

Return of Organization Exempt From Income Tax

2012

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

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

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

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 SHEPPARD PRATT HEALTH SYSTEM, INC.		D Employer identification number 52-0591684
	Doing Business As		E Telephone number 410-938-3344
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	G Gross receipts \$ 217,893,450.
	City, town, or post office, state, and ZIP code BALTIMORE, MD 21285		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ▶
F Name and address of principal officer: PATRICIA PINKERTON SAME AS C ABOVE		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.SHEPPARDPRATT.ORG			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: 1938 M State of legal domicile: MD	

Part I Summary			
Activities & Governance	1 Briefly describe the organization's mission or most significant activities: PROVIDE INPATIENT BEHAVIORAL HEALTH CARE. PROVIDE RELATED BEHAVIORAL, SPECIAL EDUCATION, AND		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	27
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	26
	5 Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	3162
	6 Total number of volunteers (estimate if necessary)	6	506
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	381,101.
b Net unrelated business taxable income from Form 990-T, line 34	7b	-294,646.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	5,056,696.	4,505,878.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	180,808,228.	188,155,034.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,701,463.	2,643,134.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	6,730,311.	5,978,288.
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	194,296,698.	201,282,334.	
Expenses	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)	0.	0.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	115,479,308.	121,073,292.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 511,232.	0.	0.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	74,345,121.	67,782,257.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	189,824,429.	188,855,549.
19 Revenue less expenses. Subtract line 18 from line 12	4,472,269.	12,426,785.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	269,805,711.	282,424,486.
	22 Net assets or fund balances. Subtract line 21 from line 20	162,672,157.	144,961,587.
		107,133,554.	137,462,899.

Part II Signature Block				
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.				
Sign Here	▶ Signature of officer	Date		
	▶ PATRICIA PINKERTON, CFO	Type or print name and title		
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN
	LORI S. BURGHAUSER	LORI S. BURGHAUSER	04/29/14	P00370694
	Firm's name ▶ SC&H TAX & ADVISORY SERVICES, LLC	Firm's EIN ▶ 41-2069731	Phone no. 410-403-1500	
	Firm's address ▶ 910 RIDGEBROOK ROAD SPARKS, MD 21152			

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 to any question in this Part III [X]

1 Briefly describe the organization's mission: SHEPPARD PRATT, A NOT-FOR-PROFIT BEHAVIORAL HEALTH SYSTEM, IS DEDICATED TO THE IMPROVEMENT OF QUALITY OF LIFE IN COMMUNITIES BY SERVING THE BEHAVIORAL HEALTH AND SPECIAL EDUCATION NEEDS OF INDIVIDUALS, FAMILIES AND ORGANIZATIONS.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [X] Yes [] No

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

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

4a (Code:) (Expenses \$ 170,248,310. including grants of \$) (Revenue \$ 191,618,416.) SHEPPARD PRATT HEALTH SYSTEM PROVIDES INPATIENT BEHAVIORAL HEALTH CARE, OUTPATIENT/ANCILLARY CARE, RESIDENTIAL SERVICES, SPECIAL EDUCATION TO STUDENTS AND RESIDENCY TRAINING PROGRAMS.

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 170,248,310.

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 assistance to any organization or entity located outside the United States? <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 assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	X	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	X	

Part IV Checklist of Required Schedules (continued)

		Yes	No
21	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <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 25</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	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," 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>		
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? Note. All Form 990 filers are required to complete Schedule O	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Form 990 (2012) with questions 1a through 14b regarding tax compliance, including employee counts, foreign accounts, and charitable contributions.

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

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

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a (27), 1b (26), 2, 3, 4, 5, 6, 7a, 7b, 8a, 8b, 9.

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 include: 10a, 10b, 11a, 11b, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, 16b.

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: DONNA CORBETT - (410) 938-3344 6501 NORTH CHARLES STREET, TOWSON, MD 21285

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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) DR. W. BYRON FORBUSH CHAIRPERSON	1.00	X		X				0.	0.	0.
(2) JOHN E. CARNELL VICE CHAIRPERSON	1.00	X		X				0.	0.	0.
(3) TIMOTHY R. HEARN VICE CHAIRPERSON	1.00	X		X				0.	0.	0.
(4) HONORABLE J. FREDERICK MOTZ VICE CHAIRPERSON	1.00	X		X				0.	0.	0.
(5) ALFRED SINGER VICE CHAIRPERSON	1.00	X		X				0.	0.	0.
(6) MARGARET ALLEN TRUSTEE	1.00	X						0.	0.	0.
(7) EMILE A. BENDIT, M.D. TRUSTEE	1.00	X						0.	0.	0.
(8) THOMAS BONOMO TRUSTEE	1.00	X						0.	0.	0.
(9) S. WINFIELD CAIN TRUSTEE	1.00	X						0.	0.	0.
(10) SUSAN FENIMORE TRUSTEE	1.00	X						0.	0.	0.
(11) LAURA GAMBLE TRUSTEE	1.00	X						0.	0.	0.
(12) ALAN GAMSE TRUSTEE	1.00	X						0.	0.	0.
(13) BOB HAMILTON TRUSTEE	1.00	X						0.	0.	0.
(14) H. THOMAS HOWELL TRUSTEE	1.00	X						0.	0.	0.
(15) KENNETH JONES TRUSTEE	1.00	X						0.	0.	0.
(16) NORMA PEDEN KILLEBREW TRUSTEE	1.00	X						0.	0.	0.
(17) CHARLES E. KNUDSEN TRUSTEE	1.00	X						0.	0.	0.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) ROBERT KRESSLEIN TRUSTEE	1.00	X					0.	0.	0.	
(19) BRIAN LE GETTE TRUSTEE	1.00	X					0.	0.	0.	
(20) ANNETTE R. MARCH-GRIER TRUSTEE	1.00	X					0.	0.	0.	
(21) WILLIAM MORTON TRUSTEE	1.00	X					0.	0.	0.	
(22) ROBERT SCHAFFTEL TRUSTEE	1.00	X					0.	0.	0.	
(23) GAIL L. SHAWE TRUSTEE	1.00	X					0.	0.	0.	
(24) JOHN W. STEELE, III TRUSTEE	1.00	X					0.	0.	0.	
(25) GARY TALLES TRUSTEE	1.00	X					0.	0.	0.	
(26) SUSAN GAY WILLIAMS TRUSTEE	1.00	X					0.	0.	0.	
1b Sub-total							0.	0.	0.	
c Total from continuation sheets to Part VII, Section A							2,975,316.	0.	626,890.	
d Total (add lines 1b and 1c)							2,975,316.	0.	626,890.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **46**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
GREATER BALTIMORE MEDICAL CENTER 6701 N. CHARLES STREET, TOWSON, MD 21204	LAB FEES & OTHER CLINICAL SERVICES	2,225,061.
UNIVERSITY OF MARYLAND MEDICAL SYSTEM P.O. BOX 64468, BALTIMORE, MD 21264-4468	RESIDENCY TRAINING PROGRAM	2,179,304.
CENTER FOR EATING DISORDERS PA, 6535 N. CHARLES STREET, STE 300, BALTIMORE, MD	PROFESSIONAL FEES	1,952,625.
LEWIS CONTRACTORS, 55 GWYNNS MILL COURT, OWINGS MILLS, MD 21117	BUILDING CONTRACTOR	1,898,090.
RATHS RATHS & JOHNSON INC., 500 JOLIET ROAD, STE 200, WILLOWBROOK, IL 60527	PROFESSIONAL SERVICES	1,622,336.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **51**

SEE PART VII, SECTION A CONTINUATION SHEETS

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (check all that apply)						(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			
(27) PAMELA P. YOUNG, PH.D. TRUSTEE	1.00	X						0.	0.	0.
(28) STEVEN S. SHARFSTEIN, M.D. PRESIDENT & CEO	40.00 5.00			X				783,113.	0.	63,436.
(29) PATRICIA PINKERTON SECRETARY/TREASURER/VP/CFO	40.00 5.00			X				481,923.	0.	94,752.
(30) STEPHANIE PROVENZA ASST SECRETARY	40.00			X				56,586.	0.	15,005.
(31) BONNIE KATZ VP CORP DEVELOPMENT	40.00 5.00				X			288,357.	0.	94,243.
(32) JAMES TRUSCELLO DIR DAY SCHOOL PROGRAMS	40.00				X			183,776.	0.	96,750.
(33) ERNESTINE COSBY VP CLINICAL SERVICES	40.00				X			181,924.	0.	67,814.
(34) M. THOMAS GRAHAM DIR MANN RES PROGRAM	40.00				X			163,438.	0.	22,167.
(35) CATHERINE R. DOUGHTY VP, HUMAN RESOURCES	40.00				X			151,891.	0.	7,710.
(36) JAMES KENNETH WALTERS DIR OF PHARMACY	40.00					X		151,368.	0.	54,919.
(37) THOMAS HESS SPECIAL ASST TO THE PRESIDENT	40.00					X		148,048.	0.	40,072.
(38) THOMAS RUSSLER DIR OF PLANT OPERATIONS	40.00					X		132,726.	0.	29,872.
(39) LINDA BENDOS STAFF NURSE	40.00					X		126,619.	0.	19,027.
(40) GREGORY MERKLE DIR OF INFORMATION SYSTEMS	40.00					X		125,547.	0.	21,123.
Total to Part VII, Section A, line 1c								2,975,316.		626,890.

Part VIII Statement of Revenue

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

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c 218,031.				
	d Related organizations	1d				
	e Government grants (contributions)	1e 3,868,338.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f 419,509.				
	g Noncash contributions included in lines 1a-1f: \$	26,819.				
	h Total. Add lines 1a-1f	4,505,878.				
	Program Service Revenue	2 a PATIENT SERVICE REVENUE	Business Code 621990	113,923,185.	113,923,185.	
b EDUCATIONAL SVC REVENUE		611600	49,097,863.	49,097,863.		
c RTC/RESPITE REVENUE		623000	15,922,898.	15,922,898.		
d RETREAT REVENUE		621990	9,211,088.	9,211,088.		
e						
f All other program service revenue						
g Total. Add lines 2a-2f			188,155,034.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		1,285,586.		1,285,586.	
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6 a Gross rents	(i) Real	1,266,480.			
		(ii) Personal	0.			
		b Less: rental expenses	0.			
		c Rental income or (loss)	1,266,480.			
	d Net rental income or (loss)		1,266,480.		1,266,480.	
	7 a Gross amount from sales of assets other than inventory	(i) Securities	17,872,734.			
		(ii) Other	10,872.			
		b Less: cost or other basis and sales expenses	16,486,632.	39,426.		
		c Gain or (loss)	1,386,102.	-28,554.		
	d Net gain or (loss)		1,357,548.		1,357,548.	
	8 a Gross income from fundraising events (not including \$ 218,031. of contributions reported on line 1c). See Part IV, line 18	a	54,900.			
		b Less: direct expenses	85,058.			
c Net income or (loss) from fundraising events			-30,158.		-30,158.	
9 a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses					
	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					
	c Net income or (loss) from sales of inventory					
Miscellaneous Revenue		Business Code				
11 a OTHER OPERATING REVENUE		900099	2,296,327.	1,398,844.	897,483.	
	b INTERCORPORATE REVENUE	900099	2,064,538.	2,064,538.		
	c OTHER REVENUE - UNRELATED	900002	381,101.		381,101.	
	d All other revenue					
	e Total. Add lines 11a-11d			4,741,966.		
12 Total revenue. See instructions.			201,282,334.	191,618,416.	381,101.	

