the goods or services provided? | | |
| 7c | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? | | X |
| 7d | If "Yes," indicate the number of Forms 8282 filed during the year | | |
| 7e | Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | | |
| 7f | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | | |
| 7g | If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? | | |
| 7h | 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 and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? | | |
| 9 | Sponsoring organizations maintaining donor advised funds. | | |
| 9a | Did the organization make any taxable distributions under section 4966? | | |
| 9b | Did the organization make a distribution to a donor, donor advisor, or related person? | | |
| 10 | Section 501(c)(7) organizations. Enter: | | |
| 10a | Initiation fees and capital contributions included on Part VIII, line 12 | | |
| 10b | Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities | | |
| 11 | Section 501(c)(12) organizations. Enter: | | |
| 11a | Gross income from members or shareholders | | |
| 11b | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) | | |
| 12a | Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? | | |
| 12b | If "Yes," enter the amount of tax-exempt interest received or accrued during the year | | |
| 13 | Section 501(c)(29) qualified nonprofit health insurance issuers. | | |
| 13a | 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. | | |
| 13b | 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 | | |
| 13c | Enter the amount of reserves on hand | | |
| 14a | Did the organization receive any payments for indoor tanning services during the tax year? | | X |
| 14b | If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O | | |

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

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

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows 1a-9. 1a: 7, 1b: 0. 2: X, 3: X, 4: X, 5: X, 6: X, 7a: X, 7b: X, 8a: X, 8b: X, 9: X.

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

Table with 3 columns: Question, Yes, No. Rows 10a-16b. 10a: X, 10b: X, 11a: X, 12a: X, 12b: X, 12c: X, 13: X, 14: X, 15a: X, 15b: X, 16a: X, 16b: X.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed MD
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: JUSTIN DEIBEL - 410-659-2905 301 ST. PAUL PLACE, BALTIMORE, MD 21202

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.

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

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

| (A) Name and Title | (B) Average hours per week (list any hours for related organizations below line) | (C) Position (do not check more than one box, unless person is both an officer and a director/trustee) | | | | | | (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) THOMAS MULLEN CHAIR, EX OFFICIO | 15.00 25.00 | X | | X | | | 0. | 903,079. | 21,000. | |
| (2) KIM BUSHNELL DIRECTOR | 40.00 0.00 | X | | | | | 214,120. | 0. | 14,800. | |
| (3) SCOTT SPIER MD SR VP/DIRECTOR | 33.50 6.50 | X | | | | | 427,657. | 0. | 30,000. | |
| (4) JOHN TOPPER SR VP & CRO/TREASURER | 15.00 25.00 | X | | X | | | 0. | 455,327. | 31,000. | |
| (5) SUSAN FINLAYSON SR VP/DIRECTOR | 38.00 2.00 | X | | | | | 401,064. | 0. | 16,150. | |
| (6) JUSTIN DEIBEL SR VP & CFO/DIRECTOR | 15.00 25.00 | X | | | | | 268,124. | 0. | 27,000. | |
| (7) MICHAEL MULLANE DIRECTOR | 25.00 15.00 | X | | | | | 345,478. | 0. | 26,150. | |
| (8) JAMES LEVY, MD PHYSICIAN | 40.00 0.00 | | | | | X | 354,306. | 0. | 33,800. | |
| (9) WILMA A S ROWE MD SR VP | 39.50 0.50 | | | | | X | 704,643. | 0. | 27,150. | |
| (10) MICHAEL SAMBAT MD SR VP | 40.00 0.00 | | | | | X | 438,304. | 0. | 25,108. | |
| (11) ALBERT HAN MD SR VP | 40.00 0.00 | | | | | X | 396,729. | 0. | 7,469. | |
| (12) DAVID BRIGHT MD PHYSICIAN | 40.00 0.00 | | | | | X | 370,113. | 0. | 8,500. | |
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Part VIII Statement of Revenue

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

| | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512-514 | |
|---|--|--|----------------------|---|---|--|--|
| Contributions, Gifts, Grants and Other Similar Amounts | 1 a Federated campaigns | 1a | | | | | |
| | b Membership dues | 1b | | | | | |
| | c Fundraising events | 1c | | | | | |
| | d Related organizations | 1d | | | | | |
| | e Government grants (contributions) | 1e | 594,435. | | | | |
| | f All other contributions, gifts, grants, and similar amounts not included above | 1f | 6,012,760. | | | | |
| | g Noncash contributions included in lines 1a-1f: \$ | | | | | | |
| | h Total. Add lines 1a-1f | | | 6,607,195. | | | |
| Program Service Revenue | 2 a PATIENT REVENUE | Business Code | 408,178,163. | 408,178,163. | | | |
| | b PEDIATRIC REVENUE | | 823,677. | 823,677. | | | |
| | c | | | | | | |
| | d | | | | | | |
| | e | | | | | | |
| | f All other program service revenue | | | | | | |
| | g Total. Add lines 2a-2f | | | 409,001,840. | | | |
| Other Revenue | 3 Investment income (including dividends, interest, and other similar amounts) | | 4,362,564. | | | 4,362,564. | |
| | 4 Income from investment of tax-exempt bond proceeds | | | | | | |
| | 5 Royalties | | | | | | |
| | 6 a Gross rents | (i) Real | 1,610,154. | | | | |
| | | (ii) Personal | | | | | |
| | | b Less: rental expenses | 541,628. | | | | |
| | | c Rental income or (loss) | 1,068,526. | | | | |
| | d Net rental income or (loss) | | 1,068,526. | | | 1,068,526. | |
| | 7 a Gross amount from sales of assets other than inventory | (i) Securities | | | | | |
| | | (ii) Other | | | | | |
| | | b Less: cost or other basis and sales expenses | | | 22,044. | | |
| | | c Gain or (loss) | | | -22,044. | | |
| | d Net gain or (loss) | | | -22,044. | | -22,044. | |
| | 8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 | a | | | | | |
| | | b Less: direct expenses | b | | | | |
| c Net income or (loss) from fundraising events | | | | | | | |
| 9 a Gross income from gaming activities. See Part IV, line 19 | a | | | | | | |
| | b Less: direct expenses | b | | | | | |
| | c Net income or (loss) from gaming activities | | | | | | |
| 10 a Gross sales of inventory, less returns and allowances | a | | | | | | |
| | b Less: cost of goods sold | b | | | | | |
| | c Net income or (loss) from sales of inventory | | | | | | |
| Miscellaneous Revenue | | Business Code | | | | | |
| 11 a MANAGEMENT FEE | 561000 | | 7,380,024. | 7,143,586. | 236,438. | | |
| b OTHER REVENUE | | | 6,687,933. | 6,687,933. | | | |
| c PARKING GARAGE | 812930 | | 3,298,711. | 2,922,839. | 375,872. | | |
| d All other revenue | | | 3,742,128. | 3,613,012. | 5,572. | 123,544. | |
| e Total. Add lines 11a-11d | | | 21,108,796. | | | | |
| 12 Total revenue. See instructions. | | | 442,126,877. | 429,369,210. | 617,882. | 5,532,590. | |

Part IX Statement of Functional Expenses

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

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

| Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII. | (A) Total expenses | (B) Program service expenses | (C) Management and general expenses | (D) Fundraising expenses |
|--|-----------------------|---------------------------------|--|-----------------------------|
| 1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21 | 80,000. | 80,000. | | |
| 2 Grants and other assistance to individuals in the United States. See Part IV, line 22 | | | | |
| 3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16 | | | | |
| 4 Benefits paid to or for members | | | | |
| 5 Compensation of current officers, directors, trustees, and key employees | | | | |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) | | | | |
| 7 Other salaries and wages | 166,824,992. | 120,956,450. | 45,868,542. | |
| 8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions) | 4,571,832. | 3,506,595. | 1,065,237. | |
| 9 Other employee benefits | 16,109,853. | 12,356,257. | 3,753,596. | |
| 10 Payroll taxes | 11,642,301. | 8,929,645. | 2,712,656. | |
| 11 Fees for services (non-employees): | | | | |
| a Management | 1,725,785. | | 1,725,785. | |
| b Legal | 1,331,694. | 23,547. | 1,308,147. | |
| c Accounting | 740,055. | 287,702. | 452,353. | |
| d Lobbying | | | | |
| e Professional fundraising services. See Part IV, line 17 | | | | |
| f Investment management fees | 317,272. | | 317,272. | |
| g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.) | 26,827,656. | 18,785,596. | 8,042,060. | |
| 12 Advertising and promotion | 1,653,050. | 1,481,260. | 171,790. | |
| 13 Office expenses | 98,953,256. | 93,312,072. | 5,641,184. | |
| 14 Information technology | 887,973. | 887,973. | | |
| 15 Royalties | | | | |
| 16 Occupancy | 9,181,328. | 8,630,552. | 550,776. | |
| 17 Travel | 467,718. | 411,403. | 56,315. | |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | | | | |
| 19 Conferences, conventions, and meetings | 360,585. | 98,521. | 262,064. | |
| 20 Interest | 18,850,373. | 18,850,373. | | |
| 21 Payments to affiliates | | | | |
| 22 Depreciation, depletion, and amortization | 35,305,626. | 22,403,918. | 12,901,708. | |
| 23 Insurance | 13,533,775. | 12,442,563. | 1,091,212. | |
| 24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.) | | | | |
| a <u>REPAIRS AND MAINTENANCE</u> | 11,283,753. | 9,944,380. | 1,339,373. | |
| b <u>OTHER</u> | 6,613,353. | 4,807,678. | 1,805,675. | |
| c <u>GARAGE TOWNE PARK EXPEN</u> | 1,541,366. | | 1,541,366. | |
| d <u>LOSS ON EARLY RETIREMEN</u> | 365,134. | | 365,134. | |
| e All other expenses | 148,282. | 145,428. | 2,854. | |
| 25 Total functional expenses. Add lines 1 through 24e | 429,317,012. | 338,341,913. | 90,975,099. | 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 <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) | | | | |

Part X Balance Sheet

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

| | | (A) | | (B) |
|-----------------------------|---|---|------------------|------------------|
| | | Beginning of year | | End of year |
| Assets | 1 | Cash - non-interest-bearing | 63,195,911. | 1 68,661,339. |
| | 2 | Savings and temporary cash investments | 2,155,083. | 2 1,292,522. |
| | 3 | Pledges and grants receivable, net | | 3 |
| | 4 | Accounts receivable, net | 22,709,401. | 4 20,298,238. |
| | 5 | Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L | | 5 |
| | 6 | Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L | | 6 |
| | 7 | Notes and loans receivable, net | 168,391. | 7 137,402. |
| | 8 | Inventories for sale or use | 6,705,793. | 8 6,968,764. |
| | 9 | Prepaid expenses and deferred charges | 4,030,649. | 9 4,322,105. |
| | 10a | Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D | 10a 762,547,087. | |
| | b | Less: accumulated depreciation | 10b 247,336,926. | 10c 515,210,161. |
| | 11 | Investments - publicly traded securities | 33,759,446. | 11 32,568,726. |
| | 12 | Investments - other securities. See Part IV, line 11 | 115,263,642. | 12 115,781,896. |
| | 13 | Investments - program-related. See Part IV, line 11 | | 13 24,830,879. |
| | 14 | Intangible assets | | 14 |
| | 15 | Other assets. See Part IV, line 11 | 40,023,669. | 15 24,733,354. |
| 16 | Total assets. Add lines 1 through 15 (must equal line 34) | 806,011,712. | 16 814,805,386. | |
| Liabilities | 17 | Accounts payable and accrued expenses | 57,713,023. | 17 60,759,741. |
| | 18 | Grants payable | | 18 |
| | 19 | Deferred revenue | | 19 |
| | 20 | Tax-exempt bond liabilities | 432,591,274. | 20 424,772,329. |
| | 21 | Escrow or custodial account liability. Complete Part IV of Schedule D | | 21 |
| | 22 | Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L | | 22 |
| | 23 | Secured mortgages and notes payable to unrelated third parties | | 23 |
| | 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 | 66,212,162. | 25 68,217,265. |
| | 26 | Total liabilities. Add lines 17 through 25 | 556,516,459. | 26 553,749,335. |
| Net Assets or Fund Balances | Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. | | | |
| | 27 | Unrestricted net assets | 226,961,542. | 27 239,973,189. |
| | 28 | Temporarily restricted net assets | 21,410,281. | 28 19,959,432. |
| | 29 | Permanently restricted net assets | 1,123,430. | 29 1,123,430. |
| | Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34. | | | |
| | 30 | Capital stock or trust principal, or current funds | | 30 |
| | 31 | Paid-in or capital surplus, or land, building, or equipment fund | | 31 |
| | 32 | Retained earnings, endowment, accumulated income, or other funds | | 32 |
| 33 | Total net assets or fund balances | 249,495,253. | 33 261,056,051. | |
| 34 | Total liabilities and net assets/fund balances | 806,011,712. | 34 814,805,386. | |

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 | 442,126,877. |
| 2 | Total expenses (must equal Part IX, column (A), line 25) | 2 | 429,317,012. |
| 3 | Revenue less expenses. Subtract line 2 from line 1 | 3 | 12,809,865. |
| 4 | Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) | 4 | 249,495,253. |
| 5 | Net unrealized gains (losses) on investments | 5 | 5,440,785. |
| 6 | Donated services and use of facilities | 6 | |
| 7 | Investment expenses | 7 | |
| 8 | Prior period adjustments | 8 | |
| 9 | Other changes in net assets or fund balances (explain in Schedule O) | 9 | -6,689,852. |
| 10 | Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B)) | 10 | 261,056,051. |

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? _____ 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 | | X |
| 2b | Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis | X | |
| 2c | If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O. | X | |
| 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? _____ | X | |
| 3b | If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits _____ | X | |

Form 990 (2013)

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.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization **MERCY MEDICAL CENTER** Employer identification number **52-0591658**

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

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

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I
 - b Type II
 - c Type III - Functionally integrated
 - d Type III - Non-functionally integrated
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

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

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

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule A (Form 990 or 990-EZ) 2013

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) 2009 | (b) 2010 | (c) 2011 | (d) 2012 | (e) 2013 | (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) 2009 | (b) 2010 | (c) 2011 | (d) 2012 | (e) 2013 | (f) Total |
|--|----------|----------|----------|----------|-----------|--------------------------|
| 7 Amounts from line 4 | | | | | | |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | | | | | | |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on | | | | | | |
| 10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) | | | | | | |
| 11 Total support. Add lines 7 through 10 | | | | | | |
| 12 Gross receipts from related activities, etc. (see instructions) | | | | | 12 | |
| 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here | | | | | | <input type="checkbox"/> |

Section C. Computation of Public Support Percentage

| | | | |
|---|-----------|--|--------------------------|
| 14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f)) | 14 | | % |
| 15 Public support percentage from 2012 Schedule A, Part II, line 14 | 15 | | % |
| 16a 33 1/3% support test - 2013. 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 - 2012. 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 - 2013. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization | | | <input type="checkbox"/> |
| b 10% -facts-and-circumstances test - 2012. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization | | | <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 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2009 | (b) 2010 | (c) 2011 | (d) 2012 | (e) 2013 | (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) 2009 | (b) 2010 | (c) 2011 | (d) 2012 | (e) 2013 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| 9 Amounts from line 6 | | | | | | |
| 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | | | | | | |
| b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 | | | | | | |
| c Add lines 10a and 10b | | | | | | |
| 11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on | | | | | | |
| 12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) | | | | | | |
| 13 Total support. (Add lines 9, 10c, 11, and 12.) | | | | | | |

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

Section C. Computation of Public Support Percentage

| | | |
|--|-----------|---|
| 15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f)) | 15 | % |
| 16 Public support percentage from 2012 Schedule A, Part III, line 15 | 16 | % |

Section D. Computation of Investment Income Percentage

| | | |
|--|-----------|---|
| 17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f)) | 17 | % |
| 18 Investment income percentage from 2012 Schedule A, Part III, line 17 | 18 | % |

19a 33 1/3% support tests - 2013. 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 - 2012. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

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

Schedule 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.
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and
its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Name of the organization

MERCY MEDICAL CENTER

Employer identification number

52-0591658

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, \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II.

Special Rules

For a section 501(c)(3) organization 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) and received from any one contributor, during the year, a contribution 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 a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not total to 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. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions of \$5,000 or more during the year ▶ \$ _____

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not 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 does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2013)

| | |
|---|---|
| Name of organization MERCY MEDICAL CENTER | Employer identification number 52-0591658 |
|---|---|

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 |
|------------|---|----------------------------|---|
| 1 | MERCY HEALTH FOUNDATION 301 ST. PAUL PLACE BALTIMORE, MD 21202 | \$ 6,012,760. | Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.) |
| 2 | U.S. DEPARTMENT OF JUSTICE 950 PENNSYLVANIA AVENUE, NW WASHINGTON, DC 20530-0001 | \$ 108,282. | Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.) |
| 3 | STATE OF MARYLAND 300 E JOPPA ROAD SUITE 105 TOWSON, MD 21286 | \$ 13,850. | Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.) |
| 4 | U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES 200 INDEPENDENCE AVENUE, S.W. WASHINGTON, DC 20201 | \$ 72,786. | Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.) |
| 5 | U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT 451 7TH STREET SW WASHINGTON, DC 20410 | \$ 399,517. | 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.) |

| | |
|---|---|
| Name of organization MERCY MEDICAL CENTER | Employer identification number 52-0591658 |
|---|---|

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 MERCY MEDICAL CENTER | Employer identification number 52-0591658 |
|---|---|

Part III *Exclusively* religious, charitable, etc., individual contributions to section 501(c)(7), (8), or (10) organizations that total more than \$1,000 for the year. 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 information 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

2013

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.**
▶ **See separate instructions.** ▶ **Information about Schedule C (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.**

Open to Public Inspection

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

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

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

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

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

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

| | |
|---|---|
| Name of organization MERCY MEDICAL CENTER | Employer identification number 52-0591658 |
|---|---|

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

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

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

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

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

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

| (a) Name | (b) Address | (c) EIN | (d) Amount paid from filing organization's funds. If none, enter -0-. | (e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-. |
|----------|-------------|---------|---|--|
| | | | | |
| | | | | |
| | | | | |
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For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. **Schedule C (Form 990 or 990-EZ) 2013**
LHA

332041
11-08-13

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

- A** Check if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).
- B** Check if the filing organization checked box A and "limited control" provisions apply.

| Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.) | (a) Filing organization's totals | (b) Affiliated group totals | | | | | | | | | | | | |
|--|--|------------------------------------|--------------------|-------------------------------|---|--|---|--|--|---|-------------------|--------------|--|--|
| 1a Total lobbying expenditures to influence public opinion (grass roots lobbying) | | | | | | | | | | | | | | |
| b Total lobbying expenditures to influence a legislative body (direct lobbying) | | | | | | | | | | | | | | |
| c Total lobbying expenditures (add lines 1a and 1b) | | | | | | | | | | | | | | |
| d Other exempt purpose expenditures | | | | | | | | | | | | | | |
| e Total exempt purpose expenditures (add lines 1c and 1d) | | | | | | | | | | | | | | |
| f Lobbying nontaxable amount. Enter the amount from the following table in both columns. | | | | | | | | | | | | | | |
| <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 instructions for lines 2a through 2f on page 4.)

| Lobbying Expenditures During 4-Year Averaging Period | | | | | |
|---|----------|----------|----------|----------|-----------|
| Calendar year (or fiscal year beginning in) | (a) 2010 | (b) 2011 | (c) 2012 | (d) 2013 | (e) Total |
| 2a Lobbying nontaxable amount | | | | | |
| b Lobbying ceiling amount (150% of line 2a, column(e)) | | | | | |
| c Total lobbying expenditures | | | | | |
| d Grassroots nontaxable amount | | | | | |
| e Grassroots ceiling amount (150% of line 2d, column (e)) | | | | | |
| f Grassroots lobbying expenditures | | | | | |

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

For each "Yes," response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

| | (a) | | (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 | | 80,000. |
| g Direct contact with legislators, their staffs, government officials, or a legislative body? | | X | |
| h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? | | X | |
| i Other activities? | | X | |
| j Total. Add lines 1c through 1i | | | 80,000. |
| 2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? | | X | |
| b If "Yes," enter the amount of any tax incurred under section 4912 | | | |
| c If "Yes," enter the amount of any tax incurred by organization managers under section 4912 | | | |
| d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year? | | | |

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

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

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

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

Part IV Supplemental Information

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

PART II-B, LINE 1, LOBBYING ACTIVITIES:

EXPLANATION: IN THE TAX YEAR 2013 MERCY MEDICAL CENTER CONTRIBUTED

\$80,000 TO MARYLAND MATERNITY ACCESS COALITION, INC., A SECTION

501(C)(4) ORGANIZATION THAT IS ORGANIZED AND OPERATED EXCLUSIVELY FOR

SOCIAL WELFARE PURPOSES. THE COALITION PUBLICLY ADVOCATES FOR AND

SUPPORTS LEGISLATION, REGULATIONS, AND PROGRAMS DESIGNED TO MAINTAIN

Part IV Supplemental Information *(continued)*

AND ENHANCE HEALTH CARE ACCESS FOR MARYLAND MOTHERS AND BABIES. THE
PURPOSE OF THE CONTRIBUTION WAS TO SUPPORT THE WORK OF THE COALITION
INCLUDING ITS PUBLIC EDUCATION AND ADVOCACY EFFORTS. THE COALITION DID
ENGAGE IN STATE LOBBYING ACTIVITIES IN 2014.

COPY

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

▶ **Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990**

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization MERCY MEDICAL CENTER **Employer identification number** 52-0591658

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

| | (a) Donor advised funds | (b) Funds and other accounts |
|---|-------------------------|--|
| 1 Total number at end of year | | |
| 2 Aggregate contributions to (during year) | | |
| 3 Aggregate grants from (during year) | | |
| 4 Aggregate value at end of year | | |
| 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? | | <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" to Form 990, Part IV, line 7.

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

Preservation of land for public use (e.g., recreation or education) Preservation of an historically important land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

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

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

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

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

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

Yes No

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

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

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

Yes No

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

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

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

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

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

▶ \$ _____

(ii) Assets included in Form 990, Part X

▶ \$ _____

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

a Revenues included in Form 990, Part VIII, line 1

▶ \$ _____

b Assets included in Form 990, Part X

▶ \$ _____

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

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

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

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

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

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

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

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

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

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

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

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

| | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|--|------------------|----------------|--------------------|----------------------|---------------------|
| 1a Beginning of year balance | 1,123,000. | 1,123,000. | 1,123,000. | 1,123,000. | 1,123,000. |
| 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 | 1,123,000. | 1,123,000. | 1,123,000. | 1,123,000. | 1,123,000. |

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

- a Board designated or quasi-endowment _____ %
- b Permanent endowment 100.00 %
- c Temporarily restricted endowment _____ %

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

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

- (i) unrelated organizations _____
- (ii) related organizations _____

| | Yes | No |
|--------|-----|----|
| 3a(i) | | X |
| 3a(ii) | X | |
| 3b | X | |

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? _____

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" to 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 | | 16,273,329. | | 16,273,329. |
| b Buildings | | 525,558,034. | 128,768,719. | 396,789,315. |
| c Leasehold improvements | | | | |
| d Equipment | | 194,536,853. | 118,568,207. | 75,968,646. |
| e Other | | 26,178,871. | | 26,178,871. |
| Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) | | | | 515,210,161. |

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" to 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) RESTRICTED INVESTMENTS | 105,022,630. | END-OF-YEAR MARKET VALUE |
| (B) RESTRICTED CASH | 10,759,266. | END-OF-YEAR MARKET VALUE |
| (C) | | |
| (D) | | |
| (E) | | |
| (F) | | |
| (G) | | |
| (H) | | |
| Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) | 115,781,896. | |

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" to 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" to 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" to 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) POST RETIREMENT OBLIGATION | 6,220,720. |
| (3) DEFERRED COMPENSATION | 6,183,798. |
| (4) MERRILL LYNCH SWAP | 29,804,363. |
| (5) MALPRACTICE TAIL LIABILITY | 327,536. |
| (6) CARDINAL DEPOSIT | 1,912,673. |
| (7) RETIREMENT ANNUITY PLAN OBLIGA | 4,115,481. |
| (8) ESTIMATED TAIL LIAB GIC | 2,373,559. |
| (9) DUE TO RELATED PARTIES | 9,279,135. |
| Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) | 68,217,265. |

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

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

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

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

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

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

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

Part XIII Supplemental Information.

