Mission

The Mission of Catholic Health Initiatives is to nurture the healing ministry of the Church, supported by education and research. Fidelity to the Gospel urges us to emphasize human dignity and social justice as we create healthier communities.

Vision

As a ministry of the Catholic Church, we will lead the transformation of health care to achieve optimal health and well-being for the individuals and communities we serve, especially those who are poor and vulnerable.
Core Values

Reverence: Profound respect and awe for all of creation, the foundation that shapes spirituality, our relationships with others and our journey to God.

Integrity: Moral wholeness, soundness, fidelity, trust, truthfulness in all we do.

Compassion: Solidarity with one another, capacity to enter into another’s joy and sorrow.

Excellence: Preeminent performance, becoming the benchmark, putting forth our personal and professional best.

Core Strategies

Vibrant Ministry
We will be leaders and stewards in growing, living and transforming the ministry of Catholic health care.

Energized Community
We will build and energize relationships with employees, clinicians, consumers and partners to strengthen our communities.

Exceptional Care
We will come together as a system to engage clinicians and align resources to assure the delivery of exceptional care.

Distinctive Value
We will transform our health delivery models to offer distinctive value, based on access, quality, safety, service and cost.
At a Glance
Fiscal year 2016 statistics

Our Scope

CHI is in the process of dissolving Saint Clare’s Foundation and gifting its remaining assets to be used to promote the health and wellness of residents of Morris and Sussex counties in New Jersey. Once the foundation has been dissolved – expected in early 2017 – CHI will no longer have a presence in New Jersey.

Operations in 18 States

104 hospitals, including:

- 4 academic health centers and major teaching hospitals
- 30 critical access hospitals
- 2 community health services organizations
- 22 long-term care facilities
- 55 home health services locations
- 12 clinically integrated networks
Care Interactions

Physician and advanced practice clinician visits:
10.4 million

Acute care admissions:
525,234

Outpatient emergency visits:
2.1 million

Outpatient non-emergency visits:
5.9 million

Home visits:
1.1 million
Financial Highlights

$23.0 billion in assets

$15.9 billion in total annual operating revenues

Employee Community

More than 90,000 employees including approximately 4,300 employed physicians and advanced practice clinicians

Physicians account for 61% of total provider types

- Physicians
- Advanced Practice Clinicians (APC)

Employed providers by region

Specialists
59% — of those, 61% physicians, 39% APCs

Primary Care
30% — of those, 59% physicians, 41% APCs

Hospitalists
10% — of those, 73% physicians, 23% APCs

Administrators
1% — of all physicians
$2 billion in community benefit and financial assistance provided to our communities, including the unpaid costs of Medicare.

Community benefit includes the cost of supplies and labor to meet community health needs, provide public health education, and provide care for people who can’t afford to pay or whose health insurance doesn’t cover the full cost of their care.

**Healthy Communities**

**Direct Community Investment Program:**
$58.3 million in loans to community-based programs.

**Mission and Ministry Fund:**
During the past 20 years, the Mission and Ministry Fund has awarded 483 grants totalling more than $74 million.

$10.9 million in grants in 2016 to build healthy communities in the U.S. and around the globe.

**International Ministries:**
Building healthy communities with our brothers and sisters in Vietnam, Belize, Tanzania, the Philippines, Jamaica, Peru, Haiti and more.

**United Against Violence:**
$17 million in grants allocated to eradicate violence in the communities we serve.
2016 was a challenging year for CHI, as it was for other health systems that are struggling with decreased utilization, decreased payments and fundamental changes in the way we do business.

CHI’s financial performance last year was not where it needs to be. Lower patient volumes, higher labor costs, increased pharmacy prices and reduced reimbursement for Medicare and Medicaid all contributed to CHI’s annual results.

In the face of these challenging circumstances, however, our mission has not wavered. Last year, our charity care and community benefit grew by 13% over the previous year, to $1.1 billion. Including the unpaid costs of Medicare, the total figure reached just over $2 billion – a nearly 25% increase over the 2015 fiscal year.