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	2,733,281.		2,733,281.	
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	96,680,831.	91,667,524.	4,756,338.	256,969.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	6,222,964.	5,716,502.	490,466.	15,996.
9 Other employee benefits	8,197,884.	7,986,187.	189,350.	22,347.
10 Payroll taxes	7,238,332.	6,649,233.	570,493.	18,606.
11 Fees for services (non-employees):				
a Management				
b Legal	555,693.	1,953.	553,740.	
c Accounting	282,534.		282,534.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	13,515,405.	12,648,268.	799,438.	67,699.
12 Advertising and promotion	572,521.	474,633.	97,888.	
13 Office expenses	3,628,938.	2,908,390.	681,830.	38,718.
14 Information technology	2,004,393.	34,645.	1,969,748.	
15 Royalties				
16 Occupancy	9,054,203.	7,716,857.	1,285,398.	51,948.
17 Travel	407,110.	376,577.	29,624.	909.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	990,731.	825,268.	161,453.	4,010.
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	13,491,835.	12,770,296.	711,478.	10,061.
23 Insurance	424,196.		424,196.	
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 INTERCORPORATE	9,261,815.	8,828,112.	433,703.	
b SUPPLIES & PHARMACEUTIC	3,616,385.	3,587,053.	29,332.	
c REPAIRS AND MAINTENANCE	3,277,118.	2,583,372.	693,746.	
d FOOD	2,896,664.	2,888,447.	8,129.	88.
e All other expenses	3,802,716.	2,584,993.	1,193,842.	23,881.
25 Total functional expenses. Add lines 1 through 24e	188,855,549.	170,248,310.	18,096,007.	511,232.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

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

Part X Balance Sheet

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

		(A)		(B)	
		Beginning of year		End of year	
Assets	1 Cash - non-interest-bearing	46,445,283.	1	51,812,023.	
	2 Savings and temporary cash investments		2		
	3 Pledges and grants receivable, net		3		
	4 Accounts receivable, net	19,086,654.	4	20,228,096.	
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5		
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6		
	7 Notes and loans receivable, net		7		
	8 Inventories for sale or use		8		
	9 Prepaid expenses and deferred charges	5,807,670.	9	4,810,547.	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 313,654,809.			
	b Less: accumulated depreciation	10b 147,609,925.	160,998,041.	10c	166,044,884.
	11 Investments - publicly traded securities		11		
	12 Investments - other securities. See Part IV, line 11	33,622,828.	12	35,098,334.	
	13 Investments - program-related. See Part IV, line 11		13		
	14 Intangible assets		14		
	15 Other assets. See Part IV, line 11	3,845,235.	15	4,430,602.	
16 Total assets. Add lines 1 through 15 (must equal line 34)	269,805,711.	16	282,424,486.		
Liabilities	17 Accounts payable and accrued expenses	20,835,881.	17	22,493,549.	
	18 Grants payable		18		
	19 Deferred revenue		19		
	20 Tax-exempt bond liabilities	96,030,993.	20	93,148,449.	
	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	45,805,283.	25	29,319,589.	
	26 Total liabilities. Add lines 17 through 25	162,672,157.	26	144,961,587.	
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	98,882,216.	27	129,443,502.	
	28 Temporarily restricted net assets	5,001,550.	28	8,019,397.	
	29 Permanently restricted net assets	3,249,788.	29	0.	
	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	107,133,554.	33	137,462,899.	
34 Total liabilities and net assets/fund balances	269,805,711.	34	282,424,486.		

Part XI Reconciliation of Net Assets

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

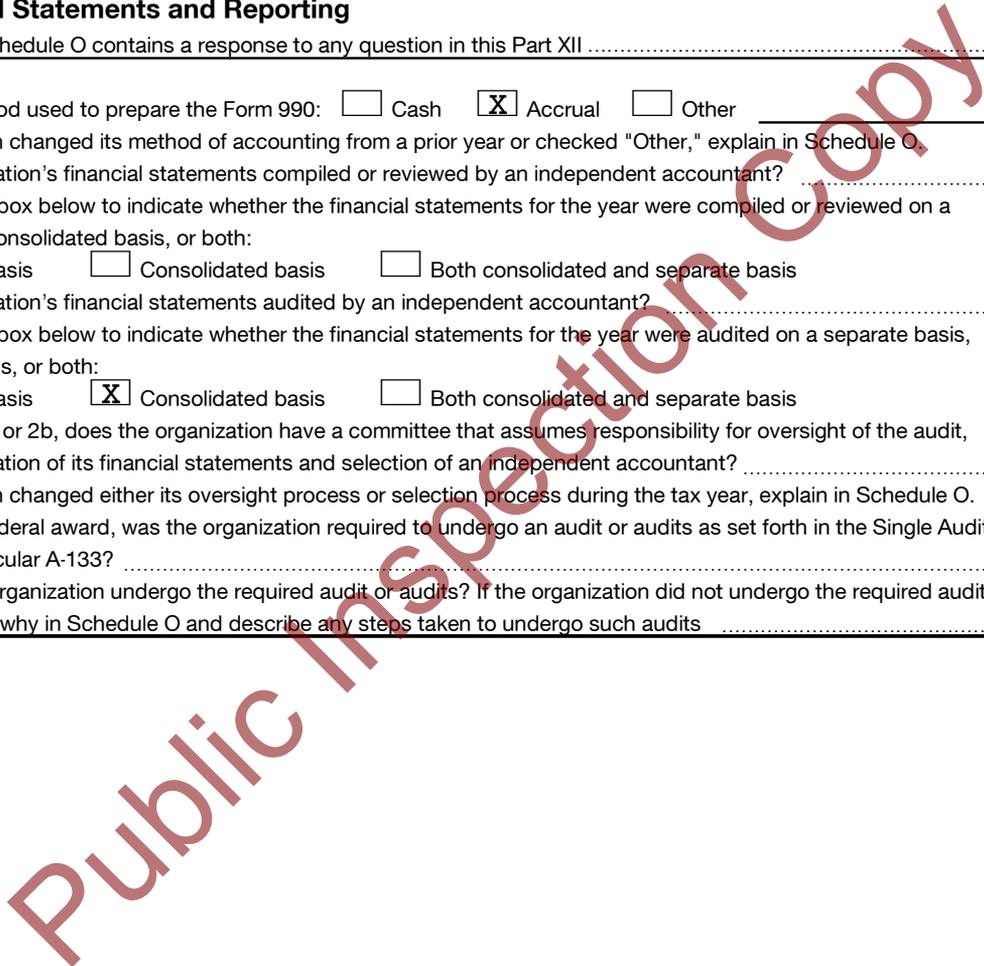
1	Total revenue (must equal Part VIII, column (A), line 12)	1	201,282,334.
2	Total expenses (must equal Part IX, column (A), line 25)	2	188,855,549.
3	Revenue less expenses. Subtract line 2 from line 1	3	12,426,785.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	107,133,554.
5	Net unrealized gains (losses) on investments	5	927,923.
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	16,974,637.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	137,462,899.

Part XII Financial Statements and Reporting

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

	Yes	No
1 Accounting method used to prepare the Form 990: <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?		X
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:		
<input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
2b Were the organization's financial statements audited by an independent accountant?	X	
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:		
<input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
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?	X	
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	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 (2012)



SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization **SHEPPARD PRATT HEALTH SYSTEM, INC.** Employer identification number **52-0591684**

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?		
(ii) A family member of a person described in (i) above?		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?		
- h Provide the following information about the supported organization(s).

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

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

Table with 7 columns: (a) 2008, (b) 2009, (c) 2010, (d) 2011, (e) 2012, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 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

Table with 7 columns: (a) 2008, (b) 2009, (c) 2010, (d) 2011, (e) 2012, (f) Total. Rows include: 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); 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 2 columns: Line number, Percentage. Rows include: 14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f)); 15 Public support percentage from 2011 Schedule A, Part II, line 14; 16a 33 1/3% support test - 2012. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization; b 33 1/3% support test - 2011. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization; 17a 10% -facts-and-circumstances test - 2012. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization; b 10% -facts-and-circumstances test - 2011. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization; 18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions.

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

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

Section A. Public Support

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

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

19a 33 1/3% support tests - 2012. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2011. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

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

Schedule 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.

OMB No. 1545-0047

2012

Name of the organization

Employer identification number

SHEPPARD PRATT HEALTH SYSTEM, INC.

52-0591684

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 Part I, line 2 of its Form 990-PF, 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) (2012)

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

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

2012

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

▶ **See separate instructions.**

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 **SHEPPARD PRATT HEALTH SYSTEM, INC.** Employer identification number **52-0591684**

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

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

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

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

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

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

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

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule C (Form 990 or 990-EZ) 2012

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												
1 a	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"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>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?														

Yes No

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) Total
2a	Lobbying nontaxable amount				
b	Lobbying ceiling amount (150% of line 2a, column(e))				
c	Total lobbying expenditures				
d	Grassroots nontaxable amount				
e	Grassroots ceiling amount (150% of line 2d, column (e))				
f	Grassroots lobbying expenditures				

Schedule C (Form 990 or 990-EZ) 2012

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	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		24,516.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		5,257.
j Total. Add lines 1c through 1i			29,773.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

PART II-B, LINE 1, LOBBYING ACTIVITIES:

SHEPPARD PRATT RETAINS A LAW FIRM AS A REGISTERED LOBBYIST FOR \$24,516 TO KEEP THE ORGANIZATION INFORMED AS TO ANY NEW LEGISLATION THAT MAY IMPACT THE OPERATIONS OF THE HOSPITAL. SHEPPARD PRATT ALSO PAYS DUES TO THE MARYLAND HOSPITAL ASSOCIATION. A PORTION OF THOSE DUES (\$5,257) ARE USED FOR LOBBYING ACTIVITIES.

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

SHEPPARD PRATT HEALTH SYSTEM, INC.

Employer identification number

52-0591684

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	3,249,789.	3,185,889.	2,904,154.	2,902,654.	2,672,119.
b Contributions	1,451.	63,900.	281,735.	1,500.	230,535.
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs	3,251,240.				
f Administrative expenses					
g End of year balance		3,249,789.	3,185,889.	2,904,154.	2,902,654.

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment %
 - b Permanent endowment %
 - c Temporarily restricted endowment %
- The percentages in lines 2a, 2b, and 2c should equal 100%.

- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|---|-----|----|
| (i) unrelated organizations | | X |
| (ii) related organizations | X | |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | X | |

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

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

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		15,463,049.		15,463,049.
b Buildings		231,112,931.	103,518,860.	127,594,071.
c Leasehold improvements				
d Equipment		54,104,452.	38,844,700.	15,259,752.
e Other		12,974,377.	5,246,365.	7,728,012.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				166,044,884.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) INVESTMENTS LIMITED OR		
(B) RESTRICTED A	27,231,306.	END-OF-YEAR MARKET VALUE
(C) INTEREST IN NET ASSETS OF		
(D) FOUNDATION	7,867,028.	END-OF-YEAR MARKET VALUE
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.)	35,098,334.	

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

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

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

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.)	

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

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) SELF-INSURANCE LIABILITY	11,110,717.
(3) CAPITAL LEASE OBLIGATIONS	5,208,699.
(4) ACCRUED PENSION LIABILITY	9,230,784.
(5) DUE TO AFFILIATES	3,769,389.
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)	29,319,589.

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

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

1	Total revenue, gains, and other support per audited financial statements	1	206,960,022.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	757,939.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	5,902,175.
e	Add lines 2a through 2d	2e	6,660,114.
3	Subtract line 2e from line 1	3	200,299,908.
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	982,426.
c	Add lines 4a and 4b	4c	982,426.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	201,282,334.

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

1	Total expenses and losses per audited financial statements	1	191,240,688.
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	2,385,139.
e	Add lines 2a through 2d	2e	2,385,139.
3	Subtract line 2e from line 1	3	188,855,549.
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	0.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	188,855,549.

Part XIII Supplemental Information

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

PART III, LINE 4: THE ART COLLECTION OF SHEPPARD PRATT EXEMPLIFIES THE HEALING ASPECTS OF ART, BOTH FOR THE CREATOR AND THE OBSERVER. THIS UNIQUELY THEMED COLLECTION CELEBRATES THE CAPACITY FOR ARTISTIC ENDEAVOR TO TRANSCEND AND TRIUMPH OVER MENTAL ILLNESS AND ADDICTION.

PART V, LINE 4: AT THE END OF FISCAL YEAR 2013, THE ORGANIZATION TRANSFERRED ALL OF THE ENDOWMENT FUNDS TO SHEPPARD & ENOCH PRATT FOUNDATION, INC.

Part XIII Supplemental Information (continued)

PART XI, LINE 2D - OTHER ADJUSTMENTS:

PHYSICIANS PA OVERHEAD RECOVERY ALLOCATION	2,356,584.
NET ASSETS RELEASED FROM RESTRICTION	1,007,761.
INHERENT CONTRIBUTION FROM HANNAH MORE ACQUISITION	2,537,828.
ROUNDING	2.
TOTAL TO SCHEDULE D, PART XI, LINE 2D	5,902,175.

PART XI, LINE 4B - OTHER ADJUSTMENTS:

RESTRICTED CONTRIBUTIONS	607,383.
INVESTMENT INCOME ON TEMPORARILY RESTRICTED ASSETS	89,848.
REALIZED GAIN ON TEMPORARILY RESTRICTED ASSETS	253,913.
LOSS ON SALE OF ASSETS	-28,554.
CAPITAL GRANT	59,836.
TOTAL TO SCHEDULE D, PART XI, LINE 4B	982,426.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

PHYSICIANS PA OVERHEAD RECOVERY ALLOCATION	2,356,585.
LOSS ON SALE OF ASSETS	28,554.
TOTAL TO SCHEDULE D, PART XII, LINE 2D	2,385,139.

