


Form 990



Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 07-01-2011 and ending 06-30-2012

B Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Terminated

☐ Amended return

☐ Application pending

C Name of organization

METROPOLITAN HOSPITAL

Doing Business As

METRO HEALTH HOSPITAL

Number and street (or P O box if mail is not delivered to street address)

5900 BYRON CENTER AVENUE SW

Room/suite

City or town, state or country, and ZIP + 4

WYOMING, MI 49519

F Name and address of principal officer

TIM SUSTERICH

5900 BYRON CENTER AVENUE SW

WYOMING,MI 49519

H(a) Is this a group return for affiliates?

☐ Yes ☒ No

H(b) Are all affiliates included?

☐ Yes ☐ No

If "No," attach a list (see instructions)

H(c) Group exemption number

I Tax-exempt status

☒ 501(c)(3) ☐ 501(c) () ☐ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website:

WWW.METROHEALTH.NET

K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other

L Year of formation 1942

M State of legal domicile MI

Part I	Summary																								
Activities & Governance	<div><div>1</div><div>Briefly describe the organization's mission or most significant activities</div><div>SEE SCHEDULE O</div></div>																								
	<div><div>2</div><div>Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets</div></div>																								
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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

2013-05-09

Date

TIM SUSTERICH CFO

Type or print name and title

Paid Preparer's Use Only

Preparer's signature

CAROL LALONDE CPA

Date

Check if self-employed

☐

Preparer's taxpayer identification number (see instructions)

P00181637

Firm's name (or yours if self-employed), address, and ZIP + 4

PLANTE & MORAN PLLC

750 TRADE CENTRE WAY STE 300

PORTAGE, MI 49002

EIN

38-1357951

Phone no

(269) 567-4500

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form 990 (2011)

Part IIISTatement of Program Service Accomplishments

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

1

Briefly describe the organization’s mission

TO IMPROVE THE HEALTH AND WELL-BEING OF OUR COMMUNITIES

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes

☒

No

If “Yes,” describe these new services on Schedule O

3

Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes

☒

No

If “Yes,” describe these changes on Schedule O

4

Describe the organization’s program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts 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 \$ 222,447,267 including grants of \$ 1,723,606) (Revenue \$ 271,559,406)

METRO HEALTH HOSPITAL IS A 208-BED TEACHING HOSPITAL THAT PROVIDES A COMPREHENSIVE SUITE OF INPATIENT AND OUTPATIENT HEALTHCARE SERVICES, INCLUDING FAST EMERGENCY SERVICES, CANCER AND CARDIAC CARE, ROBOTIC AND TRADITIONAL SURGERY, FAMILY PRACTICE, INTERNAL MEDICINE, SPORTS MEDICINE AND OTHERS THE ORGANIZATION'S MISSION IS TO IMPROVE THE HEALTH AND WELL-BEING OF THE COMMUNITIES IT SERVES TO THAT END, METRO PROVIDES EDUCATION AND SCREENING PROGRAMS FOR THE COMMUNITY, EDUCATION OPPORTUNITIES FOR FUTURE DOCTORS, NURSES AND OTHER HEALTH PROFESSIONS, FINANCIAL ASSISTANCE PROGRAMS, CARE FOR THE UNDERSERVED, AND MUCH MORE DURING FISCAL YEAR 2012, METRO HEALTH WELCOMED 1,803 BABIES INTO OUR COMMUNITY, CARED FOR 63,751 EMERGENCY ROOM VISITS, PERFORMED 1,099,994 LABORATORY TESTS AND 146,875 DIAGNOSTIC RADIOLOGY PROCEDURES AND COUNTED 50,754 PATIENT DAYS THE METRO HEALTH COMMUNITY CLINIC, WHICH PROVIDES MEDICAL CARE TO THE UNDERSERVED, PROVIDED CARE FOR 20,161 PATIENT VISITS METRO HEALTH'S MEDICAL EDUCATION PROGRAM INCLUDED 120 MEDICAL STUDENTS, RESIDENTS AND INTERNS

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 \$ 222,447,267

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)? If "Yes," complete Schedule A 	1 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 	2 Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
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? If "Yes," complete Schedule C, Part II	4	No
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? If "Yes," complete Schedule C, Part III	5	No
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? If "Yes," complete Schedule D, Part I 	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II 	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10	No
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? If "Yes," complete Schedule D, Part VI. 	11a Yes	
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? If "Yes," complete Schedule D, Part VII. 	11b	No
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? If "Yes," complete Schedule D, Part VIII. 	11c	No
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? If "Yes," complete Schedule D, Part IX. 	11d Yes	
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X. 	11e Yes	
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)? If "Yes," complete Schedule D, Part X. 	11f Yes	
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII 	12a	No
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional 	12b Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
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? If "Yes," complete Schedule F, Part I	14b	No
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 U S ? If "Yes," complete Schedule F, Part II and IV	15	No
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 U S ? If "Yes," complete Schedule F, Part III and IV	16	No
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? If "Yes," complete Schedule G, Part I	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20a Did the organization operate one or more hospitals? If "Yes," complete Schedule H 	20a Yes	
b If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. All Form 990 filers that operated one or more hospitals must attach audited financial statements 	20b Yes	

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
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>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 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>	23	Yes	
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 questions 24b–24d and complete Schedule K. If "No," go to line 25</i>	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	Yes	
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?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
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>	25a		No
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>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly 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>	26	Yes	
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	27		No
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>	28a	Yes	
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
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 owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
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>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
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>	32		No
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>	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	35a	Yes	
b	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>	35b	Yes	
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>	36		No
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>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance		
Check if Schedule O contains a response to any question in this Part V <input type="checkbox"/>		
		<div>YesNo</div>
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. .	<div>1a198</div>
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	<div>1b0</div>
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	<div>1cYes</div>
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements filed for the calendar year ending with or within the year covered by this return. .	<div>2a2,464</div>
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	<div>2bYes</div>
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	<div>3aYes</div>
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	<div>3bYes</div>
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?	<div>4aNo</div>
b	If "Yes," enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	<div>5aNo</div>
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<div>5bNo</div>
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	<div>5c</div>
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	<div>6aNo</div>
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	<div>6b</div>
7	Organizations that may receive deductible contributions under section 170(c).	
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	<div>7aNo</div>
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	<div>7b</div>
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	<div>7cNo</div>
d	If "Yes," indicate the number of Forms 8282 filed during the year.	<div>7d</div>
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<div>7eNo</div>
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<div>7fNo</div>
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	<div>7g</div>
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	<div>7h</div>
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	<div>8</div>
9	Sponsoring organizations maintaining donor advised funds.	
a	Did the organization make any taxable distributions under section 4966?	<div>9a</div>
b	Did the organization make a distribution to a donor, donor advisor, or related person?	<div>9b</div>
10	Section 501(c)(7) organizations. Enter	
a	Initiation fees and capital contributions included on Part VIII, line 12.	<div>10a</div>
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	<div>10b</div>
11	Section 501(c)(12) organizations. Enter	
a	Gross income from members or shareholders.	<div>11a</div>
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	<div>11b</div>
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	<div>12a</div>
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	<div>12b</div>
13	Section 501(c)(29) qualified nonprofit health insurance issuers.	
a	Is the organization licensed to issue qualified health plans in more than one state? Note. All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state.	<div>13a</div>
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	<div>13b</div>
c	Enter the aggregate amount of reserves on hand.	<div>13c</div>
14a	Did the organization receive any payments for indoor tanning services during the tax year?	<div>14aNo</div>
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	<div>14b</div>

Part VI

Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 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 ☒

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year		
1a	15		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	10
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a	The governing body?	8a	Yes
b	Each committee with authority to act on behalf of the governing body?	8b	Yes
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	No

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

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes
b	Describe in Schedule O the process, if any, used by the organization to review the Form 990		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes
b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes
13	Did the organization have a written whistleblower policy?	13	Yes
14	Did the organization have a written document retention and destruction policy?	14	Yes
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a	The organization's CEO, Executive Director, or top management official	15a	Yes
b	Other officers or key employees of the organization	15b	No
	If "Yes," to line 15a or 15b, describe the process in Schedule O (see instructions)		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	Yes

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed ▶	
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request	
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. See Additional Data Table.	
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ KRIS KURTZ 5900 BYRON CENTER AVE SW WYOMING, MI 49519 (616) 252-4844	

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

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

Form **990** (2011)

Part VII

1b	Sub-Total	▼			
c	Total from continuation sheets to Part VII, Section A	▼			
d	Total (add lines 1b and 1c)	▼	10,681,431	0	652,426

2 Total number of individuals (including but not limited to those listed in Item 1) who received more than \$100,000 of reportable compensation from the organization. 134

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
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? <i>If "Yes," complete Schedule J for such individual</i>	4 Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

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
GREAT LAKES NEUROSURGICAL ASSOCIATES PC 414 PLYMOUTH NE GRAND RAPIDS, MI 49505	MEDICAL SERVICES	4,123,955
CANCER AND HEMATOLOGY CENTER OF WEST MIC 710 KENMOOR SE GRAND RAPIDS, MI 49546	MEDICAL SERVICES	1,403,547
METROPOLITAN HOSPITALISTS GROUP PLC 2093 HEALTH DRIVE SW WYOMING, MI 49509	MEDICAL SERVICES	1,101,770
ANESTHESIA MEDICAL CONSULTANTS PC 3333 EVERGREEN DR NE GRAND RAPIDS, MI 49525	MEDICAL SERVICES	889,369
HEALTH CARE TRANSFORMATIONS LLC 70 W MADISON CHICAGO, IL 60602	CONSULTING	584,950

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 17

Part VIII Statement of Revenue

				(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	1a	Federated campaigns . . .	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d	769,277				
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f					
	g	Noncash contributions included in lines 1a-1f \$ _____						
	h	Total. Add lines 1a-1f			769,277			
Program Service Revenue			Business Code					
	2a	NET PATIENT REVENUE	541380	271,147,661	259,601,828	11,545,833		
	b	OTHER REVENUE	541380	11,957,578	11,957,578			
	c							
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f			283,105,239			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)			537,310		537,310	
	4	Income from investment of tax-exempt bond proceeds . .						
	5	Royalties						
	6a	(i) Real		(ii) Personal				
	b	Less rental expenses						
	c	Rental income or (loss)						
	d	Net rental income or (loss)						
	7a	(i) Securities		(ii) Other				
		7,785,378						
		7,735,825		461,887				
		49,553		-461,887				
	b	Less cost or other basis and sales expenses						
	c	Gain or (loss)						
	d	Net gain or (loss)			-412,334		-412,334	
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18		a				
	b	Less direct expenses		b				
	c	Net income or (loss) from fundraising events . .						
	9a	Gross income from gaming activities See Part IV, line 19		a				
	b	Less direct expenses		b				
	c	Net income or (loss) from gaming activities . .						
	10a	Gross sales of inventory, less returns and allowances .		a				
	b	Less cost of goods sold		b				
	c	Net income or (loss) from sales of inventory . .						
Miscellaneous Revenue		Business Code						
11a								
b								
c								
d	All other revenue							
e	Total. Add lines 11a-11d							
12	Total revenue. See Instructions			283,999,492	271,559,406	11,545,833	124,976	

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) but are not required to complete columns (B), (C), and (D)

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	1,723,606	1,723,606		
2	Grants and other assistance to individuals in the United States See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	6,185,360		5,896,222	289,138
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	86,561,453	78,782,332	7,646,439	132,682
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	19,589,974	18,382,883	1,123,152	83,939
9	Other employee benefits	20,310,943	19,174,414	1,066,898	69,631
10	Payroll taxes	5,769,625	5,352,678	390,474	26,473
11	Fees for services (non-employees)				
a	Management	1,635,960	1,635,960		
b	Legal	662,307	361,476	300,831	
c	Accounting	117,765		117,765	
d	Lobbying				
e	Professional fundraising See Part IV, line 17				
f	Investment management fees	96,168		96,168	
g	Other	25,739,190	19,804,445	5,866,223	68,522
12	Advertising and promotion	2,328,416	906,661	1,237,039	184,716
13	Office expenses	5,278,869	5,082,097	158,575	38,197
14	Information technology	10,853,780	10,800,396	53,384	
15	Royalties				
16	Occupancy	17,527,007	16,267,810	1,259,197	
17	Travel				
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	1,943,326	1,305,507	615,548	22,271
20	Interest	9,875,595	954,599	8,920,996	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	18,369,462	1,836,946	16,532,516	
23	Insurance	898,671		898,671	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	MEDICAL SUPPLIES	24,249,471	24,174,898	74,573	
b	BAD DEBT	15,873,931	15,873,931		
c	TAXES	411,495		411,495	
d	LICENSES/PERMITS	26,628	26,628		
e					
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	276,029,002	222,447,267	52,666,166	915,569
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			4,890	1	5,140
	2	Savings and temporary cash investments			31,431,201	2	40,012,224
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			27,223,871	4	26,183,164
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L				5	20,417
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L				6	
	7	Notes and loans receivable, net				7	
	8	Inventories for sale or use			5,597,976	8	5,491,337
	9	Prepaid expenses and deferred charges			6,417,742	9	4,665,324
	10a	Land, buildings, and equipment, cost or other basis. Complete Part VI of Schedule D	10a	349,396,644			
	b	Less: accumulated depreciation	10b	125,885,053	195,237,061	10c	223,511,591
	11	Investments—publicly traded securities			34,786,901	11	34,464,654
	12	Investments—other securities. See Part IV, line 11				12	
	13	Investments—program-related. See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets. See Part IV, line 11			27,848,763	15	31,048,958
	16	Total assets. Add lines 1 through 15 (must equal line 34)			328,548,405	16	365,402,809
Liabilities	17	Accounts payable and accrued expenses			15,060,982	17	16,703,860
	18	Grants payable				18	
	19	Deferred revenue			1,069,354	19	980,856
	20	Tax-exempt bond liabilities			161,415,000	20	188,575,000
	21	Escrow or custodial account liability. Complete Part IV of Schedule D				21	
	22	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			14,298,366	23	22,318,651
	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			42,590,059	25	55,054,470
	26	Total liabilities. Add lines 17 through 25			234,433,761	26	283,632,837
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			94,114,644	27	81,769,972
	28	Temporarily restricted net assets				28	
	29	Permanently restricted net assets				29	
	Organizations that do not follow SFAS 117, 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			94,114,644	33	81,769,972
	34	Total liabilities and net assets/fund balances			328,548,405	34	365,402,809

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	283,999,492
2	Total expenses (must equal Part IX, column (A), line 25)	2	276,029,002
3	Revenue less expenses Subtract line 2 from line 1	3	7,970,490
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	94,114,644
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-20,315,162
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	81,769,972

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?		No
b	Were the organization's financial statements audited by an independent accountant?	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued 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 separated basis		
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?		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

SCHEDULE A

(Form 990 or 990EZ)

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

2011

Open to Public
Inspection

Name of the organization METROPOLITAN HOSPITAL	Employer identification number 38-0593405
---	--

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 **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 - Other

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?

(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 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)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(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 support?
			Yes	No	Yes	No	Yes	No	
Total									

Part II

Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support						
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public Support. Subtract line 5 from line 4						

Section B. Total Support							
Calendar year (or fiscal year beginning in)		(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7	Amounts from line 4						
8	Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9	Net income from unrelated business activities, whether or not the business is regularly carried on						
10	Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11	Total support (Add lines 7 through 10)						
12	Gross receipts from related activities, etc (See instructions)					12	
13	First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage		
14	Public Support Percentage for 2011 (line 6 column (f) divided by line 11 column (f))	14
15	Public Support Percentage for 2010 Schedule A, Part II, line 14	15
16a	33 1/3% support test—2011. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>
b	33 1/3% support test—2010. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input type="checkbox"/>
17a	10%-facts-and-circumstances test—2011. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization	<input type="checkbox"/>
b	10%-facts-and-circumstances test—2010. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization	<input type="checkbox"/>
18	Private Foundation If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions	<input type="checkbox"/>

Part IIIPart III

Support Schedule for Organizations Described in IRC 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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage		
15 Public Support Percentage for 2011 (line 8 column (f) divided by line 13 column (f))	15	
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage		
17 Investment income percentage for 2011 (line 10c column (f) divided by line 13 column (f))	17	
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18	
19a 33 1/3% support tests—2011. 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—2010. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization		
20 Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions		

Part IV **Supplemental Information.** Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

SCHEDULE D
(Form 990)

Supplemental Financial Statements

Department of the Treasury
Internal Revenue Service

OMB No 1545-0047

2011

Open to Public Inspection

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

Name of the organization
METROPOLITAN HOSPITAL

Employer identification number
38-0593405

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?	
	<div>Yes</div> <div>No</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may 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	
	<div>Yes</div> <div>No</div>	

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 pleasure)

☐ Preservation of an historically importantly land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

2

Complete lines 2a–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 Year
a	Total number of conservation easements
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable 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 170(h)(4)(B)(ii)?