We remain optimistic about our future – due in part to our solid balance sheet and far-reaching performance improvement plan to strengthen our health networks and continue to enhance the care we deliver to our patients.
Employee Community

Our employee community is more than 90,000 colleagues – including 4,300 employed physicians and advanced practice clinicians – working in 18 states. They earned more than $7.7 billion in salaries, wages and benefits while serving our patients, residents and communities.

### Payer Revenue Mix

<table>
<thead>
<tr>
<th>Payer Type</th>
<th>Percentage</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare</td>
<td>42.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medicaid</td>
<td>34.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial</td>
<td>4.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>4.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Self-pay</td>
<td>3.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other expenses</td>
<td>21.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supplies</td>
<td>16.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchased services and fees</td>
<td>14.4%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Expense Distribution

<table>
<thead>
<tr>
<th>Expense Type</th>
<th>Percentage</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and benefits</td>
<td>47.1%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchased services and fees</td>
<td>14.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Supplies</td>
<td>16.9%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other expenses</td>
<td>21.6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>4.0%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Statistical Highlights

<table>
<thead>
<tr>
<th>Category</th>
<th>Fiscal year ended June 30, 2016</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acute inpatient days</td>
<td>2,531,936</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acute admissions</td>
<td>525,234</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acute average length of stay, in days</td>
<td>4.8</td>
<td>4.8</td>
<td>4.8</td>
</tr>
<tr>
<td>Outpatient emergency visits</td>
<td>2,104,395</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outpatient non-emergency visits</td>
<td>5,916,161</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Physician visits</td>
<td>10,388,816</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential days</td>
<td>751,072</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term care days</td>
<td>503,450</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Full-time equivalent employees</td>
<td>82,673</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees</td>
<td>100,316</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acute inpatient revenues as a percentage of total</td>
<td>44.8%</td>
<td>44.6%</td>
<td></td>
</tr>
</tbody>
</table>
## Summary Statement of Operations

**(in 000s) For the year ended June 30, 2016**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue</td>
<td>$15,942,506</td>
</tr>
<tr>
<td>Salaries and benefits</td>
<td>$7,731,942</td>
</tr>
<tr>
<td>Purchased services</td>
<td>$2,372,906</td>
</tr>
<tr>
<td>Patient care supply expenses</td>
<td>$2,783,100</td>
</tr>
<tr>
<td>Other expenses</td>
<td>$3,537,874</td>
</tr>
<tr>
<td>Total Operating Expense</td>
<td>$16,425,822</td>
</tr>
<tr>
<td>(Loss) Income from operations</td>
<td>$(483,316)</td>
</tr>
<tr>
<td>Total nonoperating (losses) gains</td>
<td>$(216,112)</td>
</tr>
<tr>
<td>Net (Loss) Income</td>
<td>$(699,428)</td>
</tr>
</tbody>
</table>

## Summary Balance Sheet

**(in 000s) On June 30, 2016**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property and Equipment, Net</td>
<td>$9,452,010</td>
</tr>
<tr>
<td>Cash and investments</td>
<td>$7,926,423</td>
</tr>
<tr>
<td>Other assets</td>
<td>$5,280,697</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$22,659,130</td>
</tr>
<tr>
<td>Long-term debt</td>
<td>$9,057,274</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>$6,154,760</td>
</tr>
<tr>
<td>Net assets</td>
<td>$7,447,096</td>
</tr>
<tr>
<td>Total Liabilities and Net Assets</td>
<td>$22,659,130</td>
</tr>
</tbody>
</table>
Community Benefit

Community benefit is one way we continue the legacy of our founding organizations and our commitment to human dignity and social justice.

At CHI, community benefit takes many forms in many settings. In our facilities, we provide care at no or reduced charge to people who don’t have health insurance and can’t afford to pay, or whose insurance doesn’t cover the full cost of their care. In our communities, we provide a variety of free or discounted services to individuals and groups of people who are poor, disadvantaged, or have special needs.