PARTS XI AND XII RECONCILE TO SEPARATE COMPANY FINANCIAL STATEMENTS OF
SHEPPARD PRATT HEALTH SYSTEM, INC.

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

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col. (a) through col. (c))
		CARE FOR KIDS		NONE	
		(event type)	(event type)	(total number)	
Revenue	1	Gross receipts	272,931.		272,931.
	2	Less: Contributions	218,031.		218,031.
	3	Gross income (line 1 minus line 2)	54,900.		54,900.
Direct Expenses	4	Cash prizes			
	5	Noncash prizes			
	6	Rent/facility costs	5,818.		5,818.
	7	Food and beverages	50,784.		50,784.
	8	Entertainment	12,500.		12,500.
	9	Other direct expenses	15,956.		15,956.
	10	Direct expense summary. Add lines 4 through 9 in column (d)			(85,058)
	11	Net income summary. Combine line 3, column (d), and line 10			-30,158.

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

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

9 Enter the state(s) in which the organization operates gaming activities: _____
 a Is the organization licensed to operate gaming activities in each of these states? Yes No
 b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No
 b If "Yes," explain: _____

**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2012

Open to Public Inspection

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.

Name of the organization **SHEPPARD PRATT HEALTH SYSTEM, INC.** Employer identification number **52-0591684**

Part I Financial Assistance and Certain Other Community Benefits at Cost

	Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	<input checked="" type="checkbox"/>	
b If "Yes," was it a written policy?	<input checked="" type="checkbox"/>	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <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 _____ %	<input checked="" type="checkbox"/>	
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 checked="" type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %	<input checked="" type="checkbox"/>	
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the 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"?	<input checked="" type="checkbox"/>	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	<input checked="" type="checkbox"/>	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	<input checked="" type="checkbox"/>	
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		<input checked="" type="checkbox"/>
6a Did the organization prepare a community benefit report during the tax year?	<input checked="" type="checkbox"/>	
b If "Yes," did the organization make it available to the public?	<input checked="" type="checkbox"/>	

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

7 Financial Assistance and Certain Other Community Benefits at Cost	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
Financial Assistance and Means-Tested Government Programs						
a Financial Assistance at cost (from Worksheet 1)			6347781.		6347781.	3.36%
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			6347781.		6347781.	3.36%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			32,570.		32,570.	.02%
f Health professions education (from Worksheet 5)			2147126.	518,531.	1628595.	.86%
g Subsidized health services (from Worksheet 6)			293,093.	22,198.	270,895.	.14%
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)			97,215.		97,215.	.05%
j Total. Other Benefits			2570004.	540,729.	2029275.	1.07%
k Total. Add lines 7d and 7j			8917785.	540,729.	8377056.	4.43%

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 SHEPPARD PRATT HOSPITAL

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

	Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	X	
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The 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 Part VI)		
2 Indicate the tax year the hospital facility last conducted a CHNA: <u>2012</u>		
3 In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	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		
b <input type="checkbox"/> Available upon request from the hospital facility		
c <input type="checkbox"/> Other (describe in Part VI)		
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date):		
a <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input 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 type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input type="checkbox"/> Prioritization of health needs in its community		
h <input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI 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
8b 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) SHEPPARD PRATT HOSPITAL

Financial Assistance Policy		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
9	Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	X	
10	Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care?	X	
If "Yes," indicate the FPG family income limit for eligibility for free care: <u>200</u> %			
If "No," explain in Part VI the criteria the hospital facility used.			
11	Used FPG to determine eligibility for providing <i>discounted</i> care?	X	
If "Yes," indicate the FPG family income limit for eligibility for discounted care: <u>200</u> %			
If "No," explain in Part VI 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 type="checkbox"/> Income level		
b	<input type="checkbox"/> Asset level		
c	<input type="checkbox"/> Medical indigency		
d	<input type="checkbox"/> Insurance status		
e	<input type="checkbox"/> Uninsured discount		
f	<input type="checkbox"/> Medicaid/Medicare		
g	<input checked="" type="checkbox"/> State regulation		
h	<input type="checkbox"/> Other (describe in Part VI)		
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 type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input checked="" 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 Part VI)		
Billing and Collections			
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine patient's eligibility under the facility's FAP:		
a	<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 Part VI)		
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?		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 Part VI)		

Part V Facility Information (continued) SHEPPARD PRATT HOSPITAL

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

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	<input checked="" type="checkbox"/>	

If "No," indicate why:

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

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

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

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

21 During the tax year, did the hospital facility charge any of its FAP-eligible individuals, to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?

21		<input checked="" type="checkbox"/>
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If "Yes," explain in Part VI.

22 During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual?

22		<input checked="" type="checkbox"/>
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If "Yes," explain in Part VI.

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 SHEPPARD PRATT AT ELLICOTT CITY

For single facility filers only: line number of hospital facility (from Schedule H, Part V, Section A) 2

	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 checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The 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 Part VI)		
2 Indicate the tax year the hospital facility last conducted a CHNA: <u>2012</u>		
3 In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	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		
b <input type="checkbox"/> Available upon request from the hospital facility		
c <input type="checkbox"/> Other (describe in Part VI)		
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date):		
a <input checked="" type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input 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 type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input type="checkbox"/> Prioritization of health needs in its community		
h <input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI 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
8b 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? \$ <u> </u>		

Part V Facility Information (continued) SHEPPARD PRATT AT ELLICOTT CITY

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 <i>free</i> care?	X	
If "Yes," indicate the FPG family income limit for eligibility for free care: <u>200</u> %			
If "No," explain in Part VI the criteria the hospital facility used.			
11	Used FPG to determine eligibility for providing <i>discounted</i> care?	X	
If "Yes," indicate the FPG family income limit for eligibility for discounted care: <u>200</u> %			
If "No," explain in Part VI 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 type="checkbox"/> Income level		
b	<input type="checkbox"/> Asset level		
c	<input type="checkbox"/> Medical indigency		
d	<input type="checkbox"/> Insurance status		
e	<input type="checkbox"/> Uninsured discount		
f	<input type="checkbox"/> Medicaid/Medicare		
g	<input checked="" type="checkbox"/> State regulation		
h	<input type="checkbox"/> Other (describe in Part VI)		
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 type="checkbox"/> The policy was posted on the hospital facility's website		
b	<input checked="" 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 Part VI)		
Billing and Collections			
15	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	X	
16	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine patient's eligibility under the facility's FAP:		
a	<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 Part VI)		
17	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?		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 Part VI)		

Part V Facility Information (continued) SHEPPARD PRATT AT ELLICOTT CITY

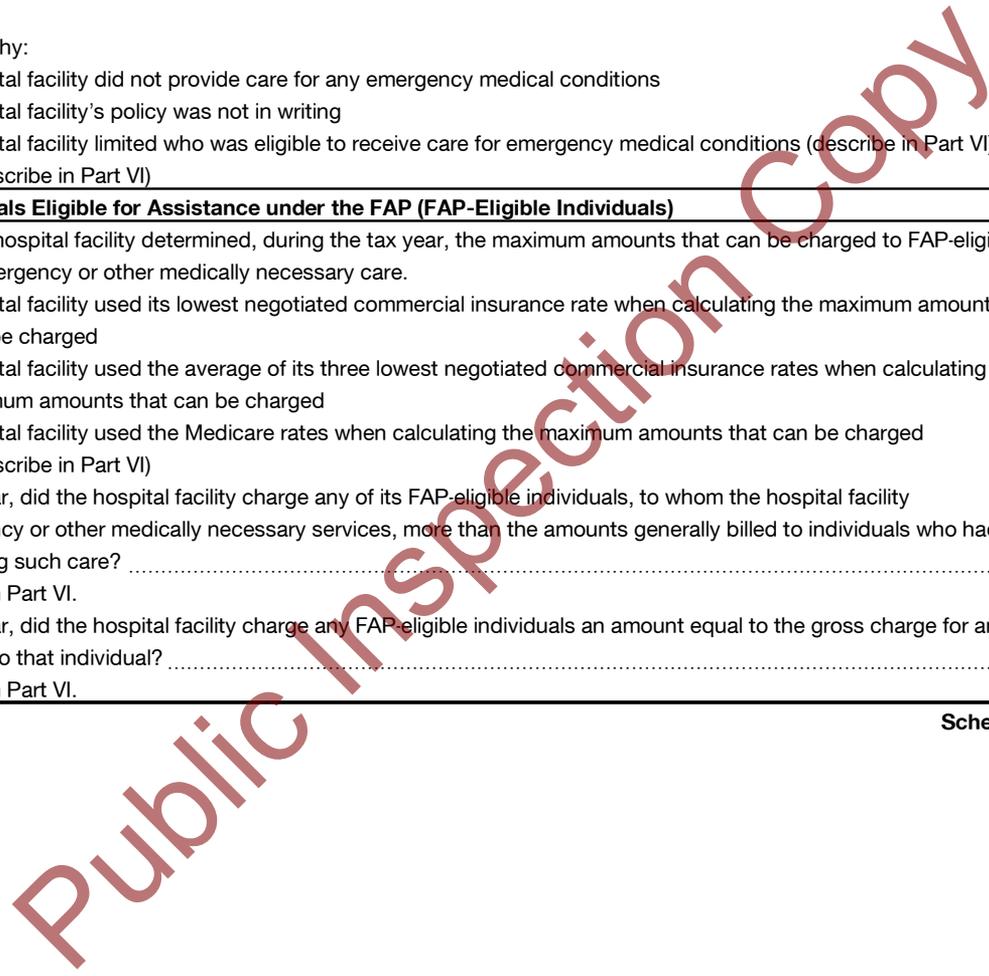
- 18** Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply):
- a Notified individuals of the financial assistance policy on admission
 - b Notified individuals of the financial assistance policy prior to discharge
 - c Notified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

Policy Relating to Emergency Medical Care

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

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

20 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.			
a <input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b <input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c <input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d <input checked="" type="checkbox"/> Other (describe in Part VI)			
21 During the tax year, did the hospital facility charge any of its FAP-eligible individuals, to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	21		X
If "Yes," explain in Part VI.			
22 During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual?	22		X
If "Yes," explain in Part VI.			



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

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

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

Name and address	Type of Facility (describe)
1 MANN RESID. TREATMENT CENTER & SCHOOL 6501 NORTH CHARLES STREET BALTIMORE, MD 21204	THERAPEUTIC EDUCATIONAL AND RESIDENTIAL PROGRAM
2 FORBUSH SCHOOL AT GLYNDON 407 CENTRAL AVENUE REISTERSTOWN, MD 21136	ACCREDITED SPECIAL EDUCATION SCHOOL FACILITY
3 THE RETREAT AT SHEPPARD PRATT 6501 NORTH CHARLES STREET BALTIMORE, MD 21204	16-BED LICENSED ASSISTED LIVING PROGRAM
4 JEFFERSON RESID. TREATMENT CENTER 2940 POINT OF ROCKS ROAD, P.O. BOX 9 JEFFERSON, MD 21755	LICENSED RESIDENTIAL TREATMENT CENTER
5 FROST SCHOOL & OAKMONT & LODGE PROG. 4915 ASPEN HILL ROAD ROCKVILLE, MD 20853	SPECIAL EDUCATION AND RELATED SERVICES SCHOOL
6 FORBUSH SCHOOL AT HUNT VALLEY 11201 PEPPER ROAD HUNT VALLEY, MD 21031	SPECIAL EDUCATION AND RELATED SERVICES SCHOOL
7 HANNAH MORE SCHOOL 12039 REISTERSTOWN ROAD BALTIMORE, MD 21204	SPECIAL EDUCATION AND RELATED SERVICES SCHOOL
8 JEFFERSON SCHOOL 2940 POINT OF ROCKS ROAD, P.O. BOX 9 JEFFERSON, MD 21755	LICENSED RESIDENTIAL TREATMENT CENTER
9 JEFFERSON SCHOOL AT FINAN 10102 COUNTRY CLUB ROAD SOUTHEAST CUMBERLAND, MD 21501	SCHOOL SERVES STUDENTS WITH EMOTIONAL DISTURBANCES AND WITH AUTISM
10 FORBUSH SCHOOL AT PRINCE GEORGE'S CO. 4949 ADDISON ROAD CAPITAL HEIGHTS, MD 20743	FIVE CLASSROOMS SERVING AUTISTIC CHILDREN IN A PUBLIC SCHOOL SETTING