Yes

No

9

In Part XIV, 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, 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 XIV, the text of the footnote to its financial statements that describes these items

b

If the organization elected, as permitted under SFAS 116, 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 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 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

d

☐ Loan or exchange programs

b

☐ Scholarly research

e

☐ Other

c

☐ Preservation for future generations

4

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

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 XIV and complete the following table

	Amount
1c	
1d	
1e	
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 XIV

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				
b	Contributions				
c	Investment earnings or losses				
d	Grants or scholarships				
e	Other expenditures for facilities and programs				
f	Administrative expenses				
g	End of year balance				

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶

3a

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

(i)

unrelated organizations

3a(i)

Yes

No

(ii)

related organizations

3a(ii)

b

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

3b

4

Describe in Part XIV 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		9,414,904		9,414,904
b Buildings		184,238,693	31,756,162	152,482,531
c Leasehold improvements		5,702,749	1,638,420	4,064,329
d Equipment		147,943,537	92,490,471	55,453,066
e Other		2,096,761		2,096,761
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				223,511,591

Part XI

Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	283,999,492
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	276,029,002
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	7,970,490
4	Net unrealized gains (losses) on investments	4	-544,582
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-19,770,580
9	Total adjustments (net) Add lines 4 - 8	9	-20,315,162
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-12,344,672

Part XII

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	283,210,887
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	-544,582
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	-147,855
e	Add lines 2a through 2d	2e	-692,437
3	Subtract line 2e from line 1	3	283,903,324
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	96,168
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	96,168
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	283,999,492

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	275,932,834
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 XIV)	2d	
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	275,932,834
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	96,168
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	96,168
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	276,029,002

Part XIV

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, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Identifier	Return Reference	Explanation
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	THE CORPORATION AND ITS SUBSIDIARIES ARE NONPROFIT, TAX-EXEMPT ORGANIZATIONS (EXCEPT FOR ME), ACCORDINGLY, NO TAX PROVISION IS REFLECTED IN THE CONSOLIDATED FINANCIAL STATEMENTS. THE PROVISION FOR TAXES RELATED TO ME IS NOT MATERIAL TO THE CONSOLIDATED FINANCIAL STATEMENTS. ASC IS A LIMITED LIABILITY CORPORATION AND THUS NO PROVISION HAS BEEN RECORDED. THE CORPORATION AND ITS SUBSIDIARIES ARE SUBJECT TO ROUTINE AUDITS BY TAXING JURISDICTIONS, HOWEVER, NO AUDITS FOR ANY TAX PERIODS ARE CURRENTLY IN PROGRESS. WITH FEW EXCEPTIONS, THE CORPORATION IS NO LONGER SUBJECT TO U.S. FEDERAL, STATE AND LOCAL, OR NON-U.S. INCOME TAX EXAMINATIONS BY TAX AUTHORITIES FOR YEARS BEFORE JUNE 30, 2009. THE CORPORATION HAS ADOPTED ACCOUNTING STANDARDS RELATED TO UNCERTAIN TAX POSITIONS AND, ACCORDINGLY, REVIEWED ALL TAX POSITIONS. THE EVALUATED POTENTIAL EXPOSURE RELATED TO THE UNCERTAIN TAX POSITIONS WAS FOUND TO BE IMMATERIAL. ME IS THE ABBREVIATION FOR METROPOLITAN ENTERPRISES. ASC IS THE ABBREVIATION FOR METRO HEALTH ASC, LLC.
PART XI, LINE 8 - OTHER ADJUSTMENTS		PENSION RELATED CHANGES OTHER THAN NET PERIODIC PENSION COSTS -19,622,725. UNREALIZED GAIN ON EQUITY INVESTMENT -147,855. TOTAL TO SCHEDULE D, PART XI, LINE 8 -19,770,580.
PART XII, LINE 2D - OTHER ADJUSTMENTS		UNREALIZED GAIN ON EQUITY INVESTMENT -147,855.

SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
METROPOLITAN HOSPITAL

Employer identification number
38-0593405

Part I

Charity Care and Certain Other Community Benefits at Cost

		Yes	No	
1a	Did the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization had multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals <div><input type="checkbox"/> Applied uniformly to all hospitals</div> <div><input type="checkbox"/> Applied uniformly to most hospitals</div> <div><input type="checkbox"/> Generally tailored to individual hospitals</div>			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients during the tax year a Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care <div><input type="checkbox"/> 100%</div> <div><input type="checkbox"/> 150%</div> <div><input type="checkbox"/> 200%</div> <div><input checked="" type="checkbox"/> Other <u>175.000000000000 %</u></div>	3a	Yes	
b	Did the organization use FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care <div><input type="checkbox"/> 200%</div> <div><input type="checkbox"/> 250%</div> <div><input type="checkbox"/> 300%</div> <div><input type="checkbox"/> 350%</div> <div><input type="checkbox"/> 400%</div> <div><input checked="" type="checkbox"/> Other <u>225.000000000000 %</u></div>	3b	Yes	
c	If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Did the organization's policy provide free or discounted care to the "medically indigent"?	4	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b	Yes	
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?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a		No
6b	If "Yes," did the organization make it available to the public?	6b		
Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.				

7

Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Chanty care at cost (from Worksheet 1)			6,423,592		6,423,592	2 470 %
b Medicaid (from Worksheet 3, column a)		40,912	43,636,332	41,699,280	1,937,052	0 740 %
c Costs of other means-tested government programs (from Worksheet 3, column b)		4,221	2,056,036	752,294	1,303,742	0 500 %
d Total Charity Care and Means-Tested Government Programs		45,133	52,115,960	42,451,574	9,664,386	3 710 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	23	85,201	212,300	2,708	209,592	0 080 %
f Health professions education (from Worksheet 5)	5	3,609	11,776,546	4,087,074	7,689,472	2 960 %
g Subsidized health services (from Worksheet 6)			0	0		
h Research (from Worksheet 7)	1		480,834	0	480,834	0 180 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)	17	3,585	145,030	0	145,030	0 060 %
j Total Other Benefits	46	92,395	12,614,710	4,089,782	8,524,928	3 280 %
k Total. Add lines 7d and 7j	46	137,528	64,730,670	46,541,356	18,189,314	6 990 %

Part IICommunity Building Activities

Complete this table if the organization conducted any community building activities.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1Physical improvements and housing	2	17	704		704	0 %
2Economic development			0			
3Community support	4	94	2,084		2,084	0 %
4Environmental improvements	3	265	3,581		3,581	0 %
5Leadership development and training for community members			0			
6Coalition building	9	1,991	12,276		12,276	0 %
7Community health improvement advocacy	4	1,598	3,925	475	3,450	0 %
8Workforce development	3	1,585	18,587		18,587	0 010 %
9Other			0			
10Total	25	5,550	41,157	475	40,682	0 010 %

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No. 15?	1Yes	
2	Enter the amount of the organization's bad debt expense	215,873,931	
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	30	
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit.		

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	546,071,019	
6	Enter Medicare allowable costs of care relating to payments on line 5	647,535,977	
7	Subtract line 6 from line 5. This is the surplus or (shortfall).	7-1,464,958	
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input checked="" type="checkbox"/> Other		

Section C. Collection Practices

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

Part IVManagement Companies and Joint Ventures (see instructions)

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

Section A. Hospital Facilities

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

Name and address

[illegible]

Part V Facility Information (continued)

Section B. Facility Policies and Practices.

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

METROPOLITAN HOSPITAL

Name of Hospital Facility:_____

Line Number of Hospital Facility (from Schedule H, Part V, Section A):_____1_____

	Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)		
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8 If "Yes," indicate what the Needs Assessment describes (check all that apply) a <input type="checkbox"/> A definition of the community served by the hospital facility b <input type="checkbox"/> Demographics of the community c <input type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community d <input type="checkbox"/> How data was obtained e <input type="checkbox"/> The health needs of the community f <input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups g <input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet those needs h <input type="checkbox"/> The process for consulting with persons representing the community's interests i <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs j <input type="checkbox"/> Other (describe in Part VI)	1	
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ____		
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	
5 Did the hospital facility make its Needs Assessment widely available to the public? If "Yes," indicate how the Needs Assessment was made widely available (check all that apply) a <input type="checkbox"/> Hospital facility's website b <input type="checkbox"/> Available upon request from the hospital facility c <input type="checkbox"/> Other (describe in Part VI)	5	
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply) a <input type="checkbox"/> Adoption of an implementation strategy to address the health needs of the hospital facility's community b <input type="checkbox"/> Execution of the implementation strategy c <input type="checkbox"/> Development of a community-wide community benefit plan for the facility d <input type="checkbox"/> Participation in community-wide community benefit plan e <input type="checkbox"/> Inclusion of a community benefit section in operational plans f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA g <input type="checkbox"/> Prioritization of health needs in the community h <input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community i <input type="checkbox"/> Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7	
Financial Assistance Policy		
Did the hospital facility have in place during the tax year a written financial assistance policy that		
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>175 0000000000000%</u> If "No," explain in Part VI the criteria the hospital facility used	9	Yes

Part V

Facility Information (continued)

		Yes	No	
10	Used FPG to determine eligibility for providing discounted care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>225 000000000000%</u> If "No," explain in Part VI the criteria the hospital facility used	10	Yes	
11	Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply) a <input checked="" type="checkbox"/> Income level b <input checked="" type="checkbox"/> Asset level c <input checked="" type="checkbox"/> Medical indigency d <input type="checkbox"/> Insurance status e <input checked="" type="checkbox"/> Uninsured discount f <input type="checkbox"/> Medicaid/Medicare g <input type="checkbox"/> State regulation h <input type="checkbox"/> Other (describe in Part VI)	11	Yes	
12	Explained the method for applying for financial assistance?	12	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply) a <input checked="" type="checkbox"/> The policy was posted at all times on the hospital facility's web site b <input checked="" type="checkbox"/> The policy was attached to all 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 upon admission to the hospital facility f <input checked="" type="checkbox"/> The policy was available upon request g <input type="checkbox"/> Other (describe in Part VI)	13	Yes	

Billing and Collections

14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	Yes	
15	Check all of the following collection actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the 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 or arrests e <input type="checkbox"/> Other similar actions (describe in Part VI)			
16	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? 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)	16		No
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply) a <input type="checkbox"/> Notified patients of the financial assistance policy upon admission b <input type="checkbox"/> Notified patients of the financial assistance policy prior to discharge c <input type="checkbox"/> Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills d <input type="checkbox"/> Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy e <input type="checkbox"/> Other (describe in Part VI)			

Part V

Facility Information (continued)

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

19	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care			
a	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b	<input checked="" type="checkbox"/> The hospital facility used the average of it's 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 type="checkbox"/> Other (describe in Part VI)			
20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Part VI	20		No
21	Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for services provided to that patient? If "Yes," explain in Part VI	21	Yes	

Part V

Facility Information (continued)

Section C. Other 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 facilities did the organization operate during the tax year? 19

Name and address		Type of Facility (Describe)
1	See Additional Data Table	
2		
3		
4		
5		
6		
7		
8		
9		
10		

Part VI

Supplemental Information

Complete this part to provide the following information

- 1
- Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21
- 2
- Community health needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any community health 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

Identifier	ReturnReference	Explanation
		PART I, LINE 7 THE INFORMATION USED TO CALCULATE LINE 7 IS ON THE PAID CLAIMS BASIS THE COST-TO-CHARGE RATIO WAS DERIVED FROM WORKSHEET 2

Identifier	ReturnReference	Explanation
		PART I, L7 COL(F) BAD DEBT OF \$15,873,931 WAS INCLUDED IN THE AMOUNT REPORTED ON THE FORM 990, PART IX, LINE 25, BUT SUBTRACTED FOR PURPOSES OF CALCULATING THE PERCENTAGE OF PART I, LINE 7

Identifier	ReturnReference	Explanation
		<p>PART II METRO HEALTH TAKES SERIOUSLY THE OPPORTUNITY AND OBLIGATION WE HAVE TO HELP BUILD OUR COMMUNITY ALL MEMBERS OF THE ORGANIZATION'S LEADERSHIP TEAM ARE ENCOURAGED TO VOLUNTEER A MINIMUM OF 12 HOURS TO COMMUNITY-BENEFIT INITIATIVES GENERAL STAFF MEMBERS ARE ALSO ENCOURAGED TO VOLUNTEER AT COMMUNITY-BENEFIT INITIATIVES MANY METRO EMPLOYEES PLAY AN ACTIVE ROLE ON THE BOARDS AND/OR COMMITTEES OF SEVERAL HEALTH AND HUMAN SERVICE AGENCIES IN OUR COMMUNITY, SUCH AS YMCA, GRAND RAPIDS CHAMBER OF COMMERCE HEALTH CARE COMMITTEE, SENIOR NEIGHBORS, KENT HEALTH PLAN AND MORE IN ADDITION, METRO LEADERS AND STAFF MEMBERS PARTICIPATE IN ONE-DAY COMMUNITY ACTIVITIES, SUCH AS BUILDING HOUSES WITH HABITAT FOR HUMANITY, DOING HEALTH OR CAREER PRESENTATIONS IN THE COMMUNITY, VOLUNTEERING AT FOOD PANTRIES AND MORE AS AN OSTEOPATHIC TEACHING HOSPITAL, WE HAVE A SIGNIFICANT PRESENCE WITH THE MICHIGAN ASSOCIATION OF OSTEOPATHIC DIRECTORS AND MEDICAL EDUCATORS THIS ASSOCIATION HELPS TRAIN NEW PHYSICIANS AND DEVELOPS THE CURRICULUM USED FOR MEDICAL RESIDENTS AND STUDENT INTERNS THROUGHOUT OUR STATE SEVERAL MEMBERS OF OUR STAFF ARE INVOLVED IN THIS GROUP AT THE STATE LEVEL AND SPEND A LARGE NUMBER OF HOURS EVERY YEAR SERVING IN THIS CAPACITY IN FISCAL YEAR 2012, METRO HEALTH WAS THE EDUCATION SITE FOR 120 MEDICAL FELLOWS, RESIDENTS AND STUDENTS IN ADDITION, METRO HEALTH PLAYS AN ACTIVE ROLE IN THE EDUCATION OF STUDENTS AT OTHER LEVELS THROUGH A PARTNERSHIP WITH THE KENT COUNTY INTERMEDIATE SCHOOL DISTRICT (KISD), METRO PROVIDES A PLACE FOR DISABLED STUDENTS WHO ARE LEARNING JOB AND LIFE SKILLS AND DEVELOPING A SENSE OF SELF-WORTH METRO ALSO PROVIDES KISD HIGH SCHOOL STUDENTS WITH HANDS-ON LEARNING OPPORTUNITIES THESE STUDENTS GRADUATE FROM HIGH SCHOOL WITH MARKETABLE HEALTHCARE SKILLS AND A BACKGROUND FOR CONTINUING HEALTHCARE EDUCATION</p>