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

PART V, LINE 4:

EXPLANATION: \$1,123,000 OF THE ENDOWMENT FUND BALANCE STEMS FROM A PERMANENT ENDOWMENT ADMINSTERED AND HELD BY MERCY HEALTH FOUNDATION, A RELATED ENTITY OF MERCY MEDICAL CENTER. THE PURPOSE OF THE ENDOWMENT IS TO SUPPORT THE HEALTHCARE MINISTRY OF THE SISTERS OF MERCY AT MERCY MEDICAL CENTER.

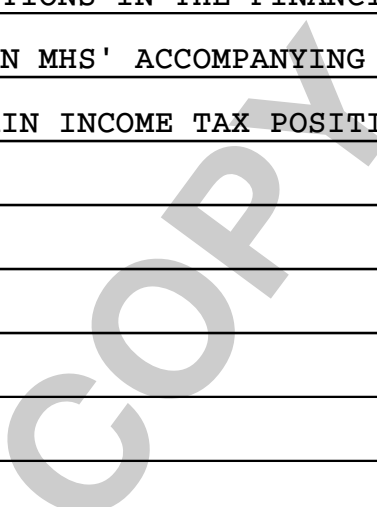
PART X, LINE 2:

EXPLANATION: MHS, MMC, SMI, MFC, SPPS, MHF, AND MSS ARE NOT-FOR-PROFIT ORGANIZATIONS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE, AND ARE THEREFORE NOT SUBJECT TO FEDERAL INCOME TAX UNDER CURRENT INCOME TAX REGULATIONS. MHS SUBSIDIARIES OTHERWISE

Part XIII Supplemental Information *(continued)*

EXEMPT FROM FEDERAL AND STATE TAXATION ARE NONETHELESS SUBJECT TO TAXATION AT CORPORATE TAX RATES AT BOTH THE FEDERAL AND STATE LEVEL ON THEIR UNRELATED BUSINESS INCOME.

CURRENT ACCOUNTING STANDARDS DEFINE THE THRESHOLD FOR RECOGNIZING UNCERTAIN INCOME TAX RETURN POSITIONS IN THE FINANCIAL STATEMENTS AS "MORE LIKELY THAN NOT" THAT THE POSITION IS SUSTAINABLE, BASED ON ITS TECHNICAL MERITS, AND ALSO PROVIDE GUIDANCE ON THE MEASUREMENT, CLASSIFICATION AND DISCLOSURE OF TAX RETURN POSITIONS IN THE FINANCIAL STATEMENTS. MANAGEMENT BELIEVES THERE IS NO IMPACT ON MHS' ACCOMPANYING CONSOLIDATED FINANCIAL STATEMENTS RELATED TO UNCERTAIN INCOME TAX POSITIONS.



**SCHEDULE F
(Form 990)**

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 14b, 15, or 16.
- ▶ Attach to Form 990. ▶ See separate instructions.
- ▶ Information about Schedule F (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization: **MERCY MEDICAL CENTER** Employer identification number: **52-0591658**

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

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

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

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

| (a) Region | (b) Number of offices in the region | (c) Number of employees, agents, and independent contractors in region | (d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region) | (e) If activity listed in (d) is a program service, describe specific type of service(s) in region | (f) Total expenditures for and investments in region |
|---|-------------------------------------|--|---|--|--|
| CENTRAL AMERICA AND THE CARIBBEAN | | | INVESTMENT | | 5,906,718. |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| 3 a Sub-total | 0 | 0 | | | 5,906,718. |
| b Total from continuation sheets to Part I | 0 | 0 | | | 0. |
| c Totals (add lines 3a and 3b) | 0 | 0 | | | 5,906,718. |

Part IV Foreign Forms

- 1 Was the organization a U.S. transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)* Yes No

- 2 Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)* Yes No

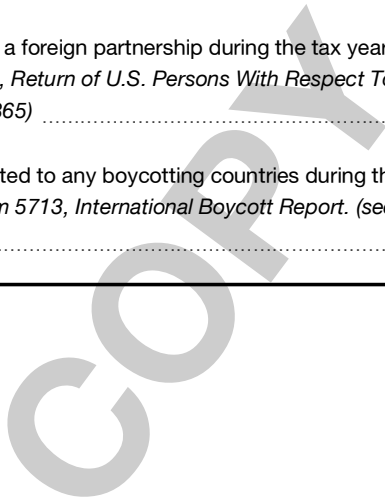
- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations. (see Instructions for Form 5471)* Yes No

- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)* Yes No

- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons With Respect To Certain Foreign Partnerships. (see Instructions for Form 8865)* Yes No

- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report. (see Instructions for Form 5713)* Yes No

Schedule F (Form 990) 2013

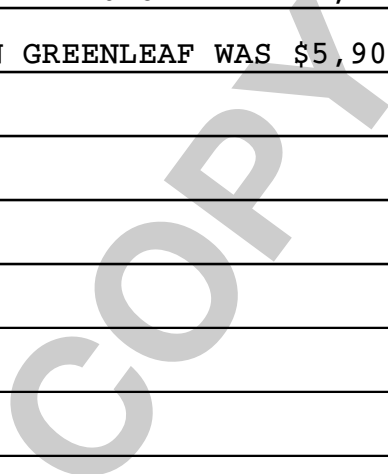


Part V Supplemental Information

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

SCHEDULE F, PART I, LINE 3

EXPLANATION: THE AMOUNT INDICATED AS FOREIGN INVESTMENTS IN PART I WAS MERCY MEDICAL CENTER'S OWNERSHIP INTEREST IN GREENLEAF INSURANCE COMPANY, LTD ("GREENLEAF"), A CAYMAN ISLAND CORPORATION. GREENLEAF IS A WHOLLY-OWNED SUBSIDIARY OF MERCY MEDICAL CENTER THAT PROVIDES DIRECT COVERAGE FOR PROFESSIONAL, MALPRACTICE, AND COMPREHENSIVE GENERAL LIABILITY FOR MERCY MEDICAL CENTER AND ITS ASSOCIATED HEALTH CARE FACILITIES. AS OF THE END OF THE 2013 TAX YEAR, THE VALUE OF MERCY MEDICAL CENTER'S OWNERSHIP IN GREENLEAF WAS \$5,906,718.



**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2013

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, question 20.**
▶ **Attach to Form 990. ▶ See separate instructions.**
▶ **Information about Schedule H (Form 990) and its instructions is at www.irs.gov/form990.**

Open to Public Inspection

Name of the organization **MERCY MEDICAL CENTER** Employer identification number **52-0591658**

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 | |
| b If "Yes," was it a written policy? 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 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 | X | |
| 2 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 <i>free</i> 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 _____ % | X | |
| b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> 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 _____ % | X | |
| c If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care. | | |
| 4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"? | 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? | | |
| 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

| | (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) | | | 19,914,296. | | 19,914,296. | 4.64% |
| b Medicaid (from Worksheet 3, column a) | | | | | | |
| c Costs of other means-tested government programs (from Worksheet 3, column b) | | | | | | |
| d Total Financial Assistance and Means-Tested Government Programs | | | 19,914,296. | | 19,914,296. | 4.64% |
| Other Benefits | | | | | | |
| e Community health improvement services and community benefit operations (from Worksheet 4) | | | 7,061,511. | 109,549. | 6,951,962. | 1.62% |
| f Health professions education (from Worksheet 5) | | | 14,081,244. | | 14,081,244. | 3.28% |
| g Subsidized health services (from Worksheet 6) | | | 12,499,975. | 1,313,442. | 11,186,533. | 2.61% |
| h Research (from Worksheet 7) | | | 84,945. | | 84,945. | .02% |
| i Cash and in-kind contributions for community benefit (from Worksheet 8) | | | 471,692. | | 471,692. | .11% |
| j Total. Other Benefits | | | 34,199,367. | 1,422,991. | 32,776,376. | 7.64% |
| k Total. Add lines 7d and 7j | | | 54,113,663. | 1,422,991. | 52,690,672. | 12.28% |

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of hospital facility or facility reporting group MERCY MEDICAL CENTER

If reporting on Part V, Section B for a single hospital facility only: line number of hospital facility (from Schedule H, Part V, Section A) 3

| | Yes | No |
|--|-----|----|
| Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012) | | |
| 1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9 | 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 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 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"/> Information gaps that limit the hospital facility's ability to assess the community's health needs | | |
| j <input type="checkbox"/> Other (describe in Section C) | | |
| 2 Indicate the tax year the hospital facility last conducted a CHNA: <u>20 12</u> | | |
| 3 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 | X | |
| 4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C | | X |
| 5 Did the hospital facility make its CHNA report widely available to the public? | 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>WWW.MDMERCY.COM</u> | | |
| b <input type="checkbox"/> Other website (list url): | | |
| c <input checked="" type="checkbox"/> Available upon request from the hospital facility | | |
| d <input type="checkbox"/> Other (describe in Section C) | | |
| 6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year): | | |
| a <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA | | |
| b <input checked="" type="checkbox"/> Execution of the implementation strategy | | |
| c <input type="checkbox"/> Participation in the development of a community-wide plan | | |
| d <input type="checkbox"/> Participation in the execution of a community-wide plan | | |
| e <input type="checkbox"/> Inclusion of a community benefit section in operational plans | | |
| f <input checked="" type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA | | |
| g <input checked="" type="checkbox"/> Prioritization of health needs in its community | | |
| h <input checked="" 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 Section C) | | |
| 7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Section C which needs it has not addressed and the reasons why it has not addressed such needs | | X |
| 8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)? | | X |
| b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax? | | |
| c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$ | | |

Part V Facility Information (continued) **MERCY MEDICAL CENTER**

| Financial Assistance Policy | | Yes | No |
|---|--|-----|----|
| Did the hospital facility have in place during the tax year a written financial assistance policy that: | | | |
| 9 | Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care? | X | |
| 10 | Used federal poverty guidelines (FPG) to determine eligibility for providing free care? | X | |
| If "Yes," indicate the FPG family income limit for eligibility for free care: <u>200</u> % | | | |
| If "No," explain in Section C the criteria the hospital facility used. | | | |
| 11 | Used FPG to determine eligibility for providing discounted care? | X | |
| If "Yes," indicate the FPG family income limit for eligibility for discounted care: <u>400</u> % | | | |
| If "No," explain in Section C the criteria the hospital facility used. | | | |
| 12 | Explained the basis for calculating amounts charged to patients? | X | |
| If "Yes," indicate the factors used in determining such amounts (check all that apply): | | | |
| a | <input checked="" type="checkbox"/> Income level | | |
| b | <input checked="" type="checkbox"/> Asset level | | |
| c | <input checked="" type="checkbox"/> Medical indigency | | |
| d | <input checked="" type="checkbox"/> Insurance status | | |
| e | <input type="checkbox"/> Uninsured discount | | |
| f | <input type="checkbox"/> Medicaid/Medicare | | |
| g | <input checked="" type="checkbox"/> State regulation | | |
| h | <input type="checkbox"/> Residency | | |
| i | <input type="checkbox"/> Other (describe in Section C) | | |
| 13 | Explained the method for applying for financial assistance? | X | |
| 14 | Included measures to publicize the policy 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 policy was posted on the hospital facility's website | | |
| b | <input type="checkbox"/> The policy was attached to billing invoices | | |
| c | <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms | | |
| d | <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices | | |
| e | <input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility | | |
| f | <input checked="" type="checkbox"/> The policy was available on request | | |
| g | <input type="checkbox"/> Other (describe in Section C) | | |
| Billing and Collections | | | |
| 15 | Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment? | X | |
| 16 | Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP: | | |
| 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 similar actions (describe in Section C) | | |
| 17 | Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the 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 | | |
| b | <input type="checkbox"/> Lawsuits | | |
| c | <input type="checkbox"/> Liens on residences | | |
| d | <input type="checkbox"/> Body attachments | | |
| e | <input type="checkbox"/> Other similar actions (describe in Section C) | | |

Part V Facility Information (continued) **MERCY MEDICAL CENTER**

- 18** Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):
- a Notified individuals of the financial assistance policy on admission
 - b Notified individuals of the financial assistance policy prior to discharge
 - c Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
 - d Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
 - e Other (describe in Section C)

Policy Relating to Emergency Medical Care

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

| | Yes | No |
|-----------|----------|----|
| 19 | X | |
| | | |

If "No," indicate why:

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

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

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

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

| | | |
|-----------|--|----------|
| | | |
| 21 | | X |
| 22 | | X |

21 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.

22 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.

Part V Facility Information (continued)

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

PART V, SECTION A:

EXPLANATION: MERCY MEDICAL CENTER (MMC) IS A LICENCED HOSPITAL. MMC PROVIDES INPATIENT, OUTPATIENT AND EMERGENCY CARE SERVICES PRIMARILY FOR THE CITIZENS OF THE BALTIMORE METROPOLITAN AREA.

MERCY MEDICAL CENTER:

PART V, SECTION B, LINE 3: MERCY MEDICAL CENTER TOOK INTO ACCOUNT INPUT FROM REPRESENTATIVES OF THE COMMUNITY SERVED BY THE HOSPITAL FACILITY, INCLUDING THOSE WITH SPECIALIZED KNOWLEDGE OF OR EXPERTISE IN PUBLIC HEALTH, COMMUNITY LEADERS, AND LEADERS OR REPRESENTATIVES OF LOW INCOME AND UNDERSERVED GROUPS SERVED IN THE COMMUNITY. IN PARTICULAR, MERCY MEDICAL CENTER CONDUCTED IN-PERSON INTERVIEWS WITH LEADERS OF NEIGHBORHOOD ASSOCIATIONS, ELECTED OFFICIALS, CHIEF EXECUTIVES OF COMMUNITY HEALTH CLINICS, FOUNDATION EXECUTIVES, ADVOCATES FOR THE HOMELESS AND ELDERLY, MINISTERS OF LOCAL CHURCHES, AND PUBLIC HEALTH EXPERTS (SUCH AS AN EXPERT ON AGING AND OLDER ADULT SERVICES IN THE BALTIMORE REGION, AN EXPERT RELATED TO PROVIDING HEALTH CARE ACCESS TO UNINSURED, AND PHYSICIAN LEADERS).

MERCY MEDICAL CENTER:

PART V, SECTION B, LINE 6I: IN CONNECTION WITH CONDUCTING THE COMMUNITY HEALTH NEEDS ASSESSMENT, MERCY MEDICAL CENTER'S BOARD OF DIRECTORS ADOPTED AN IMPLEMENTATION STRATEGY TO HELP ADDRESS THE COMMUNITY HEALTH NEEDS IDENTIFIED IN THE COMMUNITY HEALTH NEEDS ASSESSMENT.

Part V Facility Information *(continued)*

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

BY THE END OF ITS 2013 TAX YEAR, MERCY MEDICAL CENTER HAD ALREADY UNDERTAKEN NUMEROUS STEPS TO BEGIN IMPLEMENTING THE IMPLEMENTATION STRATEGY. MERCY MEDICAL CENTER APPROVED A FY 2015 BUDGET, WHICH INCLUDED SPECIFIC FUNDING FOR ACTIONS TO BE TAKEN PURSUANT TO THE IMPLEMENTATION STRATEGY. IN ADDITION, IN ORDER TO HELP MEET THE IDENTIFIED NEED OF GREATER ACCESS TO CARE FOR HOMELESS PATIENTS, MERCY MEDICAL CENTER HIRED A PATIENT NAVIGATOR WHOSE JOB FUNCTION IS TO FOCUS ON IMPROVING ACCESS TO CARE FOR HOMELESS PATIENTS. THE COST TO MERCY MEDICAL CENTER OF EMPLOYING THIS PATIENT NAVIGATOR WAS \$42,819. FURTHERMORE, VIA OUR PARTNERSHIP WITH HEALTHCARE FOR THE HOMELESS, 1,680 REFERRALS WERE MADE TO MERCY SPECIALISTS IN TAX YEAR 2013. OF THAT NUMBER, 67% WERE KEPT APPOINTMENTS. FURTHERMORE, IN ORDER TO HELP MEET THE IDENTIFIED NEED OF IMPROVED CARE COORDINATION WITH THE CITY'S FQHC'S STRATEGIC PLANNING MEETINGS HAVE BEEN UNDERTAKEN WITH KEY REPRESENTATIVES FROM BALTIMORE CITY FEDERALLY QUALIFIED HEALTH CENTERS (FQHCs). FINALLY, MERCY MEDICAL CENTER HAS INITIATED DISCUSSIONS WITH KEY BALTIMORE CITY HEALTH DEPARTMENT STAFF TO BEGIN OUTLINING STRAGIES FOR IMPROVING BIRTH OUTCOMES AND PRE-NATAL CARE FOR EXPECTANT MOTHERS.

MERCY MEDICAL CENTER:

PART V, SECTION B, LINE 7: THE HEALTH AND SOCIAL NEEDS OF MERCY'S COMMUNITY, WHICH WERE IDENTIFIED IN THE COMMUNITY HEALTH NEEDS ASSESSMENT, ARE STAGGERING IN DEPTH AND BREADTH. THIS IS DUE TO MERCY'S LOCATION IN THE MIDDLE OF A POOR, URBAN CITY THAT HAS HEALTH CHALLENGES AND DISPARITIES THAT ARE NOT EVIDENT IN OTHER PARTS OF THE STATE OR COUNTRY. AS A RESULT, MERCY MEDICAL CENTER INTENDS TO FOCUS ITS LIMITED RESOURCES

Part V Facility Information *(continued)*

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

ON A DEFINED NUMBER OF HEALTH NEEDS WITHIN THE COMMUNITY, INCLUDING: (1) POOR ACCESS TO CARE AND INFREQUENT CARE FOR THE HOMELESS, (2) POOR BIRTH OUTCOMES AND PRE-NATAL CARE FOR EXPECTANT MOTHERS, (3) POOR CARE COORDINATION WITH THE CITY'S FEDERALLY QUALIFIED HEALTH CENTERS, (4) POOR CARE PROVIDED TO VICTIMS OF VIOLENCE AND ADDICTION, AND (5) INADEQUATE HEALTH EDUCATION TO SEGMENTS OF THE POPULATION WITHIN MERCY MEDICAL CENTER'S COMMUNITY.

THE HEALTH CARE NEEDS IDENTIFIED IN THE HOSPITAL'S COMMUNITY HEALTH NEEDS ASSESSMENT THAT THE HOSPITAL WILL NOT ATTEMPT TO ADDRESS ARE: HIGH RATES OF HEART DISEASE AND CANCER. THE DETERMINATION OF THE NEEDS THAT MERCY WOULD NOT ATTEMPT TO MEET PURSUANT TO THE COMMUNITY HEALTH NEEDS ASSESSMENT WAS BASED UPON WHETHER OTHER ORGANIZATIONS OR GOVERNMENTAL ENTITIES WERE BETTER PLACED TO RESPOND TO SUCH HEALTH NEEDS THAN MERCY MEDICAL CENTER. CONSIDERABLE LOCAL AND STATE RESOURCES ARE CURRENTLY INVESTED IN THESE KEY CAUSES OF PREMATURE DEATH. FURTHERMORE, TWO LARGE, HIGH QUALITY ACADEMIC MEDICAL CENTERS (JOHNS HOPKINS MEDICAL SYSTEM AND UNIVERSITY OF MARYLAND MEDICAL SYSTEM) EXIST WITHIN WALKING DISTANCE OF MERCY MEDICAL CENTER. MERCY MEDICAL CENTER BELIEVES THAT JOHNS HOPKINS MEDICAL SYSTEM AND THE UNIVERSITY OF MARYLAND MEDICAL SYSTEM MAY BE BETTER SUITED TO ADDRESS THESE COMMUNITY NEEDS, GIVEN THE SIZE AND SPECIFIC MAKEUP OF THEIR CARDIOLOGY AND CANCER PROGRAMS. WHILE MERCY MEDICAL CENTER DOES NOT PLAN TO CREATE NEW STAND ALONE PROGRAMS IN THESE TWO HIGH PRIORITY FIELDS, WE DO PLAN TO CONTINUE OUR EFFORTS TO REDUCE THESE TOP CAUSES OF PREMATURE DEATH THROUGH OUR EXISTING CLINICAL PROGRAMS AND BY IMPROVING CARE COORDINATION AND HEALTH EDUCATION IN THE COMMUNITY SETTING.

Part V Facility Information (continued)

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

MERCY MEDICAL CENTER:

PART V, SECTION B, LINE 11: MERCY MEDICAL CENTER PROVIDED EMERGENCY AND OTHER MEDICALLY NECESSARY CARE TO PATIENTS THAT QUALIFY FOR FINANCIAL ASSISTANCE AT NO CHARGE OR REDUCED-COST BASED ON A SLIDING SCALE FOR INCOME (UP TO APPROXIMATELY 400% OF THE FEDERAL POVERTY GUIDELINES) AND TAKING INTO ACCOUNT OTHER CONSIDERATIONS, AS DESCRIBED BELOW.

IN ORDER TO QUALIFY FOR FINANCIAL ASSISTANCE UNDER MERCY MEDICAL CENTER'S FINANCIAL ASSISTANCE POLICY, A PATIENT MUST BE A U.S. CITIZEN OR PERMANENT LEGAL RESIDENT WHO QUALIFIES UNDER AT LEAST ONE OF THE FOLLOWING CONDITIONS:

1.A PATIENT WITH FAMILY INCOME AT OR BELOW 200% OF THE FEDERAL POVERTY LEVEL, WITH LESS THAN \$10,000. IN HOUSEHOLD MONETARY ASSETS QUALIFIES FOR FULL FINANCIAL ASSISTANCE IN THE FORM OF FREE MEDICALLY NECESSARY CARE.

2.A PATIENT NOT OTHERWISE ELIGIBLE FOR MEDICAID OR CHIP WHO IS A BENEFICIARY/RECIPIENT OF A MEANS-TESTED SOCIAL SERVICES PROGRAM, INCLUDING BUT NOT NECESSARILY LIMITED TO THE FOLLOWING PROGRAMS, IS DEEMED ELIGIBLE FOR FINANCIAL ASSISTANCE IN THE FORM OF FREE MEDICALLY NECESSARY CARE, PROVIDED THAT THE PATIENT SUBMITS PROOF OF ENROLLMENT WITHIN 30 DAYS UNLESS THE PATIENT OR PATIENT'S REPRESENTATIVE REQUESTS AN ADDITIONAL 30 DAYS:

A) HOUSEHOLDS WITH CHILDREN IN THE FREE OR REDUCED LUNCH PROGRAM

B) SUPPLEMENTAL NUTRITIONAL ASSISTANCE PROGRAM (SNAP)

Part V Facility Information (continued)

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

C) LOW-INCOME-HOUSEHOLD ENERGY ASSISTANCE PROGRAM

D) PRIMARY ADULT CARE PROGRAM (PAC), UNTIL SUCH TIME AS INPATIENT BENEFITS ARE ADDED TO THE PAC BENEFIT PACKAGE

E) WOMEN, INFANTS, AND CHILDREN (WIC)

3.A PATIENT WITH FAMILY INCOME AT OR BELOW 400% OF FEDERAL POVERTY LEVEL, WITH LESS THAN \$10,000 IN HOUSEHOLD MONETARY ASSETS QUALIFIES FOR PARTIAL FINANCIAL ASSISTANCE IN THE FORM OF REDUCED-COST MEDICALLY NECESSARY CARE. THE AMOUNT OF FINANCIAL ASSISTANCE IN THIS CASE IS BASED ON A SLIDING SCALE OF INCOME AND SHOWN IN THE ATTACHED TABLE AND OTHER FACTORS.