Schedule H (Form 990) 2012

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

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

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

Name and address	Type of Facility (describe)
11 FORBUSH THERAPEUTIC PRESCHOOL AT TOWS 6501 NORTH CHARLES STREET BALTIMORE, MD 21204	SPECIAL EDUCATION AND RELATED SERVICES SCHOOL
12 FORBUSH SCHOOL AT OAKMONT - UPPER 610 EAST DIAMOND AVENUE GAITHERSBURG, MD 20877	12-MONTH DAY SCHOOL FOR STUDENTS WITH AUTISM
13 RUXTON HOUSE 1506 LABELLE AVENUE BALTIMORE, MD 21204	8-BED LICENSED GROUP HOME
14 SHEPPARD PRATT RESPITE PROGRAM 6501 NORTH CHARLES STREET BALTIMORE, MD 21204	24-HOUR THERAPEUTIC LIVING ENVIRONMENT
15 FORBUSH SCHOOL AT ANNE ARUNDEL 648 OLD MILL ROAD MILLERSVILLE, MD 21108	SPECIAL EDUCATION AND RELATED SERVICES SCHOOL
16 FORBUSH SCHOOL AT WESTMINSTER 1135 BUSINESS PARKWAY SOUTH, SUITE 50 WESTMINSTER, MD 21157	NON-PUBLIC ELEMENTARY/MIDDLE SCHOOL
17 HANNAH MORE AT MILLERSVILLE ELEM. SCH 1601 MILLERSVILLE ROAD MILLERSVILLE, MD 21108	SPECIAL EDUCATION AND RELATED SERVICES SCHOOL
18 HANNAH MORE AT SEVERN MIDDLE SCHOOL 241 PENINSULA FARM ROAD ARNOLD, MD 21012	SPECIAL EDUCATION AND RELATED SERVICES SCHOOL
19 HANNAH MORE AT SEVERNA PARK HIGH SCH. 60 ROBINSON ROAD SEVERNA PARK, MD 21146	SPECIAL EDUCATION AND RELATED SERVICES SCHOOL

Schedule H (Form 990) 2012

Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; Part V, Section A; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.
- 8 Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22.

PART I, LINE 7: RATIO OF COST TO CHARGES, AS CALCULATED FROM THE FILED MEDICARE COST REPORT, WAS THE METHODOLOGY USED IN CALCULATING ITEMS LISTED IN PART I, LINE 7.

PART I, LN 7A COL(D): 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 AND ALL PAYORS PAY THE SAME AMOUNT FOR THE SAME SERVICES DELIVERED AT THE SAME HOSPITAL, EXCEPT FOR THE GOVERNMENTAL CARVE-OUT FOR PSYCHIATRIC HOSPITALS. 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 OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE.

PART I, LINE 7F COL(D): 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 AND ALL PAYORS PAY THE SAME AMOUNT FOR THE

Part VI Supplemental Information

SAME SERVICES DELIVERED AT THE SAME HOSPITAL, EXCEPT FOR THE GOVERNMENTAL CARVE-OUT FOR PSYCHIATRIC HOSPITALS. 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 OFFSETTING REVENUE RELATED TO UNCOMPENSATED CARE.

PART I, LINE 7G: RESIDENTS OUTPATIENT CLINIC: IN FY 2013, SHEPPARD PRATT'S RESIDENCY TRAINING PROGRAM CONTINUED TO OFFER THE RESIDENTS' OUTPATIENT CLINIC. SERVICES ARE FREE OR FOR SMALL CO-PAY INCLUDING AN INITIAL EVALUATION AS WELL AS MEDICATION MANAGEMENT SESSIONS. RECIPIENTS OF THIS PSYCHIATRIC SERVICE AGREE TO BE TREATED BY AN M.D. PSYCHIATRY RESIDENT WHOSE SERVICE IS SUPERVISED BY A LICENSED PSYCHIATRIST, BE AT LEAST 6 YEARS OF AGE AND AGREE TO BE SCREENED AT INTAKE FOR OUTPATIENT TREATMENT CRITERIA. DURING FY 2013, THE PROGRAM PROVIDED A TOTAL OF 4,220 SERVICES TO 259 CLIENTS.

TELEPSYCHIATRY PROVIDED TO RURAL REGIONS OF MARYLAND: SHEPPARD PRATT'S TELEBEHAVIORAL SERVICES PROGRAM PROVIDES BOTH TELEHEALTH (DISTANCE PROFESSIONAL EDUCATION) AND TELEPSYCHIATRY (REAL-TIME PSYCHIATRIC SERVICES). SHEPPARD PRATT MAINTAINS ISDN AND IP LINE CONNECTIVITY AND A BRIDGING UNIT TO INSURE CONNECTIVITY THROUGH ALL CIRCUMSTANCES. UTILIZING VIDEOCONFERENCING EQUIPMENT, SHEPPARD PRATT PROVIDES PSYCHIATRIC TREATMENT SERVICES TO CHILDREN, ADOLESCENT, AND ADULT PATIENTS IN HEALTH DEPARTMENTS AND CLINICS LOCATED IN FEDERALLY-DESIGNATED MEDICALLY UNDERSERVED AREAS AND MENTAL HEALTH PROVIDER SHORTAGE AREAS. IN FY 2013, 260 CLIENTS WERE PROVIDED WITH 2,131 HOURS OF TELEPSYCHIATRY SERVICE. PREVIOUS TO THE TELEPSYCHIATRY SERVICE, MANY CLIENTS WERE FORCED TO USE AREA EMERGENCY ROOMS AFTER THEIR SYMPTOMS BECAME OVERWHELMING; IT WAS ALSO NOT UNCOMMON

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FOR CLIENTS TO BE JAILED FOR SOME OF THEIR BEHAVIORS. ADDITIONALLY, SHEPPARD PRATT'S TELEBEHAVIORAL SERVICES, TELEHEALTH COMPONENT HAS PROVIDED RURAL PROVIDERS ACCESS TO SHEPPARD PRATT'S COMPLEMENTARY FY 2013 PROFESSIONAL EDUCATION: 21 WEDNESDAY LECTURE SESSIONS WERE PROVIDED TO A VARIETY OF RURAL LOCATIONS UTILIZING A VIDEOCONFERENCING BRIDGE; 371 NON-SHEPPARD PRATT CLINICAL PROFESSIONALS ACCESSED THESE FREE CME SESSIONS VIA VIDEOCONFERENCING WHICH MAY NOT HAVE BEEN OTHERWISE AVAILABLE LOCALLY.

PART II: COMMUNITY SUPPORT: SHEPPARD PRATT STRIVES TO MEET THE MENTAL HEALTH NEEDS OF A DIVERSE COMMUNITY THROUGH THE FLEXIBILITY OF TRADITIONAL TREATMENT MODALITIES COMBINED WITH COMMUNITY BENEFIT PROGRAMMING SO THAT THE MOST VULNERABLE OF OUR SOCIETY HAVE ACCESS TO INFORMATION, ACTIVITIES AND/OR TREATMENT. DUE TO THE SENSITIVITY OF THE SUBJECT MATTER AND WHILE UNDERSTANDING THE BURDEN SOME PEOPLE LABOR UNDER IN ASKING FOR INFORMATION, SHEPPARD PRATT HAS WORKED DILIGENTLY TO PROVIDE ACCESS THROUGH MANY LEVELS FROM FREELY AVAILABLE INFORMATION ON THE INTERNET TO PUBLIC MEETINGS AND PROFESSIONAL SERVICES.

SHEPPARD PRATT HEALTH SYSTEM ATTENDS LOCAL, REGIONAL AND NATIONAL CONFERENCES IN ORDER TO REACH A BROAD SPECTRUM OF THE COMMUNITY WITH GENERAL PSYCHIATRIC EDUCATIONAL LITERATURE. IN FY 2013, SHEPPARD PRATT PROVIDED EDUCATIONAL INFORMATION TO THE COMMUNITY BY ATTENDING 72 PUBLIC CONFERENCES AND EVENTS. DURING THIS REPORTING PERIOD, CONFERENCES INCLUDED: HONESTLY AUTISM DAY, THE MANSEF CONFERENCE, THE NADD CONFERENCE, THE SENIOR EXPO, AND THE SUICIDE PREVENTION CONFERENCE AS WELL AS MANY EVENTS ATTENDED BY THE SYSTEM'S MOBILE CRISIS TEAM IN HARFORD COUNTY. SHEPPARD PRATT'S MOBILE CRISIS TEAM RESPONDS TO MENTAL HEALTH EMERGENCIES IN HARFORD COUNTY AT HOMES, WORK, OR SCHOOLS. THE PROGRAM

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AVERTS UNNECESSARY VISITS TO EMERGENCY ROOMS AND SUBSEQUENT HOSPITALIZATION OF PERSONS EXPERIENCING A MENTAL HEALTH CRISIS. IN FY 2013, THE MOBILE CRISIS PROGRAM SERVED 3,903 INDIVIDUALS THROUGH A VARIETY OF SERVICES AND EVENTS. THESE EVENTS INCLUDED CLINICAL CALLS, DURING POLICE CALLS, CRITICAL INCIDENT STRESS INCIDENTS, COMMUNITY EDUCATION EVENTS, AND CRISIS INTERVENTION TRAINING PROGRAMS FOR LAW ENFORCEMENT.

SHEPPARD PRATT ALSO ADDRESSES THE HEALTH OF THE COMMUNITY BY ATTENDING PUBLIC EVENTS AND DISTRIBUTING FREE INFORMATION ON WELLNESS, GOOD NUTRITION, BODY IMAGE AS WELL AS MEDIA LITERACY AS IT IMPACTS THE DIET AND HEALTH OF TODAY'S YOUTH. A FREE WEEKLY SUPPORT GROUP IS ALSO PROVIDED FOR ANYONE CONCERNED ABOUT NUTRITIONAL HABITS.

IN FY 2013, SHEPPARD PRATT'S WEB SITE RECEIVED 1.3 MILLION VISITORS; VISITORS HAVE FREE ACCESS TO MENTAL HEALTH ARTICLES AND LINKS TO OTHER GENERAL, NON-PROFIT MENTAL HEALTH RESOURCES. REQUESTS FOR FREE MENTAL HEALTH EDUCATION LITERATURE CAN BE MADE THROUGH THE WEB SITE OR BY PERSONAL TELEPHONE REQUEST. IN FY 2013, APPROXIMATELY 1,680 REQUESTS WERE FULFILLED. A SAMPLE OF LITERATURE TOPICS INCLUDED: "UNDERSTANDING DEPRESSION", "FINDING THE RIGHT MENTAL HEALTH PROVIDER"; "PROBLEMS OF ADULTHOOD"; "FEELINGS AFTER BIRTH: POSTPARTUM ADJUSTMENT"; AND, "HELP AND HOPE: WHEN BAD THINGS HAPPEN".

SHEPPARD PRATT'S SPEAKERS BUREAU ARRANGED FOR MENTAL HEALTH-RELATED PRESENTATIONS TO INTERESTED COMMUNITY GROUPS. A TOTAL OF FOUR FREE COMMUNITY EDUCATIONAL EVENTS WERE SPONSORED BY SHEPPARD PRATT IN FY 2013. DETAILS ON SEVERAL ARE PROVIDED BELOW.

ANNUAL OPEN FORUM IN NOVEMBER 2012: THE HONORABLE GOVERNOR

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EDWARD RENDELL OF PENNSYLVANIA SPOKE ON HIS POLITICAL ANALYSIS OF PROSPECTS FOR HEALTH REFORM.

IN NOVEMBER 2012, CARRIE ARNOLD SPOKE ABOUT HOPE THROUGH SCIENCE: DECODING EATING DISORDERS.

FEBRUARY 2013: EMME, FULL FIGURED SUPERMODEL AND PUBLIC ADVOCATE SPOKE ON CONNECTING BODY, MIND AND SPIRIT AND BODY IMAGE DURING NATIONAL EATING DISORDERS AWARENESS WEEK.

ADDITIONALLY, TRAINING CONFERENCES, WHICH ARE OPEN TO THE PUBLIC BUT REQUEST A FEE FOR ATTENDANCE, WERE ALSO OFFERED DURING THIS REPORT PERIOD. THESE CONFERENCES ARE OFFERED AT A FINANCIAL LOSS AS THERE IS A STRONG COMMUNITY NEED FOR THIS TYPE OF EDUCATION. DURING THIS REPORT PERIOD EATING DISORDERS AND PSYCHOLOGY (2) SESSIONS WERE PROVIDED AT A FINANCIAL LOSS FOR EACH SESSION.