Identifier	ReturnReference	Explanation
		<p>PART III, LINE 4 PATIENT ACCOUNTS RECEIVABLE ARE STATED AT NET REALIZABLE AMOUNTS AN ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS IS ESTABLISHED ON AN AGGREGATE BASIS BY USING HISTORICAL WRITE-OFF RATE FACTORS APPLIED TO UNPAID ACCOUNTS BASED ON AGING LOSS RATE FACTORS ARE BASED ON HISTORICAL LOSS EXPERIENCE AND ADJUSTED FOR ECONOMIC CONDITIONS AND OTHER TRENDS AFFECTING THE HOSPITAL'S ABILITY TO COLLECT OUTSTANDING AMOUNTS UNCOLLECTIBLE AMOUNTS ARE WRITTEN OFF AGAINST THE ALLOWANCE FOR DOUBTFUL ACCOUNTS IN THE PERIOD THEY ARE DETERMINED TO BE UNCOLLECTIBLE AN ALLOWANCE FOR CONTRACTUAL ADJUSTMENTS AND INTERIM PAYMENT ADVANCES IS BASED ON EXPECTED PAYMENT RATES FROM PAYORS BASED ON CURRENT REIMBURSEMENT METHODOLOGIES THIS AMOUNT ALSO INCLUDES AMOUNTS RECEIVED AS INTERIM PAYMENTS AGAINST UNPAID CLAIMS BY CERTAIN PAYORS CONTRACTUAL ADJUSTMENTS ARE WRITTEN OFF AGAINST THE ALLOWANCE FOR CONTRACTUAL ADJUSTMENTS IN THE PERIOD PAYMENT IS RECEIVED THE RATIONALE FOR INCLUDING OTHER BAD DEBT AMOUNTS IN COMMUNITY BENEFIT IS THAT THIS IS THE AMOUNT OF UNCOMPENSATED CARE TO UNINSURED AND UNDERINSURED PATIENTS ON THE BASIS OF HISTORICAL EXPERIENCE, A SIGNIFICANT PORTION OF THE CORPORATION'S UNINSURED PATIENTS WILL BE UNABLE OR UNWILLING TO PAY FOR THE SERVCIES PROVIDED THUS, THE CORPORATION RECORDS A SIGNIFICANT PROVISION FOR BAD DEBTS RELATED TO UNINSURED PATIENTS IN THE PERIOD THE SERVICES ARE PROVIDED PATIENT SERVICE REVENUE, NET OF CONTRACTUAL ALLOWANCES AND DISCOUNTS (BUT BEFORE THE PROVISION FOR BAD DEBTS), RECOGNIZED IN THE PERIOD FORM THESE MAJOR PAYOR SOURCES IN TOTAL WAS \$308,143,694 FOR THE YEAR ENDED JUNE 30, 2012 THIS AMOUNT IS MADE UP OF AMOUNTS FROM THIRD-PARTY PAYORS OF \$282,865,404 AND AMOUNTS FROM SELF-PAY PAYORS OF \$25,278,290</p>

Identifier	ReturnReference	Explanation
		PART III, LINE 8 ALL OF THE MEDICARE SHORTFALL SHOULD BE TREATED AS COMMUNITY BENEFIT AS SERVICES THIS IS THE EXTENT TO WHICH COSTS RELATED TO MEDICARE SERVICES GO UNPAID THE COST METHODOLOGY IS THE SAME AS IN PART III LINE 4 OF THE FORM 990 AS DESCRIBED ABOVE

Identifier	ReturnReference	Explanation
		PART III, LINE 9B METRO TRIES TO INFORM THE PATIENT IF THEY QUALIFY FOR CHARITY CARE AS SOON AS POSSIBLE BECAUSE THE PATIENT BENEFITS FROM KNOWING ABOUT THEIR FINANCIAL OBLIGATIONS AND THE HOSPITAL CAN AVOID A COSTLY COLLECTIONS PROCESS IF THE PATIENT HAS THE INABILITY TO PAY EVERY PATIENT BILL HAS THE FEDERAL POVERTY GUIDELINES ON THE BACK AND ITS ON METRO'S WEBSITE BOTH EXPLAINS THE PROCEDURES AND LIMITS FOR CHARITY CARE AND DISCOUNTING PROGRAMS PATIENT FINANCIAL REPRESENTATIVES ARE AVAILABLE TO DISCUSS FILLING OUT THE PAPERWORK FOR GOVERNMENT MEDICAL ASSISTANCE PROGRAMS

Identifier	ReturnReference	Explanation
METROPOLITAN HOSPITAL		PART V, SECTION B, LINE 21 IN ACCORDANCE WITH MEDICARE POLICY WE CHARGE THE FULL AMOUNT BUT FOR PEOPLE WHO DID NOT HAVE INSURANCE WE DISCOUNTED THE CHARGE BY 40% IF THEY HAD INSURANCE THE AMOUNT WAS DISCOUNTED BY THE CONTRACT PERCENTAGE

Identifier	ReturnReference	Explanation
		<p>PART VI, LINE 2 IN FISCAL YEAR 2011, A COALITION OF COMMUNITY PARTNERS LAUNCHED A COMMUNITY-WIDE NEEDS ASSESSMENT THE KENT COUNTY HEALTH DEPARTMENT SERVED AS THE LEAD AGENCY, BRINGING TOGETHER METRO HEALTH, SAINT MARY'S HOSPITAL, SPECTRUM HEALTH, PINE REST, MARY FREE BED, MICHIGAN STATE UNIVERSITY, GRAND VALLEY STATE UNIVERSITY AND OTHER HEALTH AND HUMAN SERVICE ORGANIZATIONS IN A COLLABORATIVE STUDY THE PARTNERS CONTRACTED WITH THE MICHIGAN PUBLIC HEALTH INSTITUTE TO FACILITATE THE NEEDS ASSESSMENT AND HEALTH IMPROVEMENT PLAN FOR KENT COUNTY THE MISSION OF THE KENT COUNTY CHNA PROCESS WAS TO ENSURE THAT THE PEOPLE OF KENT COUNTY ARE EMPOWERED TO ACHIEVE LIFE-LONG PHYSICAL, MENTAL AND SOCIAL WELLBEING THROUGH 1) EQUAL ACCESS TO HIGH QUALITY, AFFORDABLE HEALTHCARE, 2) A COORDINATED SYSTEM OF CARE THAT IS LOCAL, PREVENTIVE, HOLISTIC AND PATIENT CENTERED, AND 3) AN ENVIRONMENT THAT SUPPORTS HEALTHY LIVING FOR ALL IN ORDER TO ACHIEVE THIS MISSION, THE COALITION FORMED TWO WORKGROUPS THAT COLLECTED POPULATION AND COMMUNITY INPUT DATA THAT SPOKE TO COMMUNITY HEALTH ACROSS GROUPS IN MULTIPLE AREAS OF HEALTH THE POPULATION DATA WORKGROUP IDENTIFIED INDICATORS OF HEALTH AND REVIEWED EXISTING LOCAL, STATE AND NATIONAL SECONDARY DATA SOURCES TO COMPILE A COMPREHENSIVE OVERVIEW OF THE HEALTH STATUS ACROSS POPULATIONS WITHIN KENT COUNTY THESE DATA ARE LIMITED IN POPULATIONS REPRESENTED AND HEALTH INDICATORS ADDITIONAL DATA COLLECTION METHODS WERE USED BY THE COMMUNITY INPUT WORKGROUP TO GATHER DATA FROM COMMUNITY MEMBERS WHOSE VOICE AND HEALTH STATUS MAY NOT BE REPRESENTED THROUGH THE LOCAL, STATE AND NATIONAL SECONDARY DATA SOURCES FOUR COMMUNITY INPUT WALLS WERE PLACED IN LARGE PUBLIC VENUES AS A METHOD OF COLLECTING COMMUNITY FEEDBACK FROM THE GENERAL PUBLIC A TOTAL OF 395 INTERCEPT INTERVIEWS WERE CONDUCTED WITH VULNERABLE POPULATIONS WHO WERE ACCESSIBLE WITHIN GRAND RAPIDS AND KENT COUNTY FINALLY, 12 FOCUS GROUPS, INCLUDING 119 COMMUNITY MEMBERS, WERE USED TO GATHER FEEDBACK FROM DIVERSE AND HARD TO REACH POPULATIONS WITHIN GRAND RAPIDS AND KENT COUNTY THE CHNA COALITION REVIEWED ASSESSMENT FINDINGS AND IDENTIFIED 44 CROSSCUTTING, STRATEGIC ISSUES USING A STRUCTURED PRIORITIZATION PROCESS, THE CHNA STEERING COMMITTEE AND COALITION NARROWED THIS LIST TO FIVE STRATEGIC PRIORITIES THAT ALIGN WITH THE MISSION TO ADDRESS THROUGH A COMMUNITY HEALTH IMPROVEMENT PLAN IN THE NEXT PHASE OF THIS PROJECT</p>

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 METRO HEALTH RECOGNIZES THAT INDIVIDUALS AND FAMILIES WHO ARE FACING FINANCIAL INSTABILITY OR HARDSHIP OFTEN NEGLECT HEALTHCARE NEEDS UNTIL THEY BECOME EMERGENT CONDITIONS THIS PRACTICE PLACES STRESS ON PATIENTS, FAMILIES AND THE HEALTHCARE SYSTEM METRO HEALTH SEEKS TO INFORM PATIENTS OF THEIR ELIGIBILITY FOR CHARITY CARE AS SOON AS POSSIBLE IN THE HEALTHCARE PROCESS SO THAT PATIENTS KNOW THERE IS HELP FOR THEM AND SO THAT THE ORGANIZATION AVOIDS COSTLY COLLECTIONS PROCESSES METRO HEALTH POSTS INFORMATION ON FINANCIAL ASSISTANCE ON THE ORGANIZATION WEB SITE PATIENTS WHO REPORT HAVING NO INSURANCE OR HIGH DEDUCTIBLE INSURANCE AT REGISTRATION ARE PROVIDED INFORMATION ABOUT OUR METROCARE PROGRAM THIS PROGRAM PROVIDES A 40% DISCOUNT TO ALL PATIENTS WITHOUT INSURANCE AND A TWO-YEAR, NO-INTEREST PAYMENT PLAN FOR THOSE PATIENTS WITH A BALANCE OF MORE THAN \$25 00 IN ADDITION, EVERY PATIENT BILL INCLUDES THE FEDERAL POVERTY GUIDELINES ON THE BACK AND EXPLAINS THE PROCEDURES AND LIMITS FOR CHARITY CARE AND DISCOUNTING PROGRAMS PATIENT FINANCIAL REPRESENTATIVES ARE AVAILABLE TO DISCUSS FILLING OUT PAPERWORK FOR GOVERNMENT MEDICAL ASSISTANCE PROGRAMS

Identifier	ReturnReference	Explanation
		<p>PART VI, LINE 4 METRO HEALTH'S PRIMARY SERVICES AREA INCLUDES KENT, ALLEGAN AND OTTAWA COUNTIES THE ORGANIZATION'S REACH INTO THE COMMUNITY IS ENHANCED BY POSITIONING HEALTHCARE SERVICES THROUGHOUT THE COMMUNITY, INCLUDING 11 NEIGHBORHOOD OUTPATIENT CENTERS RINGING THE GREATER GRAND RAPIDS AREA, SATELLITE CARDIOLOGY OFFICES IN GREENVILLE, SHERIDAN AND IN DOWNTOWN GRAND RAPIDS, MICHIGAN, AN AMBULATORY SURGERY CENTER IN DOWNTOWN GRAND RAPIDS, MICHIGAN, A COMMUNITY CLINIC FOR THE UNDERSERVED AND THE METRO HEALTH CANCER CENTER LOCATED NEAR THE HOSPITAL OFFERING MEDICAL ONCOLOGY THROUGH METRO HEALTH PHYSICIANS AND RADIATION ONCOLOGY THROUGH A PARTNERSHIP WITH UNIVERSITY OF MICHIGAN DEPARTMENT OF RADIATION ONCOLOGY KENT COUNTY, WHERE THE MAJORITY OF METRO HEALTH PATIENTS RESIDE, IS THE FOURTH LARGEST COUNTY IN MICHIGAN IN 2010, THERE WERE 602,622 PEOPLE LIVING IN KENT COUNTY MEANING 6.1% OF MICHIGAN'S POPULATION LIVES IN KENT COUNTY KENT COUNTY INCLUDES A DIVERSE MIX OF DEMOGRAPHICS ACCORDING TO THE UNITED STATES CENSUS BUREAU WEB SITE (2010 CENSUS), 76 PERCENT OF THE POPULATION IS WHITE (NOT HISPANIC) THE HISPANIC POPULATION IS 9.7 PERCENT OF RESIDENTS, THE AFRICAN AMERICAN POPULATION IS 9.7 PERCENT OF THE COMMUNITY, AND ASIAN AMERICANS COMPRISE 2.3 PERCENT OF THE POPULATION PER THE CENSUS BUREAU, MEDIAN HOUSEHOLD INCOME IN KENT COUNTY (FOR 2006-2010) IS \$29,532, AND 14.3 PERCENT OF THE POPULATION IS CONSIDERED BELOW THE POVERTY LEVEL THE 2011 COMMUNITY HEALTH NEEDS ASSESSMENT FOUND THAT COMPARED TO MICHIGAN, KENT COUNTY HAD A HIGHER PROPORTION OF ADULT RESIDENTS AGED 18-64 WHO DO NOT HAVE HEALTH INSURANCE AND A HIGHER PROPORTION OF HOUSEHOLDS THAT SPEAK SPANISH OR ANOTHER LANGUAGE OTHER THAN ENGLISH AT HOME</p>

Identifier	ReturnReference	Explanation
		<p>PART VI, LINE 5 METRO HEALTH'S LIVE HEALTHY COMMUNITY OUTREACH PROGRAM PROVIDES FREE AND LOW-COST HEALTH EDUCATION PROMOTION EVENTS, CLASSES AND MORE TO OUR COMMUNITY THE MAJORIT Y OF THESE PROGRAMS ARE DESIGNED TO ADDRESS RECOGNIZED HEALTH NEEDS IN THE COMMUNITY THESE CLASSES AND EVENTS GROW IN POPULARITY EVERY YEAR AND INCLUDE TOPICS SUCH AS LIVING WITH D IABETES, CPR CLASSES AND ASK THE SPECIALIST ABOUT HEART DISEASE, STROKE, CHEST PAIN AND MO RE LOW-COST EXERCISE CLASSES OFFER ACTIVITY TO BEGINNERS, AS WELL AS TO VERY FIT PARTICIP ANTS OTHER FREE OFFERINGS ARE TOBACCO CESSATION, PRE-DIABETES, NUTRITION, JOINT PAIN, INJ URY AND FALL PREVENTION, CHILD SAFETY SEAT, HEALTHY COOKING CLASSES AND MORE WHILE ALL OF THE LIVE HEALTHY CLASSES ARE FREE OR LOW COST, IF COST IS A DETERRENT FOR PEOPLE BEING AB LE TO ATTEND, THE COMMUNITY OUTREACH DEPARTMENT WAIVES THE FEE FREE HEALTH SCREENS ARE AL SO AN IMPORTANT COMPONENT OF THE LIVE HEALTHY PROGRAM AS EXAMPLES, FREE BLOOD PRESSURE SC REENS ARE HELD MONTHLY IN THE HOSPITAL DURING THE YEAR, METRO ADDED SITES FOR FREE BLOOD PRESSURE SCREENS THE ADDED SITES ARE AT THREE OF OUR PHYSICIAN OFFICES LOCATED SOME DISTA NCE FROM THE HOSPITAL HOLDING SCREENS AT THESE REMOTE LOCATIONS MAKES IT EASIER FOR MORE PEOPLE IN OUR SERVICE AREA TO TAKE ADVANTAGE OF THE FREE SERVICE METRO ALSO OFFERED FREE SCREENING EVENTS FOR PERIPHERAL ARTERY DISEASE (PAD) AND SUDDEN CARDIAC DEATH IN HIGH SCHO OL ATHLETES PAD CAN RESULT AS A SIDE EFFECT OF DIABETES OR OTHER ILLNESSES, ALL PEOPLE AT RISK OF HEART DISEASE ARE AT RISK OF PAD LEFT UNTREATED PAD CAN RESULT IN CRITICAL LIMB ISCHEMIA AND/OR AMPUTATION BY TREATING PAD BEFORE IT ESCALATES, PHYSICIANS ARE HELPING PA TIENTS AVOID COSTLY AND LIFE-CHANGING MAJOR AMPUTATIONS OUR COMMUNITY WAS DIRECTLY AFFECT ED BY THE DEATH OF A YOUNG ATHLETE ON THE BASKETBALL COURT PARENTS AND SCHOOL ADMINISTRAT ORS ALIKE SOUGHT RESOURCES FOR IDENTIFYING RISKS OF SUDDEN CARDIAC DEATH AS A RESULT, MET RO'S SPORTS MEDICINE AND CARDIOLOGY PHYSICIANS PARTNER TO OFFER SCREENINGS TO STUDENT ATHL ETES THE HOSPITAL ALSO HOSTS A NUMBER OF FREE SUPPORT GROUPS AND MEETINGS FOR COMMUNITY O RGANIZATIONS SOME SUPPORT GROUPS ARE RUN BY METRO HEALTH PROFESSIONALS AND OTHERS ARE COM MUNITY-BASED GROUPS TO WHOM METRO OFFERS FREE CONFERENCE ROOM SPACE SOME OF THE SUPPORT G ROUPS MEETING AT METRO INCLUDE THOSE FOR ALZHEIMER'S, BREASTFEEDING AND CANCER SERVICES AS A TEACHING HOSPITAL, METRO ALSO OFFERS EDUCATIONAL OPPORTUNITIES TO MEDICAL RESIDENTS, N URSSES, RADIOLOGY TECHS, PHLEBOTOMISTS AND EVEN HIGH SCHOOL STUDENTS WHO ARE INTERESTED IN MEDICAL PROFESSIONS IN 2012, METRO OFFERED ITS THIRD HEART AND VASCULAR WINTER UPDATE CON FERENCE TO PRIMARY CARE AND CARDIOLOGY PHYSICIANS THE CONFERENCE FEATURED LOCAL AND NATIO NAL SPEAKERS ON TOPICS FROM HOW TO HELP PATIENTS LOSE WEIGHT TO INNOVATIONS IN TREATING CH OLESTEROL PROBLEMS, PERIPHERAL VASCULAR DISEASE AND MORE THE CONFERENCE OFFERED CME CREDI TS AND WAS ATTENDED BY MORE THAN 50 PHYSICIANS THE METRO HEALTH FARM MARKET IS ANOTHER WAY METRO SEEKS TO IMPROVE THE HEALTH OF OUR COMMUNITY FOR SEVEN CONSECUTIVE YEARS NOW, OUR MARKET HAS GROWN IN POPULARITY AMONG COMMUNITY MEMBERS, PATIENTS AND EMPLOYEES ON FARM MA RKET DAYS, IT IS COMMON TO SEE OUTPATIENTS AND VISITORS MINGLE WITH COMMUNITY MEMBERS AS T HEY SHOP FOR FRESH, LOCALLY GROWN AND PRODUCED FOODS MORE THAN 10,000 STAFF MEMBERS AND C OMMUNITY RESIDENTS VISITED THE FARM MARKET IN 2012 DURING THE LAST PROGRAM YEAR, METRO CO NTINUED ITS EFFORTS TO MAKE HEALTHY FOODS AVAILABLE TO OUR ENTIRE COMMUNITY BY CONTINUING TO OFFER SHOPPERS ON FOOD ASSISTANCE WAYS TO USE THE ASSISTANCE AT THE MARKET METRO ACCEP TS PROJECT FRESH COUPONS AND SNAP BENEFITS WE ALSO USE EBT MACHINES TO INCREASE HEALTHY O PTIONS FOR INDIVIDUALS AND FAMILIES RECEIVING GOVERNMENT FOOD ASSISTANCE AS AN ADDED BENE FIT, METRO OFFERED FREE HEALTH SCREENS AND COOKING CLASSES AT THE MARKET SO THAT AREA RESI DENTS COULD LEARN ABOUT THEIR HEALTH AND LEARN WAYS TO COOK THE DELICIOUS, HEALTHY FOODS A VAILABLE AT THE MARKET - REGARDLESS OF THEIR INCOME LEVEL OUR SPORTS MEDICINE DEPARTMENT A LSO PLAYS AND ACTIVE ROLE IN THE COMMUNITY, PROVIDING FIRST AIDE AT RACES AND COMMUNITY EV ENTS YEAR ROUND SPORTS MEDICINE PHYSICIANS AND PHYSICAL THERAPISTS PROMOTE HEALTHY LIVING AND PARTICIPATION IN ACTIVITIES BY VOLUNTEERING AT EVENTS METRO HEALTH IS ALSO COMMITTED TO PROTECTING THE ENVIRONMENT THROUGH A NUMBER OF GREEN INITIATIVES OUR HOSPITAL BUILDIN G IS ONE OF THE FIRST HOSPITALS IN THE NATION DESIGNED AND BUILT TO BE LEED-CERTIFIED (LEA DERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN), AND IT IS LOCATED IN THE METRO HEALTH VILLAGE WHICH REQUIRES ALL BUILDINGS ON THE PROPERTY TO BE DESIGNED AND BUILT FOR LEED CERTIFICAT ION EMPLOYEE AND COMMUNITY PARTICIPATION IN RECYCLING AND COMPOSTING PROGRAMS AT THE HOSP ITAL CONTINUES TO GROW EACH YEAR THE HOSPITAL KITCHEN RECYCLING IS VERY SUCCESSFUL AND WO UL D NOT BE POSSIBLE WITHOUT THE BUY-IN OF THE EMPL</p>