During fiscal year 2016, we provided a total of $1.1 billion in community benefit and financial assistance, an increase of almost 13% from fiscal year 2015. This includes the cost of supplies and labor related to free clinics, donations and other services provided to people who are poor and to meet community needs. The total also includes the cost of services in excess of reimbursement for Medicaid patients, but not the unpaid costs of the Medicare program. Including the unpaid costs of Medicare, the total figure reaches just over $2 billion — a nearly 25% increase over the 2015 fiscal year.
Arkansas
Arkansas Health Network – Clinically Integrated Network*
CHI St. Vincent, Little Rock
Chad S. Aduddell, CEO
CHI St. Vincent Hot Springs, Hot Springs
CHI St. Vincent Infirmary, Little Rock
CHI St. Vincent Morrilton, Morrilton
CHI St. Vincent North, Sherwood
CHI St. Vincent Rehabilitation Hospital, Sherwood

Colorado
Centura Health, Englewood
Centura Health is a joint operating agreement between Catholic Health Initiatives and Adventist Health System Sunbelt Healthcare Corporation, Florida.
Gary Campbell, FACHE, President and CEO
Mercy Regional Medical Center, Durango
OrthoColorado Hospital, Lakewood
Penrose-St. Francis Health Services, Colorado Springs
  - Penrose Hospital, Colorado Springs
  - St. Francis Medical Center, Colorado Springs
Progressive Care Center, Canon City
St. Anthony Hospital, Lakewood
St. Anthony North Hospital, Westminster
St. Anthony Summit Medical Center, Frisco
St. Catherine Hospital, Garden City, KS
  - Bob Wilson Memorial Grant Hospital, Ulysses, KS
St. Mary-Corwin Medical Center, Pueblo
St. Thomas More Hospital, Canon City
Part of CHI Living Communities, Toledo, OH:
  - Medallion Retirement Community, Colorado Springs
  - Namaste Alzheimer Center, Colorado Springs
  - The Gardens at St. Elizabeth, Denver
  - The Villas at Sunny Acres, Thornton

CHI Institute for Research and Innovation, Englewood
CHI Clinical Research supports CHI as a learning health care organization to empower knowledge that translates to advanced capabilities in evidence-based care, personalized medicine, innovative and cutting edge therapeutic clinical trials and data management capabilities.
Dax Kurbegov, MD, Senior Vice President
CHI Physician Services, Englewood

Colorado Health Neighborhoods – Clinically Integrated Network*
QualChoice Health, Englewood

Indiana
Mercy Health Network – Clinically Integrated Network*
Mercy Health Network, Des Moines
Mercy Health Network is a joint operating organization created by Catholic Health Initiatives and Trinity Health, Livonia, Michigan.
David H. Vellinga, CEO and Senior Vice President, Divisional Operations, Catholic Health Initiatives
Mercy Clinics, Inc., Des Moines
Mercy College of Health Sciences, Des Moines
Mercy Franklin Center, Des Moines
Mercy Medical Center-Des Moines, Des Moines
  - Skiff Medical Center, Newton

Kansas
Part of Centura Health, Englewood, CO:
  - St. Catherine Hospital, Garden City
  - St. Rose Ambulatory & Surgery Center, Great Bend

Kentucky
KentuckyOne Health, Louisville
KentuckyOne Health is the merged entity of the former Jewish Hospital & St. Mary’s HealthCare and Saint Joseph Health System, with an operating agreement for the University of Louisville Hospital | James Graham Brown Cancer Center.
Ruth Brinkley, President and CEO and Senior Vice President, Divisional Operations, Catholic Health Initiatives
Continuing Care Hospital, Inc., Lexington
Flaget Memorial Hospital, Bardstown
Frazier Rehab and Neuroscience Center, Louisville
Jewish Hospital, Louisville
  - Jewish Hospital Rudd Heart and Lung Center, Louisville
  - Jewish Hospital Shelbyville, Shelbyville