4.A PATIENT WITH: (I) FAMILY INCOME AT OR BELOW 500% OF FEDERAL POVERTY LEVEL; (II) WITH MEDICAL DEBT INCURRED WITHIN THE 12 MONTH PERIOD PRIOR TO APPLICATION THAT EXCEEDS 25% OF FAMILY INCOME FOR THE SAME PERIOD; AND (III) WITH LESS THAN \$10,000 IN HOUSEHOLD MONETARY ASSETS WILL QUALIFY FOR PARTIAL FINANCIAL ASSISTANCE IN THE FORM OF REDUCED-COST MEDICALLY NECESSARY CARE THE AMOUNT OF FINANCIAL ASSISTANCE IN THIS CASE IS BASED ON A SLIDING SCALE OF INCOME, AMOUNT OF MEDICAL DEBT, AND OTHER FACTORS.

A) AN ELIGIBLE PATIENT OR ANY IMMEDIATE FAMILY MEMBER OF THE PATIENT LIVING IN THE SAME HOUSEHOLD SHALL REMAIN ELIGIBLE FOR REDUCED-COST MEDICALLY NECESSARY CARE WHEN SEEKING SUBSEQUENT CARE AT MERCY MEDICAL CENTER DURING THE 12-MONTH PERIOD BEGINNING ON THE DATE ON WHICH THE REDUCED-COST MEDICALLY NECESSARY CARE WAS INITIALLY RECEIVED.

B) TO AVOID AN UNNECESSARY DUPLICATION OF MERCY MEDICAL CENTER'S DETERMINATIONS OF ELIGIBILITY FOR FINANCIAL ASSISTANCE, A PATIENT ELIGIBLE FOR CARE UNDER PARAGRAPH 4.A SHALL INFORM THE HOSPITAL OF HIS OR HER

Part V Facility Information (continued)

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

ELIGIBILITY FOR THE REDUCED-COST MEDICALLY NECESSARY CARE.

5. AN UNINSURED PATIENT WITH FAMILY INCOME BETWEEN 200% AND 500% OF FEDERAL POVERTY LEVEL WHO REQUESTS ASSISTANCE QUALIFIES FOR A PAYMENT PLAN.

6.A HOMELESS PERSON QUALIFIES FOR FINANCIAL ASSISTANCE.

7.A DECEASED PATIENT, WITH NO PERSON DESIGNATED AS DIRECTOR OF FINANCIAL AFFAIRS, OR NO ESTATE NUMBER ON FILE AT THE APPLICABLE REGISTRARS OF WILLS DEPARTMENT, QUALIFIES FOR FINANCIAL ASSISTANCE.

8.A MEDICAID PATIENT WHO HAS A REMAINING BALANCE AFTER MEDICAL ASSISTANCE QUALIFIES FOR FINANCIAL ASSISTANCE.

9.MERCY MEDICAL CENTER MAY ELECT TO GRANT PRESUMPTIVE CHARITY CARE TO PATIENTS BASED ON INFORMATION GATHERED DURING A DEBT COLLECTION PROCESS. FACTORS INCLUDE PROPENSITY TO PAY SCORING, ELIGIBILITY AND PARTICIPATION IN OTHER FEDERAL PROGRAMS, AND OTHER RELEVANT INFORMATION.

10.A PATIENT WHO DOES NOT QUALIFY UNDER THE PRECEDING CATEGORIES MAY STILL APPLY FOR FINANCIAL ASSISTANCE, AND MERCY MEDICAL CENTER WILL REVIEW THE APPLICATION AND MAKE A DETERMINATION ON A CASE-BY-CASE BASIS AS TO ELIGIBILITY FOR FINANCIAL ASSISTANCE. FACTORS THAT WILL BE CONSIDERED INCLUDE:

A) FIXED INCOME SUCH A SOCIAL SECURITY, RETIREMENT OR DISABILITY WITH NO

Part V Facility Information (continued)

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

ADDITIONAL INCOME SOURCES AVAILABLE.

B) MEDICAL EXPENSES AND/OR

C) EXPENSES RELATED TO NECESSITIES OF LIFE COMPARED TO INCOME. FOR ALL PURPOSES OF THE FINANCIAL ASSISTANCE POLICY, "HOUSEHOLD MONETARY ASSETS" MEANS ASSETS THAT ARE CONVERTIBLE TO CASH. IN DETERMINING A PATIENT'S MONETARY ASSETS FOR PURPOSES OF MAKING AN ELIGIBILITY DETERMINATION UNDER THIS FINANCIAL ASSISTANCE POLICY, THE FOLLOWING ASSETS ARE EXCLUDED; (1) THE FIRST \$10,000 OF MONETARY ASSETS; (2) EQUITY OF \$150,000 IN PRIMARY RESIDENCE; AND (3) RETIREMENT ASSETS TO WHICH THE IRS HAS GRANTED PREFERENTIAL TAX TREATMENT AS A RETIREMENT ACCOUNT, INCLUDING BUT NOT LIMITED TO, QUALIFIED AND NONQUALIFIED DEFERRED COMPENSATION PLANS.

MERCY MEDICAL CENTER:

PART V, SECTION B, LINE 18E: THE HOSPITAL FACILITY OR AN AUTHORIZED THIRD PARTY DID NOT UNDERTAKE ANY OF THE COLLECTION ACTIONS NOTED IN PART V, SECTION B, LINE 17 BEFORE MAKING REASONABLE EFFORTS TO DETERMINE ANY PATIENT'S ELIGIBILITY UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY. IN ORDER TO HELP DETERMINE PATIENTS' ELIGIBILITY UNDER THE HOSPITAL'S FINANCIAL ASSISTANCE POLICY. THE HOSPITAL UNDERTAKES A NUMBER OF ACTIONS, INCLUDING NOTIFYING PATIENTS OF THE FINANCIAL ASSISTANCE POLICY ON ADMISSION, NOTIFYING PATIENTS OF THE FINANCIAL ASSISTANCE POLICY PROIOR TO DISCHARGE, NOTIFYING PATIENTS OF THE FINANCIAL ASSISTANCE POLICY IN COMMUNICATIONS WITH THE PATIENTS' BILLS, AND DOCUMENTING ITS DETERMINATION OF WHETHER PATIENTS WERE ELIGIBLE FOR FINANCIAL ASSISTANCE UNDER THE

Part V Facility Information (continued)

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

HOSPITAL'S FINANCIAL ASSISTANCE POLICY.

MERCY MEDICAL CENTER:

PART V, SECTION B, LINE 19D: THE HOSPITAL FACILITY PROVIDES A DISCOUNT OF AT LEAST 10% OFF OF GROSS CHARGES FOR THE PROVISION OF EMERGENCY AND OTHER MEDICALLY NECESSARY CARE TO ANY INDIVIDUAL THAT IS ELIGIBLE FOR FINANCIAL ASSISTANCE UNDER THE HOSPITAL FACILITY'S FINANCIAL ASSISTANCE POLICY. PURSUANT TO THE HEALTH SERVICES COST REVIEW COMMISSION (HSCRC) ALL-PAYOR SYSTEM FOR HOSPITALS IN THE STATE OF MARYLAND, THE GREATEST DISCOUNT OFF OF GROSS CHARGES FOR THE PROVISION OF EMERGENCY AND OTHER MEDICALLY NECESSARY CARE PERMITTED TO ANY COMMERCIAL INSURER OR MEDICARE IS ONLY 6%. AS A RESULT, THE HOSPITAL FACILITY WAS ABLE TO DETERMINE THAT THE MAXIMUM AMOUNT CHARGED TO INDIVIDUALS THAT WERE ELIGIBLE FOR FINANCIAL ASSISTANCE UNDER THE HOSPITAL FACILITY'S FINANCIAL ASSISTANCE POLICY WAS NOT GREATER THAN THE AMOUNT GENERALLY BILLED TO INDIVIDUALS WHO HAVE INSURANCE COVERING SUCH CARE.

MERCY MEDICAL CENTER:

PART V, SECTION B, LINE 21: THE HOSPITAL DOES NOT CHARGE ANY INDIVIDUALS THAT ARE ELIGIBLE FOR FINANCIAL ASSISTANCE AN AMOUNT EQUAL TO THE GROSS CHARGES FOR ANY SERVICE. THE HOSPITAL USED THE CHARGEMASTER RATES FOR A SERVICE AS A STARTING POINT AGAINST WHICH REDUCTIONS ARE APPLIED TO DETERMINE THE AMOUNT ACTUALLY BILLED TO PATIENTS ELIGIBLE UNDER THE FINANCIAL ASSISTANCE POLICY.

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:

EXPLANATION: MERCY MEDICAL CENTER PROVIDES EMERGENCY AND OTHER MEDICALLY NECESSARY CARE TO PATIENTS THAT QUALIFY FOR FINANCIAL ASSISTANCE AT NO CHARGE OR AT REDUCED-COST BASED ON A SLIDING SCALE FOR INCOME (UP TO APPROXIMATELY 400% OF THE FEDERAL POVERTY GUIDELINES) AND TAKING INTO ACCOUNT OTHER CONSIDERATIONS, AS DESCRIBED BELOW. IN ORDER TO QUALIFY FOR FINANCIAL ASSISTANCE UNDER MERCY MEDICAL CENTER'S FINANCIAL ASSISTANCE POLICY, A PATIENT MUST BE A U.S. CITIZEN OR PERMANENT LEGAL RESIDENT WHO QUALIFIES UNDER AT LEAST ONE OF THE FOLLOWING CONDITIONS:

1. A PATIENT WITH FAMILY INCOME AT OR BELOW 200% OF THE FEDERAL POVERTY LEVEL, WITH LESS THAN \$10,000 IN HOUSEHOLD MONETARY ASSETS QUALIFIES FOR FULL FINANCIAL ASSISTANCE IN THE FORM OF FREE MEDICALLY NECESSARY CARE.

2. A PATIENT NOT OTHERWISE ELIGIBLE FOR MEDICAID OR CHIP WHO IS A BENEFICIARY/RECIPIENT OF A MEANS-TESTED SOCIAL SERVICES PROGRAM, INCLUDING BUT NOT NECESSARILY LIMITED TO THE FOLLOWING PROGRAMS, IS DEEMED ELIGIBLE FOR FINANCIAL ASSISTANCE IN THE FORM OF FREE MEDICALLY NECESSARY CARE,

Part VI Supplemental Information (Continuation)

PROVIDED THAT THE PATIENT SUBMITS PROOF OF ENROLLMENT WITHIN 30 DAYS UNLESS THE PATIENT OR THE PATIENT'S REPRESENTATIVE REQUESTS AN ADDITIONAL 30 DAYS: A) HOUSEHOLDS WITH CHILDREN IN THE FREE OR REDUCED LUNCH PROGRAM B) SUPPLEMENTAL NUTRITIONAL ASSISTANCE PROGRAM (SNAP) C) LOW-INCOME-HOUSEHOLD ENERGY ASSISTANCE PROGRAM D) PRIMARY ADULT CARE PROGRAM (PAC), UNTIL SUCH TIME AS INPATIENT BENEFITS ARE ADDED TO THE PAC BENEFIT PACKAGE E) WOMEN, INFANTS, AND CHILDREN (WIC)

3. A PATIENT WITH FAMILY INCOME AT OR BELOW 400% OF FEDERAL POVERTY LEVEL, WITH LESS THAN \$10,000 IN HOUSEHOLD MONETARY ASSETS QUALIFIES FOR PARTIAL FINANCIAL ASSISTANCE IN THE FORM OF REDUCED-COST MEDICALLY NECESSARY CARE. THE AMOUNT OF FINANCIAL ASSISTANCE IN THIS CASE IS BASED ON A SLIDING SCALE OF INCOME AND SHOWN IN THE ATTACHED TABLE AND OTHER FACTORS.

4. A PATIENT WITH: (I) FAMILY INCOME AT OR BELOW 500% OF FEDERAL POVERTY LEVEL; (II) WITH MEDICAL DEBT INCURRED WITHIN THE 12 MONTH PERIOD PRIOR TO APPLICATION THAT EXCEEDS 25% OF FAMILY INCOME FOR THE SAME PERIOD; AND (III) WITH LESS THAN \$10,000 IN HOUSEHOLD MONETARY ASSETS WILL QUALIFY FOR PARTIAL FINANCIAL ASSISTANCE IN THE FORM OF REDUCED-COST MEDICALLY NECESSARY CARE. THE AMOUNT OF FINANCIAL ASSISTANCE IN THIS CASE IS BASED ON A SLIDING SCALE OF INCOME, AMOUNT OF MEDICAL DEBT, AND OTHER FACTORS.

A) AN ELIGIBLE PATIENT OR ANY IMMEDIATE FAMILY MEMBER OF THE PATIENT LIVING IN THE SAME HOUSEHOLD SHALL REMAIN ELIGIBLE FOR REDUCED-COST MEDICALLY NECESSARY CARE WHEN SEEKING SUBSEQUENT CARE AT MERCY MEDICAL CENTER DURING THE 12-MONTH PERIOD BEGINNING ON THE DATE ON WHICH THE REDUCED-COST MEDICALLY NECESSARY CARE WAS INITIALLY RECEIVED. B) TO AVOID AN UNNECESSARY DUPLICATION OF MERCY MEDICAL CENTER'S DETERMINATIONS OF ELIGIBILITY FOR FINANCIAL ASSISTANCE, A PATIENT ELIGIBLE FOR CARE UNDER

Part VI Supplemental Information (Continuation)

PARAGRAPH 4.A SHALL INFORM THE HOSPITAL OF HIS OR HER ELIGIBILITY FOR THE REDUCED-COST MEDICALLY NECESSARY CARE.

5. AN UNINSURED PATIENT WITH FAMILY INCOME BETWEEN 200% AND 500% OF FEDERAL POVERTY LEVEL WHO REQUESTS ASSISTANCE QUALIFIES FOR A PAYMENT PLAN.

6. A HOMELESS PATIENT QUALIFIES FOR FINANCIAL ASSISTANCE.

7. A DECEASED PATIENT, WITH NO PERSON DESIGNATED AS DIRECTOR OF FINANCIAL AFFAIRS, OR NO ESTATE NUMBER ON FILE AT THE APPLICABLE REGISTRARS OF WILLS DEPARTMENT, QUALIFIES FOR FINANCIAL ASSISTANCE.

8. A MEDICAID PATIENT WHO HAS A REMAINING BALANCE AFTER RECEIVING MEDICAL ASSISTANCE QUALIFIES FOR FINANCIAL ASSISTANCE.

9. MERCY MEDICAL CENTER MAY ELECT TO GRANT PRESUMPTIVE CHARITY CARE TO PATIENTS BASED ON INFORMATION GATHERED DURING A DEBT COLLECTION PROCESS. FACTORS INCLUDE PROPENSITY TO PAY SCORING, ELIGIBILITY AND PARTICIPATION IN OTHER FEDERAL PROGRAMS, AND OTHER RELEVANT INFORMATION.

10. A PATIENT WHO DOES NOT QUALIFY UNDER THE PRECEDING CATEGORIES MAY STILL APPLY FOR FINANCIAL ASSISTANCE, AND MERCY MEDICAL CENTER WILL REVIEW THE APPLICATION AND MAKE A DETERMINATION ON A CASE-BY-CASE BASIS AS TO ELIGIBILITY FOR FINANCIAL ASSISTANCE. FACTORS THAT WILL BE CONSIDERED INCLUDE: A) FIXED INCOME SUCH AS SOCIAL SECURITY, RETIREMENT OR DISABILITY WITH NO ADDITIONAL INCOME SOURCES AVAILABLE B) MEDICAL EXPENSES AND/OR C) EXPENSES RELATED TO NECESSITIES OF LIFE COMPARED TO INCOME. FOR ALL

Part VI Supplemental Information (Continuation)

PURPOSES OF THE FINANCIAL ASSISTANCE POLICY, "HOUSEHOLD MONETARY ASSETS" MEANS ASSETS THAT ARE CONVERTIBLE TO CASH. IN DETERMINING A PATIENT'S MONETARY ASSETS FOR PURPOSES OF MAKING AN ELIGIBILITY DETERMINATION UNDER THIS FINANCIAL ASSISTANCE POLICY, THE FOLLOWING ASSETS ARE EXCLUDED; (1) THE FIRST \$10,000 OF MONETARY ASSETS; (2) EQUITY OF \$150,000 IN A PRIMARY RESIDENCE; AND (3) RETIREMENT ASSETS TO WHICH THE IRS HAS GRANTED PREFERENTIAL TAX TREATMENT AS A RETIREMENT ACCOUNT, INCLUDING BUT NOT LIMITED TO, QUALIFIED AND NONQUALIFIED DEFERRED COMPENSATION PLANS.

PART I, LINE 7:

EXPLANATION: THE COSTING METHODOLOGY USED TO CALCULATE AMOUNTS REPORTED IN LINE 7 WAS A COST-TO-CHARGE RATIO DERIVED FROM WORKSHEET 2, RATIO OF PATIENT CARE COST-TO-CHARGES.

PART I, LINE 7G:

EXPLANATION: THERE ARE NO COSTS REPORTED THAT ARE ATTRIBUTABLE TO A PHYSICIAN CLINIC.

PART I, LINES 7A, 7B AND 7F - MARYLAND HOSPITAL ASSOCIATION UNIFIED RESPON

EXPLANATION: 7A. CHARITY CARE AT COST AND 7F. HEALTH PROFESSIONS EDUCATION ARE EXPLAINED IN THE FOLLOWING:

MARYLAND'S REGULATORY SYSTEM CREATES A UNIQUE PROCESS FOR HOSPITAL PAYMENT THAT DIFFERS FROM THE REST OF THE NATION. THE HEALTH SERVICES COST REVIEW COMMISSION, (HSCRC) DETERMINES PAYMENT THROUGH A RATE SETTING PROCESS ALL PAYORS, INCLUDING GOVERNMENTAL PAYORS, PAY THE SAME AMOUNT FOR THE SAME SERVICES DELIVERED AT THE SAME HOSPITAL. MARYLAND'S UNIQUE ALL PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED

Part VI Supplemental Information (Continuation)

CARE IN EACH PAYORS' RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO
BREAKOUT ANY OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE.

7B. UNREIMBURSED MEDICAID IS EXPLAINED IN THE FOLLOWING:

MARYLAND'S REGULATORY SYSTEM CREATES A UNIQUE PROCESS FOR HOSPITAL
PAYMENT THAT DIFFERS FROM THE REST OF THE NATION. THE HEALTH SERVICES
COST REVIEW COMMISSION, (HSCRC) DETERMINES PAYMENT THROUGH A RATE
SETTING PROCESS ALL PAYORS, INCLUDING GOVERNMENTAL PAYORS, PAY THE SAME
AMOUNT FOR THE SAME SERVICES DELIVERED AT THE SAME HOSPITAL. MARYLAND'S
UNIQUE ALL PAYOR SYSTEM INCLUDES A METHOD FOR REFERENCING UNCOMPENSATED
CARE IN EACH PAYORS' RATES, WHICH DOES NOT ENABLE MARYLAND HOSPITALS TO
BREAKOUT ANY DIRECTED OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE.
COMMUNITY BENEFIT EXPENSES ARE EQUAL TO MEDICAID REVENUES IN MARYLAND,
AS SUCH, THE NET EFFECT IS ZERO. THE EXCEPTION TO THIS IS THE IMPACT ON
THE HOSPITAL OF ITS SHARE OF THE MEDICAID ASSESSMENT. IN RECENT YEARS,
THE STATE OF MARYLAND HAS CLOSED FISCAL GAPS IN THE STATE MEDICAID
BUDGET BY ASSESSING HOSPITALS THROUGH THE RATE SETTING SYSTEM. FOR FY
2014 MERCY MEDICAL CENTER'S SHARE OF THE MEDICAID ASSESSMENT WAS
\$1,772,638.

PART I, LINE 6A

EXPLANATION: COMMUNITY BENEFIT REPORT IS MADE AVAILABLE ON ANOTHER'S
WEBSITE, SPECIFICALLY THE WEBSITE FOR THE MARYLAND HSCRC. MERCY MEDICAL
CENTER PREPARES ITS COMMUNITY BENEFIT REPORT ANNUALLY AND ITS MADE
AVAILABLE TO THE PUBLIC.

Part VI Supplemental Information (Continuation)

PART III, LINE 4:

EXPLANATION: THE AMOUNT REPORTED AS BAD DEBT EXPENSE ON PART III, LINE 2 WAS DETERMINED USING ACTUAL BAD DEBT WRITE-OFFS LESS RECOVERIES RECEIVED DURING THE YEAR AND AN ADJUSTMENT TO THE BALANCE SHEET RESERVE. WRITE OFFS WERE AT CHARGE LEVEL.

THE ORGANIZATION HAS NOT ESTIMATED ANY AMOUNT OF BAD DEBT EXPENSE ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER THE ORGANIZATION'S FINANCIAL ASSISTANCE POLICY.

THE FOLLOWING IS A SUMMARY OF THE TEXT OF THE FOOTNOTE TO THE ORGANIZATION'S FINANCIAL STATEMENTS THAT DESCRIBE THE ORGANIZATION'S BAD DEBT EXPENSE. THE ACTUAL TEXT OF THE FOOTNOTE HAS NOT BEEN USED BECAUSE THE ORGANIZATION IS A MEMBER OF A GROUP WITH CONSOLIDATED FINANCIAL STATEMENTS:

NET PATIENT SERVICE REVENUES AND ALLOWANCES

NET PATIENT SERVICE REVENUES ARE REPORTED AT THE ESTIMATED NET REALIZABLE AMOUNTS FROM PATIENTS, THIRD-PARTY PAYERS, AND OTHERS FOR SERVICES RENDERED. THE ORGANIZATION'S CHARGES ARE BASED ON RATES ESTABLISHED BY THE STATE OF MARYLAND HEALTH SERVICES COST REVIEW COMMISSION; ACCORDINGLY, REVENUE REFLECTS ACTUAL CHARGES TO PATIENTS BASED ON RATES IN EFFECT DURING THE PERIOD IN WHICH THE SERVICES ARE RENDERED.

CONTRACTUAL ADJUSTMENTS REPRESENT THE DIFFERENCE BETWEEN AMOUNTS BILLED AS PATIENT SERVICE REVENUE AND AMOUNTS ALLOWED BY THIRD-PARTY PAYERS, AND ARE

Part VI Supplemental Information (Continuation)

ACCRUED IN THE PERIOD IN WHICH THE RELATED SERVICES ARE RENDERED.

THE PROVISION FOR BAD DEBTS IS BASED UPON MANAGEMENT'S ASSESSMENT OF HISTORICAL AND EXPECTED NET COLLECTIONS. THIS ESTIMATE CONSIDERS BUSINESS AND GENERAL ECONOMIC CONDITIONS, TRENDS IN HEALTHCARE COVERAGE AND OTHER COLLECTION INDICATORS. THROUGHOUT THE YEAR, MANAGEMENT ASSESSES THE ADEQUACY OF THE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS BASED UPON ITS REVIEW OF ACCOUNTS RECEIVABLE AND COLLECTIONS TO DATE. OTHER FACTORS, SUCH AS PAYER MIX, ACCOUNT AGING, APPROVED DISCOUNTS, DENIAL RATES, AND PAYMENT CYCLES ARE CONSIDERED WHEN ESTIMATING THE ALLOWANCES. THE RESULTS OF THESE ASSESSMENTS ARE USED TO DETERMINE THE PROVISION FOR BAD DEBTS AND TO ESTIMATE AN APPROPRIATE ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS. THE ORGANIZATION FOLLOWS ESTABLISHED GUIDELINES FOR PLACING ITS SELF-PAY PATIENT ACCOUNTS WITH AN OUTSIDE COLLECTION AGENCY. AFTER COLLECTION EFFORTS ARE EXHAUSTED, THE UNCOLLECTED BALANCES ARE RETURNED TO BE WRITTEN OFF TO BAD DEBTS. THE ORGANIZATION DOES NOT MAINTAIN A MATERIAL ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS FROM THIRD-PARTY PAYERS, NOR DID IT HAVE SIGNIFICANT WRITE OFFS FROM THIRD-PARTY PAYERS.