Identifier	ReturnReference	Explanation
		OYEE TEAM BEYOND THE WALLS OF THE HOSPITAL, METRO'S LEADERSHIP TEAM IS WORKING TO MAKE AN IMPACT ON THE COMMUNITY EVERY MEMBER OF THE LEADERSHIP TEAM IS EXPECTED TO VOLUNTEER A MINIMUM OF 12 HOURS DURING THE YEAR TO COMMUNITY-BENEFIT INITIATIVES MANY LEADERS GO WELL ABOVE THE 12-HOUR THRESHOLD AND VOLUNTEER MUCH MORE IN THE COMMUNITY THEY ALSO ALLOW TEAM BUILDING THROUGH SERVICE TO OTHER ORGANIZATIONS TEAMS OF METRO EMPLOYEES HAVE WORKED TOGETHER TO PACK LUNCHES AND SNACKS FOR KIDS FOOD BASKET, PROVIDE FLU SHOTS FOR AREA RESIDENTS IN NEED AND MORE

Identifier	ReturnReference	Explanation
REPORTS FILED WITH STATES	PART VI, LINE 7	MI

Additional Data

Software ID:
Software Version:
EIN: 38-0593405
Name: METROPOLITAN HOSPITAL

Form 990 Schedule H, Part V Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility

[illegible]

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations,
Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990

OMB No 1545-0047

2011

Open to Public
Inspection

Name of the organization
METROPOLITAN HOSPITAL

Employer identification number
38-0593405

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☐ Yes

☒ No
- 2

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

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed ▶ ☐

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) METROPOLITAN ENTERPRISES1925 BRETON SE GRAND RAPIDS,MI 49506	38-3062222	N/A	1,723,606	0	N/A	N/A	FORGIVENESS OF DEBT

2

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

0

3

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

1

Part III

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) if additional space is needed.

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

Part IV

Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

Identifier	Return Reference	Explanation
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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, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
METROPOLITAN HOSPITAL

Employer identification number
38-0593405

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		
	<div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Housing allowance or residence for personal use</div></div>		
	<div><div><input checked="" type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Payments for business use of personal residence</div></div>		
	<div><div><input checked="" type="checkbox"/> Tax idemnification and gross-up payments</div><div><input checked="" type="checkbox"/> Health or social club dues or initiation fees</div></div>		
	<div><div><input checked="" type="checkbox"/> Discretionary spending account</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain	1b	Yes
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?	2	Yes
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply		
	<div><div><input type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Written employment contract</div></div>		
	<div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Compensation survey or study</div></div>		
	<div><div><input type="checkbox"/> Form 990 of other organizations</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
a	Receive a severance payment or change-of-control payment?	4a	No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	Yes
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c	No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a	The organization?	5a	No
b	Any related organization?	5b	No
	If "Yes," to line 5a or 5b, describe in Part III		
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a	The organization?	6a	No
b	Any related organization?	6b	No
	If "Yes," to line 6a or 6b, describe in Part III		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	No
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 Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	8	No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9	

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.

[illegible]

Part III **Supplemental Information**

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

Identifier	Return Reference	Explanation
	PART I, LINE 1A	MIKE FAAS RECEIVED TAX INDEMNIFICATION AND GROSS-UP PAYMENTS. ALL VICE PRESIDENTS RECEIVE A DISCRETIONARY SPENDING AMOUNT. THESE PAYMENTS ARE TREATED AS TAXABLE COMPENSATION.
	PART I, LINE 4B	JOHN KEY \$16,500 TIM SUSTERICH \$16,500 INGRID CHESLEK \$16,094 FLOYD WILSON JR \$16,500 CARRIE KNOBLOCH \$8,884 68 PAUL KOVACK \$22,000 MATTHEW SEVENSMA \$16,500 MICHAEL ZAKEM \$22,000 ERIK WALCHAK \$16,500

Software ID:
Software Version:
EIN: 38-0593405
Name: METROPOLITAN HOSPITAL

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
MICHAEL FAAS	(i) (ii)	703,132 0	203,000 0	397,148 0	81,064 0	28,907 0	1,413,251 0	0 0
MICHAEL H ZAKEM DO	(i) (ii)	911,327 0	0 0	2,729 0	11,750 0	15,934 0	941,740 0	0 0
CINDY ALLEN-FEDOR	(i) (ii)	110,265 0	22,418 0	15,766 0	5,425 0	15,383 0	169,257 0	0 0
FRANK BELSITO	(i) (ii)	255,499 0	186,120 0	5,161 0	11,750 0	12,875 0	471,405 0	0 0
INGRID CHESLEK	(i) (ii)	226,480 0	76,413 0	10,602 0	19,162 0	14,078 0	346,735 0	0 0
BRADLEY CLEGG	(i) (ii)	218,690 0	50,448 0	2,838 0	10,116 0	15,934 0	298,026 0	0 0
WILLIAM CUNNINGHAM	(i) (ii)	170,013 0	2,211 0	25,340 0	0 0	0 0	197,564 0	0 0
CARRIE KNOBLOCH	(i) (ii)	108,652 0	53,882 0	12,170 0	6,773 0	10,001 0	191,478 0	0 0
CHRISTINE LAWRENCE	(i) (ii)	128,515 0	25,809 0	29,269 0	10,440 0	6,468 0	200,501 0	0 0
WILLIAM LEWKOWSKI	(i) (ii)	207,191 0	75,000 0	6,506 0	16,372 0	17,486 0	322,555 0	0 0
VERONICA MARSICH	(i) (ii)	223,731 0	1,000 0	990 0	9,040 0	6,655 0	241,416 0	0 0
LAURA STASKIEWICZ	(i) (ii)	179,108 0	66,500 0	4,057 0	16,858 0	18,189 0	284,712 0	0 0
TIM SUSTERICH	(i) (ii)	297,413 0	78,500 0	3,389 0	36,450 0	4,159 0	419,911 0	0 0
FLOYD WILSON JR	(i) (ii)	287,896 0	72,250 0	13,786 0	41,090 0	18,039 0	433,061 0	0 0
JAMAL GHANI	(i) (ii)	224,859 0	75,875 0	528 0	10,416 0	10,821 0	322,499 0	0 0
KEN NYSSON	(i) (ii)	149,699 0	23,250 0	34,951 0	14,427 0	12,696 0	235,023 0	0 0
PAUL KOVACK	(i) (ii)	593,813 0	283,051 0	1,518 0	11,750 0	15,934 0	906,066 0	0 0
MATTHEW SEVENSMA	(i) (ii)	601,298 0	357,531 0	594 0	10,650 0	12,875 0	982,948 0	0 0

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
ERIC WALCHAK	(i) (ii)	594,845 0	327,213 0	660 0	10,650 0	15,487 0	948,855 0	0 0
JOHN KEY	(i) (ii)	596,204 0	275,580 0	1,518 0	7,350 0	12,875 0	893,527 0	0 0
ERIK HEDLUND	(i) (ii)	846,659 0	65,807 0	660 0	10,650 0	15,934 0	939,710 0	0 0

Schedule K
(Form 990)

Department of the Treasury
Internal Revenue Service

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 Schedule O (Form 990).
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
METROPOLITAN HOSPITAL

Employer identification number
38-0593405

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) Pool financing	
						Yes	No	Yes	No	Yes	No
A KENT HOSPITAL FINANCE AUTHORITY	38-2350002	490580CB1	04-19-2005	139,985,272	BUILD METRO HOSPITAL		X		X		X
B KENT HOSPITAL FINANCE AUTHORITY	38-2350002	490580EE3	04-19-2012	57,700,000	REFUND 2005B BONDS ISSUED 4/19/2005 & PURCHASE POWER PLANT		X		X		X

Part II

Proceeds

		A		B		C		D	
1	Amount of bonds retired	4,125,000							
2	Amount of bonds defeased								
3	Total proceeds of issue	145,317,483		57,700,000					
4	Gross proceeds in reserve funds	10,583,127							
5	Capitalized interest from proceeds	17,302,313		342,502					
6	Proceeds in refunding escrow			28,307,495					
7	Issuance costs from proceeds	2,638,197		635,949					
8	Credit enhancement from proceeds			263,645					
9	Working capital expenditures from proceeds	3,579,804							
10	Capital expenditures from proceeds	128,617,074		28,150,409					
11	Other spent proceeds								
12	Other unspent proceeds								
13	Year of substantial completion	2007		2012					
		Yes	No	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 IIIPrivate 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?	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		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 government ▶	0 %		0 %					
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶	0 %		0 %					
6	Total of lines 4 and 5	0 %		0 %					
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X					

Part IVArbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X				
2	Is the bond issue a variable rate issue?		X	X					
3a	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		X		X				
b	Name of provider								
c	Term of hedge								
d	Was the hedge superintegrated?								
e	Was a hedge terminated?								
4a	Were gross proceeds invested in a 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?								
5	Were any gross proceeds invested beyond an available temporary period?		X		X				
6	Did the bond issue qualify for an exception to rebate?		X	X					

Part VProcedures To Undertake Corrective Action

Check the box if 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 ☒ Yes ☐ No

Part VISupplemental Information

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

Identifier	Return Reference	Explanation
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Schedule L
(Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
METROPOLITAN HOSPITAL

Employer identification number
38-0593405

Part I

Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No

2

Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958

\$

3

Enter the amount of tax, if any, on line 2, above, reimbursed by the organization

\$

Part II

Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c)Original principal amount	(d)Balance due	(e) In default?		(f) Approved by board or committee?		(g)Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
(1) JAMAL GHANI RELOCATION		X	35,000	20,417		No		No	Yes	
Total				\$ 20,417						

Part III

Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b)Relationship between interested person and the organization	(c)Amount of grant or type of assistance

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
(1) MICHAEL PRICE	CEO OF MERCANTILE	540,777	MERCANTILE HAS PROVIDED BANKING SERVICES TO METRO BANK LENT MONEY FOR A TERM LOAN AND SUPPLIES CHECKING SERVIES		No
(2) HEALTH PARK MEDICAL BUILDING	DR FURLONG, PARTNER IN HEALTH PARK MEDICAL BUILDING AND BOARD MEMBER	952,830	LEASE OF BUILDING		No
(3) LOWELL REAL ESTATE GROUP	DR GAUTHIER, PARTNER IN LOWELL REAL ESTATE GROUP AND BOARD MEMBER	179,757	LEASE OF BUILDING		No
(4) 5950 METRO WAY LLC	DR ZAKEM, PARTNER IN 5950 METRO WAY, LLC AND BOARD MEMBER	640,191	LEASE OF BUILDING		No
(5)					No

Part V Supplemental Information

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

Identifier	Return Reference	Explanation
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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 to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2011