*As of December 2016
*A Clinically Integrated Network (CIN) coordinates patient care, services and payment across a broad spectrum of functions, processes and settings in order to maximize value. A CIN is a legal structure with shared provider governance and an integrated delivery system.
Medical Center Jewish East, Louisville
Medical Center Jewish Northeast, Louisville
Medical Center Jewish South, Louisville
Medical Center Jewish Southwest, Louisville
KentuckyOne Health Medical Group, Louisville
Our Lady of Peace, Louisville
Saint Joseph Berea, Berea
Saint Joseph East, Lexington
Women’s Hospital Saint Joseph East, Lexington
Saint Joseph Hospital, Lexington
Saint Joseph Hospital, Lexington
Sts. Mary & Elizabeth Hospital, Louisville
University of Louisville Hospital | James Graham Brown Cancer Center, Louisville
University of Louisville Hospital, Louisville
KentuckyOne Health Partners – Clinically Integrated Network*
Part of CHI Living Communities, Toledo, OH:
Madonna Manor, Villa Hills

**Minnesota**

**CHI LakeWood Health, Baudette**
*Ben Koppelman, Interim President*

**CHI St. Francis Health, Breckenridge**
*David A. Nelson, President and CEO*

**CHI St. Francis Health St. Francis Medical Center, Breckenridge**

**CHI St. Francis Health St. Francis Home, Breckenridge**

**CHI St. Francis Health Appletree Court, Breckenridge**

**CHI St. Joseph’s Health, Park Rapids**
*Ben Koppelman, President*

**CHI St. Gabriel’s Health, Little Falls**
*Lee M. Boyles, President*

**CHI St. Gabriel’s Health Alverna Apartments, Little Falls**

**CHI St. Gabriel’s Health St. Camillus Place, Little Falls**

**CHI St. Gabriel’s Health St. Gabriel’s Hospital, Little Falls**

**Nebraska**

**CHI Health**
*Cliff Robertson, MD, CEO and Senior Vice President, Divisional Operations, Catholic Health Initiatives*

**CHI Health Alegent Creighton Clinic, Omaha**

**CHI Health Bergan Mercy, Omaha**

**CHI Health Creighton University Medical Center, Omaha**

**CHI Health Good Samaritan, Kearney**
*Richard Young Behavioral Health Center, Kearney*

**CHI Health Immanuel, Omaha**

**CHI Health Lakeside, Omaha**

**CHI Health Mercy Corning, Corning, IA**

**CHI Health Mercy Council Bluffs, Council Bluffs, IA**

**CHI Health Midlands, Papillion**

**CHI Health Missouri Valley, Missouri Valley, IA**

**CHI Health Nebraska Heart, Lincoln**

**CHI Health Plainview, Plainview**

**CHI Health Schuyler, Schuyler**

**CHI Health St. Elizabeth, Lincoln**

**CHI Health St. Francis, Grand Island**

**CHI Health St. Mary’s, Nebraska City**

**Lasting Hope Recovery Center, Omaha**

**Nebraska Spine Hospital, Omaha**

**The Physician Network, Lincoln**

**UniNet – Clinically Integrated Network**

**New Mexico**

**CHI St. Joseph’s Children, Albuquerque**
*Allen Sánchez, President and CEO*

**New Mexico**

**CHI Carrington Health, Carrington**
*Mariann Doeling, RN, President*

**CHI Friendship, Fargo**
*Jeff L. Pederson, President*

**CHI Lisbon Health, Lisbon**
*Peggy Larson, President*

**CHI Health at Home, Fargo**
*Sue Heitkamp, Executive Director*

**CHI Mercy Health, Valley City**
*Keith Heuser, President*

**CHI Mercy Hospital, Devils Lake**
*Andrew Lankowicz, President*

**CHI Mercy Medical Center, Williston**
*Matthew Grimsnaw, President*

**CHI Oakes Hospital, Oakes**
*Rebecca L. Thompson, President*