PART III, LINE 8:

EXPLANATION: THE COSTING SOURCE IS THE MEDICARE COST REPORT AND THE METHODOLOGY IS MEDICARE ALLOWABLE COST TO MEDICARE REVENUES RECEIVED.

PART III, LINE 9B:

EXPLANATION: ONCE THE COLLECTION PROCESS HAS BEGUN, THE ORGANIZATION CONTINUES TO MONITOR WHETHER THE PATIENT QUALIFIES FOR CHARITY CARE UNDER THE FINANCIAL ASSISTANCE POLICY. IF THE ORGANIZATION DETERMINES THAT A PATIENT QUALIFIES FOR FINANCIAL ASSISTANCE, INCLUDING ONCE THE COLLECTION

Part VI Supplemental Information (Continuation)

PROCESS HAS BEGUN, THE ORGANIZATION WILL APPROVE THE PATIENT FOR CHARITY CARE. ONCE CHARITY CARE HAS BEEN APPROVED, THERE IS NO FURTHER ATTEMPT MADE BY THE ORGNANIZATION TO COLLECT. COLLECTION EFFORTS WILL BE STOPPED AT ANY TIME DURING THE COLLECTION PROCESS IF THE PATIENT QUALIFIES FOR CHARITY CARE UNDER THE FINANCIAL ASSISTANCE POLICY. FURTHERMORE, IF A PATIENT'S FINANCIAL SITUATION CHANGES AT ANY POINT DURING THE COLLECTION PROCESS, THE PATIENT MAY QUALIFY FOR FINANCIAL ASSISTANCE AT SUCH POINT. PATIENTS DETERMINED TO BE ELIGIBLE FOR FINANCIAL ASSISTANCE SUBSEQUENT TO THE DATE OF SERVICE MAY BE ELIGIBLE FOR A REFUND OF PAYMENTS MADE IF IT IS DETERMINED THAT THE PATIENT WAS ELIGIBLE FOR A REFUND OF PAYMENTS MADE IF IT IS DETERMINED THAT THE PATIENT WAS ELIGIBLE FOR FINANCIAL ASSISTANCE AT THE TIME OF SERVICE.

PART VI, LINE 2:

EXPLANATION: MERCY MEDICAL CENTER GENERALLY EMPLOYS A MULTI-PRONGED APPROACH IN IDENTIFYING COMMUNITY HEALTH NEEDS. THESE APPROACHES ARE AS FOLLOWS:

1. ACCESSING EXISTING DATA SOURCES ON HEALTH CARE STATUS IN ITS PRIMARY SERVICE AREA (PSA). AS PREVIOUSLY REFERENCED, "BALTIMORE CITY'S HEALTH STATUS REPORT: 2010" HAS HELPED PROVIDE THE HOSPITAL WITH KEY DATA ON THE MOST CRITICAL HEALTH CARE CONDITIONS AFFECTING THE PSA'S POPULATION. THE CITY OF BALTIMORE ALSO PREPARES NEIGHBORHOOD HEALTH PROFILES EVERY 2-3 YEARS (E.G. IN 2008 AND 2011), WHICH PRESENT DEMOGRAPHIC, SOCIAL AND HEALTH OUTCOME INFORMATION AT THE COMMUNITY LEVEL IN BALTIMORE CITY. THE COMMUNITY HEALTH NEEDS ASSESSMENT UNDERTAKEN BY MERCY MEDICAL CENTER DURING THE 2012 TAX YEAR TOOK INTO ACCOUNT DATA OBTAINED IN THE 2011 NEIGHBORHOOD HEALTH PROFILES PREPARED BY THE CITY OF BALTIMORE, IN

Part VI Supplemental Information (Continuation)

PARTICULAR WITH RESPECT TO 18 COMMUNITY STATISTICAL AREAS THAT REPRESENT DOWNTOWN AND THE COMMUNITIES EAST, WEST AND SOUTH OF THE CITY CENTER.

IN ADDITION, THE ORGANIZATION ACCESSES AND REVIEWS OTHER STATE OF MARYLAND HEALTH CARE DATA BASES RELATED TO HEALTH CARE NEEDS OF COMMUNITIES THAT MERCY MEDICAL CENTER SERVES IN ITS PSA.

FURTHERMORE, MERCY MEDICAL CENTER REVIEWS PUBLICATIONS AND DATA AVAILABLE FROM ORGANIZATIONS IN WHICH MERCY MEDICAL CENTER PHYSICIAN AND ADMINISTRATIVE LEADERSHIP ARE ACTIVE PARTICIPANTS AND MEMBERS SUCH AS B'MORE FOR HEALTHY BABIES, JOURNEY HOME, FAMILY CRISIS CENTER OF BALTIMORE, AND BALTIMORE HOMELESS SERVICES, AMONG OTHERS.

2. PARTNERSHIPS, WORKGROUPS, AND MEMBERSHIP IN ORGANIZATIONS THROUGH THE WORKGROUPS AND PARTNERSHIPS THAT HAVE BEEN ESTABLISHED WITH KEY ORGANIZATIONS SUCH AS HEALTH CARE FOR THE HOMELESS, BALTIMORE HOMELESS SERVICES, THE WEINBERG HOUSING AND RESOURCE CENTER, MAYOR'S OFFICE ON EMERGENCY MANAGEMENT, SEX AND FAMILY CRIMES DIVISION OF THE BALTIMORE CITY POLICE DEPARTMENT, TURN AROUND HOUSE OF RUTH, FAMILY CRISIS CENTER OF BALTIMORE, DOMESTIC VIOLENCE COORDINATING COUNCIL, B'MORE FOR HEALTHY BABIES AND FAMILY HEALTH CENTERS OF BALTIMORE, THE HOSPITAL RECEIVED SIGNIFICANT INPUT AND FEEDBACK ON THE HEALTH CARE NEEDS OF ITS IMMEDIATE SURROUNDING NEIGHBORHOODS AND COMMUNITIES. THIS WAS ACHIEVED THROUGH REGULAR MEETINGS AND DISCUSSIONS THROUGHOUT FY11.

THROUGH PARTICIPATION OF THE HOSPITAL'S EXECUTIVE LEADERSHIP TEAM IN BUSINESS FORUMS SUCH AS THE DOWNTOWN PARTNERSHIP AND MEMBERSHIP IN OTHER ORGANIZATIONS, SIGNIFICANT FEEDBACK AND INFORMATION ON HEALTH CARE NEEDS

Part VI Supplemental Information (Continuation)

AND GAPS WAS ALSO GATHERED.

3. MERCY HEALTH SERVICES MISSION AND CORPORATE ETHICS COMMITTEE OF THE BOARD OF TRUSTEES MEETS REGULARLY TO REVIEW AND COORDINATE ISSUES RELATED TO MISSION INTEGRATION AND COORDINATION. THIS BOARD COMMITTEE IS INFORMED AND CLEARLY UNDERSTANDS THE SCOPE AND DEPTH OF THE HOSPITAL'S COMMUNITY BENEFIT AND INITIATIVES.

IN SUMMARY, THROUGH A QUANTITATIVE ASSESSMENT OF NEEDS BASED ON REVIEW OF CURRENT DATA SOURCES AND ACTIVE PARTICIPANTS IN SEVERAL COMMUNITY BASED ORGANIZATIONS, MERCY MEDICAL CENTER HAS BEEN ABLE TO DETERMINE AND PRIORITIZE ITS COMMUNITY HEALTH NEEDS FOCUS.

IN ADDITION TO THE FOREGOING APPROACHES REGULARLY FOLLOWED BY MERCY MEDICAL CENTER, MERCY MEDICAL CENTER CONDUCTED ITS FIRST COMMUNITY HEALTH NEEDS ASSESSMENT, IN COMPLIANCE WITH THE REQUIREMENTS SET FORTH UNDER INTERNAL REVENUE CODE SECTION 501(R)(3) AND THE GUIDANCE PROVIDED BY IRS NOTICE 2011-52, DURING ITS 2012 TAX YEAR. MERCY MEDICAL CENTER WILL DIRECT ITS COMMUNITY HEALTH NEEDS PLANNING TOWARDS ADDRESSING THOSE COMMUNITY HEALTH NEEDS IDENTIFIED IN THE COMMUNITY HEALTH NEEDS ASSESSMENT IN ACCORDANCE WITH ITS IMPLEMENTATION STRATEGY.

PART VI, LINE 3:

EXPLANATION: MERCY ATTEMPTS TO BE VERY PROACTIVE IN COMMUNICATING ITS FINANCIAL ASSISTANCE POLICY AND FINANCIAL ASSISTANCE CONTACT INFORMATION TO PATIENTS. THE FINANCIAL ASSISTANCE POLICY AND FINANCIAL ASSISTANCE CONTACT INFORMATION IS POSTED IN ALL ADMISSIONS AREAS, INCLUDING THE EMERGENCY ROOM. SUCH NOTICE IS POSTED IN ENGLISH, SPANISH AND/OR OTHER

Part VI Supplemental Information (Continuation)

LANGUAGE THAT WILL BE UNDERSTANDABLE TO TARGET POPULATIONS OF PATIENTS
UTILIZING HOSPITAL SERVICES.

A COPY OF THE POLICY AND FINANCIAL ASSISTANCE CONTACT INFORMATION IS
PROVIDED TO PATIENTS OR THEIR FAMILIES DURING THE PRE-ADMISSION,
PRE-SURGERY AND ADMISSIONS PROCESS. ADDITIONALLY, A COPY OF THE POLICY AND
FINANCIAL ASSISTANCE CONTACT INFORMATION IS PROVIDED TO PATIENTS OR THEIR
FAMILIES UPON DISCHARGE.

MERCY UTILIZES A THIRD PARTY, AS WELL AS IN-HOUSE FINANCIAL COUNSELING
STAFF, TO CONTACT AND SUPPORT PATIENTS IN UNDERSTANDING AND COMPLETING THE
FINANCIAL ASSISTANCE REQUIREMENTS. THEY ALSO DISCUSS WITH PATIENTS OR
THEIR FAMILIES THE AVAILABILITY OF VARIOUS GOVERNMENT BENEFITS AND ASSIST
PATIENTS WITH UNDERSTANDING THE QUALIFICATIONS FOR SUCH PROGRAMS.

EVEN AFTER A PATIENT IS DISCHARGED, EACH BILLING STATEMENT CONTAINS AN
OVERVIEW OF MERCY'S FINANCIAL ASSISTANCE POLICY, A PATIENT'S RIGHTS AND
OBLIGATIONS, AND CONTACT NUMBERS FOR FINANCIAL ASSISTANCE, FINANCIAL
COUNSELING, AND MARYLAND MEDICAID. FOLLOW-UP PHONE CALLS BY HOSPITAL
BILLING/COLLECTION STAFF MADE TO PATIENTS WITH UNPAID BALANCES ALSO STRESS
THE AVAILABILITY OF FINANCIAL ASSISTANCE AND CHARITY CARE AVAILABILITY.

MERCY MEDICAL CENTER WILL MAKE AN EFFORT TO PROVIDE THE FINANCIAL
ASSISTANCE APPLICATION, POLICIES, PROCEDURES AND INFORMATION IN ENGLISH,
SPANISH, AND/OR ANY OTHER LANGUAGE THAT WILL BE UNDERSTANDABLE TO TARGET
POPULATIONS OF PATIENTS UTILIZING HOSPITAL SERVICES.

MERCY MEDICAL CENTER PROVIDES AND PROMOTES HEALTH SERVICES FOR THE PEOPLE

Part VI Supplemental Information (Continuation)

OF BALTIMORE OF EVERY CREED, RACE, ECONOMIC, AND SOCIAL CONDITION. IN THE SPIRIT OF THE SISTERS OF MERCY WHO ARE ITS SPONSORS, MERCY CONTINUES TO HAVE A SPECIAL COMMITMENT TO THE UNDERSERVED AND UNINSURED.

PART VI, LINE 4:

EXPLANATION: LOCATED IN THE HEART OF DOWNTOWN BALTIMORE, MERCY MEDICAL CENTER DRAWS PATIENTS FROM THE GREATER BALTIMORE METROPOLITAN AREA FOR ITS LONGSTANDING TRADITION OF COMPASSIONATE CARE, COMMITMENT TO QUALIFY AND PATIENT SAFETY, AS WELL AS ITS PRIMARY CARE AND SPECIALIST PHYSICIANS.

MERCY MEDICAL CENTER'S PRIMARY SERVICE AREA ("PSA") WHICH COMPRISES 17 ZIP CODES IN BALTIMORE CITY, ACCOUNTS FOR 60% OF ITS TOTAL ADMISSIONS. KEY DEMOGRAPHIC CHARACTERISTICS OF THE PSA ARE AS FOLLOWS:

POPULATION

1. THE PSA 2010 POPULATION IS 616,802
2. PSA POPULATION GROWTH IS PROJECTED TO REMAIN FLAT TO 2014. THIS IS IN CONTRAST TO A 3.1% PROJECTED GROWTH FOR THE STATE OF MARYLAND.
3. SINCE 1990, THE DISTRIBUTION OF BALTIMORE CITY RESIDENTS HAS SHIFTED TOWARDS OLDER AGE GROUPS WITH A 6% INCREASE IN THE 40 YEARS AND OLDER POPULATION. THIS TREND OF AN INCREASING OLDER POPULATION GROWTH IS EXPECTED THROUGH 2020.

ETHNICITY AND AGE

1. 64% BLACK; 30% CAUCASIAN IN PSA. BALTIMORE CITY'S BLACK POPULATION HAS INCREASED BY 5% SINCE 1990.
2. APPROXIMATELY 62% OF PATIENTS SERVED BY MERCY MEDICAL CENTER ARE MEMBERS OF A RACIAL OR ETHNIC MINORITIES; 65% ARE WOMEN AND 53% ARE

Part VI Supplemental Information (Continuation)

MEDICAID AND/OR MEDICARE BENEFICIARIES.

3. 12% OF THE POPULATION IS 65 YEARS IN AGE OR OLDER

INCOME

1. PSA MEDIAN HOUSEHOLD INCOME \$39,113

2. 40% OF BALTIMORE CITY HOUSEHOLDS REPORTED AN INCOME OF LESS THAN \$30,000. THIS IS ONLY 50% OF HE STATEWIDE MEDIAN INCOME OF \$70,017

3. THREE TIMES AS MANY FAMILIES LIVING IN BALTIMORE CITY HAD INCOME THAT WAS BELOW THE POVERTY LEVEL COMPARED TO ALL FAMILIES IN MARYLAND.

OF NOTE, THE MAJOR COMMUNITY BENEFIT PROGRAMS THAT ARE IDENTIFIED IN PART VI, QUESTION 5 "PROMOTION OF COMMUNITY HEALTH" DIRECTLY ADDRESS KEY HEALTH CARE NEEDS OF THE POPULATION IN MERCY MEDICAL CENTER'S PSA.

KEY FINDINGS FROM THE "BALTIMORE CITY HEALTH STATUS REPORT 2010" BALTIMORE CITY VS STATE OF MARYLAND ON KEY HEALTH OUTCOME MEASURES

1. OVERALL MORTALITY RATE: BALTIMORE IS 32% HIGHER

2. LIFE EXPECTANCY: BALTIMORE IS 7% LOWER

3. INFANT MORTALITY: BALTIMORE IS 64% HIGHER

4. LOW BIRTH WEIGHT: BALTIMORE IS 68% HIGHER

AS SHOWN BY THESE SELECT INDICATORS, THERE IS A SIGNIFICANT HEALTH STATUS DIPARITY BETWEEN BALTIMORE CITY'S RESIDENTS AND THE REST OF HTE STATE OF MARYLAND.

DUE TO ITS LOCATION IN CENTER CITY, MERCY MEDICAL CENTER CARES FOR MANY OF THE AT-RISK, LOW INCOME POPULATION IN THE COMMUNITIES THAT IMMEDIATELY SURROUND THE HOSPITAL. THIS IS BEST EVIDENCED BY THE LARGE PERCENTAGE OF

Part VI Supplemental Information (Continuation)

EMERGENCY ROOM VISITS BY THE MEDICAID, UNINSURED AND MEDICARE PATIENTS.

MERCY MEDICAL CENTER'S COMMUNITY BENEFIT SERVICE AREA (CBSA) IS DEFINED BY 15 OF HTE 17 ZIP CODES. THESE ZIP CODES WERE IDENTIFIED AND DETERMINED BASED ON EMERGENCY DEPARTMENT (ED) VISITS DURING FY11. KEY DEMOGRAPHIC CHARACTERISTICS OF THE CBSA ARE AS FOLLOWS:

1. THE CBSA POPULATION IS 487,000
2. 53% FEMALE ND 47% MALE
3. 71% BLACK OR AFRICAN AMERICAN; 24% WHITE; 5% ALL OTHER
4. MEDIAN HOUSEHOLD INCOME \$37,395
5. PERCENTAGE OF HOUSEHOLDS WITH INCOME BELOW FEDERAL POVERTY GUIDELINES 15.2%
6. ESTIMATE PERCENTAGE OF UNINSURED PEOPLE 19%
7. PERCENTAGE OF MEDICAID RECIPIENTS 38%

MEDICAID COVERED AND UNINSURED PATIENTS ACCOUNTED FOR MORE THAN 66% OF THE FY12 EMERGENCY ROOM VISITS. THERE ARE A COUPLE NOTABLE REASONS FOR SUCH A HIGH MEDICAID AND UNINSURED PATIENT POPULATION VISITING THE EMERGENCY ROOM:

1. BALTIMORE CITY'S LARGEST HOMELESS SHELTER AT GUILFORD AVENUE IS WITHIN THREE BLOCKS OF THE HOSPITAL.
2. MERCY MEDICAL CENTER PROVIDES ALL OF THE MEDICAL STAFF (PHYSICIANS AND NURSING PERSONNEL) FOR HEALTHCARE FOR THE HOMELESS (HCH), A FEDERALLY QUALIFIED HEALTH CENTER, WHICH DELIVERS OUTPATIENT CARE TO A LARGE NUMBER OF HOMELESS PERSONS IN BALTIMORE CITY. THE HCH CLINIC IS LOCATED THREE

Part VI Supplemental Information (Continuation)

BLOCKS FROM THE HOSPITAL.

PART VI, LINE 5:

EXPLANATION: MERCY SUPPORTIVE HOUSING PROGRAM

THE SUPPORTIVE HOUSING PROGRAM AT MERCY MEDICAL CENTER HAS A STAFF OF EIGHT EXPERIENCED HUMAN SERVICES PERSONNEL WHO WORK IN CONJUNCTION WITH OTHER HOMELESS AND HUMAN SERVICE PROVIDERS TO COORDINATE SERVICES FOR HOMELESS FAMILIES AND FAMILIES AT RISK FOR HOMELESSNESS. THE PROGRAM'S GOAL IS TO HOUSE HOMELESS FAMILIES AND TO PROVIDE SUPPORTIVE SERVICES FOR A DEFINED PERIOD TO PREVENT A RETURN TO HOMELESSNESS. IN FY 2011, THE SUPPORTIVE HOUSING PROGRAM AT MERCY PROVIDES A COMPREHENSIVE RANGE OF COUNSELING SERVICES AND COMMUNITY RESOURCES LINKAGES TO PATIENTS. THESE SERVICES INCURRED DIRECT COSTS OF \$413,249 DURING FY 2014.

MERCY FAMILY VIOLENCE RESPONSE PROGRAM

THE MERCY FAMILY VIOLENCE RESPONSE PROGRAM WAS DEVELOPED BY A MULTIDISCIPLINARY STAFF TASK FORCE AT MERCY MEDICAL CENTER TO PROVIDE CRISIS INTERVENTION AND SAFETY PLANNING FOR VICTIMS OF FAMILY VIOLENCE (DOMESTIC VIOLENCE, CHILD ABUSE, ELDER AND VULNERABLE ADULT ABUSE) AND SEXUAL ASSAULT WHO COME TO MERCY MEDICAL CENTER AND ITS PHYSICIANS FOR TREATMENT.

THIS PROGRAM IMPROVES BALTIMORE'S COORDINATED COMMUNITY RESPONSE TO VICTIMS OF VIOLENCE, AND CREATES AN ALERT WORKFORCE AT MERCY MEDICAL CENTER, SKILLED AT IDENTIFYING AND RESPONDING TO VICTIMS OF FAMILY VIOLENCE.

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DUE TO ITS LOCATION WITHIN THREE BLOCKS OF THE CITY'S LARGEST HOMELESS SHELTER AT GUILFORD AVENUE AND CLOSE PROXIMITY TO HCH, MERCY MEDICAL CENTER'S ER RECEIVES MANY VISITS FROM HOMELESS PERSONS. WITH DECADES OF EXPERIENCE IN PROVIDING EMERGENT AND URGENT CARE TO POOR AND HOMELESS POPULATIONS, THE HOSPITAL HAS ESTABLISHED KEY SERVICES FOR THE MEDICALLY UNDERSERVED INCLUDING THE FOLLOWING:

A FULL TIME SOCIAL WORKER IS A PART OF THE ER TEAM TO COORDINATE CARE AND OTHER SERVICES FOR HOMELESS PATIENTS WHO ARRIVE AT THE ER.

ER PHYSICIANS AND NURSES MAKE VISITS TO BALTIMORE CITY SHELTERS TO PROVIDE THE FOLLOWING SERVICES:

1. ADMINISTRATION OF FLU VACCINATIONS TO RESIDENTS
2. PRESENTATIONS ON PARASITES AND INFECTIOUS DISEASE
3. INFECTIOUS DISEASE PREVENTION

THE FORENSIC NURSE EXAMINER PROGRAM (FNE) IS HOUSED AT THE HOSPITAL'S ER AND PROVIDES 24/7 CARE TO PATIENTS WHO ARE VICTIMS OF SEXUAL, DOMESTIC, CHILD, ELDER AND INSTITUTIONAL VIOLENCE. FORENSIC NURSES PROVIDE COMPREHENSIVE FORENSIC MEDICAL INTERVIEWS, MEDICAL ASSESSMENTS, AND EVIDENCE COLLECTION, AND ASSURE CRISIS INTERVENTION TO AN EVER INCREASING VOLUME OF UNDERSERVED PATIENTS.

DURING FY 2014, THE FNE PROGRAM CONDUCTED 481 EXAMINATIONS AND IS THE DESIGNATED SITE FOR PATIENTS IN BALTIMORE CITY. IN ADDITION, 140 EDUCATION PROGRAMS WERE CONDUCTED FOR COMMUNITY GROUPS.

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LOW BIRTH WEIGHT PROGRAM - DEPARTMENT OF OBSTETRICS

MERCY MEDICAL CENTER DELIVERED MORE BABIES, 2,877, THAN ANY OTHER HOSPITAL IN BALTIMORE CITY IN FY 2012. OF THESE BABIES, 10.6% WERE OF LOW BIRTH WEIGHT AND 13.7% WERE PREMATURE. LOW BIRTH WEIGHT AND PREMATURITY ARE INTERTWINED AND CORRELATED. AS CITED IN QUESTION #2, LOW BIRTH WEIGHT IS A KEY HEALTH STATUS INDICATOR THAT IS MEASURED AND TRACKED BY BALTIMORE CITY DEPARTMENT OF HEALTH THAT MUST BE DECREASED IN INCIDENCE.