Open to Public
Inspection

Name of the organization
METROPOLITAN HOSPITAL

Employer identification number
38-0593405

Identifier	Return Reference	Explanation
ORGANIZATION MISSION STATEMENT	FORM 990, PART I, LINE 1	METRO HEALTH'S MISSION IS TO IMPROVE THE HEALTH AND WELL-BEING OF OUR COMMUNITIES TO THAT END THE ORGANIZATION BELIEVES THE FOUNDATION OF GOOD HEALTH IS BASED ON EXCELLENT QUALITY PRIMARY CARE THE ORGANIZATION IS ANCHORED BY A 208-BED, GENERAL ACUTE CARE COMMUNITY HOSPITAL ADDITIONALLY, IT OPERATES 11 NEIGHBORHOOD OUTPATIENT CENTERS, A STUDENT HEALTH FACILITY AT GRAND VALLEY STATE UNIVERSITY AND A COMMUNITY CLINIC FOR THE UNDERSERVED THE NEIGHBORHOOD OUTPATIENT CENTERS RING THE ORGANIZATION'S SERVICE AREA, ALLOWING PATIENTS ACCESS TO QUALITY HEALTHCARE CLOSE TO HOME SERVICES PROVIDED AT THE CENTERS INCLUDE PRIMARY CARE, LAB SERVICES, MAMMOGRAPHY, X-RAY AND PHYSICAL THERAPY IN ADDITION TO PRIMARY CARE SERVICES, THE ORGANIZATION PROVIDES SPECIALTY CARE AT ITS HEART AND VASCULAR PRACTICE, CANCER CENTER, AMBULATORY SURGERY CENTER, OPHTHALMOLOGY OFFICE, SLEEP LAB AND OTHER SITES THE ORGANIZATION ALSO FOCUSES ON IMPROVING THE HEALTH OF THE COMMUNITY BEFORE PEOPLE NEED HEALTHCARE IT DOES THIS THROUGH ITS LIVE HEALTHY COMMUNITY OUTREACH PROGRAM THAT OFFERS FREE AND LOW-COST CLASSES, SEMINARS AND COMMUNITY HEALTH SCREENS IN THE PAST YEAR, SCREENS HAVE BEEN DONE FOR HIGH BLOOD PRESSURE, PERIPHERAL VASCULAR DISEASE, MEMORY ISSUES AND SUDDEN CARDIAC DEATH METRO HEALTH IS ALSO A MAJOR PROVIDER OF OSTEOPATHIC MEDICAL EDUCATION IN FISCAL YEAR 2012, 120 MEDICAL STUDENTS, RESIDENTS AND FELLOWS PARTICIPATED IN ITS MEDICAL EDUCATION PROGRAM
	FORM 990, PART VI, SECTION B, LINE 11	THE COMPLETED FORM 990 WAS REVIEWED BY THE CONTROLLER AND CHIEF FINANCIAL OFFICER MEMBERS OF THE FISCAL SERVICES DEPARTMENT WITH TAX EXPERTISE PREPARED IT THE FORM 990 WAS THEN REVIEWED BY AN OUTSIDE INDEPENDENT PUBLIC ACCOUNTING FIRM WHO AS PART OF PROCESS SIGNS THE RETURN AS PAID PREPARER AFTER THIS REVIEW BUT PRIOR TO FILING, THE FULL METRO BOARD OF DIRECTORS WAS NOTIFIED THAT THE COMPLETED FORM 990 WAS AVAILABLE FOR REVIEW AT THE BOARD MEETING ALSO PRIOR TO FILING MANAGEMENT HELD A FORM 990 QUESTIONS AND ANSWER SESSION IN WHICH ALL MEMBERS WERE INVITED
	FORM 990, PART VI, SECTION B, LINE 12C	EACH BOARD MEMBER, KEY EMPLOYED AND NON-EMPLOYED PERSONNEL IS REQUIRED ANNUALLY TO COMPLETE A CONFLICT OF INTEREST STATEMENT THE STATEMENTS ARE COMPILED AND THE HOSPITAL'S COMPLIANCE DEPARTMENT REVIEWS THEM FOR ANY POTENTIAL CONFLICTS ANY CONFLICTS ARE NOTED AND APPROPRIATE ACTION IS TAKEN AS REQUIRED, IE VOTING OR CONTRACTS
	FORM 990, PART VI, SECTION B, LINE 15A	THE CEO'S COMPENSATION IS DETERMINED BY USE OF CONSULTANTS AND COMPARABILITY DATA FROM OTHER HOSPITALS OF SIMILAR SIZE HE IS THE ONLY EMPLOYEE UNDER CONTRACT THE EXECUTIVE COMMITTEE REVIEWS AND APPROVES THE CEO COMPENSATION THEIR DISCUSSION IS DOCUMENTED IN THE MINUTES OF THE MEETING THE MOST RECENT YEAR THIS PROCESS WAS UNDERTAKEN WAS FISCAL YEAR 2011
	FORM 990, PART VI, SECTION C, LINE 19	DOCUMENTS ARE MADE AVAILABLE UPON REQUEST
	FORM 990, PART VII	BARBARA MIERAS, CARLOS SANCHEZ, DAVID RODRIGUEZ, JACQUELINE SCOTT, KEVIN FURLONG, LAURA HOPSON, MICHAEL PRICE, MICHAEL FAAS, MICHELE BROWN, PAUL GAUTHIER, THERESE ROUSE, VICTOR VASQUEZ, JR , AND WILLIAM BARKLEY EACH WORKED AN AVERAGE OF AT LEAST 1 HOUR PER WEEK AT A RELATED ORGANIZATION LAURA STASKIEWICZ WORKED AN AVERAGE OF AT LEAST 2 HOURS PER WEEK AT A RELATED ORGANIZATION JANE ROSS AND MICHAEL ZAKEM WORKED AN AVERAGE OF AT LEAST 3 HOURS PER WEEK AT RELATED ORGANIZATIONS
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	NET UNREALIZED LOSSES ON INVESTMENTS -544,582 PENSION RELATED CHANGES OTHER THAN NET PERIODIC PENSION COSTS -19,622,725 UNREALIZED GAIN ON EQUITY INVESTMENT -147,855 TOTAL TO FORM 990, PART XI, LINE 5 -20,315,162
	FORM 990, PART XII, LINE 2C	THE ORGANIZATION HAS AN AUDIT COMMITTEE THAT IS RESPONSIBLE FOR THE OVERSIGHT OF THE AUDIT AND THE SELECTION OF THE INDEPENDENT AUDITORS THIS PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

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.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
METROPOLITAN HOSPITAL

Employer identification number
38-0593405

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

(a) Name, address, and EIN 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
(1) LAND METRO LLC 5900 BYRON CENTER AVE SW WYOMING, MI 49519 20-2863709	REAL ESTATE	MI	0	0	METROPOLITAN HOSPITAL

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) METROPOLITAN FOUNDATION 5900 BYRON CENTER SW WYOMING, MI 49519 38-3033329	SUPPORT THE HOSPITAL	MI	501(C)(3)	LINE 7	METROPOLITAN HEALTH CORPORATION	Yes	
(2) METROPOLITAN HEALTH CORPORATION 5900 BYRON CENTER SW WYOMING, MI 49519 38-2745509	PARENT ORGANIZATION	MI	501(C)(3)	LINE 11B, II	N/A		No

Part III

Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on 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) Disproportionate 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	
(1) METRO HEALTH ASC LLC 5900 BYRON CENTER AVE SW WYOMING, MI 49519 26-1805066	AMBULATORY SERVICES	MI	METROPOLITAN HOSPITAL	RELATED	778,306	1,710,711		No		Yes		51 000 %

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" on 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
(1) METROPOLITAN ENTERPRISES INC 1925 BRETON SE GRAND RAPIDS, MI 49506 38-3062222	PHYSICIAN SERVICES	MI	N/A	C			

Part V

Transactions With Related Organizations

(Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, 35A, or 36.)

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

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

a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity

b Gift, grant, or capital contribution to related organization(s)

c Gift, grant, or capital contribution from related organization(s)

d Loans or loan guarantees to or for related organization(s)

e Loans or loan guarantees by related organization(s)

f Sale of assets to related organization(s)

g Purchase of assets from related organization(s)

h Exchange of assets with related organization(s)

i Lease of facilities, equipment, or other assets to related organization(s)

j Lease of facilities, equipment, or other assets from related organization(s)

k Performance of services or membership or fundraising solicitations for related organization(s)

l Performance of services or membership or fundraising solicitations by related organization(s)

m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

n Sharing of paid employees with related organization(s)

o Reimbursement paid to related organization(s) for expenses

p Reimbursement paid by related organization(s) for expenses

q Other transfer of cash or property to related organization(s)

r Other transfer of cash or property from related organization(s)

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

Yes

No

Yes

No

Yes

No

Yes

No

No

No

No

No

No

No

No

Yes

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-r)	(c) Amount involved	(d) Method of determining amount involved
(1) METRO HEALTH ASC LLC	G	169,749	FMV
(2) METROPOLITAN FOUNDATION	C	769,277	CASH
(3) METROPOLITAN ENTERPRISES INC	B	1,723,606	CASH
(4) METRO HEALTH ASC LLC	R	867,000	CASH
(5) METROPOLITAN ENTERPRISES INC	I	2,878,324	FMV
(6)			

Schedule R (Form 990) 2011

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

[illegible]

Part VII

Supplemental Information

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

Identifier	Return Reference	Explanation	
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Metro Health Corporation and Affiliates

**Consolidated Financial Report
with Additional Information
June 30, 2012**

Metro Health Corporation and Affiliates

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Plante & Moran, PLLC
Suite 400
634 Front Avenue N W
Grand Rapids, MI 49504
Tel: 616 774 8221
Fax: 616 774.0702
plantemoran.com

Independent Auditor's Report

To the Board of Directors
Metro Health Corporation and Affiliates

We have audited the accompanying consolidated balance sheet of Metro Health Corporation and Affiliates (the "Corporation") as of June 30, 2012 and 2011 and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Metro Health Corporation and Affiliates at June 30, 2012 and 2011 and the consolidated results of their operations, changes in net assets, and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1 to the consolidated financial statements, the Corporation adopted the provisions of Accounting Standards Update (ASU) 2011-07, *Health Care Entities (Topic 954) Presentation and Disclosure of Patient Service Revenue, Provisions for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*, as of June 30, 2012.

Plante & Moran, PLLC

September 14, 2012

Metro Health Corporation and Affiliates

Consolidated Balance Sheet

	<u>June 30, 2012</u>	<u>June 30, 2011</u>
Assets		
Current Assets		
Cash and cash equivalents	\$ 41,770,900	\$ 32,724,504
Accounts receivable - Net (Note 2)	29,485,247	30,338,096
Cost report settlements receivable (Note 3)	14,610,037	15,005,539
Other current assets	8,359,231	8,194,220
Total current assets	94,225,415	86,262,359
Property and Equipment - Net (Note 5)	225,196,959	196,189,429
Other Assets (Note 6)	57,355,227	57,403,026
Total assets	<u>\$ 376,777,601</u>	<u>\$ 339,854,814</u>
Liabilities and Net Assets		
Current Liabilities		
Bank line of credit (Note 8)	\$ 1,300,000	\$ 3,300,000
Current portion of long-term debt (Note 9)	5,794,000	2,682,917
Accounts payable	19,165,878	16,985,515
Cost report settlements payable (Note 3)	1,061,538	4,706,378
Deferred revenue	980,856	1,069,354
Accrued liabilities and other (Note 10)	13,163,471	12,291,700
Total current liabilities	41,465,743	41,035,864
Long-term Debt - Net of current portion (Note 9)	210,719,548	177,004,818
Other Liabilities (Note 11)	36,043,674	19,067,813
Total liabilities	288,228,965	237,108,495
Net Assets		
Unrestricted	83,233,961	98,251,373
Temporarily restricted	5,314,675	4,494,946
Total net assets	88,548,636	102,746,319
Total liabilities and net assets	<u>\$ 376,777,601</u>	<u>\$ 339,854,814</u>

Metro Health Corporation and Affiliates

Consolidated Statement of Operations and Changes in Net Assets

	Year Ended	
	June 30, 2012	June 30, 2011
Unrestricted Revenue, Gains, and Other Support		
Net patient service revenue	\$ 308,143,694	\$ 294,964,808
Provision for bad debts	(16,750,521)	(15,757,115)
Net patient service revenue less provision for bad debts	291,393,173	279,207,693
Capitation revenue	3,359,573	4,062,866
Other	9,542,499	9,165,792
Total unrestricted revenue, gains, and other support	304,295,245	292,436,351
Expenses		
Salaries	107,883,030	96,211,495
Fringe benefits	23,944,282	23,291,431
Supplies	52,628,691	51,297,850
Professional liability and legal costs	402,075	729,347
Purchased services	53,105,837	53,614,961
Other	31,539,515	32,208,502
Depreciation and amortization	18,652,781	16,784,433
Interest expense	9,915,005	9,764,210
Total expenses (Note 15)	298,071,216	283,902,229
Operating Income	6,224,029	8,534,122
Other Income (Loss)		
Investment income (Note 6)	738,966	2,326,536
Contributions	49,382	26,764
Change in unrealized investment (loss) income (Note 6)	(831,463)	1,438,747
Loss on debt defeasance	(461,887)	-
Other	(889,775)	(1,091,939)
Total other (loss) income	(1,394,777)	2,700,108
Excess of Revenue Over Expenses	\$ 4,829,252	\$ 11,234,230

Metro Health Corporation and Affiliates

Consolidated Statement of Operations and Changes in Net Assets (Continued)

	Year Ended June 30	
	2012	2011
Unrestricted Net Assets		
Excess of revenue over expenses	\$ 4,829,252	\$ 11,234,230
Other change in net assets	(35,793)	(81,669)
Distribution to noncontrolling member	(833,000)	-
Pension-related changes other than net periodic benefit cost	(19,622,725)	5,374,466
Net assets released from restriction	644,854	2,009,844
(Decrease) increase in unrestricted net assets	(15,017,412)	18,536,871
Temporarily Restricted Net Assets		
Restricted contributions net of provision for bad debts on pledges receivable	1,464,583	716,948
Net assets released from restriction	(644,854)	(2,009,844)
Increase (decrease) in temporarily restricted net assets	819,729	(1,292,896)
(Decrease) Increase in Net Assets	(14,197,683)	17,243,975
Net Assets - Beginning of year	102,746,319	85,502,344
Net Assets - End of year	\$ 88,548,636	\$ 102,746,319

Metro Health Corporation and Affiliates

Consolidated Statement of Cash Flows

	Year Ended	
	June 30, 2012	June 30, 2011
Cash Flows from Operating Activities		
(Decrease) increase in net assets	\$ (14,197,683)	\$ 17,243,975
Adjustments to reconcile (decrease) increase in net assets to net cash from operating activities:		
Depreciation and amortization	18,652,781	16,784,433
Net change in unrealized net gains and losses on investments	831,463	(1,438,747)
Net realized gains on investments	(49,553)	(1,240,049)
Pension-related changes other than net periodic benefit cost	19,622,725	(5,374,466)
Gain on disposal of equipment	(41,270)	(14,195)
Temporarily restricted donations	(1,464,583)	(716,948)
Provision for bad debts	16,750,521	15,757,115
Loss on defeasance	461,887	-
Changes in assets and liabilities which (used) provided cash:		
Accounts receivable	(15,897,672)	(17,454,120)
Other current assets	(165,011)	(907,164)
Cost report settlements receivable	(3,249,338)	7,999,155
Other assets	(507,860)	(748,464)
Accounts payable	2,180,363	584,577
Accrued liabilities	871,771	(253,882)
Other liabilities	(2,735,362)	(3,042,170)
Net cash provided by operating activities	21,063,179	27,179,050
Cash Flows from Investing Activities		
Purchase of property and equipment	(47,740,384)	(10,478,695)
Proceeds from sale of property and equipment	121,343	14,195
Purchase of investments	(7,762,589)	(10,573,260)
Proceeds from sale and maturities of investments	7,785,378	11,682,542
Net cash used in investing activities	(47,596,252)	(9,355,218)
Cash Flows from Financing Activities		
Net change in funds held by trustee under bond indenture	187,073	17,515
Net change in line of credit	(2,000,000)	800,000
Principal payment on long-term debt	(31,932,991)	(2,554,448)
Proceeds from long-term debt	68,758,804	-
Proceeds from restricted contributions	1,464,583	716,948
Bond Issue costs	(898,000)	-
Net cash provided by (used in) financing activities	35,579,469	(1,019,985)
Net Increase in Cash and Cash Equivalents	9,046,396	16,803,847
Cash and Cash Equivalents - Beginning of year	32,724,504	15,920,657
Cash and Cash Equivalents - End of year	\$ 41,770,900	\$ 32,724,504
Supplemental Cash Flow Information - Cash paid for interest	\$ 9,943,805	\$ 9,809,573

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 1 - Nature of Business and Significant Accounting Policies

Reporting Entity and Corporate Structure - Metro Health Corporation (MHC or the "Corporation"), a not-for-profit corporation, is a major provider of healthcare services to residents of Grand Rapids, Michigan and surrounding communities.

The consolidated financial statements include MHC and the corporations (and their subsidiaries) listed below, of which MHC is the sole member:

- Metro Health Hospital (the "Hospital")
- Metro Health Hospital Foundation (the "Foundation")
- Metropolitan Enterprises (ME)

The Corporation owns 51 percent of Metro Health ASC, LLC (ASC), which owns and operates an ambulatory surgery center; operations and balances are included in the consolidated financial statements.

A significant portion of the Corporation's net patient service revenue is received under contractual arrangements with Medicare, Medicaid, Blue Cross/Blue Shield of Michigan, and various health maintenance organization programs. Most health services are rendered to the citizens of Kent and Ottawa Counties of Michigan.

Basis of Consolidation - The accompanying consolidated financial statements include the accounts of Metro Health Corporation and its subsidiaries. Intercompany transactions and balances have been eliminated in consolidation. The noncontrolling interest in majority owned entities on the consolidated balance sheet represents a 49 percent outside membership interest in ASC. The noncontrolling interest of net assets as of June 30, 2012 and 2011 is \$144,901 and \$209,627, respectively, and the noncontrolling interest share of excess of revenue over expenses for the years ended June 30, 2012 and 2011 is \$785,813 and \$249,226, respectively. ASC distributed \$833,000 to the noncontrolling member during 2012.