LEADERSHIP DEVELOPMENT AND TRAINING FOR THE COMMUNITY

IN FY 2013, SHEPPARD PRATT CONTINUED TO SERVE AS THE TRAINING RESOURCE FOR POSITIVE BEHAVIORAL INTERVENTIONS AND SUPPORTS (PBIS) AS WELL AS MARYLAND SAFE AND SUPPORTIVE SCHOOLS (MDS3). THESE ARE BOTH GRANT-FUNDED PROGRAMS PROVIDED IN PARTNERSHIP WITH THE MARYLAND DEPARTMENT OF EDUCATION AND JOHNS HOPKINS UNIVERSITY'S CENTER FOR PREVENTION OF YOUTH VIOLENCE. THE PROGRAMS TRAIN EDUCATORS IN THE PBIS METHODS AND OTHER EVIDENCE-BASED PRACTICES TO ENHANCE THE CAPACITY OF SCHOOL STAFF TO EDUCATE CHILDREN IN A SAFER AND MORE EFFECTIVE ENVIRONMENT. SINCE THE PROGRAM'S INCEPTION 970 PUBLIC, ALTERNATIVE, AND NON-PUBLIC SCHOOLS ACROSS ALL 24 LOCAL SCHOOL SYSTEMS IN MARYLAND HAVE RECEIVED TRAINING.

COALITION BUILDING

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CORPORATE VOLUNTEERISM IS A CRITICAL VALUE AT SHEPPARD PRATT AND ALLOWS FOR COALITION BUILDING OPPORTUNITIES. SHEPPARD PRATT LEVERAGES ITS COALITION RELATIONSHIPS TO SHARE ITS KNOWLEDGE AND EXPERIENCE WITH OTHER, SMALLER NON-PROFIT ORGANIZATIONS. EXECUTIVE STAFF PARTICIPATE ON VARIOUS COMMUNITY BOARDS WHOSE MISSIONS ARE DEDICATED TO IMPROVING QUALITY OF LIFE FOR ALL THEY SERVE. WHILE IN VOLUNTEER SERVICE TO LOCAL AND NATIONAL NON-PROFIT ORGANIZATIONS, SHEPPARD PRATT STAFF ALSO HAVE THE OPPORTUNITY TO GATHER IMPORTANT NEEDS ASSESSMENT DATA CRITICAL TO THE DEVELOPMENT OF COMMUNITY BENEFIT PROGRAMMING.

WORKFORCE DEVELOPMENT

SHEPPARD PRATT PARTICIPATES IN A HEALTH CAREERS SCHOLARSHIP FUND FOR DESERVING TOWSON UNIVERSITY FRESHMAN INTERESTED IN A HEALTH CARE CAREER. ALONG WITH OTHER AREA HOSPITAL AND UNIVERSITY PARTNERS KNOWN AS THE TOWSON FOUR (SHEPPARD PRATT, ST. JOSEPH'S MEDICAL CENTER, GBMC AND TOWSON UNIVERSITY), SHEPPARD PRATT CONTRIBUTES \$4,000 PER YEAR WHICH COMBINES WITH THE PARTNERS TO PROVIDE \$16,000 ANNUALLY WHICH IS DISBURSED IN THE AMOUNT OF \$2,000 PER SEMESTER FOR EIGHT CONSECUTIVE SEMESTERS. IN ADDITION TO PARTICIPATING IN FUNDING THE AWARD, EACH FACILITY OFFERS THE RECIPIENT AN OPPORTUNITY TO VISIT AND PARTICIPATE IN PROGRAMMING.

PART III, LINE 4: PATIENT ACCOUNTS RECEIVABLE ARE REDUCED BY ALLOWANCES FOR BAD DEBTS. IN EVALUATING THE COLLECTABILITY OF ACCOUNTS RECEIVABLE, THE ORGANIZATION ANALYZES HISTORICAL COLLECTIONS AND WRITE-OFFS AND IDENTIFIES TRENDS FOR EACH OF ITS MAJOR PAYOR SOURCES OF REVENUE TO ESTIMATE THE APPROPRIATE ALLOWANCE FOR BAD DEBTS AND PROVISION FOR UNCOLLECTIBLE ACCOUNTS. MANAGEMENT REGULARLY REVIEWS ITS ESTIMATE AND EVALUATES THE SUFFICIENCY OF THE ALLOWANCE FOR BAD DEBTS. THE ORGANIZATION

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ANALYZES CONTRACTUAL AMOUNTS DUE FROM PATIENTS WHO HAVE THIRD-PARTY COVERAGE AND PROVIDES AN ALLOWANCE FOR DOUBTFUL ACCOUNTS AND A PROVISION FOR BAD DEBTS. FOR PATIENT ACCOUNTS RECEIVABLE ASSOCIATED WITH SELF-PAY PATIENTS, WHICH INCLUDES THOSE PATIENTS WITHOUT EXISTING INSURANCE COVERAGE FOR A PORTION OF THE BILL, THE ORGANIZATION RECORDS A SIGNIFICANT PROVISION FOR BAD DEBTS FOR PATIENTS THAT ARE UNABLE OR UNWILLING TO PAY FOR THE PORTION OF THE BILL REPRESENTING THEIR FINANCIAL RESPONSIBILITY. ACCOUNT BALANCES ARE CHARGED OFF AGAINST THE ALLOWANCE FOR DOUBTFUL ACCOUNTS AFTER ALL MEANS OF COLLECTION HAVE BEEN EXHAUSTED.

PART III, LINE 2: SHEPPARD PRATT HEALTH SYSTEM'S POLICY IS TO WRITE OFF ALL ACCOUNTS THAT HAVE BEEN IDENTIFIED AS UNCOLLECTIBLE. AN ALLOWANCE FOR UNCOLLECTIBLES IS RECORDED FOR ACCOUNTS NOT YET WRITTEN OFF THAT ARE ANTICIPATED TO BECOME UNCOLLECTIBLE IN FUTURE PERIODS. INSURANCE COVERAGE AND CREDIT INFORMATION ARE OBTAINED FROM PATIENTS WHEN AVAILABLE. NO COLLATERAL IS OBTAINED FOR ACCOUNTS RECEIVABLE. A COST TO CHARGE RATIO IS USED BASED ON THE MEDICARE COST REPORTS FILED TO DETERMINE AMOUNTS REPORTED AS BAD DEBT EXPENSE.

PART III, LINE 8: UNLIKE ACUTE CARE HOSPITALS, AS AN INSTITUTION FOR MENTAL DISORDERS (IMD), SHEPPARD PRATT IS REIMBURSED UNDER THE MEDICARE PROSPECTIVE PAYMENT SYSTEM. MEDICARE PAYS SHEPPARD PRATT LESS THAN ITS COST AS SUPPORTED BY THE FINAL FILED FISCAL 2013 COST REPORT. SHEPPARD PRATT TREATS ALL MEDICALLY APPROPRIATE MEDICARE PATIENTS AS REQUIRED BY THE CONDITIONS OF PARTICIPATION AND EMTALA.

PART III, LINE 9B: SHEPPARD PRATT HEALTH SYSTEM'S BAD DEBT AND CHARITABLE WRITE OFF POLICY OUTLINES THE PROCESS BY WHICH THE SYSTEM

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COLLECTS AND ACTS UPON PATIENT'S FINANCIAL HARDSHIP INFORMATION INCLUDING ACCESS TO SHEPPARD PRATT'S FINANCIAL AID PROCESS. THE HEALTH SYSTEM DOES NOT CHARGE INTEREST, LATE FEES, OR PENALTIES ON ANY ACCOUNTS AND DOES NOT PERMIT COLLECTION AGENCIES TO REPORT ACCOUNTS TO CREDIT REPORTING AGENCIES.

SHEPPARD PRATT HOSPITAL:

PART V, SECTION B, LINE 3: SHEPPARD PRATT'S COMMUNITY BENEFIT ASSESSMENT INCLUDED INTERVIEWS WITH 18 COMMUNITY STAKEHOLDERS REPRESENTING PUBLIC HEALTH, MEDICAL SERVICES, NON-PROFIT AND SOCIAL ORGANIZATIONS AS WELL AS CHILDREN AND YOUTH AGENCIES. INFORMATION FROM THESE INTERVIEWS WERE USED TO PRIORITIZE ISSUES IN ORDER TO DEVELOP THE IMPLEMENTATION PLAN.

SHEPPARD PRATT AT ELLICOTT CITY:

PART V, SECTION B, LINE 3: SHEPPARD PRATT'S COMMUNITY BENEFIT ASSESSMENT INCLUDED INTERVIEWS WITH 18 COMMUNITY STAKEHOLDERS REPRESENTING PUBLIC HEALTH, MEDICAL SERVICES, NON-PROFIT AND SOCIAL ORGANIZATIONS AS WELL AS CHILDREN AND YOUTH AGENCIES. INFORMATION FROM THESE INTERVIEWS WERE USED TO PRIORITIZE ISSUES IN ORDER TO DEVELOP THE IMPLEMENTATION PLAN.

SHEPPARD PRATT HOSPITAL:

PART V, SECTION B, LINE 4: GREATER BALTIMORE MEDICAL CENTER ST. JOSEPH'S MEDICAL CENTER

SHEPPARD PRATT AT ELLICOTT CITY:

PART V, SECTION B, LINE 4: GREATER BALTIMORE MEDICAL CENTER ST. JOSEPH'S MEDICAL CENTER

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SHEPPARD PRATT HOSPITAL:

PART V, SECTION B, LINE 7: THE JOINT NEEDS ASSESSMENT IDENTIFIED MEDICAL NEEDS THAT ARE NOT A PART OF SHEPPARD PRATT'S PSYCHIATRIC-ONLY SERVICES.

SHEPPARD PRATT AT ELLICOTT CITY:

PART V, SECTION B, LINE 7: THE JOINT NEEDS ASSESSMENT IDENTIFIED MEDICAL NEEDS THAT ARE NOT A PART OF SHEPPARD PRATT'S PSYCHIATRIC-ONLY SERVICES.

SHEPPARD PRATT HOSPITAL:

PART V, SECTION B, LINE 20D: MARYLAND HSCRC SETS RATES FOR ALL HOSPITALS IN THE STATE

SHEPPARD PRATT AT ELLICOTT CITY:

PART V, SECTION B, LINE 20D: MARYLAND HSCRC SETS RATES FOR ALL HOSPITALS IN THE STATE

PART VI, LINE 2: DURING FISCAL YEAR 2013, SHEPPARD PRATT COMPLETED A COMPREHENSIVE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) IN CONJUNCTION WITH GREATER BALTIMORE MEDICAL CENTER (GBMC) AND UNIVERSITY OF MARYLAND ST JOSEPH MEDICAL CENTER (UM-SJMC) TO EVALUATE COMMUNITY HEALTH NEEDS FOR INDIVIDUALS LIVING IN THE HOSPITALS' SERVICE AREA. THE ASSESSMENT WAS COMPLETED THROUGH A CONTRACT WITH HOLLERAN, AN INDEPENDENT RESEARCH FIRM LOCATED IN LANCASTER, PA. THE ASSESSMENT GATHERED INFORMATION ABOUT LOCAL HEALTH NEEDS AND HEALTH BEHAVIORS BY EXAMINING A VARIETY OF INDICATORS

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INCLUDING RISKY HEALTH BEHAVIORS (ALCOHOL USE, TOBACCO USE) AND CHRONIC HEALTH CONDITIONS (DIABETES, HEART DISEASE). THE COMPLETION OF THE CHNA ENABLED HOSPITALS AND THEIR PARTNERS TO TAKE AN IN-DEPTH LOOK AT THEIR GREATER COMMUNITY. SHEPPARD PRATT USED THE ASSESSMENT TO PRIORITIZE PUBLIC HEALTH ISSUES AND DEVELOP A COMMUNITY HEALTH IMPLEMENTATION PLAN WHICH FOCUSES ON MEETING COMMUNITY NEEDS. SHEPPARD PRATT IS COMMITTED TO THE PEOPLE IT SERVES AND THE COMMUNITIES THEY LIVE IN. RESEARCH COMPONENTS OF THE ASSESSMENT INCLUDED A SECONDARY STATISTICAL DATA PROFILE OF THE GREATER BALTIMORE COMMUNITY AND KEY INFORMANT INTERVIEWS WITH 18 COMMUNITY STAKEHOLDERS. THE SECONDARY STATISTICAL DATA PROFILE DEPICTED POPULATION AND HOUSEHOLD STATISTICS, EDUCATION AND ECONOMIC MEASURES, MORBIDITY AND MORTALITY RATES, INCIDENT RATES, AND OTHER HEALTH STATISTICS FOR THE GREATER BALTIMORE AREA. KEY INFORMANT INTERVIEWS WERE CONDUCTED WITH KEY COMMUNITY LEADERS. A TOTAL OF 18 PEOPLE PARTICIPATED, REPRESENTING A VARIETY OF SECTORS INCLUDING PUBLIC HEALTH AND MEDICAL SERVICES, NON PROFIT AND SOCIAL ORGANIZATIONS, AS WELL AS CHILDREN AND YOUTH AGENCIES. COMMUNITY ENGAGEMENT AND FEEDBACK WERE AN INTEGRAL PART OF THE PROCESS. KEY INFORMANT INTERVIEWS WITH COMMUNITY STAKEHOLDERS AND INCLUSION OF COMMUNITY PARTNERS WERE USED IN THE PRIORITIZATION AND IMPLEMENTATION PLANNING PROCESS. PUBLIC HEALTH AND HEALTH CARE PROFESSIONALS SHARED KNOWLEDGE AND EXPERTISE ABOUT HEALTH ISSUES, AND LEADERS AND REPRESENTATIVES OF NON-PROFIT COMMUNITY-BASED ORGANIZATIONS PROVIDED INSIGHT ON THE COMMUNITY SERVED BY THE HOSPITAL INCLUDING MEDICALLY UNDERSERVED, LOW INCOME, AND MINORITY POPULATIONS. FOLLOWING THE COMPLETION OF CHNA RESEARCH, SHEPPARD PRATT PRIORITIZED COMMUNITY PSYCHIATRY HEALTH ISSUES AND DEVELOPED AN IMPLEMENTATION PLAN TO ADDRESS PRIORITIZED NEEDS.