THE HOSPITAL HAS TAKEN A LEADERSHIP ROLE THROUGH ITS ACTIVE PARTICIPATION IN "B'MORE FOR HEALTHLY BABIES", A LONG TERM INITIATIVE LED BY THE MAYOR'S OFFICE AND MANAGED BY BALTIMORE CITY HEALTH DEPARTMENT TO REDUCE THE INCIDENTS OF LOW BIRTH WEIGHT. DR ROBERT ATLAS, CHAIRMAN OF MERCY MEDICAL CENTER'S DEPARTMENT OF OBSTETRICS AND GYNECOLOGY, HAS A LEADERSHIP ROLE WITHIN THIS WORKGROUP. THE GOALS OF "B'MORE FOR HEALTHLY BABIES" ARE REDUCTION IN THE FOLLOWING:

1. RATE OF PRE-TERM BIRTHS BY AT LEAST 10%
2. RATE OF LOW BIRTH WEIGHT INFANTS BY AT LEAST 10%
3. THE NUMBER OF DEATHS FROM UNSAFE SLEEP BY AT LEAST 10%

OF NOTE 74% OF THE BABIES CARED FOR IN MERCY MEDICAL CENTER'S NEONATAL INTENSIVE CARE UNIT WERE EITHER MEDICAID BENEFICIARIES OR UNINSURED/SELF PAY. THIS POPULATION IS ESPECIALLY LINKED WITH LOW BIRTH RATE AND PREMATURITY DUE TO POVERTY THAT CLOSELY RELATES TO UNHEALTHY LIFESTYLES, PARTICULARLY POOR NUTRITION AND INADEQUATE PRENATAL CARE.

IN ORDER TO ENSURE 24/7 COVERAGE FOR ITS OBSTETRICAL PATIENTS, REGARDLESS

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OF THEIR ABILITY TO PAY, MERCY MEDICAL CENTER PROVIDED \$1,771,702 IN PHYSICIAN SUBSIDY FOR THIS SPECIALTY.

DETERMINING THE NEEDS IN THE COMMUNITY TO BE ADDRESSED

SINCE THE INCEPTION OF THE COMMUNITY BENEFIT REPORTING TO HSCRC, MERCY MEDICAL CENTER HAS CONSISTENTLY RANKED AMONG THE TOP QUARTILE OF HOSPITALS IN THE STATE OF MARYLAND IN TERMS OF THE PERCENTAGE OF OPERATING EXPENSE DEVOTED TO COMMUNITY NEEDS PROGRAMS.

ACCESS TO CARE FOR AT-RISK, UNDERSERVED POPULATIONS HAS LONG BEEN A CORNERSTONE MISSION FOR MERCY MEDICAL CENTER. MAJOR PROGRAMS TO SERVE THIS NEED INCLUDE OUR FUNDING OF DIRECT PHYSICIAN CHARITY CARE ACROSS ALL SPECIALTIES AND THE PHARMACY CHARITY FUND TO PATIENTS WHO ARE UNINSURED AND UNABLE TO PAY. IN ADDITION, THE FAMILY HEALTH CENTERS OF BALTIMORE (FCHB) IS A FEDERALLY QUALIFIED HEALTH CENTER (FQHC), WHICH RECEIVES SIGNIFICANT FINANCIAL SUPPORT FROM THE HOSPITAL. FCHB, WITH A CLINIC LOCATED ADJACENT TO THE MERCY CAMPUS, LARGELY SERVES THE MEDICAID AND UNINSURED POPULATIONS IN SURROUNDING COMMUNITIES.

BASED UPON PRIOR NEEDS ASSESSMENTS, MERCY MEDICAL CENTER IDENTIFIED THREE KEY AREAS OF FOCUS FOR "MISSION DRIVEN HEALTH SERVICES" IN FY 2012: THEY ARE AS FOLLOWS:

HOMELESSNESS: THE NEED TO RESPOND TO AND ACTIVELY SUPPORT THE MEDICAL PROFESSIONAL NEEDS OF ORGANIZATIONS THAT SERVE THE HOMELESS POPULATION OF BALTIMORE.

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EMERGENCY SERVICES: AS PROVIDED THROUGH THE EMERGENCY DEPARTMENT, GIVEN THE LARGE PERCENTAGE OF POOR AND UNINSURED PATIENTS WHO ACCESS THIS SERVICE.

LOW BIRTH WEIGHT: MERCY MEDICAL CENTER DELIVERS MORE BABIES TO WOMEN AT OR BELOW THE POVERTY LINE THAN ANY OTHER HOSPITAL IN BALTIMORE. A SIGNIFICANT PERCENTAGE (>10%) OF THESE BIRTHS ARE PREMATURE AND OF LOW BIRTH WEIGHT.

ALL OF THESE PROGRAMS ARE INTERTWINED AS THEY SHARE A COMMON THREAD IN THAT ALL UNDERSERVED AND POOR POPULATIONS OF BALTIMORE ARE THE PRIMARY RECIPIENTS OF MEDICAL SERVICES PROVIDED BY MERCY MEDICAL CENTER ON AND OFF ITS CAMPUS.

HOMELESSNESS

THE NUMBER OF PEOPLE EXPERIENCING HOMELESSNESS HAS GROWN STEADILY OVER THE PAST 20 YEARS IN BALTIMORE AND THROUGHOUT THE ENTIRE NATION. THIS NUMBER IS EXPECTED TO CONTINUE TO RISE GIVEN THE DETERIORATING ECONOMIC CONDITIONS LOCALLY AND NATIONALLY THAT CAUSE HIGH UNEMPLOYMENT, LOSS OF HOMES, REDUCED FEDERAL ASSISTANCE TO MEDICAID AND OTHER SAFETY NET PROGRAMS. BALTIMORE'S HOMELESS POPULATION EXTENDS GREATLY BEYOND THOSE WHO CAN FIND BEDS IN CITY AND OTHER NONPROFIT RUN SHELTERS. MERCY MEDICAL CENTER IS DIRECTLY INVOLVED IN THE PROVISION OF MEDICAL SERVICES TO THE HOMELESS POPULATION THROUGH THREE AREAS.

HEALTH CARE FOR THE HOMELESS

HEALTH CARE FOR THE HOMELESS (HCH) WAS ESTABLISHED IN 1985 AND PROVIDES

Part VI Supplemental Information (Continuation)

ADULT, PEDIATRIC, AND GERIATRIC MEDICAL CARE, DENTAL CARE, MENTAL HEALTH, HIV SERVICES, SOCIAL WORK AND CASE MANAGEMENT, ADDICTION TREATMENT, OUTREACH, PRISON RE-ENTRY, SUPPORTIVE HOUSING, AND ACCESS TO EDUCATION AND EMPLOYMENT.

SINCE ITS INCEPTION IN 1985 (A 28-YEAR PARTNERSHIP), MERCY MEDICAL CENTER HAS DIRECTLY EMPLOYED AND PROVIDED ALL OF THE PHYSICIAN AND NURSING STAFF TO HCH FOR MEDICAL SERVICES. WHILE THE HOSPITAL IS REIMBURSED FOR THE DIRECT COSTS OF ITS EMPLOYED CLINICIANS BY HCH, INDIRECT AND OTHER NON COMPENSATED COSTS CONTRIBUTED TO HCH WERE \$1,331,692 IN FY 2014.

THE HOSPITAL EMPLOYS AND PROVIDES FOUR PRIMARY CARE PHYSICIANS, TWO NURSE PRACTITIONERS, ONE PHYSICIAN ASSISTANT, AND THREE REGISTERED NURSES TO WORK AT HCH.

MERCY MEDICAL CENTER, THROUGH ITS SOLE MEMBER, MHS, IS GOVERNED BY A COMMUNITY BOARD COMPRISED OF CIVIC LEADERS WHO ARE COMMITTED TO AND REPRESENT THE HEALTHCARE NEEDS OF THE COMMUNITY. MERCY MEDICAL CENTER EXTENDS MEDICAL STAFF PRIVILEGES TO ALL QUALIFIED PHYSICIANS FOR ALL OF ITS DEPARTMENTS. ALL FINANCIAL SURPLUSES MERCY MEDICAL CENTER GENERATES ARE USED EXCLUSIVELY TO FURTHER THE MISSION OF THE ORGANIZATION. COMMUNITY BOARD COMPRISED OF CIVIC LEADERS WHO ARE COMMITTED TO AND REPRESENT THE HEALTHCARE NEEDS OF THE COMMUNITY.

PART VI, LINE 6:

EXPLANATION: MERCY MEDICAL CENTER IS A PART OF AN AFFILIATED HEALTH CARE SYSTEM, WHICH INCLUDES A NUMBER OF ORGANIZATIONS THAT ARE UNDER THE COMMON GOVERNANCE OF MERCY HEALTH SERVICES. THESE AFFILIATED ORGANIZATIONS WORK

Part VI Supplemental Information (Continuation)

TOGETHER TO PROVIDE A RANGE OF HEALTHCARE SERVICES TO THEIR COMMUNITIES. AMONG MERCY MEDICAL CENTER'S AFFILIATES ARE SAINT PAUL PLACE SPECIALISTS, INC. (SPPS), MARYLAND FAMILY CARE, INC. (MFC), AND STELLA MARIS (SM). SPPS PROVIDES SPECIALITY PHYSICIAN SERVICES TO PATIENTS OF MERCY MEDICAL CENTER'S INPATIENT SERVICES AND OUTPATIENT CLINICS AND TO OTHER MEMBERS OF THE COMMUNITY THROUGHOUT CENTRAL MARYLAND AND BEYOND. DURING THE 2013 TAX YEAR, SPPS PROVIDED \$623,212 OF CHARITY CARE TO PATIENTS SEEN BY SPPS PHYSICIANS.

SM OWNS AND OPERATES A NURSING HOME, A RESIDENTIAL AND HOME HOSPICE SERVICE AND A HOME HEALTH AGENCY. DURING THE 2013 TAX YEAR, SM PROVIDED \$273,000 OF CHARITY CARE TO ITS PATIENTS.

MFC PROVIDES PRIMARY CARE SERVICES ON THE CAMPUS OF MERCY MEDICAL CENTER, THROUGHOUT BALTIMORE CITY, AND IN ANNE ARUNDEL AND BALTIMORE COUNTIES. ADDITIONALLY, MFC EMPLOYS AN NUMBER OF PHYSICIANS TO SERVE AS HOSPITALISTS, WHO CARE FOR PATIENTS ADMITTED TO MERCY MEDICAL CENTER. ALSO, MFC EMPLOYS NURSE PRACTITIONERS THAT PROVIDE SERVICES TO UNINSURED PATIENTS IN MERCY'S NURSERY AND CHILDREN'S HEALTH OUTREACH PROGRAM. MFC INCURS SUBSTANTIAL COSTS PROVIDING THE COMMUNITY WITH THE HOSPITALIST AND NURSE PRACTITIONER PROGRAMS. DURING THE 2013 TAX YEAR, MFC INCURRED A NET OPERATING LOSS FROM PROVIDING THE HOSPITALIST PROGRAM OF \$353,400 AND FROM PROVIDING THE NURSE PRACTITIONER PROGRAM OF \$1,826,618. MFC HAS AN AFFILIATION AGREEMENT WITH THE FAMILY HEALTH CENTERS OF BALTIMORE, INC. PURSUANT TO WHICH MFC ARRANGES FOR PHYSICIAN STAFFING FOR FHCB'S DOWNTOWN CLINIC. FHCB IS A FEDERALLY QUALIFIED HEALTH CENTER. DURING THE 2013 TAX YEAR, MFC PROVIDED \$63,310 OF CHARITY CARE TO PATIENTS SEEN BY MFC PHYSICIANS.

Part VI Supplemental Information (Continuation)

IN ADDITION TO THE FOREGOING, THE AFFILIATED HEALTH CARE SYSTEM PARTICIPATES IN A NUMBER OF PARTNERSHIP/WORK GROUPS, INCLUDING THE FOLLOWING:

GROUP NAME: HEALTH CARE FOR THE HOMELESS

PURPOSE AND MMC PARTICIPATION: HCH PROVIDES HEALTH-RELATED SERVICES TO REDUCE THE INCIDENCE AND BURDENS OF HOMELESSNESS. ITS HEADQUARTERS/CLINIC IS LOCATED THREE BLOCKS FROM MERCY. , NICHOLAS KOAS, MERCY MEDICAL CENTER VICE PRESIDENT SERVES ON THE HCH BOARD OF DIRECTORS.

GROUP NAME: BALTIMORE HOMELESS SERVICES

PURPOSE AND MMC PARTICIPATION: A PROGRAM WITHIN THE MAYOR'S OFFICE OF HUMAN SERVICES RESPONSIBLE FOR MANAGING THE CONTINUUM OF CARE PROVIDED TO THE CITY'S HOMELESS POPULATION. MERCY SUPPORTIVE HOUSING PROGRAM PROVIDES HOUSING COUNSELING AND CASE MANAGEMENT FOR HOMELESS FAMILIES UNDER GRANT'S FROM THIS AGENCY.

GROUP NAME: THE WEINBERG HOUSING AND RESOURCE CENTER

PURPOSE AND MMC PARTICIPATION: BALTIMORE CITY'S FACILITY PROVIDING 24/7 EMERGENCY SHELTER BEDS AND 25 BEDS FOR THE MEDICALLY FRAGILE AS WELL AS PROGRAMS AND SERVICES FOR THE HOMELESS. MERCY EMPLOYEES ASSIST WITH THE PROGRAM.

GROUP NAME: MAYOR'S OFFICE ON EMERGENCY MANAGEMENT

Part VI Supplemental Information (Continuation)

PURPOSE AND MMC PARTICIPATION: MERCY SERVES ON THE EMERGENCY PREPAREDNESS TASK FORCE FOR BALTIMORE CITY.

GROUP NAME: SEX AND FAMILY CRIMES DIVISION OF BALTIMORE CITY POLICE

DEPARTMENT PURPOSE AND MMC PARTICIPATION: MERCY'S FORENSIC NURSE EXAMINER PROGRAM WORKS COLLABORATIVELY WITH THE BALTIMORE CITY POLICE DEPARTMENT. MERCY PROVIDES THE FORENSIC NURSE EXAMINER PROGRAM IN THE METROPOLITAN AREA.

GROUP NAME: TURN AROUND, HOUSE OF RUTH

PURPOSE AND MMC PARTICIPATION: MERCY'S FAMILY VIOLENCE RESPONSE PROGRAM WORKS WITH TURN AROUND, HOUSE OF RUTH AND OTHER ORGANIZATIONS. MERCY ALSO IS TAKING A LEADERSHIP ROLE IN ESTABLISHING HOSPITAL-BASED FAMILY VIOLENCE RESPONSE PROGRAMS AT OTHER MARYLAND HOSPITALS.

GROUP NAME: FAMILY CRISIS CENTER OF BALTIMORE (FCCB)

PURPOSE AND MMC PARTICIPATION: FCCB IS A MAJOR REFFERAL PARTNER TO MERCY FORENSIC NURSE EXAMINER AND SUPPORTIVE HOUSING PROGRAMS.

GROUP NAME: DOMESTIC VIOLENCE COORDINATING COUNCIL

PURPOSE AND MMC PARTICIPATION: COLLEEN MOORE, COORDINATOR OF MERCY'S FAMILY VIOLENCE REPOSENCE PROGRAM, SERVES ON THE ORGANIZATION'S STEERING COMMITTEE.

Part VI Supplemental Information (Continuation)

GROUP NAME: B'MORE FOR HEALTHY BABIES

PURPOSE AND MMC PARTICIPATION: BHB IS A COALITION OF PHYSICIANS AMONG BALTIMORE CITY'S MAJOR HOSPITALS THAT ADDRESSES WAYS TO REDUCE INFANT MORTALITY, PREMATUREITY AND LOW BIRTH WEIGHT. ROBERT ATLAS, M.D. CHAIRMAN OF THE DEPARTMENT OF OBSTETRICS AND GYNECOLOGY AT MERCY AND A RECOGNIZED EXPERT IN AT-RISK PREGNANCY IS A LEADER WITH BHB.

GROUP NAME: FAMILY HEALTH CENTERS OF BALTIMORE (FCHB)

PURPOSE AND MMC PARTICIPATION: CHRISTOPHER THOMASKUTTY AND LISA CONIC, MERCY MEDICAL CENTER VICE PRESIDENTS, SERVE ON THE BOARD OF DIRECTORS OF FCHB, A FEDERALLY QUALIFIED HEALTH CENTER THAT SERVES CENTRAL AND SOUTH BALTIMORE CITY.

GROUP NAME: TOTAL HEALTHCARE

PURPOSE AND MMC PARTICIPATION: JOHN LEPLEY, MERCY MEDICAL CENTER VICE PRESIDENT, SERVES ON THE BOARD OF DIRECTORS OF TOTAL HEALTHCARE, A FEDERALLY QUALIFIED HEALTH CENTER THAT SERVES CENTRAL BALTIMORE CITY.

GROUP NAME: CHASE BREXTON

PURPOSE AND MMC PARTICIPATION: JUDY WEILAND, MERCY MEDICAL CENTER VICE PRESIDENT, SERVES ON THE BOARD OF DIRECTORS OF CHASE BREXTON, A FEDERALLY QUALIFIED HEALTH CENTER THAT SERVES CENTRAL BALTIMORE CITY.

GROUP NAME: TOTAL HEALTHCARE

Part VI Supplemental Information (Continuation)

PURPOSE AND MMC PARTICIPATION: JOHN LEPLEY, MERCY MEDICAL CENTER VICE PRESIDENT, SERVES ON THE BOARD OF DIRECTORS OF TOTAL HEALTHCARE, A FEDERALLY QUALIFIED HEALTH CENTER THAT SERVES CENTRAL BALTIMORE CITY.

PART VI, LINE 7, LIST OF STATES RECEIVING COMMUNITY BENEFIT REPORT:

MD



**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" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

OMB No. 1545-0047

2013

Open to Public
Inspection

▶ Information about Schedule I (Form 990) and its instructions is at www.irs.gov/forms990.

Name of the organization

MERCY MEDICAL CENTER

Employer identification number
52-0591658

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

Yes No

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to 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 |
|--|---------|-------------------------------|--------------------------|-----------------------------------|---|--|---|
| MARYLAND MATERNITY ACCESS COALITION INC. - 2423 MARYLAND AVE, SUITE 300 - BALTIMORE, MD 21218 | | 501(C)(4) | 80,000. | 0. | | | SUPPORT THE WORK OF THE COALITION INCLUDING PUBLIC EDUCATION AND ADVOCACY. |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |

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

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

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

Schedule I (Form 990) (2013)

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

| (a) Type of grant or assistance | (b) Number of recipients | (c) Amount of cash grant | (d) Amount of non-cash assistance | (e) Method of valuation (book, FMV, appraisal, other) | (f) Description of non-cash assistance |
|---------------------------------|--------------------------|--------------------------|-----------------------------------|---|--|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

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

PART I, LINE 2:

EXPLANATION: MERCY MEDICAL CENTER CONTRIBUTED \$80,000 TO MARYLAND MATERNITY ACCESS COALITION, INC., A SECTION 501(C)(4) ORGANIZATION THAT IS ORGANIZED AND OPERATED EXCLUSIVELY FOR SOCIAL WELFARE PURPOSES. THE COALITION PUBLICLY ADVOCATES FOR AND SUPPORTS LEGISLATION, REGULATIONS, AND PROGRAMS DESIGNED TO MAINTAIN AND ENHANCE HEALTH CARE ACCESS FOR MARYLAND MOTHERS AND BABIES. THE PURPOSE OF THE CONTRIBUTION WAS TO SUPPORT THE WORK OF THE COALITION INCLUDING ITS PUBLIC EDUCATION AND ADVOCACY EFFORTS.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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. ▶ See separate instructions.
- ▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization

MERCY MEDICAL CENTER

Employer identification number

52-0591658

Part I Questions Regarding Compensation

| | Yes | No | | | | | | | | |
|---|--|--|--|--|--|--|---|--|--|--|
| <p>1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.</p> <table style="width: 100%; border: none;"> <tr> <td><input type="checkbox"/> First-class or charter travel</td> <td><input type="checkbox"/> Housing allowance or residence for personal use</td> </tr> <tr> <td><input type="checkbox"/> Travel for companions</td> <td><input type="checkbox"/> Payments for business use of personal residence</td> </tr> <tr> <td><input type="checkbox"/> Tax indemnification and gross-up payments</td> <td><input type="checkbox"/> Health or social club dues or initiation fees</td> </tr> <tr> <td><input type="checkbox"/> Discretionary spending account</td> <td><input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)</td> </tr> </table> | <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 (e.g., maid, chauffeur, chef) | | |
| <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 (e.g., 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 | 1b | | | | | | | | | |
| 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 in line 1a? | 2 | | | | | | | | | |
| <p>3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.</p> <table style="width: 100%; border: none;"> <tr> <td><input type="checkbox"/> Compensation committee</td> <td><input type="checkbox"/> Written employment contract</td> </tr> <tr> <td><input type="checkbox"/> Independent compensation consultant</td> <td><input type="checkbox"/> Compensation survey or study</td> </tr> <tr> <td><input type="checkbox"/> Form 990 of other organizations</td> <td><input type="checkbox"/> Approval by the board or compensation committee</td> </tr> </table> | <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract | <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study | <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> Approval by the board or compensation committee | | | | |
| <input type="checkbox"/> Compensation committee | <input type="checkbox"/> Written employment contract | | | | | | | | | |
| <input type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study | | | | | | | | | |
| <input type="checkbox"/> Form 990 of other organizations | <input type="checkbox"/> Approval by the board or compensation committee | | | | | | | | | |
| 4 During the year, did any person listed in 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 | X | | | | | | | | |
| b Participate in, or receive payment from, a supplemental nonqualified retirement plan? | 4b | X | | | | | | | | |
| c Participate in, or receive payment from, an equity-based compensation arrangement? | 4c | X | | | | | | | | |
| 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) and 501(c)(4) organizations must complete lines 5-9. | | | | | | | | | | |
| 5 For persons listed in 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 | X | | | | | | | | |
| b Any related organization? | 5b | X | | | | | | | | |
| If "Yes" to line 5a or 5b, describe in Part III. | | | | | | | | | | |
| 6 For persons listed in 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 | X | | | | | | | | |
| b Any related organization? | 6b | X | | | | | | | | |
| If "Yes" to line 6a or 6b, describe in Part III. | | | | | | | | | | |
| 7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III | 7 | X | | | | | | | | |
| 8 Were any amounts reported in 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 | X | | | | | | | | |
| 9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? | 9 | | | | | | | | | |

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

Schedule J (Form 990) 2013

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 in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

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

| (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 reported as deferred in prior Form 990 |
|---|--|-------------------------------------|-------------------------------------|--|-------------------------|---------------------------------|---|
| | (i) Base compensation | (ii) Bonus & incentive compensation | (iii) Other reportable compensation | | | | |
| (1) THOMAS MULLEN CHAIR, EX OFFICIO | (i) 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (ii) 740,657. | 0. | 162,422. | 11,500. | 9,500. | 924,079. | 0. | |
| (2) KIM BUSHNELL DIRECTOR | (i) 214,120. | 0. | 0. | 3,300. | 11,500. | 228,920. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | |
| (3) SCOTT SPIER MD SR VP/DIRECTOR | (i) 373,839. | 0. | 53,818. | 11,500. | 18,500. | 457,657. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | |
| (4) JOHN TOPPER SR VP & CFO/TREASURER | (i) 0. | 0. | 0. | 0. | 0. | 0. | 0. |
| (ii) 399,827. | 0. | 55,500. | 11,500. | 19,500. | 486,327. | 0. | |
| (5) SUSAN FINLAYSON SR VP/DIRECTOR | (i) 352,502. | 0. | 48,562. | 7,650. | 8,500. | 417,214. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | |
| (6) JUSTIN DEIBEL SR VP & CFO/DIRECTOR | (i) 264,374. | 3,750. | 0. | 7,500. | 19,500. | 295,124. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | |
| (7) MICHAEL MULLANE DIRECTOR | (i) 302,165. | 0. | 43,313. | 7,650. | 18,500. | 371,628. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | |
| (8) JAMES LEVY , MD PHYSICIAN | (i) 304,499. | 37,500. | 12,307. | 15,300. | 18,500. | 388,106. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | |
| (9) WILMA A S ROWE MD SR VP | (i) 502,901. | 201,742. | 0. | 7,650. | 19,500. | 731,793. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | |
| (10) MICHAEL SAMBAT MD SR VP | (i) 222,312. | 215,992. | 0. | 5,608. | 19,500. | 463,412. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | |
| (11) ALBERT HAN MD SR VP | (i) 191,537. | 205,192. | 0. | 5,119. | 2,350. | 404,198. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | |
| (12) DAVID BRIGHT MD PHYSICIAN | (i) 166,621. | 203,492. | 0. | 0. | 8,500. | 378,613. | 0. |
| (ii) 0. | 0. | 0. | 0. | 0. | 0. | 0. | |
| (i) | | | | | | | |
| (ii) | | | | | | | |
| (i) | | | | | | | |
| (ii) | | | | | | | |
| (i) | | | | | | | |
| (ii) | | | | | | | |
| (i) | | | | | | | |
| (ii) | | | | | | | |

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, LINE 3:

EXPLANATION: CEO'S COMPENSATION

PART I, LINE 3

THE ORGANIZATION RELIED ON A RELATED ORGANIZATION AND THAT RELATED ORGANIZATION USED THE FOLLOWING METHODS TO ESTABLISH THE TOP MANAGEMENT OFFICIAL'S COMPENSATION:

- 1. COMPENSATION COMMITTEE
- 2. INDEPENDENT COMPENSATION CONSULTANT
- 3. COMPENSATION SURVEY OR STUDY; AND
- 4. APPROVAL BY THE BOARD OR COMPENSATION COMMITTEE

PART I, LINE 7:

EXPLANATION: THE COMPENSATION COMMITTEE APPROVES NON-FIXED PAYMENTS FOR MANAGEMENT BASED ON THE DEGREE OF MEETING CORPORATE PRIORITIES ESTABLISHED BY THE BOARD OF TRUSTEES. THE CORPORATE OBJECTIVES ARE DESIGNED TO ADVANCE THE ORGANIZATION IN THE AREAS OF QUALITY CARE, PATIENT SAFETY, PATIENT SATISFACTION, BUSINESS DEVELOPMENT AND FINANCIAL STRENGTH.