Temporarily Restricted Net Assets - Temporarily restricted net assets reflect assets contributed or pledged to the Hospital and its subsidiaries, the use of which is restricted by the donor. Temporarily restricted net assets are restricted for medical education, indigent care, and property and equipment purchases.

Cash and Cash Equivalents - Cash and cash equivalents include cash and investments in highly liquid investments purchased with an original maturity of three months or less, excluding those amounts included in assets limited as to use by board designation or other arrangements under trust agreements (see Note 6).

Cash balances held in the bank exceeded the federal depository insurance limit. The Corporation's cash is only insured up to the federal depository insurance limit. Management believes that any credit risk related to these cash balances is minimal.

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Accounts Receivable - Patient accounts receivable are stated at net realizable amounts. An allowance for uncollectible accounts is established on an aggregate basis by using historical write-off rate factors applied to unpaid accounts based on aging. Loss rate factors are based on historical loss experience and adjusted for economic conditions and other trends affecting the Hospital's ability to collect outstanding amounts. Uncollectible amounts are written off against the allowance for doubtful accounts in the period they are determined to be uncollectible. An allowance for contractual adjustments and interim payment advances is based on expected payment rates from payors based on current reimbursement methodologies. This amount also includes amounts received as interim payments against unpaid claims by certain payors. Contractual adjustments are written off against the allowance for contractual adjustments in the period payment is received.

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

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

Contributions - The Hospital reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statement of operations and changes in net assets as net assets released from restrictions.

The Hospital reports gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Hospital reports the expiration of donor restrictions when the assets are placed in service.

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Assets Limited as to Use - Assets limited as to use include assets designated by the board of trustees for future capital improvement, over which the board retains control, and may, at its discretion, subsequently use for other purposes, assets held by trustees under indenture agreements, and self-insurance trust arrangements.

Property and Equipment - Property and equipment purchases are recorded at cost. Donated property and equipment are recorded at the estimated fair market value at the time of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Costs of maintenance and repairs are charged to expense when incurred.

Bond Issue Costs and Issue Premium - Bond issue costs and original issue premium are amortized over the life of the related bond issue using the straight-line method of amortization.

Classification of Net Assets - Net assets of the Corporation are classified as temporarily restricted or unrestricted depending on the presence and characteristics of donor-imposed restrictions limiting the Corporation's ability to use or dispose of contributed assets or the economic benefits embodied in those assets. Donor-imposed restrictions that expire with the passage of time or that can be removed by meeting certain requirements result in temporarily restricted net assets.

Excess of Revenue Over Expenses - The consolidated statement of operations and changes in net assets includes excess of revenue over expenses. Changes in unrestricted net assets, which are excluded from excess of revenue over expenses, consistent with industry practice, include net assets released from restrictions for the acquisition of long-lived assets, distributions to noncontrolling members, and pension-related changes other than net periodic benefit costs.

Net Patient Service Revenue - The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactively calculated adjustments arising under reimbursement agreements with third-party payors are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods, as final settlements are determined.

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Management believes that it is in compliance with all applicable laws and regulations. Final determination of compliance with such laws and regulations is subject to future government review and interpretation. Violations may result in significant regulatory action including fines, penalties, and exclusions from the Medicare and Medicaid programs.

The Corporation recognizes patient service revenue associated with services provided to patients who have third-party coverage on the basis of contractual rates for the services rendered. For uninsured patients that do not qualify for charity care, the Hospital recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy). On the basis of historical experience, a significant portion of the Corporation's uninsured patients will be unable or unwilling to pay for the services provided. Thus, the Corporation records a significant provision for bad debts related to uninsured patients in the period the services are provided. Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts), recognized in the period from these major payor sources in total was \$308,143,694 for the year ended June 30, 2012. This amount is made up of amounts from third-party payors of \$282,865,404 and amounts from self-pay payors of \$25,278,290.

Capitated Revenue - The Hospital and ME have agreements with various health maintenance organizations (HMOs) to provide medical services to subscribing participants. Under these agreements, the Hospital and ME receive monthly capitation payments based on the number of each HMO's participants, regardless of services actually performed. In addition, the HMOs make fee-for-service payments for certain covered services based on discounted fee schedules.

Professional and Other Liability Insurance - The Hospital and its subsidiaries accrue an estimate of the ultimate expense, including litigation and settlement expense, net of applicable reinsurance coverage, for incidents of potential improper professional service and other liability claims occurring during the year, as well as for those claims that have not been reported at year end (see Note 13).

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Charity Care - Subsidiaries of the Corporation provide care to patients who meet certain criteria under its charity care policy without charge or at amounts less than established rates. Charity care is determined based on established policies, using patient income and assets to determine payment ability. The amount reflects the cost of free or discounted health services, net of contributions and other revenues received, as direct assistance for the provision of charity care. The estimated cost of providing charity services is based on data derived from the Hospital's cost accounting system. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue (see Note 4).

Electronic Health Records Incentive Payments - The American Recovery and Reinvestment Act of 2009 (ARRA) established funding in order to provide incentive payments to hospitals and physicians that implement the use of electronic health record (EHR) technology by 2014. The Corporation may receive an incentive payment for up to four years, provided the Corporation demonstrates meaningful use of certified EHR technology for the EHR reporting period. The revenue from the incentive payments is recognized ratably over the EHR reporting period when there is reasonable assurance that the Corporation will comply with eligibility requirements during the EHR reporting period and an incentive payment will be received. The amounts are recorded within other operating revenue as the incentive payments are related to the Corporation's ongoing and central activities, yet not critical to the delivery of patient service.

Tax Status - The Corporation and its subsidiaries are nonprofit, tax-exempt organizations (except for ME); accordingly, no tax provision is reflected in the consolidated financial statements. The provision for taxes related to ME is not material to the consolidated financial statements. ASC is a limited liability corporation and thus no provision has been recorded.

The Corporation and its subsidiaries are subject to routine audits by taxing jurisdictions; however, no audits for any tax periods are currently in progress. With few exceptions, the Corporation is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years before June 30, 2009.

The Corporation has adopted accounting standards related to uncertain tax positions and, accordingly, reviewed all tax positions. The evaluated potential exposure related to the uncertain tax positions was found to be immaterial.

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

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

New Accounting Pronouncements - During 2011, the Financial Accounting Standards Board (FASB) adopted Accounting Standards Update (ASU) 2011-07, *Health Care Entities (Topic 954) Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities*, establishing accounting and disclosures for healthcare entities that recognize significant amounts of patient service revenue at the time services are rendered even though the entities do not assess a patient's ability to pay. The amendments in the ASU change the presentation of the consolidated statement of operations and add new disclosures that are not required under current GAAP for entities within the scope of this update. The provision for bad debts associated with patient service revenue for certain entities is required to be presented on a separate line as a deduction from patient service revenue (net of contractual allowances and discounts) in the consolidated statement of operations. The ASU is effective for the Corporation for the year ending June 30, 2013. As permitted, the Corporation has early adopted the provisions of the update for the year ended June 30, 2012, and the provisions have been applied retrospectively to the year ended June 30, 2011. As a result of the retrospective application, total unrestricted revenue, gains, and other support and total operating expenses decreased by \$15,757,115 as of June 30, 2011.

Reclassification - Certain 2011 amounts have been reclassified to conform to the 2012 presentation. Purchased services at June 30, 2011 of approximately \$7,439,000 have been reclassified as net service revenue. Benefit expense at June 30, 2011 of approximately \$1,352,000 have been reclassified as supplies expense.

Subsequent Events - The consolidated financial statements and related disclosures include evaluation of events up through and including September 14, 2012, which is the date the consolidated financial statements were available to be issued.

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 2 - Patient Accounts Receivable

The details of patient accounts receivable are set forth below:

	2012	2011
Patient accounts receivable	\$ 70,879,478	\$ 63,143,474
Less:		
Allowance for uncollectible accounts	(4,319,518)	(4,156,237)
Allowance for contractual adjustments	(37,078,515)	(28,747,373)
Net patient accounts receivable	29,481,445	30,239,864
Other	3,802	98,232
Total accounts receivable	<u>\$ 29,485,247</u>	<u>\$ 30,338,096</u>

Subsidiaries of the Corporation grant credit without collateral to patients, most of whom are local residents and are insured under third-party payor agreements. The composition of receivables from patients and third-party payors was as follows:

	Percent	
	2012	2011
Medicare	35	31
Blue Cross/Blue Shield of Michigan	17	15
Medicaid	17	22
Commercial insurance and HMOs	26	27
Self-pay	5	5
Total	<u>100</u>	<u>100</u>

Note 3 - Cost Report Settlements

Subsidiaries of the Corporation have agreements with third-party payors that provide for reimbursement at amounts different from established rates. A summary of the basis of reimbursement with these third-party payors for the Hospital and ME are as follows:

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

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 3 - Cost Report Settlements (Continued)

- **Medicaid** - Inpatient, acute-care services rendered to Medicaid program beneficiaries are also paid at prospectively determined rates per discharge. Capital costs relating to Medicaid patients are paid on a cost reimbursement method. Outpatient and physician services are reimbursed on an established fee-for-service methodology.
- **Blue Cross/Blue Shield of Michigan** - Inpatient, acute-care services are reimbursed at prospectively determined rates per discharge. Outpatient services are reimbursed on fee-for-service and percentage-of-charge bases.
- **Health Maintenance Organizations** - Services rendered to HMO beneficiaries are paid at predetermined rates or at a percentage of hospital charges.

Cost report settlements result from the adjustments of interim payments to final reimbursements under the Medicare, Medicaid, Blue Cross/Blue Shield of Michigan, and HMO programs that are subject to audit by fiscal intermediaries (see Note 18). Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change in the near term.

The Medicare program has initiated a recovery audit contractor (RAC) initiative, whereby claims subsequent to October 1, 2007 will be reviewed by contractors for validity, accuracy, and proper documentation. The Corporation is unable to determine the extent of exposure for overpayments or underpayments found in an audit. The potential exists for overpayment of claims liability for the Hospital at a future date.

Note 4 - Community Benefit

The mission of the Corporation is to improve the health and well-being of its communities. That mission is accomplished in a number of ways, many of them through the community outreach programs and services as well as support provided to the indigent and most vulnerable members of our community. The following is an unaudited estimated summary of the Corporation's community benefit expense at cost for the years ended June 30, 2012 and 2011:

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 4 - Community Benefit (Continued)

	2012	2011
Community health improvement	\$ 210,000	\$ 262,000
Research	309,000	227,000
Health professions education	9,419,000	11,066,000
Subsidized health services	-	100
Financial and in-kind contributions	145,000	260,000
Community building activities	41,000	45,000
Traditional charity care	6,716,000	6,346,000
Unpaid costs for government program patients	32,122,000	22,393,000
Uninsured - Bad debts	6,423,000	6,375,000
Subtotal	<u>\$ 55,385,000</u>	<u>\$ 46,974,100</u>
Percentage of net revenue	<u>18.2 %</u>	<u>16.1 %</u>

Community Health Improvement - These activities are carried out to improve community health and include community health education and prevention services. These activities extend beyond patient care and are directed to individuals and to a larger population. Such services do not generate patient bills, although some may involve a nominal fee.

Research - Research includes clinical and community health research, as well as studies on healthcare delivery that are generalizable, shared with the public, and funded by the government or a tax-exempt entity (including the Corporation itself). Grant funding does not need to be accounted for as offsetting revenue but should be tracked for budget and planning purposes.

Health Professions Education - This includes all educational programs the Corporation is involved with that are open to all health professionals in the community or that result in a degree or training necessary to practice as a health professional. This does not include orientation, in-service training, or other education exclusively for the Corporation's staff.

Subsidized Health Services - These are negative-margin services provided despite a finance loss (after removing losses from Medicaid, charity care, and bad debt). Subsidized services are provided because they meet a community need.

Financial and In-kind Contributions - These are contributions made by the Corporation to community groups and programs that provide community benefit. In-kind contributions include the cost of staff time when activities are done by staff on the Corporation's payroll during working hours.

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 4 - Community Benefit (Continued)

Community Building Activities - These activities seek to address the root causes of health problems, such as poverty, homelessness, and environmental hazards. They include such things as housing, economic development, and coalition building.

Traditional Charity Care - This includes free and discounted health services provided to persons who cannot afford to pay and meet the Corporation's financial assistance policies. This includes the actual cost, not what would have been charged for care, and does not include bad debt.

Unpaid Costs for Government Program Patients - This is shortfall created when a facility received payments below the costs of treating Medicare and Medicaid patients.

Uninsured - Bad Debts - This is the amount of uncompensated care to uninsured and underinsured patients.

Note 5 - Property and Equipment

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

	2012	2011	Depreciable Life - Years
Land	\$ 9,414,904	\$ 8,814,904	-
Land improvements	6,248,619	4,347,412	5-35
Buildings	184,263,908	161,192,575	5-50
Equipment	150,077,970	127,585,849	3-7
Construction in progress	2,096,761	2,666,599	-
Total cost	352,102,162	304,607,339	
Accumulated depreciation	(126,905,203)	(108,417,910)	
Net property and equipment	<u>\$ 225,196,959</u>	<u>\$ 196,189,429</u>	

Construction in progress as of June 30, 2012 and 2011 consisted primarily of costs related to various information technology projects and renovation projects throughout the Hospital.

The cost of assets under the capital lease is \$17,800,000 and \$17,600,000 as of June 30, 2012 and 2011, respectively, with an accumulated amortization of approximately \$3,554,000 and \$3,324,000 at June 30, 2012 and 2011, respectively. Buildings and improvements comprise the assets under the capital lease.

Depreciation expense totaled \$18,181,690 and \$16,320,978 for the years ended June 30, 2012 and 2011, respectively.

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 6 - Other Assets

The detail of other assets is summarized in the following schedule:

	2012	2011
Investments - At market value:		
Assets limited as to use and temporarily restricted:		
Funds held by trustees under bond indenture	\$ 16,205,351	\$ 16,392,424
Funds held in trust for payment of professional and other liability claims	3,561,861	3,564,949
By board of trustees for future capital improvements	14,697,442	14,829,528
Total assets limited as to use and temporarily restricted	34,464,654	34,786,901
General investments	8,898,896	8,434,188
Total investments	43,363,550	43,221,089
Deferred charge - Bond issue costs	3,096,247	2,773,084
Pledges receivable	1,104,309	1,115,234
Long-term notes receivable	1,578,180	3,005,580
Other	8,212,941	7,288,039
Total other assets	<u>\$ 57,355,227</u>	<u>\$ 57,403,026</u>

Investments, other than funds held under bond indenture, consist of the following:

	2012	2011
Money market investments	\$ 2,444,775	\$ 3,043,965
Government securities	2,555,566	2,219,220
Mutual funds	3,715,850	2,404,502
Corporate bonds	2,773,312	3,118,857
Common stock	10,617,985	11,946,153
Alternative investments and hedge funds	5,050,711	4,095,968
Total	<u>\$ 27,158,199</u>	<u>\$ 26,828,665</u>

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 6 - Other Assets (Continued)

Investments in funds held under bond indenture consist of the following:

	2012	2011
Money market investments	\$ 5,622,224	\$ 5,901,675
Government securities	10,583,127	10,490,749
Total	<u>\$ 16,205,351</u>	<u>\$ 16,392,424</u>

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

Investment income and gains and losses are comprised of the following and are included in other income (loss) in the consolidated statement of operations and changes in net assets for the years ended June 30, 2012 and 2011:

	2012	2011
Dividend and interest income included in other income	\$ 689,413	\$ 1,086,487
Gain on sale of investments	49,553	1,240,049
Change in net unrealized (losses) gains on investments	(831,463)	1,438,747
Total	<u>\$ (92,497)</u>	<u>\$ 3,765,283</u>

Note 7 - Fair Value Measurements

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

The following tables present information about the Corporation's assets measured at fair value on a recurring basis at June 30, 2012 and the valuation techniques used by the Corporation to determine those fair values. During 2011, the Corporation adopted, on a prospective basis, new accounting standards which require disclosure of fair value by major class of investments.

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

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 7 - Fair Value Measurements (Continued)

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

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

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

The Corporation's investments measured at fair value are included in other assets on the consolidated balance sheet. In addition to the investments at fair value outlined below, other assets on the consolidated balance sheet include money market investments of \$8,066,999 and \$8,945,640 at June 30, 2012 and 2011, respectively, and other long term assets of \$13,991,677 and \$14,181,937 at June 30, 2012 and 2011, respectively.