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PART VI, LINE 3: EACH PATIENT IS PROVIDED WITH A PATIENT HANDBOOK UPON ADMISSION. THE PATIENT HANDBOOK OUTLINES POLICIES, RULES, AND BASIC INFORMATION ABOUT THE HOSPITAL INCLUDING INSTRUCTIONS ON HOW TO ACCESS FINANCIAL ASSISTANCE/CHARITY CARE. SIGNAGE IS POSTED IN THE ADMISSIONS SUITE IN BOTH PATIENT AND FAMILY WAITING AREAS INFORMING INTERESTED PARTIES THAT FINANCIAL ASSISTANCE IS AVAILABLE. BECAUSE NO TWO PATIENTS HAVE IDENTICAL TREATMENT NEEDS, ALL PATIENTS ARE URGED TO SPEAK WITH THEIR THERAPIST OR OTHER HOSPITAL STAFF TO LEARN MORE ABOUT THE HOSPITAL'S FINANCIAL ASSISTANCE PROGRAM. ADDITIONALLY, AS PART OF THE PAYMENT POLICY AND ACTION ON PAST DUE ACCOUNTS, SHEPPARD PRATT'S FINANCIAL OFFICE PERSONNEL ACT AS PATIENT FINANCIAL ADVOCATES AND MAY FORWARD THE FINANCIAL ASSISTANCE PAPERWORK FOR COMPLETION BY ALL RESPONSIBLE PARTIES. FINALLY, PRIOR TO TRANSFER TO A COLLECTION AGENCY, ACCOUNTS ARE REVIEWED AGAIN FOR POSSIBLE FINANCIAL ASSISTANCE.

PART VI, LINE 4: ACCORDING TO U.S. CENSUS BUREAU (2010) ESTIMATES, THE TOTAL POPULATION IN THE GREATER BALTIMORE COMMUNITY IS 298,273 OF WHICH 46.9% ARE MALE AND 53.1% ARE FEMALE. THE POPULATION INCREASED 7.3% BETWEEN 2000 AND 2010. THE MEDIAN AGE IN THE AREA IS 37.9 YEARS, WHICH IS SIMILAR TO THE STATE AND NATION (MD: 38.0; US: 37.2). HOWEVER, THE GREATER BALTIMORE SERVICE AREA HAS A SLIGHTLY HIGHER PROPORTION OF ADULTS WHO ARE 65 YEARS AND OVER COMPARED TO THE STATE AND NATION (GB:15.0%; MD: 12.3%; US: 13.0%). ACCORDING TO THE U.S. CENSUS BUREAU (2010), NEARLY TWO-THIRDS OF GREATER BALTIMORE RESIDENTS ARE WHITE (65.2%) AND APPROXIMATELY 24% ARE BLACK/AFRICAN AMERICAN. ONLY ABOUT 4.7% IDENTIFY AS HISPANIC/LATINO WHICH IS NOTABLY LESS COMPARED TO MARYLAND (8.2%) AND THE NATION (16.3%). COMPARED TO MARYLAND AND THE U.S. AS A WHOLE, THE PERCENTAGE OF THE POPULATION WHO SPEAK A LANGUAGE OTHER THAN ENGLISH IN GREATER BALTIMORE IS

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LOWER (GB: 13.6%; MD: 15.9%; US: 20.1%). THE MEDIAN INCOME FOR HOUSEHOLDS IN THE GREATER BALTIMORE COMMUNITY (\$61,351) IS LOWER THAN MARYLAND (\$70,647) BUT HIGHER THAN THE NATION (\$51,914). ACCORDING TO THE U.S. CENSUS BUREAU (2010), UNEMPLOYMENT RATES IN GREATER BALTIMORE (6.0%) ARE BELOW STATE (6.6%) AND NATIONAL RATES (7.9%). IN GENERAL, THE PROPORTION OF FAMILIES AND PEOPLE LIVING IN POVERTY IN GREATER BALTIMORE IS LESS COMPARED TO THE NATION AND COMPARABLE TO MARYLAND. A NOTEWORTHY INDICATOR IS THE PROPORTION OF SINGLE FEMALE HOUSEHOLD FAMILIES LIVING IN POVERTY WITH CHILDREN UNDER 5 YEARS (7.1%) WHICH IS SIGNIFICANTLY LOWER THAN MARYLAND (27.8%) AND THE NATION (45.8%). EDUCATION IS AN IMPORTANT SOCIAL DETERMINANT OF HEALTH. IT IS WELL KNOWN THAT INDIVIDUALS WHO ARE LESS EDUCATED TEND TO HAVE POORER HEALTH OUTCOMES. HIGH SCHOOL GRADUATION RATES AND EDUCATIONAL ATTAINMENT RATES FOR HIGHER EDUCATION IN THE GREATER BALTIMORE COMMUNITY ARE SLIGHTLY HIGHER THAN THE STATE AND NATION. APPROXIMATELY 89% OF GREATER BALTIMORE ADULTS HAVE A HIGH SCHOOL DIPLOMA OR HIGHER DEGREE. THIRTY-SEVEN PERCENT (37%) HAVE A BACHELOR'S DEGREE OR HIGHER. THIS IS IN COMPARISON TO MARYLAND (87.8%; 35.7%) AND THE NATION (85.0%; 27.9%).

SHEPPARD PRATT IS THE ONLY STAND ALONE PSYCHIATRIC FACILITY IN ITS SERVICE AREA OFFERING THE DEPTH AND BREADTH OF PSYCHIATRIC SERVICES DESCRIBED IN THIS REPORT. THERE ARE 31 OTHER MEDICAL/SURGICAL FACILITIES WITHIN THE SERVICE AREA WHICH ALSO PROVIDE PSYCHIATRIC SERVICES AS AN ADJUNCT TO THEIR MEDICAL SERVICES. DURING FY 2013, 35 PERCENT OF PATIENTS TREATED AT SHEPPARD PRATT WERE MEDICAID BENEFICIARIES.

PART VI, LINE 5: SHEPPARD PRATT HEALTH SYSTEM CONTINUES ITS COMMITMENT TO THE FOUNDERS' CHARTER TO "CARRY FORWARD, AND IMPROVE, THE

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AMELIORATED SYSTEM OF TREATMENT OF THE INSANE WITH THOUGHTFUL, PROACTIVE SERVICES" AND HAS EVOLVED ITS SERVICES BEYOND THE TRADITIONAL INPATIENT OR OUTPATIENT BOUNDARIES. THE SYSTEM PROVIDES A POSITIVE IMPACT ON THOUSANDS OF INDIVIDUALS, THEIR FAMILIES AND COMMUNITIES BY PROVIDING ACCESS TO A CREATIVE MIX OF COMMUNITY BENEFIT-DRIVEN BEHAVIORAL SERVICES WHEN, WHERE, AND IN WHATEVER FORM IS BEST SUITED TO THOSE IN NEED. IN FY 2013, SHEPPARD PRATT WAS AGAIN RECOGNIZED BY U.S. NEWS AND WORLD REPORT AS ONE OF THE NATION'S TOP TEN HOSPITALS FOR PSYCHIATRIC CARE AND RANKED AS #6, THE ONLY PSYCHIATRIC SPECIALTY HOSPITAL IN THE TOP TEN WHICH IS NOT OTHERWISE AFFILIATED WITH A LARGER GENERAL HOSPITAL SYSTEM.

IN FY 2013, SHEPPARD PRATT PROVIDED SERVICE FOR 9,676 INPATIENT ADMISSIONS RESULTING IN SERVICE TO 102,657 INPATIENT DAYS, 76,764 OUTPATIENT AND DAY HOSPITAL VISITS, 39,476 RTC/RESPITE DAYS, AND 146,021 STUDENT DAYS. FIFTY-SEVEN PERCENT OF INPATIENT SERVICES WERE PROVIDED TO MEDICARE OR MEDICAID RECIPIENTS.

SHEPPARD PRATT CONTINUES TO PROVIDE A CRISIS WALK IN CLINIC (CWIC) TO RESPOND TO THE COMMUNITY'S NEED FOR WALK-IN PSYCHIATRIC ASSESSMENTS; THIS PROGRAM PROVIDES AN EVALUATION OUTSIDE THE RIGORS OF A MEDICAL EMERGENCY ROOM SETTING. CURRENTLY OPERATING MONDAY THROUGH FRIDAY FROM 10:30 A.M. TO 10:00 P.M. AND SATURDAY 1:00 P.M. TO 5:00 P.M. CWIC PROVIDES A PSYCHIATRIST TO EVALUATE COMMUNITY MEMBERS IN NEED OF CRISIS ASSESSMENT AND TRIAGE. IN FY 2013, 4,552 COMMUNITY MEMBERS PRESENTED TO THE CLINIC FOR EVALUATION.

SHEPPARD PRATT'S FLAGSHIP CAMPUS IS LOCATED AT 6501 NORTH CHARLES STREET, BALTIMORE, MD AND IS THE FOUNDING LOCATION OF THE SYSTEM WITH A MAJORITY

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OF SERVICES PROVIDED FROM THIS CAMPUS. SERVICES INCLUDE INPATIENT, PARTIAL DAY HOSPITALIZATION, INTENSIVE OUTPATIENT, ELECTRO-CONVULSIVE THERAPY (ECT), CRISIS EVALUATION, TELEPSYCHIATRY, RESIDENTIAL TREATMENT AND RESPITE CENTERS, AS WELL AS PHYSICIAN OUTPATIENT APPOINTMENTS. A SECOND INPATIENT CAMPUS, SHEPPARD PRATT AT ELLICOTT CITY, IS LOCATED AT 4100 COLLEGE AVENUE, IN ELLICOTT CITY, MARYLAND AND PROVIDES BOTH INPATIENT AND PARTIAL DAY HOSPITALIZATION SERVICES.

THE TWO INPATIENT HOSPITAL PROGRAMS ARE LICENSED TO OPERATE A TOTAL OF 414 BEDS. INPATIENT SERVICES PROVIDE A WIDE ARRAY OF PSYCHIATRY DIAGNOSTIC CATEGORIES INCLUDING UNITS SPECIFICALLY DESIGNED FOR CHILDREN, ADOLESCENTS, YOUNGSTERS WITH CO-OCCURRING MENTAL ILLNESS AND DEVELOPMENTAL DISABILITIES, YOUNG ADULTS, GERIATRICS, ADULTS, AS WELL AS SUBSPECIALTY ADULT PROGRAMS FOR CO-OCCURRING SUBSTANCE ABUSE AND MENTAL ILLNESS, PSYCHOTIC DISORDERS, DEVELOPMENTAL DISORDERS, TRAUMA DISORDERS AND EATING DISORDERS (FOR ADULTS AND ADOLESCENTS).