**SCHEDULE K
(Form 990)**

Department of the Treasury
Internal Revenue Service

ENTITY 1

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. See separate instructions. Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization

MERCY MEDICAL CENTER

Employer identification number
52-0591658

Part I Bond Issues SEE PART VI FOR COLUMNS (A) AND (F) CONTINUATIONS

| (a) Issuer name | (b) Issuer EIN | (c) CUSIP # | (d) Date issued | (e) Issue price | (f) Description of purpose | (g) Deceased (h) On behalf of issuer | | (i) Pooled financing | | |
|--|----------------|-------------|-----------------|-----------------|--------------------------------|--------------------------------------|----|----------------------|----|-----|
| | | | | | | Yes | No | Yes | No | Yes |
| MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORI | 52-0936091 | 1574217XX8 | 08/03/06 | 35,000,000. | 2006 REPLACEMENT GARAGE | | X | | X | X |
| MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORI | 52-0936091 | 1574217L29 | 11/08/07 | 154,956,168. | 2007 A REPLACEMENT TOWER | | X | | X | X |
| MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORI | 52-0936091 | NONE | 01/16/13 | 50,210,000. | 2013 REFUND 2007D BONDS | | X | | X | X |
| MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORI | 52-0936091 | 15742174Z5 | 12/16/09 | 30,000,000. | 2009 PARTIAL CONVERSION 2008 B | | X | | X | X |

Part II Proceeds

| | A | | B | | C | | D | | |
|--|------|----|-------------|----|--------------|----|------|----|-------------|
| | Yes | No | Yes | No | Yes | No | Yes | No | |
| 1 Amount of bonds retired | | | 2,980,000. | | 6,666,000. | | | | 4,765,000. |
| 2 Amount of bonds legally defeased | | | | | | | | | |
| 3 Total proceeds of issue | | | 35,952,865. | | 170,176,129. | | | | 30,000,000. |
| 4 Gross proceeds in reserve funds | | | | | 12,579,000. | | | | |
| 5 Capitalized interest from proceeds | | | 1,492,333. | | 18,613,677. | | | | |
| 6 Proceeds in refunding escrows | | | | | | | | | |
| 7 Issuance costs from proceeds | | | 330,107. | | 1,508,050. | | | | |
| 8 Credit enhancement from proceeds | | | | | | | | | |
| 9 Working capital expenditures from proceeds | | | | | | | | | |
| 10 Capital expenditures from proceeds | | | 34,130,425. | | 128,742,923. | | | | |
| 11 Other spent proceeds | | | | | 8,812,500. | | | | 30,000,000. |
| 12 Other unspent proceeds | | | | | | | | | |
| 13 Year of substantial completion | 2008 | | 2010 | | 2010 | | 2008 | | |

Part III Private Business Use

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

| | | | | | | | | |
|--|--|---|--|---|--|---|--|---|
| 1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds? | | X | | X | | X | | X |
| 2 Are there any lease arrangements that may result in private business use of bond-financed property? | | X | | X | | X | | X |

**SCHEDULE K
(Form 990)**

Department of the Treasury
Internal Revenue Service

ENTITY 2

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. See separate instructions. Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization

MERCY MEDICAL CENTER

Employer identification number
52-0591658

Part I Bond Issues SEE PART VI FOR COLUMNS (A) AND (F) CONTINUATIONS

| (a) Issuer name | (b) Issuer EIN | (c) CUSIP # | (d) Date issued | (e) Issue price | (f) Description of purpose | (g) Deceased (h) On behalf of issuer | | (i) Pooled financing | | |
|--|----------------|-------------|-----------------|-----------------|--------------------------------|--------------------------------------|----|----------------------|----|-----|
| | | | | | | Yes | No | Yes | No | Yes |
| MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORI | 52-0936091 | 15742176K6 | 04/01/10 | 30,000,000. | 2010 PARTIAL CONVERSION 2007 B | | X | | X | X |
| MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORI | 52-0936091 | 1574218AM5 | 02/11/11 | 39,889,140. | 2011 BONDS REFUNDING 2007 B | | X | | X | X |
| MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORI | 52-0936091 | NONE | 06/09/11 | 34,890,000. | 2011 B BONDS REFUNDING 2007 B | | X | | X | X |
| MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORI | 52-0936091 | 1574218EZ2 | 04/25/12 | 51,737,448. | 2012 BONDS REFUNDING 2001 B | | X | | X | X |

Part II Proceeds

| | A | | B | | C | | D | |
|---|------|----|-------------|----|-------------|----|-------------|-------------|
| | Yes | No | Yes | No | Yes | No | Yes | No |
| 1 Amount of bonds retired | | | 2,000,000. | | 900,000. | | | |
| 2 Amount of bonds legally defeased | | | | | | | | |
| 3 Total proceeds of issue | | | 30,000,000. | | 39,889,140. | | 34,890,000. | 51,737,448. |
| 4 Gross proceeds in reserve funds | | | | | 4,029,000. | | | 5,488,000. |
| 5 Capitalized interest from proceeds | | | | | | | | |
| 6 Proceeds in refunding escrows | | | | | | | | |
| 7 Issuance costs from proceeds | | | | | 789,808. | | | 851,860. |
| 8 Credit enhancement from proceeds | | | | | | | | |
| 9 Working capital expenditures from proceeds | | | | | | | | |
| 10 Capital expenditures from proceeds | | | | | | | | |
| 11 Other spent proceeds | | | 30,000,000. | | 35,110,419. | | 34,890,000. | 50,376,825. |
| 12 Other unspent proceeds | | | | | | | | |
| 13 Year of substantial completion | 2010 | | 2010 | | 2010 | | 2003 | |
| 14 Were the bonds issued as part of a current refunding issue? | X | | X | | X | | X | |
| 15 Were the bonds issued as part of an advance refunding issue? | | | X | | X | | X | |
| 16 Has the final allocation of proceeds been made? | X | | X | | X | | X | |
| 17 Does the organization maintain adequate books and records to support the final allocation of proceeds? | X | | X | | X | | X | |

Part III Private Business Use

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

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Schedule K (Form 990) 2013

**SCHEDULE K
(Form 990)**

Department of the Treasury
Internal Revenue Service

ENTITY 3

OMB No. 1545-0047

2013

Open to Public
Inspection

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. ▶ See separate instructions. ▶ Information about Schedule K (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

MERCY MEDICAL CENTER

Employer identification number
52-0591658

Part I Bond Issues SEE PART VI FOR COLUMNS (A) AND (F) CONTINUATIONS

| (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 |
| MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY | 52-0936091 | NONE | 10/22/13 | 18,065,000. | REFUND 1996 BONDS | | X | | X |
| B | | | | | | | | | |
| C | | | | | | | | | |
| D | | | | | | | | | |

Part II Proceeds

| | A | | B | | C | | D | |
|---|-----|-------------|-----|----|-----|----|-----|----|
| | Yes | No | Yes | No | Yes | No | Yes | No |
| 1 Amount of bonds retired | | 455,000. | | | | | | |
| 2 Amount of bonds legally defeased | | | | | | | | |
| 3 Total proceeds of issue | | 18,065,000. | | | | | | |
| 4 Gross proceeds in reserve funds | | | | | | | | |
| 5 Capitalized interest from proceeds | | | | | | | | |
| 6 Proceeds in refunding escrows | | | | | | | | |
| 7 Issuance costs from proceeds | | 155,000. | | | | | | |
| 8 Credit enhancement from proceeds | | | | | | | | |
| 9 Working capital expenditures from proceeds | | | | | | | | |
| 10 Capital expenditures from proceeds | | | | | | | | |
| 11 Other spent proceeds | | 17,910,000. | | | | | | |
| 12 Other unspent proceeds | | | | | | | | |
| 13 Year of substantial completion | | 2000 | | | | | | |
| 14 Were the bonds issued as part of a current refunding issue? | X | | | | | | | |
| 15 Were the bonds issued as part of an advance refunding issue? | | X | | | | | | |
| 16 Has the final allocation of proceeds been made? | X | | | | | | | |
| 17 Does the organization maintain adequate books and records to support the final allocation of proceeds? | X | | | | | | | |

Part III Private Business Use

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

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Schedule K (Form 990) 2013

Part III Private Business Use (Continued)

| | A | | B | | C | | D | |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| | Yes | No | Yes | No | Yes | No | Yes | No |
| 3a Are there any management or service contracts that may result in private business use of bond-financed property? | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | |
| 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? | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | |
| c Are there any research agreements that may result in private business use of bond-financed property? | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | |
| 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 | | % | | % | | % | | .76 % |
| 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 | | % | | % | | % | | .16 % |
| 6 Total of lines 4 and 5 | | % | | % | | % | | .92 % |
| 7 Does the bond issue meet the private security or payment test? | <input checked="" type="checkbox"/> | | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> |
| 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? | <input checked="" type="checkbox"/> | | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> |
| 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? | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | |

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? | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> |
| 2 If "No" to line 1, did the following apply? | | | | | | | | |
| a Rebate not due yet? | <input checked="" type="checkbox"/> | | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> |
| b Exception to rebate? | <input checked="" type="checkbox"/> | | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> |
| c No rebate due? | <input checked="" type="checkbox"/> | | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> |
| If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed | | | | | | | | |
| 3 Is the bond issue a variable rate issue? | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> |
| 4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue? | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> |
| b Name of provider | | | | MERRILL LYNCH | | | | |
| c Term of hedge | | | | 30.0000000 | | | | |
| d Was the hedge superintegrated? | | | | | | | | |
| e Was the hedge terminated? | | | | | | | | |

Part III Private Business Use (Continued)

| | A | | B | | C | | D | |
|---|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|----|
| | Yes | No | Yes | No | Yes | No | Yes | No |
| 3a Are there any management or service contracts that may result in private business use of bond-financed property? | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | | |
| 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? | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | | |
| c Are there any research agreements that may result in private business use of bond-financed property? | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | |
| 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 | | % | | % | | % | | % |
| 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 | | % | | % | | % | | % |
| 6 Total of lines 4 and 5 | | % | | % | | % | | % |
| 7 Does the bond issue meet the private security or payment test? | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | |
| 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? | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | |
| 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? | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | |

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? | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> |
| 2 If "No" to line 1, did the following apply? | | | | | | | | |
| a Rebate not due yet? | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | |
| b Exception to rebate? | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | |
| c No rebate due? | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> |
| If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed | | | | | | | | |
| 3 Is the bond issue a variable rate issue? | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> |
| 4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue? | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> | | <input checked="" type="checkbox"/> |
| b Name of provider | | | | | | | | |
| c Term of hedge | | | | | | | | |
| d Was the hedge superintegrated? | | | | | | | | |
| e Was the hedge terminated? | | | | | | | | |

Part III Private Business Use (Continued)

| | A | | B | | C | | D | |
|---|-----|----|-----|----|-----|----|-----|----|
| | Yes | No | Yes | No | Yes | No | Yes | No |
| 3a Are there any management or service contracts that may result in private business use of bond-financed property? | | | | | | | | |
| 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? | | | | | | | | |
| 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 | | % | | % | | % | | % |
| 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 | | % | | % | | % | | % |
| 6 Total of lines 4 and 5 | | % | | % | | % | | % |
| 7 Does the bond issue meet the private security or payment test? | | | | | | | | |
| 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? | | | | | | | | |
| 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 you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed | | | | | | | | |
| 3 Is the bond issue a variable rate issue? | X | | | | | | | |
| 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? | | | | | | | | |

Part IV Arbitrage (Continued)

| | A | | B | | C | | D | |
|---|-----|----|-----|----|-----|----|-----|----|
| | Yes | No | Yes | No | Yes | No | Yes | No |
| 5a Were gross proceeds invested in a guaranteed investment contract (GIC)? | | X | | | | | | |
| 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? | | X | | | | | | |
| 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 is not available under applicable regulations? | | | | | | | | |

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: MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY |
| (A) ISSUER NAME: MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY |
| (A) ISSUER NAME: MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY |
| (A) ISSUER NAME: MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY |
| (F) DESCRIPTION OF PURPOSE: 2009 PARTIAL CONVERSION 2008 BONDS |
| (A) ISSUER NAME: MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY |
| (F) DESCRIPTION OF PURPOSE: 2010 PARTIAL CONVERSION 2007 BONDS |
| (A) ISSUER NAME: MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY |
| (F) DESCRIPTION OF PURPOSE: 2011 BONDS REFUNDING 2007 B AND C |
| (A) ISSUER NAME: MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY |
| (F) DESCRIPTION OF PURPOSE: 2011 B BONDS REFUNDING 2007 B AND C |
| (A) ISSUER NAME: MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY |
| (F) DESCRIPTION OF PURPOSE: 2012 BONDS REFUNDING 2001 BONDS |
| (A) ISSUER NAME: MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY |

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

SCHEDULE K, PART IV, ARBITRAGE, LINE 2C:

(A) ISSUER NAME: MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY

DATE THE REBATE COMPUTATION WAS PERFORMED: 09/27/2011

(A) ISSUER NAME: MARYLAND HEALTH & HIGHER EDUCATIONAL FAC AUTHORITY

DATE THE REBATE COMPUTATION WAS PERFORMED: 08/29/2012

TAX EXEMPT BONDS I, BOND A & B PART II, LINE 3

THE AMOUNT IN PART II, LINE 3 "TOTAL PROCEEDS" IS NOT EQUAL TO THE

AMOUNT IN PART I, COLUMN E "ISSUE PRICE". THE "TOTAL PROCEEDS" FOR THE

BOND ISSUANCE INCLUDES INVESTMENT EARNINGS ON THE PROCEEDS.

TAX EXEMPT BONDS I BOND D, AND BONDS II BOND A & C, PART II LINE 7

THE ISSUANCE COSTS FOR THESE BOND ISSUANCES WERE NOT PAID OUT OF THE

PROCEEDS FROM THE BOND ISSUANCES. RATHER, THE ISSUANCE COSTS WERE PAID

OUT OF REGULAR OPERATING FUNDS OF THE ORGANIZATION.

PART II, BOND D

THE TOTAL PROCEEDS OF THE ISSUE ARE LESS THAN THE GROSS PROCEEDS IN

RESERVE FUNDS AND OTHER SPENT PROCEEDS FOR THE BOND ISSUANCE BECAUSE

FUNDS PLEDGED TO THE SERIES 2001 BONDS, WHICH WERE REFUNDED BY THIS

BOND ISSUANCE, WERE TRANSFERRED (AS PART OF THE BOND ISSUANCE) INTO THE

DEBT SERVICE RESERVE FUND HELP FOR THIS BOND ISSUANCE.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

▶ Attach to Form 990 or 990-EZ.

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

OMB No. 1545-0047

2013

Open to Public
Inspection

Name of the organization

MERCY MEDICAL CENTER

Employer identification number
52-0591658

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

GROUNDING IN A VISION OF GOD'S HEALING LOVE FOR ALL PEOPLE, WE ARE COMMITTED TO PROVIDING HEALTHCARE FOR PERSONS OF EVERY CREED, COLOR, AND ECONOMIC AND SOCIAL CONDITION IN BALTIMORE CITY, CENTRAL MARYLAND AND BEYOND. IN THE TRADITION OF CATHOLIC HEALTHCARE AND OF THE SISTERS OF MERCY, WE CONTINUE OUR SPECIAL COMMITMENT TO POOR AND UNDERSERVED PERSONS. MERCY IS DRIVEN BY ITS MISSION TO SERVE AND WILL REMAIN STEADFAST IN ITS COMMITMENT TO UPHOLD ITS HIGHEST STANDARDS FOR CARE, ITS COMMITMENT OF THE POOR AND ITS COMMITMENT OF BALTIMORE. WE ARE HERE TO PROVIDE EXCELLENT HEALTHCARE, WITH COMPASSION AND RESPECT, TO ALL WHO COME TO US FOR HELP.

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

BALTIMORE CITY, CENTRAL MARYLAND AND BEYOND. IN THE TRADITION OF CATHOLIC HEALTHCARE AND OF THE SISTERS OF MERCY, WE CONTINUE OUR SPECIAL COMMITMENT TO POOR AND UNDERSERVED PERSONS. MERCY IS DRIVEN BY ITS MISSION TO SERVE AND WILL REMAIN STEADFAST IN ITS COMMITMENT TO UPHOLD ITS HIGHEST STANDARDS FOR CARE, ITS COMMITMENT OF THE POOR AND ITS COMMITMENT OF BALTIMORE. WE ARE HERE TO PROVIDE EXCELLENT HEALTHCARE, WITH COMPASSION AND RESPECT, TO ALL WHO COME TO US FOR HELP.

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

TIMES AS MANY FAMILIES LIVING IN BALTIMORE CITY HAD INCOME THAT WAS BELOW THE POVERTY LEVEL COMPARED TO ALL FAMILIES IN MARYLAND. WITHIN THE HOSPITAL'S 17 ZIP CODES THAT COMPRISE THE PSA 35% OF FAMILIES LIVE

Name of the organization

MERCY MEDICAL CENTER

Employer identification number

52-0591658

BELOW THE FEDERAL POVERTY LEVEL DEFINITION. DUE TO ITS LOCATION IN CENTER CITY, MMC CARES FOR MANY OF THE AT-RISK, LOW INCOME POPULATION IN THE COMMUNITIES THAT IMMEDIATELY SURROUND THE HOSPITAL. THIS IS BEST EVIDENCED BY THE LARGE PERCENTAGE OF EMERGENCY ROOM VISITS BY MEDICAID, UNINSURED, AND MEDICARE PATIENTS. MEDICAID COVERED AND UNISURED PATIENTS ACCOUNTED FOR A SUBSTANTIAL PORTION OF THE EMERGENCY ROOM VISITS. IN FY 2014, AT A DIRECT COST TO THE HOSPITAL, THE SUPPORTIVE HOUSING PROGRAM WAS UNDERTAKEN, WHICH PROVIDED A COMPREHENSIVE RANGE COUSELING SERVICES AND COMMUNITY RESOURCE LINKAGES TO NUMEROUS PATIENTS. MMC DELIVERED MORE BABIES, THAN ANY OTHER HOSPITAL IN BALTIMORE CITY IN FY 2014. OF THESE BABIES, A SIGNIFICANT PERCENTAGE WERE OF LOW BIRTH WEIGHT OR PREMATURE. MANY OF THE PATIENTS WHO DELIVERED BABIES AT MMC WERE EITHER MEDICAID BENEFICIARIES OR UNISURED/SELF PAY. THIS POPULATION IS ESPECIALLY LINKED WITH LOW BIRTH WEIGHT AND PREMATUREITY DUE TO POVERTY THAT CLOSELY RELATED TO UNHEALTHY LIFESTYLES, PARTICULARLY, POOR NUTRITITION AND INADEQUATE PRENATAL CARE.

FORM 990, PART VI, SECTION A, LINE 6:

EXPLANATION: MERCY HEALTH SERVICES, INC. ("MHS"), A 501(C)(3) CORPORATION, IS THE SOLE MEMBER OF MERCY MEDICAL CENTER, INC. ("MMC").

FORM 990, PART VI, SECTION A, LINE 7A:

EXPLANATION: THE PRESIDENT OF MHS SERVES AS AN EX OFFICIO VOTING MEMBER OF THE BOARD OF DIRECTORS OF MMC. AS THE MEMBER OF MMC, THE BOARD OF TRUSTEES OF MHS ELECTS ALL OF THE OTHER MEMBERS OF THE BOARD OF MMC. ALL OF THE MEMBERS OF THE MMC BOARD SERVE AT THE PLEASURE OF THE BOARD OF TRUSTEES OF MHS AND ARE SUBJECT TO REMOVAL BY THE MHS BOARD.

Name of the organization

MERCY MEDICAL CENTER

Employer identification number

52-0591658

FORM 990, PART VI, SECTION A, LINE 7B:

EXPLANATION: THE BOARD OF TRUSTEES OF MHS EXERCISES AUTHORITY OVER MMC THROUGH ITS RIGHT TO APPOINT AND REMOVE MMC BOARD MEMBERS. IN ADDITION, MHS, AS THE MEMBER, IS RESPONSIBLE FOR THE FOLLOWING ACTIONS: A) TO APPOINT MEMBERS TO MMC'S BOARD OF DIRECTORS; B) TO REVIEW AND APPROVE OR DISAPPROVE THE STRATEGIC PLAN, ANNUAL BUDGET AND THE ANNUAL OPERATING GOALS AND OBJECTIVES OF MMC AS RECOMMENDED TO MHS BY MMC'S BOARD OF DIRECTORS; C) TO EVALUATE THE PERFORMANCE OF MMC'S BOARD OF DIRECTORS, OFFICERS, AND OPERATING MANAGEMENT; D) TO REMOVE BOARD MEMBERS OF MMC IN ITS DISCRETION AT ANY TIME; E) TO APPROVE THE MISSION AND VISION THAT GOVERN MMC'S OPERATIONS; F) TO HAVE ULTIMATE RESPONSIBILITY FOR MMC'S QUALITY ASSURANCE, PERFORMANCE IMPROVEMENT, UTILIZATION REVIEW AND RISK MANAGEMENT; AND G) TO APPOINT, REAPPOINT AND TAKE ANY CORRECTIVE ACTION RELATED TO THE MEDICAL STAFF OF MMC (THE "MEDICAL STAFF") IN ACCORDANCE WITH THE MEDICAL STAFF BYLAWS OF MMC. THE FOLLOWING ACTIONS REQUIRE THE APPROVAL OF AND AFFIRMATIVE CORPORATE ACTION BY MHS: A) ANY DISPOSITION OF ALL OR SUBSTANTIALLY ALL OF MMC'S ASSETS, DISSOLUTION, LIQUIDATION, WINDING UP OR ABANDONMENT OF MMC; B) ANY AMENDMENT OF THE ARTICLES OF INCORPORATION OR BYLAWS OF MMC OR OF THE MEDICAL STAFF BYLAWS OF MMC; C) ANY BORROWING OR LENDING BY MMC OR THE ISSUANCE OF ANY GUARANTEE BY MMC IN AN AMOUNT IN EXCESS OF AN AMOUNT SPECIFIED BY MHS FROM TIME TO TIME; D) ANY MERGER, CONSOLIDATION OR INSTITUTIONAL AFFILIATION WITH ANY OTHER AMOUNT IN EXCESS OF AN AMOUNT SPECIFIED FROM TIME TO TIME BY MHS. ULTIMATELY, THE CORPORATION IS CONTROLLED BY MHS'S 28-PERSON COMMUNITY BOARD, WHICH INCLUDES 24 INDEPENDENT DIRECTORS AS NOTED ABOVE. CORPORATION OR OTHER ENTITY; AND E) THE PURCHASE OR SALE OF ASSETS FOR AN AMOUNT IN EXCESS OF AN AMOUNT SPECIFIED FROM TIME TO TIME BY MHS. ULTIMATELY, THE CORPORATION IS

Name of the organization

MERCY MEDICAL CENTER

Employer identification number

52-0591658

CONTROLLED BY MHS'S 28-PERSON COMMUNITY BOARD, WHICH INCLUDES 24
INDEPENDENT DIRECTORS AS NOTED ABOVE.