Assets Measured at Fair Value on a Recurring Basis at June 30, 2012

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2012
U.S. government securities	\$ -	\$ 13,138,693	\$ -	\$ 13,138,693
Mutual funds	3,715,850	-	-	3,715,850
Corporate bonds	-	2,773,312	-	2,773,312
Common stocks	10,617,985	-	-	10,617,985
Alternative investments - Diversified managed futures	-	-	2,458,672	2,458,672
Alternative investments - Diversified hedge fund of funds	-	-	2,592,039	2,592,039
Total	<u>\$ 14,333,835</u>	<u>\$ 15,912,005</u>	<u>\$ 5,050,711</u>	<u>\$ 35,296,551</u>

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 7 - Fair Value Measurements (Continued)

Assets Measured at Fair Value on a Recurring Basis at June 30, 2011

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at June 30, 2011
U.S. government securities	\$ -	\$ 12,709,969	\$ -	\$ 12,709,969
Mutual funds	2,404,502	-	-	2,404,502
Corporate bonds	-	3,118,857	-	3,118,857
Common stocks	11,946,153	-	-	11,946,153
Alternative investments - Diversified managed futures	-	-	1,331,630	1,331,630
Alternative investments - Diversified hedge fund of funds	-	-	2,764,338	2,764,338
Total	<u>\$ 14,350,655</u>	<u>\$ 15,828,826</u>	<u>\$ 4,095,968</u>	<u>\$ 34,275,449</u>

The diversified managed futures fund includes investments in publicly traded futures and forward contracts on exchanges globally. The contracts cover interest rates, equity indices, commodities, and currencies. The strategies follow price trends in those markets and can go long or short.

The diversified hedge fund of funds invests in other hedge funds. The strategies include trading strategies, event-driven, long-short equity, credit investments, private equity, and natural resources.

The following table sets forth a summary of the changes in the fair value of the Corporation's Level 3 assets for the years ended June 30, 2012 and 2011:

	Fair Value at July 1, 2011	Purchases	Sales	Total Unrealized and Realized Gains (Net)	Fair Value at June 30, 2012
Alternative investments	<u>\$ 4,095,968</u>	<u>\$ 2,481,607</u>	<u>\$ (1,618,245)</u>	<u>\$ 91,381</u>	<u>\$ 5,050,711</u>

	Fair Value at July 1, 2010	Purchases	Sales	Total Unrealized and Realized Gains (Net)	Fair Value at June 30, 2011
Alternative investments	<u>\$ 4,175,680</u>	<u>\$ 145,972</u>	<u>\$ (543,135)</u>	<u>\$ 317,451</u>	<u>\$ 4,095,968</u>

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 8 - Line of Credit

The Hospital has an unsecured operating line of credit with a local bank in the amount of \$1,500,000 and \$3,500,000 at June 30, 2012 and 2011, respectively, with an interest rate based on the bank's prime rate. The current year line of credit expires on July 1, 2013. Outstanding borrowings at June 30, 2012 and 2011 were \$1,300,000 and \$3,300,000, respectively. The effective interest rate on the line of credit at June 30, 2012 and 2011 was 3.49 percent and 3.44 percent, respectively.

ASC has a line of credit with a local bank with maximum borrowings of \$1,000,000 at June 30, 2012. The line is secured by assets of ASC and terms include an interest rate based on the bank's prime rate, but never to be less than 3.50 percent. The line of credit expires on May 9, 2013. There were no outstanding borrowings at June 30, 2012. The effective interest rate on the line of credit at June 30, 2012 was 3.50 percent.

Note 9 - Long-term Debt

Long-term debt at June 30 is as follows:

	2012	2011
Bonds payable, Series 2005A	\$ 130,875,000	\$ 132,295,000
Original issue premium	3,808,193	3,974,369
Bonds payable, Series 2005B	-	29,120,000
Capital lease obligations	13,661,624	14,298,366
Bonds payable, Series 2012	57,700,000	-
Bank term note	5,376,228	-
Bank line of credit	3,280,799	-
Note payable	1,811,704	-
Total	216,513,548	179,687,735
Less current portion	5,794,000	2,682,917
Long-term portion	<u>\$ 210,719,548</u>	<u>\$ 177,004,818</u>

Bonds payable, Series 2005A consist of hospital revenue bonds issued by Kent Hospital Finance Authority. The bonds consist of serial bonds payable in annual installments through July 1, 2015, ranging from \$1,470,000 to \$1,645,000 at interest rates ranging from 5.25 percent to 5.50 percent and term bonds payable in annual installments beginning in 2016 through 2040, ranging from \$1,710,000 to \$9,815,000 at interest rates ranging from 5.25 percent to 6.25 percent. The bonds were issued by the Obligated Group, which consists of the Hospital, the Foundation, and MHC. The bonds are collateralized by certain assets of the Hospital and are payable from the net revenue of the Obligated Group.

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 9 - Long-term Debt (Continued)

Bonds payable, Series 2005B, consisted of variable rate demand revenue and revenue refunding bonds issued by Kent Hospital Finance Authority. The bonds were payable in annual installments through July 1, 2040 at a variable interest rate, plus a letter of credit fee. During the year, the Series 2005B bonds were refunded in full with proceeds from the issuance of the Series 2012 bonds payable.

Bonds payable, Series 2012 consist of variable rate demand revenue refunding bonds issued by Kent Hospital Finance Authority. The bonds consist of variable rate bonds payable in annual installments beginning in 2012 through 2041, ranging from \$1,150,000 to \$2,900,000, plus interest at a variable rate, an effective rate of 0.30 percent at June 30, 2012, plus a letter of credit fee. The variable rate bonds are remarketed on a weekly basis. Should the remarketing agent be unable to remarket the bonds based on its best efforts, the bonds would be put back on the bond trustee, who would draw down on the letter of credit to pay down the bonds. The reimbursement agreement calls for the Hospital to reimburse the letter of credit bank for any remarketing draws on a payment schedule consistent with the original bonds, with the remaining balance due at the expiration of the letter of credit. The letter of credit expires on April 16, 2017.

The bonds were issued by the Obligated Group, which consists of the Hospital, the Foundation, and MHC. The bonds are collateralized by certain assets of the Hospital and are payable from the net revenue of the Obligated Group.

Under terms of the bond agreements, the Hospital is required to comply with certain financial covenants relating to net assets, capital expenditures, and debt service coverage ratios.

The capital lease obligation consists of capital leases entered into for various medical plazas. The capital leases require monthly payments of approximately \$135,000, including interest at an imputed rate of 6.5 percent. The capital leases expire in July 2023.

Bank term note, bearing interest at a fixed rate of 4.35 percent as of June 30, 2012, is payable in monthly installments of \$109,908 including both principal and interest, collateralized by certain equipment. The note is due in December 2016.

Bank line of credit that was converted to a term note subsequent to year end, bearing interest at a floating rate of 3.5 percent as of June 30, 2012. After conversion to a term note, bearing interest at a fixed rate of 4.15 percent and payable in monthly installments of \$74,277 including both principal and interest, collateralized by certain equipment. The note is due in April 2017.

Note payable to bank, bearing interest at a fixed rate of 3.55 percent as of June 30, 2012, payable in monthly installments of \$54,618 including both principal and interest, collateralized by certain equipment due in May 2015.

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 9 - Long-term Debt (Continued)

Minimum principal payments on debt to maturity as of June 30, 2012 are as follows:

2013	\$ 5,794,000
2014	6,256,588
2015	6,455,426
2016	5,860,009
2017	5,529,755
Thereafter	<u>186,617,770</u>
Total	<u>\$ 216,513,548</u>

Future minimum lease payments of the capital leases as of June 30, 2012 are as follows:

2013	\$ 1,617,509
2014	1,648,436
2015	1,679,354
2016	1,709,425
2017	1,740,107
Thereafter	<u>11,104,218</u>
Total minimum lease payments	19,499,049
Less amount representing interest	<u>(5,837,425)</u>
Present value of minimum lease payments	<u>\$ 13,661,624</u>

Note 10 - Accrued and Other Current Liabilities

The details of accrued liabilities at June 30 are as follows:

	2012	2011
Payroll and related items	\$ 4,966,137	\$ 4,370,247
Compensated absences	4,345,187	4,037,532
Interest	3,849,673	3,878,473
Other	<u>2,474</u>	<u>5,448</u>
Total accrued liabilities	<u>\$ 13,163,471</u>	<u>\$ 12,291,700</u>

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 11 - Other Liabilities

The detail of other liabilities is given below:

	2012	2011
Accrued defined benefit pension cost (Note 12)	\$ 32,835,258	\$ 15,443,025
Accrued professional and other liability claims (Note 13)	967,860	1,213,420
Accrued defined contribution pension cost	1,750,149	1,636,670
Other	490,407	774,698
Total other liabilities	<u>\$ 36,043,674</u>	<u>\$ 19,067,813</u>

Note 12 - Pension Plans

The Hospital has a noncontributory, defined benefit pension plan covering substantially all employees. The plan generally provides benefits based on each employee's years of service and final average earnings (as defined). The Hospital intends to annually contribute amounts deemed necessary, if any, to maintain the plan on a sound actuarial basis. Effective December 31, 2007, the Hospital elected to freeze the pension plan for all employees.

The following table sets forth the funded status of the plan and other information as of and for the years ended June 30, 2012 and 2011, the measurement dates for the plan:

	2012	2011
Accumulated benefit obligation	<u>\$ (86,195,416)</u>	<u>\$ (67,271,639)</u>
Projected benefit obligation	<u>\$ (86,195,416)</u>	<u>\$ (67,271,639)</u>
Plan assets at fair value	<u>53,360,158</u>	<u>51,828,614</u>
Funded status	<u>\$ (32,835,258)</u>	<u>\$ (15,443,025)</u>
Total accrued pension liability	<u>\$ (32,835,258)</u>	<u>\$ (15,443,025)</u>
Net periodic pension cost	\$ 365,850	\$ 29,773
Employer contributions	2,260,265	1,739,220
Benefits paid	1,486,887	2,215,967
Actuarial assumptions used to determine benefit obligations at June 30 - Weighted average discount rate	4.50 %	5.80 %
Actuarial assumptions used to determine net periodic benefit cost for the year ended June 30:		
Weighted average discount rate	5.80 %	5.70 %
Expected rate of return on plan assets	8.50 %	8.50 %

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 12 - Pension Plans (Continued)

The estimated net loss and prior service cost for the defined benefit pension plan that will be amortized from net assets into net periodic benefit cost over the next fiscal year is \$1,089,107.

In selecting the expected long-term rate of return on assets, the Hospital considered the average rate of earnings expected on the funds invested or to be invested to provide for the benefits of the plan. This included considering the allocation of trust assets and the expected returns likely to be earned over the life of the plan. The Hospital's historical rate of return on a fiscal-year basis averaged approximately 8.5 percent per annum for the 10-year period ended June 30, 2012.

The Hospital's pension plan asset allocation at June 30, 2012 and 2011, by asset category as a percentage, is as follows:

	Percent	
	2012	2011
Cash and cash equivalents	5	6
Equity securities	48	59
Debt securities	31	18
Alternative investments and hedge funds	16	17
Total	100	100

The Hospital expects to contribute \$4,721,877 to its pension plan in 2013. The following benefit payments, which reflect expected future services, as appropriate, are expected to be paid:

2013	\$	3,043,658
2014		3,348,309
2015		3,497,214
2016		3,556,100
2017		3,875,175
2018-2022		23,238,010

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 12 - Pension Plans (Continued)

The Hospital's pension plan had \$2,748,089 of cash and cash equivalents at June 30, 2012, which is stated at fair value. The fair values of the Hospital's pension plan assets at June 30, 2012 by major asset categories are as follows:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Common stocks and mutual funds	\$ 25,533,195	\$ -	\$ -
Fixed-income funds	-	16,653,507	-
Alternative investments	-	-	8,425,367

The Hospital's pension plan had \$2,985,772 of cash and cash equivalents at June 30, 2011, which is stated at fair value. The fair values of the Hospital's pension plan assets at June 30, 2011 by major asset categories are as follows:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Common stocks and mutual funds	\$ 30,885,189	\$ -	\$ -
Fixed-income funds	-	9,253,315	-
Alternative investments	-	-	8,704,338

The above table presents information about the pension plan assets measured at fair value at June 30, 2012 and the valuation techniques used by the Hospital to determine those fair values.

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

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

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

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 12 - Pension Plans (Continued)

The following table sets forth a summary of the changes in the fair value of the Corporation's Level 3 assets for the years ended June 30, 2012 and 2011:

	Fair Value at July 1, 2011	Purchases	Sales	Total Unrealized and Realized Gains (Net)	Fair Value at June 30, 2012
Alternative investments	\$ 8,704,338	\$ -	\$ (107,773)	\$ (171,198)	\$ 8,425,367

	Fair Value at July 1, 2010	Purchases	Sales	Total Unrealized and Realized Gains (Net)	Fair Value at June 30, 2011
Alternative investments	\$ 8,362,246	\$ 1,599,996	\$ (265,775)	\$ (992,129)	\$ 8,704,338

The Hospital and other affiliates maintain defined contribution retirement plans covering substantially all employees. Contributions to the plans totaled \$3,472,642 and \$3,260,562 for the years ended June 30, 2012 and 2011, respectively.

Note 13 - Professional Liability Self-insurance

The Hospital maintains a program of self-insurance for professional and other liability claims up to \$3 million. A revocable trust is maintained with a trustee to provide funds for payment of any future settlements. The Hospital makes necessary contributions to the trust fund, as determined by an independent actuary, to adequately provide for asserted or expected claims. The Hospital also purchased excess liability coverage from independent carriers at varying limits, on an occurrence-made basis.

At June 30, 2012 and 2011, the Hospital made provisions for the estimated losses in connection with those professional and other liability claims for incidents occurring during the years then ended for which amounts can be reasonably estimated, including provisions for claims incurred but not reported at year end. Estimates are based upon projections by an independent actuary and the evaluation of claims of substance by professional liability legal counsel. The provisions include the estimated settlement amount of professional and other liability claims, as well as an estimate of defense cost.

The assets of the trusts are included in the consolidated balance sheet with assets limited as to use (see Note 6).

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 14 - Operating Leases

The Corporation is obligated under certain operating leases, primarily for facilities and equipment. Total rent expense under these leases was approximately \$13,300,000 and \$11,818,000 for the years ended June 30, 2012 and 2011, respectively.

Future minimum rental commitments are as follows:

<u>Years Ending June 30</u>	<u>Amount</u>
2013	\$ 10,420,000
2014	9,610,000
2015	7,820,000
2016	5,490,000
2017	4,660,000
Thereafter	7,460,000
Total	<u>\$ 45,460,000</u>

Note 15 - Functional Expenses

The Hospital is a general acute-care facility that provides inpatient and outpatient healthcare services to patients in Kent and Ottawa Counties and their vicinities. Expenses related to providing these services for the years ended June 30 are as follows:

	<u>2012</u>	<u>2011</u>
Healthcare services	\$ 248,000,797	\$ 232,223,803
General and administrative	<u>50,070,419</u>	<u>51,678,426</u>
Total	<u>\$ 298,071,216</u>	<u>\$ 283,902,229</u>

Note 16 - Fair Value of Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value:

Cash and Cash Equivalents - The carrying amount approximates fair value because of the short maturity of those instruments.

Investments - Investments are recorded at fair value in the accompanying consolidated financial statements. Fair value is determined based on the fair value measurement principles outlined in Note 7.

Accounts Receivable, Accounts Payable, and Accrued Liabilities - The carrying amount reported in the consolidated balance sheet for accounts receivable, accounts payable, and accrued liabilities approximates its fair value.

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 16 - Fair Value of Financial Instruments (Continued)

Estimated Third-party Payor Settlements - Net - The carrying amount reported in the consolidated balance sheet for estimated third-party payor settlements - net approximates its fair value.

Long-term Debt - The fair value of the Hospital's bonds is estimated based on current traded value. The fair value of the Hospital's remaining debt is estimated using discounted cash flow analysis, based on current investment borrowing rates for similar types of borrowing arrangements. The carrying amount of long-term debt approximates market value at June 30, 2012 and 2011.

Note 17 - Sale and Leaseback of Plazas

During 2004, the Hospital entered into an agreement to sell various medical plazas and then lease the plazas back under lease arrangements for 20 years. The sale price of the plazas was \$13,000,000, resulting in a gain on sale of approximately \$1,770,000. The leases are treated as capital leases and the gain on the sale of the plazas was deferred and recognized over the period of the lease.