THERAPY REFERRAL SERVICE PROGRAMMING: THERAPY REFERRAL SERVICE (TRS) IS A FREE, CONFIDENTIAL TELEPHONE SERVICE THAT PROVIDES THE PUBLIC WITH REFERRALS TO MENTAL HEALTH RESOURCES FOR THE BALTIMORE METROPOLITAN AREA INCLUDING SHEPPARD PRATT PROGRAMS. IN FY 2013, THIS PROGRAM PROVIDED THE PUBLIC WITH REFERRAL INFORMATION FOR EXTERNAL PROGRAMS 5,700 TIMES. ADDITIONAL SHEPPARD PRATT PROGRAMMING ACCESSED THROUGH THIS SERVICE INCLUDE URGENT ASSESSMENTS FOR INDIVIDUALS WHO NEED TO BE EVALUATED ON A CRITICAL BASIS WITHIN 48 HOURS; AND, THE SCHEDULED CRISIS INTERVENTION PROGRAM, WHICH PROVIDES APPOINTMENTS SCHEDULED WITHIN THE SAME DAY AS THE CALL IS RECEIVED. SHEPPARD PRATT CONTINUES TO HOST A CONSUMER COUNCIL WITH COMMUNITY PARTICIPANTS INCLUDING FORMER PATIENTS AND PATIENT FAMILY

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MEMBERS. THE GROUP MEETS MONTHLY AND PROVIDES INPUT ON A VARIETY OF MENTAL HEALTH CARE TOPICS.

SHEPPARD PRATT'S VOLUNTEER BOARD CONSISTS OF 26 INDIVIDUALS WHO RESIDE IN THE PRIMARY SERVICE AREA AND ARE NOT EMPLOYEES NOR INDEPENDENT CONTRACTORS OF THE ORGANIZATION. FURTHER, THE HEALTH SYSTEM OPERATES A CLOSED STAFF MODEL; HOWEVER, CONSULTANTS FROM THE COMMUNITY ARE UTILIZED FOR MEDICAL SPECIALTY SERVICES AS REQUIRED FOR PATIENT CARE. EXCESS FUNDS ARE USED FOR STAFF TRAINING AND PHYSICAL IMPROVEMENTS TO THE ENVIRONMENT OF CARE AND FOR FINANCIAL ASSISTANCE.

PART VI, LINE 6: THE AFFILIATE AGENCIES OF SHEPPARD AND ENOCH PRATT FOUNDATION ARE NON-PROFIT HEALTH AND SOCIAL SERVICE AGENCIES FOCUSING THEIR SERVICES AT THE COMMUNITY LEVEL. THEIR COLLECTIVE PRIMARY MISSION IS TO PROVIDE REHABILITATIVE TREATMENT, HOUSING AND VOCATIONAL SUPPORT TO INDIVIDUALS WITH CHRONIC MENTAL ILLNESS. EACH AGENCY OPERATES UNDER THE CONTROL OF A LOCAL BOARD OF DIRECTORS FOCUSED ON THE NEEDS OF THEIR COMMUNITIES. THE AFFILIATES PROVIDE SERVICES IN BALTIMORE COUNTY, CARROLL COUNTY, HOWARD COUNTY, FREDERICK COUNTY, MONTGOMERY COUNTY, PRINCE GEORGE'S COUNTY, WASHINGTON COUNTY AND BALTIMORE CITY. THEY WORK COLLABORATIVELY IN SPECIAL PROJECTS DESIGNED TO ENHANCE EMPLOYMENT OPPORTUNITIES FOR RETURNING VETERANS. IN ADDITION TO THE TRADITIONAL MENTAL HEALTH SERVICES, THEY PROVIDE SUBSTANCE ABUSE TREATMENT, CASE MANAGEMENT, SCREENING FOR DEPARTMENTS OF SOCIAL SERVICES, EARLY HEAD START AND DAY CARE. DURING THIS YEAR, THEY CONTINUED TO WORK AS AN INTEGRATED NETWORK OF CARE BY IMPLEMENTING A COMMON, COMPREHENSIVE ELECTRONIC MEDICAL RECORDS SYSTEM. THIS WAS THEIR 4TH YEAR OF A 5 YEAR STATE WIDE WORKFORCE DEVELOPMENT INITIATIVE.

**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" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

SHEPPARD PRATT HEALTH SYSTEM, INC.

Employer identification number

52-0591684

Part I Questions Regarding Compensation

		Yes	No
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. <input type="checkbox"/> First-class or charter travel <input type="checkbox"/> Travel for companions <input type="checkbox"/> Tax indemnification and gross-up payments <input type="checkbox"/> Discretionary spending account <input type="checkbox"/> Housing allowance or residence for personal use <input type="checkbox"/> Payments for business use of personal residence <input type="checkbox"/> Health or social club dues or initiation fees <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		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?		
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. <input checked="" type="checkbox"/> Compensation committee <input checked="" type="checkbox"/> Independent compensation consultant <input checked="" type="checkbox"/> Form 990 of other organizations <input checked="" type="checkbox"/> Written employment contract <input checked="" type="checkbox"/> Compensation survey or study <input checked="" 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?		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement?		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?		X
b	Any related organization?		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?		X
b	Any related organization?		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		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		X
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?		

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

Schedule J (Form 990) 2012

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) STEVEN S. SHARFSTEIN, M.D. PRESIDENT & CEO	(i)	756,948.	0.	26,165.	54,455.	8,981.	846,549.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) PATRICIA PINKERTON SECRETARY/TREASURER/VP/CFO	(i)	396,707.	0.	85,216.	76,321.	18,431.	576,675.	75,000.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) BONNIE KATZ VP CORP DEVELOPMENT	(i)	282,192.	0.	6,165.	73,246.	20,997.	382,600.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) JAMES TRUSCELLO DIR DAY SCHOOL PROGRAMS	(i)	175,959.	0.	7,817.	79,869.	16,881.	280,526.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) ERNESTINE COSBY VP CLINICAL SERVICES	(i)	178,548.	0.	3,376.	54,642.	13,172.	249,738.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) M. THOMAS GRAHAM DIR MANN RES PROGRAM	(i)	160,444.	0.	2,994.	12,946.	9,221.	185,605.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) CATHERINE R. DOUGHTY VP, HUMAN RESOURCES	(i)	150,459.	0.	1,432.	7,390.	320.	159,601.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) JAMES KENNETH WALTERS DIR OF PHARMACY	(i)	149,169.	0.	2,199.	32,985.	21,934.	206,287.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(9) THOMAS HESS SPECIAL ASST TO THE PRESIDENT	(i)	146,097.	0.	1,951.	38,939.	1,133.	188,120.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(10) THOMAS RUSSLER DIR OF PLANT OPERATIONS	(i)	130,302.	0.	2,424.	10,770.	19,102.	162,598.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to 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 4B: LINE 4B: THE FOLLOWING PARTICIPATED IN SHEPPARD

PRATT'S 457(F) PLAN:

PATRICIA PINKERTON \$50,000

BONNIE KATZ \$25,000

Public Inspection Copy

Supplemental Information on Tax-Exempt Bonds

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**

Name of the organization

SHEPPARD PRATT HEALTH SYSTEM, INC.

Employer identification number
52-0591684

Part I Bond Issues

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
							Yes	No	Yes	No	Yes	No
A	MD HEALTH & HIGHER EDUCATIONAL FACILITIES	52-0936091	NONE	03/01/12	34032000	ADVANCE REFUND SERIES 2003A BOND		X		X		X
B	MD HEALTH & HIGHER EDUCATIONAL FACILITIES	52-0936091	NONE	03/01/12	62182000	CURRENT REFUND SERIES 2003B/2009		X		X		X
C												
D												

Part II Proceeds

	A	B	C		D	
1 Amount of bonds retired	837,000.	2,228,551.				
2 Amount of bonds legally defeased						
3 Total proceeds of issue	34,032,000.	62,182,000.				
4 Gross proceeds in reserve funds						
5 Capitalized interest from proceeds						
6 Proceeds in refunding escrows	32,510,324.					
7 Issuance costs from proceeds	516.	640.				
8 Credit enhancement from proceeds						
9 Working capital expenditures from proceeds						
10 Capital expenditures from proceeds						
11 Other spent proceeds	1,522,013.	62,181,360.				
12 Other unspent proceeds						
13 Year of substantial completion	2005		2010			
	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?		X	X			
15 Were the bonds issued as part of an advance refunding issue?	X			X		
16 Has the final allocation of proceeds been made?	X		X			
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X			

Part III Private Business Use

	A		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				
2 Are there any lease arrangements that may result in private business use of bond-financed property?		X	X					

Part III Private Business Use (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?		X	X					
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?			X					
c Are there any research agreements that may result in private business use of bond-financed property?		X		X				
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government00 %		%		%		%
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 government00 %		%		%		%
6 Total of lines 4 and 500 %		%		%		%
7 Does the bond issue meet the private security or payment test?		X		X				
8a Has there been a sale or disposition of any of the bond-financed property to a non-governmental person other than a 501(c)(3) organization since the bonds were issued?		X		X				
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of		%		%		%		%
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X		X					

Part IV Arbitrage

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

Part IV Arbitrage (Continued)

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

Part V Procedures To Undertake Corrective Action

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

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

PART I, LINE A & B

BOND ISSUES

THE BONDS DESCRIBED IN LINES A AND B WERE ISSUED AS A SINGLE ISSUE (THE "BONDS"). PURSUANT TO REGULATION SECTIONS 1.141-13(D), 1.148-9(H) AND 1.150-1(C) OF THE INCOME TAX REGULATIONS, THE ISSUER ELECTED TO TREAT THE BONDS AS FIVE SEPARATE ISSUES. ONE OF THE MULTIPURPOSE ISSUES CORRELATES TO COLUMN A THROUGHOUT PARTS II, III AND IV. FOUR OF THE MULTIPURPOSE ISSUES CORRELATES TO COLUMN B THROUGHOUT PARTS II, III AND IV.

PART 1, LINE A, COLUMN (F)

SERIES 2003A BONDS - 05/29/2003

PART 1, LINE B, COLUMN (F)

SERIES 2003A BONDS - 05/29/2003; SERIES 2009 BONDS - 12/17/2009

PART II, COLUMN A, LINE 6

THE AMOUNT SHOWN INCLUDES ACCRUED INVESTMENT EARNINGS ON A REFUNDING ESCROW

PART III, COLUMN B, LINES 4 AND 6

THE FOLLOWING IS THE ANSWER TO LINES 4 AND 6 FOR EACH OF THE FOUR SEPARATE MULTIPURPOSE ISSUES:

2003B/1992/1985 REFUNDING PORTION \$3,368,295 - LESS THAN 15% (1986 ACT TRANSITION RULE REFUNDING)

2003B/1995/1992 REFUNDING PORTION \$16,445,205 - LESS THAN 5%

2003B/2003/1999 REFUNDING PORTIN \$19,813,500 - LESS THAN 5%

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

2009 REFUNDING PORTION \$22,555,000 - LESS THAN 5%

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Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
RCM&D INC.	IN-DIRECT BUSINESS	1,484,039.	RCM&D PROVI		X
SISCO, INC.	IN-DIRECT BUSINESS	1,668,483.	SISCO, INC.		X

Part V Supplemental Information

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

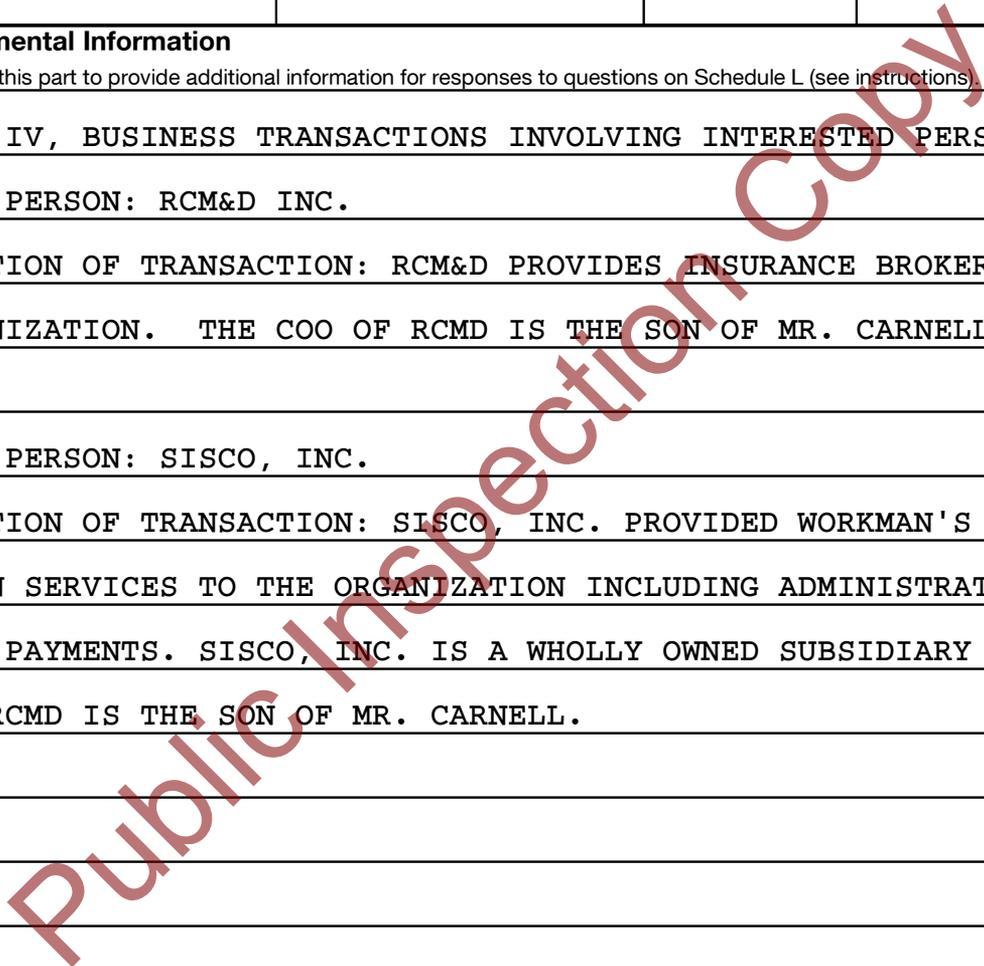
SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:

(A) NAME OF PERSON: RCM&D INC.