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

EXPLANATION: MERCY HEALTH SERVICES, INC. ("MHS"), THE SOLE PARENT OF THE CORPORATION, HAS A POLICY WHICH REQUIRES THE CORPORATION'S 990 TO BE MADE AVAILABLE FOR REVIEW BY THE MHS BOARD AND/OR THE MHS BOARD EXECUTIVE COMMITTEE PRIOR TO ITS FILING. AT ITS MARCH 18, 2015 MEETING, MHS BOARD EXECUTIVE COMMITTEE MEMBERS RECEIVED A COPY OF THE CORPORATION'S DRAFT FORM 990. THE MHS CFO PROVIDED A POWER POINT PRESENTATION REGARDING THE DRAFT AND THERE WAS AN OPPORTUNITY FOR QUESTIONS AND DISCUSSION. FOLLOWING FURTHER REVISION OF THE DRAFT 990 AND PRIOR TO ITS FILING, IT WAS MADE AVAILABLE IN FINAL FORM TO ALL MEMBERS OF THE MHS BOARD AND THE CORPORATION'S BOARD FOR THEIR REVIEW. ANY ADDITIONAL COMMENTS/QUESTIONS FROM BOARD MEMBERS ARE RESPONDED TO PRIOR TO FILING THE FORM 990.

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

EXPLANATION: MHS HAS A WRITTEN CONFLICT OF INTEREST POLICY THAT COVERS MHS AND ALL OF ITS DIRECT AND INDIRECT SUBSIDIARIES. THE INDIVIDUALS COVERED UNDER THE POLICY INCLUDE ALL TRUSTEES, DIRECTORS, OFFICERS (INCLUDING ALL SENIOR AND EXECUTIVE VICE PRESIDENTS) AND MEMBERS OF ANY COMMITTEE WITH BOARD-DELEGATED POWERS. UNDER THE POLICY, EACH SUCH PERSON IS REQUIRED TO COMPLETE AN ANNUAL DISCLOSURE FORM REGARDING BUSINESS RELATIONSHIPS THAT HE OR SHE, OR ANY FAMILY MEMBER, HAS WITH ANY OTHER ORGANIZATION THAT DOES BUSINESS WITH MHS OR ITS SUBSIDIARIES AND RELATIONSHIPS BETWEEN AND AMONG OFFICERS, TRUSTEES AND DIRECTORS. THE COMPLETED DISCLOSURE FORMS ARE REVIEWED BY THE MHS BOARD CHAIR AND BY THE MHS CEO OR A DESIGNEE. IN ADDITION TO THE ANNUAL DISCLOSURE, ANY PERSON WHO IS COVERED BY THE

Name of the organization

MERCY MEDICAL CENTER

Employer identification number

52-0591658

CONFLICT OF INTEREST POLICY HAS AN ONGOING OBLIGATION TO DISCLOSE THE EXISTENCE OF ANY ACTUAL OR POTENTIAL CONFLICT TO THE BOAURD OR THE BOARD COMMITTEE IN WHICH THE MATTER ARISES. FOLLOWING THE DISCLOSURE, THE PERSON MAY MAKE A PRESENTATION, BUT MUST THEN LEAVE THE MEETING AND THE OTHER MEMBERS OF THE BOARD OR COMMITTEE SHALL DETERMINE WHETHER A CONFLICT EXISTS. UNDER THE POLICY, A CONFLICT OF INTEREST EXISTS WHEN AN INDIVIDUAL'S OWN PERSONAL INTERST WOULD, OR MAY, INTERFERE WITH HIS OR HER IMPARTIALITY REGARDING THE MATTER. IF A CONFLICT EXISTS, THE PERSON MAY NOT BY PRESENT DURING DELIBERATIONS ON THE MATTER OR VOTE ON IT. THE BOARD OR COMMITTEE, AFTER CONDUCTING SUCH ADDITIONAL DUE DILIGENCE AS IT DETERMINES IS APPROPRIATE, SHALL MAKE A DECISION ON THE MATTER BASED UPON WHETHER THE PARTICULAR PROPOSAL IS FAIR, REASONABLE AND IN THE BEST INTEREST OF THE ORGANIZATION.

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

EXPLANATION: THE ORGANIZATION'S BOARD HAS ADOPTED A COMPENSATION POLICY (THE "POLICY") FOR COVERED INDIVIDUALS. PURSUANT TO THE POLICY, A COMPENSATION COMMITTEE OF INDEPENDENT DIRECTORS OF THE BOARD OF THE ORGANIZATION'S PARENT CORPORATION WAS ESTABLISHED TO REVIEW THE COMPENSATION OF ALL EMPLOYEES SPECIFIED AS HAVING A SUBSTANTIAL INFLUENCE OVER THE ORGANIZATION AND WHO RECEIVE REMUNERATION FROM THE ORGANIZATION. THE COMPENSATION COMMITTEE IS ADVISED BY AN INDEPENDENT COMPENSATION CONSULTANT, WHICH OPINES TO THE COMPENSATION COMMITTEE THAT THE LEVEL OF COMPENSATION PAID AND THE PROCESS BY WHICH COMPENSATION IS ESTABLISHED MEET APPLICABLE IRS REASONABLENESS AND "SAFE HARBOR" STANDARDS. THE OUTSIDE COMPENSATION CONSULTANT PROVIDES DATA OF COMPENSATION PROVIDED AT SIMILAR ORGANIZATIONS TO ENSURE THAT THE ORGANIZATION DOES NOT COMPENSATE IN EXCESS OF MARKET NORMS. MERCY HEALTH SERVICES, INC. (THE CORPORATION'S SOLE

Name of the organization

MERCY MEDICAL CENTER

Employer identification number

52-0591658

MEMBER) HAS A WRITTEN POLICY REGARDING THE REVIEW OF PHYSICIAN COMPENSATION TITLED "AMENDED AND RESTATED PHYSICIAN COMPENSATION REVIEW." THE POLICY APPLIES TO ALL MHS SUBSIDIARIES, INCLUDING THE CORPORATION, AND IT SETS OUT THE PROCESS AND PROCEDURES FOR ENSURING THAT PHYSICIAN COMPENSATION IS APPROPRIATELY REVIEWED AND DETERMINED TO BE CONSISTENT WITH FAIR MARKET VALUE. UNDER THE POLICY THE REVIEW AND DETERMINATION MUST BE DOCUMENTED IN WRITING. THE POLICY ADDRESSES INTERNAL REVIEWS THROUGH BENCHMARKING OF PHYSICIAN COMPENSATION AGAINST NATIONALLY RECOGNIZED COMPENSATION SURVEY DATA, THE USE OF INDEPENDENT COMPENSATION CONSULTANTS AND REVIEW BY THE MHS BOARD COMPENSATION COMMITTEE. THE POLICY FURTHER REQUIRES THAT ALL COMPENSATION REVIEWS BE PERFORMED IN ACCORDANCE WITH THE MHS CONFLICT OF INTEREST POLICY.

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

EXPLANATION: THE GOVERNING DOCUMENTS OF THE ORGANIZATION, ITS CONFLICTS OF INTEREST POLICY, AND ITS FINANCIAL STATEMENTS ARE AVAILABLE FROM THE ORGANIZATION UPON REQUEST.

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

| | |
|--------------------------------------|-------------|
| NET ASSETS TRANSFER TO AFFILIATES | -3,886,855. |
| CONTRIBUTION | -2,768,561. |
| CHANGE IN POST RETIREMENT OBLIGATION | -34,426. |
| ROUNDING | -10. |
| TOTAL TO FORM 990, PART XI, LINE 9 | -6,689,852. |

PART XI, QUESTIONS 2 AND 3 - AUDITS

EXPLANATION: MERCY HEALTH SYSTEM, INC. AND ITS SUBSIDIARIES INCLUDING

THE ORGANIZATION FILING THIS FORM 990, UNDERGO A CONSOLIDATED AUDIT OF

Name of the organization

MERCY MEDICAL CENTER

Employer identification number

52-0591658

THEIR FINANCIAL STATEMENT THAT COMPLIES WITH SINGLE AUDIT ACT/OMB
 CIRCULAR A-133 REQUIREMENTS DUE TO THE EXPENDITURE OF FEDERAL AWARDS.
 THE ACCOUNTING FIRM OF DIXON HUGHES GOODMAN LLP HAS ISSUED AN
 UNQUALIFIED OPINION REGARDING THE CONSOLIDATED FINANCIAL STATEMENTS IN
 CONFORMANCE WITH GENERALLY ACCEPTED AUDIT STANDARDS AND THE SINGLE
 AUDIT ACT/OMB CIRCULAR A-133 REQUIREMENTS FOR THE FISCAL YEAR THAT
 CORRESPONDS TO THE TAX REPORTING YEAR GOVERNED BY THIS FORM 990.

PART VI, LINE 1B

EXPLANATION: MERCY HEALTH SERVICES, INC. ("MHS"), A 501(C)(3)
 CORPORATION, IS THE SOLE MEMBER OF MERCY MEDICAL CENTER, INC. ("MMC").
 MHS IS GOVERNED BY A 28-PERSON BOARD OF TRUSTEES, OF WHOM 24 ARE
 INDEPENDENT BOARD MEMBERS. THE BOARD OF DIRECTORS OF MMC IS CURRENTLY
 MADE OF 6 DIRECTORS. THE PRESIDENT OF MHS SERVES AS AN EX OFFICIO
 MEMBER OF MMC'S BOARD AND THE BALANCE OF THE MMC BOARD MEMBERS ARE
 ELECTED BY, AND SUBJECT TO REMOVAL BY, THE BOARD OF TRUSTEES OF MHS.
 ONE OF THE MEMBERS OF THE MMC BOARD IS INDEPENDENT. SEVEN OF THE BOARD
 MEMBERS ARE COMPENSATED AS EMPLOYEES EITHER OF MMC OR A RELATED
 ORGANIZATION LISTED IN SCHEDULE R, PART II.

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

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

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

| | Yes | No |
|---|-----|----|
| 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 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

| (a) Name of related organization | (b) Transaction type (a-s) | (c) Amount involved | (d) Method of determining amount involved |
|--------------------------------------|-------------------------------|------------------------|--|
| (1) MERCY TRANSITIONAL CARE SERVICES | O | 1,991,014.FMV | |
| (2) MERCY TRANSITIONAL CARE SERVICES | R | 3,748,013.FMV | |
| (3) MERCY TRANSITIONAL CARE SERVICES | S | 1,536,093.FMV | |
| (4) STELLA MARIS INC | N | 1,204,042.FMV | |
| (5) STELLA MARIS INC | S | 603,875.FMV | |
| (6) SAINT PAUL PLACE SPECIALISTS INC | J | 636,747.FMV | |

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

| (a) Name of other organization | (b) Transaction type (a-r) | (c) Amount involved | (d) Method of determining amount involved |
|---------------------------------------|-------------------------------|------------------------|--|
| (7) SAINT PAUL PLACE SPECIALISTS INC | M | 280,000.FMV | |
| (8) SAINT PAUL PLACE SPECIALISTS INC | N | 102,457,825.FMV | |
| (9) SAINT PAUL PLACE SPECIALISTS INC | O | 64,162,126.FMV | |
| (10) SAINT PAUL PLACE SPECIALISTS INC | Q | 2,725,813.FMV | |
| (11) SAINT PAUL PLACE SPECIALISTS INC | R | 18,772,223.FMV | |
| (12) SAINT PAUL PLACE SPECIALISTS INC | S | 15,563,374.FMV | |
| (13) VASCULAR SERVICES | N | 753,076.FMV | |
| (14) VASCULAR SERVICES | O | 1,981,568.FMV | |
| (15) VASCULAR SERVICES | Q | 215,016.FMV | |
| (16) VASCULAR SERVICES | R | 2,086,496.FMV | |
| (17) VASCULAR SERVICES | S | 74,310.FMV | |
| (18) MARYLAND FAMILY CARE | H | 501,094.FMV | |
| (19) MARYLAND FAMILY CARE | J | 1,412,723.FMV | |
| (20) MARYLAND FAMILY CARE | M | 149,475.FMV | |
| (21) MARYLAND FAMILY CARE | N | 33,821,641.FMV | |
| (22) MARYLAND FAMILY CARE | O | 25,450,627.FMV | |
| (23) MARYLAND FAMILY CARE | Q | 462,366.FMV | |
| (24) MARYLAND FAMILY CARE | R | 4,720,203.FMV | |

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

| | (a) Name of other organization | (b) Transaction type (a-r) | (c) Amount involved | (d) Method of determining amount involved |
|------|-----------------------------------|-------------------------------|------------------------|--|
| (7) | MARYLAND FAMILY CARE | S | 7,684,651.FMV | |
| (8) | MERCY HEALTH FOUNDATION | N | 1,064,863.FMV | |
| (9) | MERCY HEALTH FOUNDATION | O | 1,167,554.FMV | |
| (10) | MERCY HEALTH FOUNDATION | S | 888,862.FMV | |
| (11) | MERCY HEALTH SERVICES | O | 2,392,509.FMV | |
| (12) | MERCY HEALTH SERVICES | N | 4,121,027.FMV | |
| (13) | MERCY HEALTH SERVICES | S | 219,921.FMV | |
| (14) | MERCY HEALTH SERVICES | M | 546,677.FMV | |
| (15) | MERCY HEALTH SERVICES | R | 6,466,613.FMV | |
| (16) | MERCY HEALTH SERVICES | S | 5,789,571.FMV | |
| (17) | | | | |
| (18) | | | | |
| (19) | | | | |
| (20) | | | | |
| (21) | | | | |
| (22) | | | | |
| (23) | | | | |
| (24) | | | | |

Part VII Supplemental Information

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

PART IV, IDENTIFICATION OF RELATED ORGANIZATIONS TAXABLE AS CORP OR TRUST:

NAME, ADDRESS, AND EIN OF RELATED ORGANIZATION:

GREENLEAF INSURANCE CO LTD

EIN: 52-0591658

PO BOX 1363

GRAND CAYMAN, CAYMAN ISLANDS, CAYMAN ISLANDS KY1-1108



TAX RETURN FILING INSTRUCTIONS

FORM 990-T

FOR THE YEAR ENDING

June 30, 2014

| | |
|---|--|
| Prepared for | Mercy Medical Center 301 St. Paul Place Baltimore, MD 21202 |
| Prepared by | Dixon Hughes Goodman LLP 111 Rockville Pike, 6th Floor Rockville, MD 20850 |
| Amount due or refund | No amount is due. |
| Make check payable to | No amount is due. |
| Mail tax return and check (if applicable) to | Department of the Treasury Internal Revenue Service Center Ogden, UT 84201-0027 |
| Return must be mailed on or before | May 15, 2015 |
| Special Instructions | <p>The return should be signed and dated.</p> <p>We recommend that you file your return using certified mail with a postmarked receipt for proof of timely filing. You should write the certified mail receipt number on the return in the margin near your signature prior to filing. You should also retain the certified mail receipt with your copy of the return.</p> |

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

For calendar year 2013 or other tax year beginning JUL 1, 2013, and ending JUN 30, 2014

2013

Department of the Treasury
Internal Revenue Service

▶ Information about Form 990-T and its instructions is available at www.irs.gov/form990t.
▶ 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 <input type="checkbox"/> Check box if address changed 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) | Print or Type | Name of organization (<input type="checkbox"/> Check box if name changed and see instructions.) MERCY MEDICAL CENTER Number, street, and room or suite no. If a P.O. box, see instructions. 301 ST. PAUL PLACE City or town, state or province, country, and ZIP or foreign postal code BALTIMORE, MD 21202 | D Employer identification number (Employees' trust, see instructions.) 52-0591658 E Unrelated business activity codes (See instructions.) 531120 561000 |
| C Book value of all assets at end of year 814,805,386. | | F Group exemption number (See instructions.) | 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 |

H Describe the organization's primary unrelated business activity. ▶ **SEE STATEMENT 1**

I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsiidiary controlled group? ▶ Yes No
 If "Yes," enter the name and identifying number of the parent corporation. ▶ **SEE STATEMENT 3**

J The books are in care of ▶ **JUSTIN DEIBEL** Telephone number ▶ **410-659-2905**

| Part I Unrelated Trade or Business Income | (A) Income | (B) Expenses | (C) Net |
|--|--------------------|--------------|-----------------|
| 1a Gross receipts or sales 617,882. | | | |
| b Less returns and allowances c Balance ▶ | 1c 617,882. | | |
| 2 Cost of goods sold (Schedule A, line 7) | 2 | | |
| 3 Gross profit. Subtract line 2 from line 1c | 3 617,882. | | 617,882. |
| 4a Capital gain net income (attach Form 8949 and Schedule D) | 4a | | |
| b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797) | 4b | | |
| c Capital loss deduction for trusts | 4c | | |
| 5 Income (loss) from partnerships and S corporations (attach statement) | 5 | | |
| 6 Rent income (Schedule C) | 6 | | |
| 7 Unrelated debt-financed income (Schedule E) | 7 | | |
| 8 Interest, annuities, royalties, and rents from controlled organizations (Sch. F) | 8 | | |
| 9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G) | 9 | | |
| 10 Exploited exempt activity income (Schedule I) | 10 | | |
| 11 Advertising income (Schedule J) | 11 | | |
| 12 Other income (See instructions; attach schedule.) | 12 | | |
| 13 Total. Combine lines 3 through 12 | 13 617,882. | | 617,882. |

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

| | | |
|--|-----|------------------|
| 14 Compensation of officers, directors, and trustees (Schedule K) | 14 | |
| 15 Salaries and wages | 15 | 347,277. |
| 16 Repairs and maintenance | 16 | |
| 17 Bad debts | 17 | |
| 18 Interest (attach schedule) | 18 | |
| 19 Taxes and licenses | 19 | |
| 20 Charitable contributions (See instructions for limitation rules.) | 20 | |
| 21 Depreciation (attach Form 4562) | 21 | |
| 22 Less depreciation claimed on Schedule A and elsewhere on return | 22a | 22b |
| 23 Depletion | 23 | |
| 24 Contributions to deferred compensation plans | 24 | |
| 25 Employee benefit programs | 25 | |
| 26 Excess exempt expenses (Schedule I) | 26 | |
| 27 Excess readership costs (Schedule J) | 27 | |
| 28 Other deductions (attach schedule) SEE STATEMENT 2 | 28 | 528,813. |
| 29 Total deductions. Add lines 14 through 28 | 29 | 876,090. |
| 30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13 | 30 | -258,208. |
| 31 Net operating loss deduction (limited to the amount on line 30) | 31 | |
| 32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30 | 32 | -258,208. |
| 33 Specific deduction (Generally \$1,000, but see instructions for exceptions.) | 33 | 1,000. |
| 34 Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32 | 34 | -258,208. |

Part III Tax Computation

35 Organizations Taxable as Corporations. See instructions for tax computation. Controlled group members (sections 1561 and 1563) check here... 36 Trusts Taxable at Trust Rates. See instructions for tax computation. Income tax on the amount on line 34 from: 37 Proxy tax. See instructions. 38 Alternative minimum tax. 39 Total. Add lines 37 and 38 to line 35c or 36, whichever applies.

Part IV Tax and Payments

40a Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116). 40b Other credits (see instructions). 40c General business credit. Attach Form 3800. 40d Credit for prior year minimum tax (attach Form 8801 or 8827). 40e Total credits. Add lines 40a through 40d. 41 Subtract line 40e from line 39. 42 Other taxes. Check if from: Form 4255, Form 8611, Form 8697, Form 8866, Other (attach schedule). 43 Total tax. Add lines 41 and 42. 44a Payments: A 2012 overpayment credited to 2013. 44b 2013 estimated tax payments. 44c Tax deposited with Form 8868. 44d Foreign organizations: Tax paid or withheld at source (see instructions). 44e Backup withholding (see instructions). 44f Credit for small employer health insurance premiums (Attach Form 8941). 44g Other credits and payments: Form 2439, Form 4136, Other. Total. 45 Total payments. Add lines 44a through 44g. 46 Estimated tax penalty (see instructions). Check if Form 2220 is attached. 47 Tax due. If line 45 is less than the total of lines 43 and 46, enter amount owed. 48 Overpayment. If line 45 is larger than the total of lines 43 and 46, enter amount overpaid. 49 Enter the amount of line 48 you want: Credited to 2014 estimated tax, Refunded.

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

1 At any time during the 2013 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 Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here. 2 During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? 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.

Schedule A - Cost of Goods Sold. Enter method of inventory valuation N/A

1 Inventory at beginning of year. 2 Purchases. 3 Cost of labor. 4a Additional section 263A costs (att. schedule). 4b Other costs (attach schedule). 5 Total. Add lines 1 through 4b. 6 Inventory at end of year. 7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2. 8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?

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.

Sign Here: Signature of officer, Date, CFO Title. May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

Paid Preparer Use Only: Print/Type preparer's name, Preparer's signature, Date, Check if self-employed, PTIN, Firm's name, Firm's EIN, Firm's address, Phone no.

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)(see instructions)

1. Description of property

| |
|---------------------|
| (1) MEDI SPA |
| (2) |
| (3) |
| (4) |

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) | 3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule) |
|---|---|---|
| (1) | | |
| (2) | | |
| (3) | | |
| (4) | | |
| Total 0. | Total 0. | |

(c) **Total income.** Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) **0.**

(b) **Total deductions.** Enter here and on page 1, Part I, line 6, column (B) **0.**

Schedule E - Unrelated Debt-Financed Income (see instructions)

| 1. Description of debt-financed property | 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 schedule) | (b) Other deductions (attach schedule) | |
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| 4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule) | 5. Average adjusted basis of or allocable to debt-financed property (attach schedule) | 6. Column 4 divided by column 5 | 7. Gross income reportable (column 2 x column 6) | 8. Allocable deductions (column 6 x total of columns 3(a) and 3(b)) |
| (1) | | % | | |
| (2) | | % | | |
| (3) | | % | | |
| (4) | | % | | |
| Totals | | | Enter here and on page 1, Part I, line 7, column (A). 0. | Enter here and on page 1, Part I, line 7, column (B). 0. |
| Total dividends-received deductions included in column 8 | | | 0. | 0. |

Schedule F - 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) | | | | | |

Nonexempt Controlled Organizations

| 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) | | | | |
| Totals | | | Add columns 9 and 10. Enter here and on page 1, Part I, line 8, column (A). 0. | Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B). 0. |

Schedule G - 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 schedule) | 4. Set-asides (attach schedule) | 5. Total deductions and set-asides (col. 3 plus col. 4) |
|--------------------------|---------------------|--|---------------------------------|---|
| (1) | | | | |
| (2) | | | | |
| (3) | | | | |
| (4) | | | | |
| Totals | 0. | | | 0. |

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income

(see instructions)

| 1. Description of exploited activity | 2. Gross unrelated business income from trade or business | 3. Expenses directly connected with production of unrelated business income | 4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7. | 5. Gross income from activity that is not unrelated business income | 6. Expenses attributable to column 5 | 7. Excess exempt expenses (column 6 minus column 5, but not more than column 4). |
|--------------------------------------|---|---|--|---|--------------------------------------|--|
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| Totals | 0. | 0. | | | | 0. |

Schedule J - Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

| 1. Name of periodical | 2. Gross advertising income | 3. Direct advertising costs | 4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7. | 5. Circulation income | 6. Readership costs | 7. Excess readership costs (column 6 minus column 5, but not more than column 4). |
|--|-----------------------------|-----------------------------|--|-----------------------|---------------------|---|
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| Totals (carry to Part II, line (5)) | 0. | 0. | | | | 0. |

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

| 1. Name of periodical | 2. Gross advertising income | 3. Direct advertising costs | 4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7. | 5. Circulation income | 6. Readership costs | 7. Excess readership costs (column 6 minus column 5, but not more than column 4). |
|------------------------------------|-----------------------------|-----------------------------|--|-----------------------|---------------------|---|
| (1) | | | | | | |
| (2) | | | | | | |
| (3) | | | | | | |
| (4) | | | | | | |
| Totals from Part I | 0. | 0. | | | | 0. |
| Totals, Part II (lines 1-5) | 0. | 0. | | | | 0. |

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)

| 1. Name | 2. Title | 3. Percent of time devoted to business | 4. Compensation attributable to unrelated business |
|--|----------|--|--|
| (1) | | % | |
| (2) | | % | |
| (3) | | % | |
| (4) | | % | |
| Total. Enter here and on page 1, Part II, line 14 | | | 0. |

Information Return of U.S. Persons With Respect To Certain Foreign Corporations

(Rev. December 2012)

Department of the Treasury
Internal Revenue Service

► For more information about Form 5471, see www.irs.gov/form5471.