Note 18 - Contingency

During 2007, the Hospital received notice from the Medicare program regarding a change in interpretation of qualifying disproportionate share days related to the 2003 and 2004 cost reports, as part of the cost report finalization process for these years.

The interpretation change, along with a regulation change by Medicare in 2005 that the Hospital has brought to court, results in a significant reduction of disproportionate share reimbursement for 2003 through 2011. The impact of the change in interpretation and regulation for the years ended 2003 through 2011 is approximately \$14 million.

The Hospital and its legal counsel have begun the process of appealing the interpretation change with the Medicare program and have brought suit in federal court related to the regulation change.

During 2010, the federal district court issued an opinion agreeing with the Hospital's position. The Court has ordered the Hospital and Medicare to submit a final judgment for the amount owed to the Hospital. The Hospital feels that there is a high likelihood that the Hospital's position will prevail, based on its circumstances and recent results in federal district court. Accordingly, the accompanying consolidated financial statements reflect a receivable for the funds in question and the reduction in the disproportionate share reimbursement to Medicare has not been recognized in the accompanying consolidated financial statements.

If the Hospital does not prevail in the appeal process, the Hospital will be required to recognize the receivable from Medicare and a reduction in revenue in the fiscal period in which the appeal process concludes.

Metro Health Corporation and Affiliates

Notes to Consolidated Financial Statements June 30, 2012 and 2011

Note 18 - Contingency (Continued)

During 2012, the Hospital became aware of a matter related to documentation of financial arrangements with a physician. The Hospital believes that the issue has been corrected, and the Hospital has disclosed the matter to CMS and is currently working with CMS to resolve the issue. The Hospital is unable to determine any potential liability, if any, at this time.

Additional Information



Plante & Moran, PLLC
Suite 400
634 Front Avenue N.W.
Grand Rapids, MI 49504
Tel 616 774.8221
Fax 616 774.0702
plantemoran.com

Independent Auditor's Report on Additional Information

To the Board of Directors
Metro Health Corporation and Affiliates

We have audited the consolidated financial statements of Metro Health Corporation and Affiliates as of and for the years ended June 30, 2012 and 2011. Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The following consolidating statements, as listed in the table of contents, are presented for the purpose of additional analysis rather than to present the financial position, results of operations, and cash flows of the individual companies and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Plante & Moran, PLLC

September 14, 2012

Metro Health Corporation and Affiliates

Consolidating Balance Sheet June 30, 2012

	Metro Health Hospital	Metropolitan Enterprises	Metro Health Hospital Foundation	Metro Health Corporation	Metro Health ASC, LLC	Eliminations	Total
Assets							
Current Assets							
Cash and cash equivalents	\$ 40,017,364	\$ 713,927	\$ 544,397	\$ -	\$ 495,212	\$ -	\$ 41,770,900
Accounts receivable - Net	26,203,581	2,379,816	-	-	901,850	-	29,485,247
Cost report settlements receivable	14,610,037	-	-	-	-	-	14,610,037
Other current assets	7,638,319	333,576	-	-	387,336	-	8,359,231
Total current assets	88,469,301	3,427,319	544,397	-	1,784,398	-	94,225,415
Property and Equipment - Net	223,511,591	246,688	-	-	1,438,680	-	225,196,959
Other Assets	53,421,917	101,629	10,003,205	238,100	174,999	(6,584,623)	57,355,227
Total assets	<u>\$ 365,402,809</u>	<u>\$ 3,775,636</u>	<u>\$ 10,547,602</u>	<u>\$ 238,100</u>	<u>\$ 3,398,077</u>	<u>\$ (6,584,623)</u>	<u>\$ 376,777,601</u>
Liabilities and Net Assets							
Current Liabilities							
Bank line of credit	\$ 1,300,000	-	-	-	-	-	\$ 1,300,000
Current portion of long-term debt	5,249,613	-	-	-	600,621	(56,234)	5,794,000
Accounts payable	16,703,860	7,783,062	74,215	-	573,668	(5,968,927)	19,165,878
Cost report settlements payable	1,061,538	-	-	-	-	-	1,061,538
Deferred revenue	980,856	-	-	-	-	-	980,856
Accrued liabilities and other	12,671,831	491,640	-	-	-	-	13,163,471
Total current liabilities	37,967,698	8,274,702	74,215	-	1,174,289	(6,025,161)	41,465,743
Long-term Debt - Net of current portion	209,621,465	-	-	-	1,211,083	(113,000)	210,719,548
Other Liabilities	36,043,674	-	-	-	-	-	36,043,674
Total liabilities	283,632,837	8,274,702	74,215	-	2,385,372	(6,138,161)	288,228,965
Net Assets							
Unrestricted	81,769,972	(4,499,066)	5,158,712	238,100	1,012,705	(446,462)	83,233,961
Temporarily restricted	-	-	5,314,675	-	-	-	5,314,675
Total liabilities and net assets	<u>\$ 365,402,809</u>	<u>\$ 3,775,636</u>	<u>\$ 10,547,602</u>	<u>\$ 238,100</u>	<u>\$ 3,398,077</u>	<u>\$ (6,584,623)</u>	<u>\$ 376,777,601</u>

Metro Health Corporation and Affiliates

Consolidating Statement of Operations Year Ended June 30, 2012

	Metro Health Hospital	Metropolitan Enterprises	Metro Health Hospital Foundation	Metro Health Corporation	Metro Health ASC, LLC	Eliminations	Total
Unrestricted Revenue, Gains, and Other Support							
Net patient service revenue	\$ 271,147,661	\$ 27,620,802	\$ -	\$ -	\$ 9,375,231	\$ -	\$ 308,143,694
Provision for bad debts	(15,873,931)	(876,590)	-	-	-	-	(16,750,521)
Net patient service revenue less provision for bad debts	255,273,730	26,744,212	-	-	9,375,231	-	291,393,173
Capitalization revenue	-	3,359,573	-	-	-	-	3,359,573
Other	12,726,855	824,504	-	-	2,483	(4,011,343)	9,542,499
Total unrestricted revenue, gains, and other support	268,000,585	30,928,289	-	-	9,377,714	(4,011,343)	304,295,245
Expenses							
Salaries	92,164,903	14,044,149	-	-	1,673,978	-	107,883,030
Fringe benefits	21,434,910	2,509,372	-	-	167,899	(167,899)	23,944,282
Supplies	46,079,830	3,434,072	-	-	3,114,789	-	52,628,691
Professional liability and legal costs	402,075	-	-	-	-	-	402,075
Purchased services	41,599,091	10,694,901	-	-	811,845	-	53,105,837
Other	28,409,431	5,131,480	-	-	1,842,048	(3,843,444)	31,539,515
Depreciation and amortization	18,369,462	159,273	-	-	124,046	-	18,652,781
Interest expense	9,875,595	-	-	-	39,410	-	9,915,005
Total expenses	258,335,297	35,973,247	-	-	7,774,015	(4,011,343)	298,071,216
Operating Income (Loss)	9,665,288	(5,044,958)	-	-	1,603,699	-	6,224,029
Other Income (Loss)							
Investment income	490,695	-	248,271	-	-	-	738,966
Contributions	-	-	49,382	-	-	-	49,382
Change in unrealized investment income	(544,582)	-	(286,881)	-	-	-	(831,463)
Loss on debt defeasance	(461,887)	-	-	-	-	-	(461,887)
Other	(147,855)	-	(769,277)	27,357	-	-	(889,775)
Total other (loss) income	(663,629)	-	(758,505)	27,357	-	-	(1,394,777)
Excess of Revenue Over (Under) Expenses	9,001,659	(5,044,958)	(758,505)	27,357	1,603,699	-	4,829,252
Transfer (to) from Affiliate	(1,723,606)	1,723,606	-	-	-	-	-
Other Change in Net Assets	-	-	-	-	(35,793)	-	(35,793)
Distribution to noncontrolling member	-	-	-	-	(1,700,000)	867,000	(833,000)
Pension-related Changes Other than Net Periodic Benefit Cost	(19,622,725)	-	-	-	-	-	(19,622,725)
Net Assets Released from Restriction	-	-	644,854	-	-	-	644,854
Decrease (increase) in Unrestricted Net Assets	\$ (12,344,672)	\$ (3,321,352)	\$ (113,651)	\$ 27,357	\$ (132,094)	\$ 867,000	\$ (15,017,412)

Metro Health Corporation and Affiliates

Consolidating Balance Sheet Including Metropolitan Obligated Group June 30, 2012

	Metropolitan Obligated Group	Nonobligated Group Members	Eliminations	Total
Assets				
Current Assets				
Cash and cash equivalents	\$ 40,561,761	\$ 1,209,139	\$ -	\$ 41,770,900
Accounts receivable - Net	26,203,581	3,281,666	-	29,485,247
Cost report settlements receivable	14,610,037	-	-	14,610,037
Other current assets	7,638,319	720,912	-	8,359,231
Total current assets	89,013,698	5,211,717	-	94,225,415
Property and Equipment - Net	223,511,591	1,685,368	-	225,196,959
Other Assets	63,663,222	276,628	(6,584,623)	57,355,227
Total assets	<u>\$ 376,188,511</u>	<u>\$ 7,173,713</u>	<u>\$ (6,584,623)</u>	<u>\$ 376,777,601</u>
Liabilities and Net Assets				
Current Liabilities				
Bank line of credit	\$ 1,300,000	\$ -	\$ -	\$ 1,300,000
Current portion of long-term debt	5,249,613	600,621	(56,234)	5,794,000
Accounts payable	16,778,075	8,356,730	(5,968,927)	19,165,878
Cost report settlements payable	1,061,538	-	-	1,061,538
Deferred revenue	980,856	-	-	980,856
Accrued liabilities and other	12,671,831	491,640	-	13,163,471
Total current liabilities	38,041,913	9,448,991	(6,025,161)	41,465,743
Long-term Debt - Net of current portion	209,621,465	1,211,083	(113,000)	210,719,548
Other Liabilities	36,043,674	-	-	36,043,674
Total liabilities	283,707,052	10,660,074	(6,138,161)	288,228,965
Net Assets				
Unrestricted	87,166,784	(3,486,361)	(446,462)	83,233,961
Temporarily restricted	5,314,675	-	-	5,314,675
Total net assets	92,481,459	(3,486,361)	(446,462)	88,548,636
Total liabilities and net assets	<u>\$ 376,188,511</u>	<u>\$ 7,173,713</u>	<u>\$ (6,584,623)</u>	<u>\$ 376,777,601</u>

Metro Health Corporation and Affiliates

Consolidating Statement of Operations Including Metropolitan Obligated Group Year Ended June 30, 2012

	Metropolitan Obligated Group	Nonobligated Group Members	Eliminations	Total
Unrestricted Revenue, Gains, and Other Support				
Net patient service revenue	\$ 271,147,661	\$ 36,996,033	\$ -	\$ 308,143,694
Provision for bad debts	(15,873,931)	(876,590)	-	(16,750,521)
Net patient service revenue less provision for bad debts	255,273,730	36,119,443	-	291,393,173
Capitation revenue	-	3,359,573	-	3,359,573
Other	12,726,855	826,987	(4,011,343)	9,542,499
Total unrestricted revenue, gains, and other support	268,000,585	40,306,003	(4,011,343)	304,295,245
Expenses				
Salaries	92,164,903	15,718,127	-	107,883,030
Fringe benefits	21,434,910	2,677,271	(167,899)	23,944,282
Supplies	46,079,830	6,548,861	-	52,628,691
Professional liability and legal costs	402,075	-	-	402,075
Purchased services	41,599,091	11,506,746	-	53,105,837
Other	28,409,431	6,973,528	(3,843,444)	31,539,515
Depreciation and amortization	18,369,462	283,319	-	18,652,781
Interest expense	9,875,595	39,410	-	9,915,005
Total expenses	258,335,297	43,747,262	(4,011,343)	298,071,216
Operating Income (Loss)	9,665,288	(3,441,259)	-	6,224,029
Other Loss	(1,394,777)	-	-	(1,394,777)
Excess of Revenue Over (Under) Expenses	8,270,511	(3,441,259)	-	4,829,252
Transfer (to) from Affiliate	(1,723,606)	1,723,606	-	-
Other Change in Net Assets	-	(35,793)	-	(35,793)
Distribution to noncontrolling member	-	(1,700,000)	867,000	(833,000)
Pension-related Changes Other than Net Periodic Benefit Cost	(19,622,725)	-	-	(19,622,725)
Net Assets Released from Restriction	644,854	-	-	644,854
Decrease in Unrestricted Net Assets	(12,430,966)	(3,453,446)	867,000	(15,017,412)
Unrestricted Net Assets (Deficit) - Beginning of year	99,597,750	(32,915)	(1,313,462)	98,251,373
Unrestricted Net Assets (Deficit) - End of the Year	<u>\$ 87,166,784</u>	<u>\$ (3,486,361)</u>	<u>\$ (446,462)</u>	<u>\$ 83,233,961</u>

Additional Data

Software ID:

Software Version:

EIN: 38-0593405

Name: METROPOLITAN HOSPITAL

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(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				
MICHAEL FAAS CEO	60 00	X		X				1,303,280	0	109,971	
JANE M ROSS VICE CHAIR	5 00	X		X				0	0	0	
THERESE ROUSE DO BOARD MEMBER	5 00	X						900	0	0	
JACQUELINE D SCOTT CHAIR	5 00	X		X				0	0	0	
WILLIAM J BARKELEY BOARD MEMBER	5 00	X						0	0	0	
MICHELE T BROWN BOARD MEMBER	5 00	X						0	0	0	
PAUL R GAUTHIER DO BOARD MEMBER	5 00	X						17,682	0	0	
BARBARA A MIERAS BOARD MEMBER	5 00	X						0	0	0	
MICHAEL PRICE TREASURER	5 00	X		X				0	0	0	
VICTOR VASQUEZ JR SECRETARY	5 00	X		X				0	0	0	
MICHAEL H ZAKEM DO BOARD MEMBER/PHYSICIAN	60 00	X						914,056	0	27,684	
KEVIN FURLONG DO BOARD MEMBER	5 00	X						15,000	0	0	
TODD HARTGERINK DO BOARD MEMBER	5 00	X						0	0	0	
LAURA HOPSON BOARD MEMBER	5 00	X						0	0	0	
CARLOS SANCHEZ BOARD MEMBER	5 00	X						0	0	0	
DAVID RODRIGUEZ BOARD MEMBER/SECRETARY - UNTIL 12/11	5 00	X		X				0	0	0	
CINDY ALLEN-FEDOR EVP - QUALITY	60 00			X				148,449	0	20,808	
FRANK BELSITO EVP - MEDICAL GROUP	60 00			X				446,780	0	24,625	
INGRID CHESLEK VP - CHIEF NURSING OFFICER	60 00			X				313,495	0	33,240	
BRADLEY CLEGG VP - CLINICAL INFORMATICS	60 00			X				271,976	0	26,050	
WILLIAM CUNNINGHAM EVP SYSTEMS DEVELOPMENT	60 00			X				197,564	0	0	
CARRIE KNOBLOCH VP OF OPERATIONS - THROUGH 7/15/11	60 00			X				174,704	0	16,774	
CHRISTINE LAWRENCE VP - RISK MGT	60 00			X				183,593	0	16,908	
WILLIAM LEWKOWSKI EVP - CIO	60 00			X				288,697	0	33,858	
VERONICA MARSICH VP - LEGAL	60 00			X				225,721	0	15,695	

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(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			
LAURA STASKIEWICZ EVP - CHIEF FUNDRAISING OFFICER	60 00			X				249,665	0	35,047
TIM SUSTERICH EVP - CFO	60 00			X				379,302	0	40,609
FLOYD WILSON JR EVP - HUMAN RESOURCES	60 00			X				373,932	0	59,129
JAMAL GHANI COO	60 00			X				301,262	0	21,237
ERIKA DUNCAN VP - HR	60 00			X				120,522	0	19,513
KEN NYSSON DIR OF PLANNING - THROUGH 1/1/2012	55 00				X			207,900	0	27,123
PAUL KOVACK PHYSICIAN	60 00					X		878,382	0	27,684
MATTHEW SEVENSMA PHYSICIAN	60 00					X		959,423	0	23,525
ERIC WALCHAK PHYSICIAN	60 00					X		922,718	0	26,137
JOHN KEY PHYSICIAN	60 00					X		873,302	0	20,225
ERIK HEDLUND PHYSICIAN	60 00					X		913,126	0	26,584