(D) DESCRIPTION OF TRANSACTION: RCM&D PROVIDES INSURANCE BROKER SERVICES TO THE ORGANIZATION. THE COO OF RCMD IS THE SON OF MR. CARNELL.

(A) NAME OF PERSON: SISCO, INC.

(D) DESCRIPTION OF TRANSACTION: SISCO, INC. PROVIDED WORKMAN'S COMPENSATION SERVICES TO THE ORGANIZATION INCLUDING ADMINISTRATION FEES AND CLAIMS' PAYMENTS. SISCO, INC. IS A WHOLLY OWNED SUBSIDIARY OF RCMD. THE COO OF RCMD IS THE SON OF MR. CARNELL.



**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2012

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.**
▶ **Attach to Form 990.**

Name of the organization **SHEPPARD PRATT HEALTH SYSTEM, INC.** Employer identification number **52-0591684**

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art				
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded	X	4	11,583.	STOCK EXCHANGE
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (DONATIONS FOR)	X	54	15,111.	FAIR MARKET VALUE
26 Other ▶ (ART SUPPLIES)	X	1	125.	FAIR MARKET VALUE
27 Other ▶ ()				
28 Other ▶ ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29**

	Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	X	
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?		X
b If "Yes," describe in Part II.		
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		

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

Schedule M (Form 990) (2012)

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.

OMB No. 1545-0047

2012

Open to Public
Inspection

Name of the organization

SHEPPARD PRATT HEALTH SYSTEM, INC.

Employer identification number

52-0591684

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

RESIDENTIAL CARE FOR CHILDREN/ADOLESCENTS. SPONSOR RESIDENCY TRAINING
PROGRAMS.

FORM 990, PART III, LINE 2, NEW PROGRAM SERVICES:

EFFECTIVE NOVEMBER 1, 2012, THE ORGANIZATION COMPLETED A STATUTORY
MERGER WITH THE HANNAH MOORE CENTER, INC. (A SPECIAL EDUCATION SCHOOL
IN BALTIMORE AND ANNE ARUNDEL COUNTIES). THE ORGANIZATION WAS THE
SURVIVING CORPORATION. NO CONSIDERATION WAS EXCHANGED IN THIS
TRANSACTION. THE MERGER ENHANCES THE ORGANIZATION'S VOCATIONAL
PROGRAMMING AND ALSO EXPANDS ITS EDUCATIONAL OFFERINGS TO ANNE ARUNDEL
COUNTY.

FORM 990, PART VI, SECTION A, LINE 6: SHEPPARD & ENOCH PRATT FOUNDATION,
INC. IS THE SOLE MEMBER OF THE ORGANIZATION.

FORM 990, PART VI, SECTION A, LINE 7A: SHEPPARD & ENOCH PRATT FOUNDATION
HOLDS RESERVED RIGHTS WHICH INCLUDE THE POWERS TO APPOINT BOARD MEMBERS.

FORM 990, PART VI, SECTION A, LINE 7B: SHEPPARD & ENOCH PRATT FOUNDATION
HOLDS RESERVED RIGHTS WHICH INCLUDE THE POWERS TO APPOINT AND REMOVE BOARD
MEMBERS. THE FOUNDATION ALSO HOLDS THE RIGHT TO APPROVE CERTAIN SELECT
TRANSACTIONS OF ITS SUBSIDIARIES.

FORM 990, PART VI, SECTION B, LINE 11: THE FINANCE COMMITTEE OF THE BOARD
OF TRUSTEES WILL REVIEW AND APPROVE THE 990. FOLLOWING FINANCE COMMITTEE

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

Schedule O (Form 990 or 990-EZ) (2012)

232211
01-04-13

Name of the organization SHEPPARD PRATT HEALTH SYSTEM, INC.	Employer identification number 52-0591684
--	--

APPROVAL OF THE 990 ON 4/15/14, THE CFO WILL MAKE COPIES AVAILABLE TO BOARD MEMBERS PRIOR TO FILING THE FORM 990.

FORM 990, PART VI, SECTION B, LINE 12C: THE ORGANIZATION REQUIRES ALL TRUSTEES AND KEY EXECUTIVE PERSONNEL TO COMPLETE A CONFLICT OF INTEREST QUESTIONNAIRE ANNUALLY. THE COMPLETED QUESTIONNAIRES ARE REVIEWED BY THE CFO WHO SUMMARIZES THE REPORTED CONFLICTS. THIS INFORMATION IS THEN PRESENTED TO THE CEO AND TO THE CHAIRMAN OF THE BOARD FOR REVIEW. CONFLICTS ARE REPORTED AT BOARD MEETINGS AS APPROPRIATE.

FORM 990, PART VI, SECTION B, LINE 15: SALARIES OF THE CEO AND TOP MANAGEMENT ARE REVIEWED BY THE EMPLOYEE COMPENSATION COMMITTEE OF THE BOARD OF TRUSTEES. THIS COMMITTEE IS COMPRISED OF INDEPENDENT TRUSTEES. THE TRUSTEES REVIEW COMPENSATION FOR REASONABLENESS. THEY USE COMPARATIVE INDUSTRY DATA IN THEIR REVIEW PROCESS. THE PROCESS FOR EMPLOYEE COMPENSATION INCLUDES DEVELOPMENT OF COMPENSATION RECOMMENDATIONS BASED ON MARKET SURVEYS AND OTHER COMPARATIVE INDUSTRY DATA. THE SALARY INFORMATION FOR THIS GROUP IS OBTAINED BY A CONSULTANT THAT IS ENGAGED BY THE EXECUTIVE COMPENSATION COMMITTEE. THIS CONSULTANT USES CURRENT MARKET COMPENSATION SURVEYS AND OTHER COMPARATIVE INDUSTRY DATA TO MAKE RECOMMENDATIONS. THE RECOMMENDATIONS ARE THEN PRESENTED TO THE EXECUTIVE COMPENSATION COMMITTEE FOR APPROVAL. THE EXECUTIVE COMPENSATION COMMITTEE REPORTS THAT COMPENSATION WAS APPROVED TO THE FULL BOARD.

FORM 990, PART VI, SECTION C, LINE 19: FINANCIAL STATEMENTS AND OTHER POLICIES ARE AVAILABLE UPON REQUEST.

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

Name of the organization SHEPPARD PRATT HEALTH SYSTEM, INC.	Employer identification number 52-0591684
---	---

TRANSFERS TO AFFILIATES	-7,309,884.
CHANGE IN PENSION LIABILITY	13,804,439.
INHERENT CONTRIBUTION (UNRESTRICTED)	2,537,828.
INTEREST IN NET ASSETS OF FOUNDATION	7,789,885.
INHERENT CONTRIBUTION (TEMPORARILY RESTRICTED)	152,369.
TOTAL TO FORM 990, PART XI, LINE 9	16,974,637.

FORM 990, PART XII, 2C

THIS PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR.

Public Inspection Copy

Related Organizations and Unrelated Partnerships

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

Name of the organization **SHEPPARD PRATT HEALTH SYSTEM, INC.** Employer identification number **52-0591684**

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
SHEPPARD & ENOCH PRATT FOUNDATION - 52-1357109, PO BOX 6815, BALTIMORE, MD 21285	CONDUCT FUNDRAISING ACTIVITIES TO SUPPORT AFFILIATED ORGANIZATIONS	MARYLAND	501(C)(3)	7			X
SHEPPARD PRATT PHYSICIANS PA - 52-1392214 PO BOX 6815 BALTIMORE, MD 21285	PROVIDE HEALTHCARE TO PATIENTS & RESIDENCY TRAINING TO MEDICAL PROF.	MARYLAND	501(C)(3)	9	SHEPPARD & ENOCH PRATT FOUNDATION		X
SHEPPARD PRATT INVESTMENT, INC. - 52-1388935 PO BOX 6815 BALTIMORE, MD 21285	HOLD AND MANAGE ENDOWMENT FUNDS OF RELATED NONPROFIT ENTITIES	MARYLAND	501(C)(3)	11A	SHEPPARD & ENOCH PRATT FOUNDATION		X
MOSAIC COMMUNITY SERVICES, INC. - 52-1388141 1925 GREENSPRING DRIVE TIMONIUM, MD 21093	PROVIDES THERAPEUTIC RESIDENTIAL, REHAB.& SUPPORT SERVICES	MARYLAND	501(C)(3)	7	SHEPPARD & ENOCH PRATT FOUNDATION		X

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

Schedule R (Form 990) 2012

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
WAY STATION, INC. - 52-1162749 PO BOX 3826 FREDERICK, MD 21705	PROVIDES REHABILITATIVE AND TREATMENT SERVICES	MARYLAND	501(C)(3)	7	SHEPPARD & ENOCH PRATT FOUNDATION		X
FAMILY SERVICES, INC. - 52-0730225 610 EAST DIAMOND AVE GAITHERSBURG, MD 20877	FOSTER HEALTHY FAMILIES THROUGH EDUCATION, BEHAVIORAL HEALTH SERVICES	MARYLAND	501(C)(3)	7	SHEPPARD & ENOCH PRATT FOUNDATION		X
REVISIONS COMMUNITY DEVELOPMENT ORG, INC. - 52-1849336, 1925 GREENSPRING DRIVE, TIMONIUM, MD 21093	PROVIDE AFFORDABLE HOUSING TO CHRONICALLY MENTALLY DISABLED INDIVIDUALS	MARYLAND	501(C)(3)	9	MOSAIC COMMUNITY SERVICES, INC.		X
DULANEY STATION COMMUNITY HOUSING DEVELOPMENT ORG, INC. - 02-0650286, 1925 GREENSPRING DRIVE, TIMONIUM, MD 21093	CREATES AFFORDABLE HOUSING FOR LOW-INCOME ADULTS W/ PSYCHIATRIC DISABILITIES	MARYLAND	501(C)(3)	9	MOSAIC COMMUNITY SERVICES, INC.		X
TURNING POINT OF WASHINGTON COUNTY, INC - 52-1190659, PO BOX 3826, FREDERICK, MD 21705	OFFER EDUC., VOC., SOCIAL & RESIDENTIAL SUPPORT FOR MENTALLY ILL	MARYLAND	501(C)(3)	7	SHEPPARD & ENOCH PRATT FOUNDATION		X
ALLIANCE INC - 52-1277262 7701 WISE AVENUE BALTIMORE, MD 21222	EDUC., VOC., & RESID. SERVICES FOR INDIVIDUALS WITH DISABILITIES	MARYLAND	501(C)(3)	7	SHEPPARD & ENOCH PRATT FOUNDATION		X

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
SHEPPARD PRATT PREFERRED RESOURCES, INC. - 52-1757742, 6501 N CHARLES STREET, TOWSON, MD 21285	INACTIVE	MD	N/A	C CORP	N/A	N/A	N/A		X
ATLANTIC RECYCLED PAPER COMPANY, INC. - 52-1737872, 1925 GREENSPRING AVE, TIMONIUM, MD 21093	INACTIVE	MD	N/A	C CORP	N/A	N/A	N/A		X

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

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

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 other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