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning **JUL 1**, 2013, and ending **JUN 30**, 2014

Attachment
Sequence No. **121**

| | |
|---|--|
| Name of person filing this return MERCY MEDICAL CENTER <small>Number, street, and room or suite no. (or P.O. box number if mail is not delivered to street address)</small> 301 ST. PAUL PLACE <small>City or town, state, and ZIP code</small> BALTIMORE, MD 21202 | A Identifying number 52-0591658 B Category of filer (See instructions. Check applicable box(es)): 1 (repealed) 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input checked="" type="checkbox"/> C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period 100.00 % |
| Filer's tax year beginning JUL 1 , 2013, and ending JUN 30 , 2014 | |

D Person(s) on whose behalf this information return is filed:

| (1) Name | (2) Address | (3) Identifying number | (4) Check applicable box(es) | | |
|----------|-------------|------------------------|------------------------------|---------|----------|
| | | | Shareholder | Officer | Director |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

Important: Fill in all applicable lines and schedules. All information must be in English. All amounts must be stated in U.S. dollars unless otherwise indicated.

| | | | | |
|--|--|---|--|--|
| 1a Name and address of foreign corporation GREENLEAF INSURANCE COMPANY, LTD. P O BOX 1363 GRAND CAYMAN KY1-1108 CAYMAN ISLANDS | b(1) Employer identification number, if any 98-0206045 b(2) Reference ID number (see instructions) c Country under whose laws incorporated CAYMAN ISLANDS | | | |
| d Date of incorporation 06/27/97 | e Principal place of business GRAND CAYMAN CAYMAN ISLANDS | f Principal business activity code number 524290 | g Principal business activity OTHER INSURANCE | h Functional currency UNITED STATES, DOLLAR |

2 Provide the following information for the foreign corporation's accounting period stated above.

| | | | | | |
|---|---|-------------------------------------|--|--|--|
| a Name, address, and identifying number of branch office or agent (if any) in the United States | b If a U.S. income tax return was filed, enter: <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;">(i) Taxable income or (loss)</td> <td style="width:50%;">(ii) U.S. income tax paid (after all credits)</td> </tr> <tr> <td> </td> <td> </td> </tr> </table> | (i) Taxable income or (loss) | (ii) U.S. income tax paid (after all credits) | | |
| (i) Taxable income or (loss) | (ii) U.S. income tax paid (after all credits) | | | | |
| | | | | | |
| c Name and address of foreign corporation's statutory or resident agent in country of incorporation GLOBAL CAPTIVE MANAGEMENT LTD P O BOX 1363 GRAND CAYMAN KY1-1108 CAYMAN ISLANDS | d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different SAME AS 2C | | | | |

| Schedule A Stock of the Foreign Corporation | | |
|--|---|--------------------------------------|
| (a) Description of each class of stock | (b) Number of shares issued and outstanding | |
| | (i) Beginning of annual accounting period | (ii) End of annual accounting period |
| COMMON | 120,000 | 120,000 |
| | | |
| | | |
| | | |

Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued

| | (a) Name of country or U.S. possession | Amount of tax | | |
|---|---|----------------------------|------------------------|------------------------|
| | | (b) In foreign currency | (c) Conversion rate | (d) In U.S. dollars |
| 1 | U.S. | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | | | |
| 8 | Total | | | |

Schedule F Balance Sheet

Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See instructions for an exception for DASTM corporations.

| Assets | | (a) | (b) |
|--|-----|---------------------------------------|---------------------------------|
| | | Beginning of annual accounting period | End of annual accounting period |
| 1 Cash | 1 | 9,921,715. | 9,065,375. |
| 2a Trade notes and accounts receivable | 2a | | |
| b Less allowance for bad debts | 2b | () | () |
| 3 Inventories | 3 | | |
| 4 Other current assets (attach statement) SEE STATEMENT 5 | 4 | 10,775,223. | 6,951,163. |
| 5 Loans to shareholders and other related persons | 5 | | |
| 6 Investment in subsidiaries (attach statement) | 6 | | |
| 7 Other investments (attach statement) SEE STATEMENT 6 | 7 | 42,790,270. | 47,995,686. |
| 8a Buildings and other depreciable assets | 8a | | |
| b Less accumulated depreciation | 8b | () | () |
| 9a Depletable assets | 9a | | |
| b Less accumulated depletion | 9b | () | () |
| 10 Land (net of any amortization) | 10 | | |
| 11 Intangible assets: | | | |
| a Goodwill | 11a | | |
| b Organization costs | 11b | | |
| c Patents, trademarks, and other intangible assets | 11c | | |
| d Less accumulated amortization for lines 11a, b, and c | 11d | () | () |
| 12 Other assets (attach statement) | 12 | | |
| 13 Total assets | 13 | 63,487,208. | 64,012,224. |
| Liabilities and Shareholders' Equity | | | |
| 14 Accounts payable | 14 | 59,855. | 61,246. |
| 15 Other current liabilities (attach statement) SEE STATEMENT 7 | 15 | 1,374,589. | 6,445,573. |
| 16 Loans from shareholders and other related persons | 16 | | |
| 17 Other liabilities (attach statement) SEE STATEMENT 8 | 17 | 58,204,954. | 51,598,687. |
| 18 Capital stock: | | | |
| a Preferred stock | 18a | | |
| b Common stock | 18b | 120,000. | 120,000. |
| 19 Paid-in or capital surplus (attach reconciliation) | 19 | 773,380. | 4,772,502. |
| 20 Retained earnings | 20 | 2,954,430. | 1,014,216. |
| 21 Less cost of treasury stock | 21 | () | () |
| 22 Total liabilities and shareholders' equity | 22 | 63,487,208. | 64,012,224. |

Form 5471 (Rev. 12-2012)

Schedule G Other Information

- 1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership?
2 During the tax year, did the foreign corporation own an interest in any trust?
3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners...
4 During the tax year, was the foreign corporation a participant in any cost sharing arrangement?
5 During the course of the tax year, did the foreign corporation become a participant in any cost sharing arrangement?
6 During the tax year, did the foreign corporation participate in any reportable transaction as defined in Regulations section 1.6011-4?
7 During the tax year, did the foreign corporation pay or accrue any foreign tax that was disqualified for credit under section 901(m)?
8 During the tax year, did the foreign corporation pay or accrue foreign taxes to which section 909 applies, or treat foreign taxes that were previously suspended under section 909 as no longer suspended?

Schedule H Current Earnings and Profits

Important: Enter the amounts on lines 1 through 5c in functional currency.

Table with columns for line numbers, descriptions, and amounts. Includes sub-table for Net Additions and Net Subtractions. Line 1: -1,940,214. Line 3: 19,495,069. Line 4: 17,820,269. Line 5a: -265,414. Line 5c: -265,414.

Schedule I Summary of Shareholder's Income From Foreign Corporation

If item D on page 1 is completed, a separate Schedule I must be filed for each Category 4 or 5 filer for whom reporting is furnished on this Form 5471. This schedule I is being completed for:

Table with columns for Name of U.S. shareholder (MERCY MEDICAL CENTER, INC.), Identifying number (52-0591658), and line numbers 1 through 8.

- Was any income of the foreign corporation blocked?
Did any such income become unblocked during the tax year (see section 964(b))?

If the answer to either question is "Yes," attach an explanation.

| | | | |
|-----------|------------------|-----------|---|
| FORM 5471 | OTHER DEDUCTIONS | STATEMENT | 4 |
|-----------|------------------|-----------|---|

| DESCRIPTION | FUNCTIONAL CURRENCY | EXCHANGE RATE | U.S. DOLLAR |
|------------------------------------|------------------------|------------------|-------------|
| UNDERWRITING EXPENSES | | | 20,979,641. |
| ADMINISTRATIVE EXPENSES | | | 305,642. |
| TOTAL TO 5471, SCHEDULE C, LINE 16 | | | 21,285,283. |

| | | | |
|-----------|----------------------|-----------|---|
| FORM 5471 | OTHER CURRENT ASSETS | STATEMENT | 5 |
|-----------|----------------------|-----------|---|

| DESCRIPTION | BEG. OF ANNUAL ACCOUNTING PERIOD | END OF ANNUAL ACCOUNTING PERIOD |
|--|--|---------------------------------------|
| PREPAID EXPENSES | 6,394. | 6,394. |
| INTEREST RECEIVABLE | 135,363. | 162,849. |
| PROVISION FOR OUTSTANDING LOSS RECOVERABLE | 10,017,821. | 4,150,485. |
| INSURANCE BALANCE RECEIVABLE | 607,053. | 0. |
| REINSURANCE BALANCE RECEIVABLE | 8,592. | 2,631,435. |
| TOTAL TO 5471, PAGE 3, SCHEDULE F, LINE 4 | | 6,951,163. |

| | | | |
|-----------|-------------------|-----------|---|
| FORM 5471 | OTHER INVESTMENTS | STATEMENT | 6 |
|-----------|-------------------|-----------|---|

| DESCRIPTION | BEG. OF ANNUAL ACCOUNTING PERIOD | END OF ANNUAL ACCOUNTING PERIOD |
|---|--|---------------------------------------|
| MORTGAGE BACKED SECURITIES | 10,241,846. | 428,118. |
| US CORPORATE DEBT SECURITIES | 10,389,497. | 9,847,547. |
| EXCHANGE TRADED FUNDS | 7,131,356. | 6,774,959. |
| US TREASURY SECURITIES | 8,445,939. | 14,347,150. |
| MUTUAL FUNDS | 6,581,632. | 16,597,912. |
| TOTAL TO 5471, PAGE 3, SCHEDULE F, LINE 7 | | 47,995,686. |

| FORM 5471 | OTHER CURRENT LIABILITIES | STATEMENT | 7 |
|--|----------------------------------|---------------------------------|---|
| DESCRIPTION | BEG. OF ANNUAL ACCOUNTING PERIOD | END OF ANNUAL ACCOUNTING PERIOD | |
| LOSSES PAYABLE | 1,374,589. | 6,445,573. | |
| TOTAL TO 5471, PAGE 3, SCHEDULE F, LINE 15 | 1,374,589. | 6,445,573. | |

| FORM 5471 | OTHER LIABILITIES | STATEMENT | 8 |
|--|----------------------------------|---------------------------------|---|
| DESCRIPTION | BEG. OF ANNUAL ACCOUNTING PERIOD | END OF ANNUAL ACCOUNTING PERIOD | |
| PROVISION FOR OUTSTANDING LOSSES | 58,204,954. | 51,598,687. | |
| TOTAL TO 5471, PAGE 3, SCHEDULE F, LINE 17 | 58,204,954. | 51,598,687. | |

| FORM 5471 | OTHER NET ADJUSTMENTS | STATEMENT | 9 |
|--|-----------------------|------------------|---|
| DESCRIPTION | NET ADDITIONS | NET SUBTRACTIONS | |
| RELATED PARTY PREMIUM ADJUSTMENT | | 16,207,000. | |
| RELATED PARTY CLAIMS PAID | 19,495,069. | | |
| TOTAL TO 5471, PAGE 4, SCHEDULE H, LINE 2H | 19,495,069. | 16,207,000. | |

**SCHEDULE J
(Form 5471)**

(Rev. December 2012)
Department of the Treasury
Internal Revenue Service

**Accumulated Earnings and Profits (E&P)
of Controlled Foreign Corporation**

► Information about Schedule J (Form 5471) and its instructions is at www.irs.gov/form5471.
► Attach to Form 5471.

OMB No. 1545-0704

Name of person filing Form 5471

Identifying number

MERCY MEDICAL CENTER

52-0591658

Name of foreign corporation

Reference ID number

EIN (if any)

GREENLEAF INSURANCE COMPANY, LTD.

98-0206045

| | (a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance) | (b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance) | (c) Previously Taxed E&P (sections 959(c)(1) and (2) balances) | | (d) Total Section 964(a) E&P (combine columns (a), (b), and (c)) |
|---|---|---|---|--|---|
| | | | (i) Earnings Invested in U.S. Property | (ii) Earnings Invested in Excess Passive Assets | |
| 1 Balance at beginning of year | - 4,455,251. | | | | - 4,455,251. |
| 2a Current year E&P | | | | | |
| b Current year deficit in E&P | 265,414. | | | | |
| 3 Total current and accumulated E&P not previously taxed (line 1 plus line 2a or line 1 minus line 2b) | - 4,720,665. | | | | |
| 4 Amounts included under section 951(a) or reclassified under section 959(c) in current year | | | | | |
| 5a Actual distributions or reclassifications of previously taxed E&P | | | | | |
| b Actual distributions of nonpreviously taxed E&P | | | | | |
| 6a Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a) | | | | | |
| b Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b) | - 4,720,665. | | | | |
| 7 Balance at end of year. (Enter amount from line 6a or line 6b, whichever is applicable.) | - 4,720,665. | | | | - 4,720,665. |

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule J (Form 5471) (Rev. 12-2012)

**Transactions Between Controlled Foreign Corporation
and Shareholders or Other Related Persons**

OMB No. 1545-0704

► Information about Schedule M (Form 5471) and its instructions is at www.irs.gov/form5471.
► Attach to Form 5471.

| | |
|--|---|
| Name of person filing Form 5471 MERCY MEDICAL CENTER | Identifying number 52-0591658 |
|--|---|

| | | |
|---|-----------------------------------|---------------------|
| Name of foreign corporation GREENLEAF INSURANCE COMPANY, LTD. | EIN (if any) 98-0206045 | Reference ID number |
|---|-----------------------------------|---------------------|

Important: Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ► **UNITED STATES, DOLLAR**

| (a) Transactions of foreign corporation | (b) U.S. person filing this return | (c) Any domestic corporation or partnership controlled by U.S. person filing this return | (d) Any other foreign corporation or partnership controlled by U.S. person filing this return | (e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return) | (f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation |
|--|------------------------------------|--|---|--|---|
| 1 Sales of stock in trade (inventory) ... | | | | | |
| 2 Sales of tangible property other than stock in trade | | | | | |
| 3 Sales of property rights (patents, trademarks, etc.) | | | | | |
| 4 Platform contribution transaction payments received | | | | | |
| 5 Cost sharing transaction payments received | | | | | |
| 6 Compensation received for technical, managerial, engineering, construction, or like services | | | | | |
| 7 Commissions received | | | | | |
| 8 Rents, royalties, and license fees received | | | | | |
| 9 Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income) | | | | | |
| 10 Interest received | | | | | |
| 11 Premiums received for insurance or reinsurance | 1,552,000. | | | | |
| 12 Add lines 1 through 11 | 1,552,000. | | | | |
| 13 Purchases of stock in trade (inventory) | | | | | |
| 14 Purchases of tangible property other than stock in trade | | | | | |
| 15 Purchases of property rights (patents, trademarks, etc.) | | | | | |
| 16 Platform contribution transaction payments paid | | | | | |
| 17 Cost sharing transaction payments paid | | | | | |
| 18 Compensation paid for technical, managerial, engineering, construction, or like services | | | | | |
| 19 Commissions paid | | | | | |
| 20 Rents, royalties, and license fees paid | | | | | |
| 21 Dividends paid | | | | | |
| 22 Interest paid | | | | | |
| 23 Premiums paid for insurance or reinsurance | | | | | |
| 24 Add lines 13 through 23 | | | | | |
| 25 Amounts borrowed (enter the maximum loan balance during the year) - see instr. | | | | | |
| 26 Amounts loaned (enter the maximum loan balance during the year) - see instr. | | | | | |

**Return by a U.S. Transferor of Property
 to a Foreign Corporation**

OMB No. 1545-0026

▶ Information about Form 926 and its separate instructions is at www.irs.gov/form926.
 ▶ Attach to your income tax return for the year of the transfer or distribution.

Attachment
 Sequence No. **128**

Part I U.S. Transferor Information (see instructions)

| | |
|---|--|
| Name of transferor MERCY MEDICAL CENTER | Identifying number (see instructions) 52-0591658 |
|---|--|

- 1** If the transferor was a corporation, complete questions 1a through 1d.
- a** If the transfer was a section 361(a) or (b) transfer, was the transferor controlled (under section 368(c)) by 5 or fewer domestic corporations? Yes No
- b** Did the transferor remain in existence after the transfer? Yes No
- If not, list the controlling shareholder(s) and their identifying number(s):

| Controlling shareholder | Identifying number |
|-------------------------|--------------------|
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

- c** If the transferor was a member of an affiliated group filing a consolidated return, was it the parent corporation? Yes No
- If not, list the name and employer identification number (EIN) of the parent corporation:

| Name of parent corporation | EIN of parent corporation |
|----------------------------|---------------------------|
| | |

- d** Have basis adjustments under section 367(a)(5) been made? Yes No

- 2** If the transferor was a partner in a partnership that was the actual transferor (but is not treated as such under section 367), complete questions 2a through 2d.

- a** List the name and EIN of the transferor's partnership:

| Name of partnership | EIN of partnership |
|---------------------|--------------------|
| | |

- b** Did the partner pick up its pro rata share of gain on the transfer of partnership assets? Yes No
- c** Is the partner disposing of its **entire** interest in the partnership? Yes No
- d** Is the partner disposing of an interest in a limited partnership that is regularly traded on an established securities market? Yes No

Part II Transferee Foreign Corporation Information (see instructions)

| | |
|---|---|
| 3 Name of transferee (foreign corporation) GREENLEAF INSURANCE COMPANY, LTD. | 4a Identifying number, if any 98-0206045 |
| 5 Address (including country) P O BOX 1363 GRAND CAYMAN, KY1-1108 CAYMAN ISLANDS | 4b Reference ID number |
| 6 Country code of country of incorporation or organization CJ | |
| 7 Foreign law characterization (see instructions) CORPORATION | |

- 8** Is the transferee foreign corporation a controlled foreign corporation? Yes No

Part III Information Regarding Transfer of Property (see instructions)

| Type of property | (a) Date of transfer | (b) Description of property | (c) Fair market value on date of transfer | (d) Cost or other basis | (e) Gain recognized on transfer |
|--|-------------------------|--------------------------------|--|----------------------------|------------------------------------|
| Cash | | | 20,813,175. | | |
| Stock and securities | | | | | |
| Installment obligations, account receivables or similar property | | | | | |
| Foreign currency or other property denominated in foreign currency | | | | | |
| Inventory | | | | | |
| Assets subject to depreciation recapture (see Temp. Regs. sec. 1.367(a)-4T(b)) | | | | | |
| Tangible property used in trade or business not listed under another category | | | | | |
| Intangible property | | | | | |
| Property to be leased (as described in final and temp. Regs. sec. 1.367(a)-4(c)) | | | | | |
| Property to be sold (as described in Temp. Regs. sec. 1.367(a)-4T(d)) | | | | | |
| Transfers of oil and gas working interests (as described in Temp. Regs. sec. 1.367(a)-4T(e)) | | | | | |
| Other property | | | | | |

Supplemental Information Required To Be Reported (see instructions):

Part IV Additional Information Regarding Transfer of Property (see instructions)

9 Enter the transferor's interest in the foreign transferee corporation before and after the transfer:

(a) Before 100.0000 % (b) After 100.0000 %

10 Type of nonrecognition transaction (see instructions) ► IRC SECTION 351

11 Indicate whether any transfer reported in Part III is subject to any of the following:

- a Gain recognition under section 904(f)(3) Yes No
- b Gain recognition under section 904(f)(5)(F) Yes No
- c Recapture under section 1503(d) Yes No
- d Exchange gain under section 987 Yes No

12 Did this transfer result from a change in the classification of the transferee to that of a foreign corporation? Yes No

13 Indicate whether the transferor was required to recognize income under final and Temporary Regulations sections 1.367(a)-4 through 1.367(a)-6 for any of the following:

- a Tainted property Yes No
- b Depreciation recapture Yes No
- c Branch loss recapture Yes No
- d Any other income recognition provision contained in the above-referenced regulations Yes No

14 Did the transferor transfer assets which qualify for the trade or business exception under section 367(a)(3)? Yes No

15a Did the transferor transfer foreign goodwill or going concern value as defined in Temporary Regulations section 1.367(a)-1T(d)(5)(iii)? Yes No

b If the answer to line 15a is "Yes," enter the amount of foreign goodwill or going concern value transferred ► \$ _____

16 Was cash the only property transferred? Yes No

17a Was intangible property (within the meaning of section 936(h)(3)(B)) transferred as a result of the transaction? Yes No

b If "Yes," describe the nature of the rights to the intangible property that was transferred as a result of the transaction:

• If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** and check this box **X**

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

• If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).
 Enter filer's identifying number, see instructions

| | | |
|---|--|--|
| Type or print <small>File by the due date for filing your return. See instructions.</small> | Name of exempt organization or other filer, see instructions. MERCY MEDICAL CENTER | Employer identification number (EIN) or 52-0591658 |
| | Number, street, and room or suite no. If a P.O. box, see instructions. 301 ST. PAUL PLACE | Social security number (SSN) |
| | City, town or post office, state, and ZIP code. For a foreign address, see instructions. BALTIMORE, MD 21202 | |

Enter the Return code for the return that this application is for (file a separate application for each return)

| Application Is For | Return Code | Application Is For | Return Code |
|--|-------------|-----------------------------------|-------------|
| Form 990 or Form 990-EZ | 01 | | |
| Form 990-BL | 02 | Form 1041-A | 08 |
| Form 4720 (individual) | 03 | Form 4720 (other than individual) | 09 |
| Form 990-PF | 04 | Form 5227 | 10 |
| Form 990-T (sec. 401(a) or 408(a) trust) | 05 | Form 6069 | 11 |
| Form 990-T (trust other than above) | 06 | Form 8870 | 12 |

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

JUSTIN DEIBEL

• The books are in the care of **301 ST. PAUL PLACE - BALTIMORE, MD 21202**
 Telephone No. **410-659-2905** Fax No.

• If the organization does not have an office or place of business in the United States, check this box

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until **MAY 15, 2015**.

5 For calendar year , or other tax year beginning **JUL 1, 2013**, and ending **JUN 30, 2014**.

6 If the tax year entered in line 5 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

7 State in detail why you need the extension
NEED ADDITIONAL INFORMATION TO COMPLETE RETURN

| | | | |
|---|-----------|----|-----------|
| 8a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. | 8a | \$ | 0. |
| b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868. | 8b | \$ | 0. |
| c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. | 8c | \$ | 0. |

Signature and Verification must be completed for Part II only.

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature Title Date