**CHI Riverview Place, Fargo**
*Jeff L. Pederson, President*

**CHI St. Alexius Health, Bismarck**
*Kurt Schley, Market CEO and President*

**CHI St. Alexius Health Community Memorial Hospital, Turtle Lake**

**CHI St. Alexius Health Garrison Memorial Hospital, Garrison**

**CHI St. Alexius Health St. Alexius Medical Center, Bismarck**

**CHI St. Alexius Health Clinics, Bismarck**

**CHI St. Joseph’s Health, Dickinson**
*Reed Reyman, President*

**North Dakota Clinically Integrated Network**

**North Dakota**

**Catholic Health Initiatives**
*Imagine better health.™*
Communities of Care

Ohio
CHI Health at Home, Milford
Daniel Dietz, President and CEO
Premier Health, Dayton
Premier Health is a joint operating agreement between Catholic Health Initiatives and MedAmerica Health Systems Corporation, Atrium Health System and Upper Valley Medical Center.
James R. Pancoast, President and CEO
Dayton Heart & Vascular Hospital at Good Samaritan, Dayton
Good Samaritan Hospital, Dayton
CHI Living Communities
Rick Ryan, President and CEO
Bishop Drumm Retirement Center, Johnston, Iowa
Franciscan Care Center, Toledo
Madonna Manor, Villa Hills, KY
Medalion Retirement Community, Colorado Springs, CO
Namaste Alzheimer Center, Colorado Springs, CO
Providence Care Center, Sandusky
St. Clare Commons, Perrysburg
St. Leonard, Centerville
The Gardens at St. Elizabeth, Denver, CO
The Villas at Sunny Acres, Thornton, CO
Trinity Health System, Steubenville
Joseph Tasse, Interim CEO
Trinity Hospital Twin City, Dennison
Trinity Medical Center-East, Steubenville
Trinity Medical Center-West, Steubenville
TriHealth, Cincinnati
TriHealth is a joint operating agreement between Catholic Health Initiatives and Bethesda, Inc. Cincinnati.

Mark Clement, President and CEO
Good Samaritan College of Nursing and Health Sciences, Cincinnati
Good Samaritan Hospital, Cincinnati
TriHealth – Clinically Integrated Network*

Oregon
Architrave Health – Clinically Integrated Network*
CHI Mercy Health, Roseburg
Kelly C. Morgan, President and CEO
CHI Mercy Health Linus Oakes, Inc., Roseburg
CHI Mercy Health Mercy Medical Center, Roseburg
CHI St. Anthony Hospital, Pendleton
Harold Geller, President

Pennsylvania
CHI St. Joseph Children’s Health, Lancaster
Philip K. Goropoulos, President

Tennessee
CHI Memorial, Chattanooga
Larry Schumacher, President and CEO, and Senior Vice President, Divisional Operations, Southeast Division, Catholic Health Initiatives
CHI Memorial Hospital, Chattanooga
CHI Memorial Hospital Hixson, Hixson
Mission HealthCare Network – Clinically Integrated Network*

Texas
Michael Covert, CEO and Senior Vice President, Divisional Operations, Catholic Health Initiatives
CHI St. Mary’s Health Bryan
Rick Napper, President and CEO
CHI St. Joseph Health Bellville Hospital, Bellville

CHI St. Joseph Health Burleson Hospital, Caldwell
CHI St. Joseph Health Skilled Nursing and Rehabilitation Center Burleson, Caldwell
CHI St. Joseph Health Grimes Hospital, Navasota
CHI St. Joseph Health Madison Hospital, Madisonville
CHI St. Joseph Health Skilled Nursing and Rehabilitation Center, Bryan
CHI St. Joseph Health Regional Hospital, Bryan
CHI St. Luke’s Health, Houston
Michael Covert, CEO and Senior Vice President, Divisional Operations, Catholic Health Initiatives
Brazosport Regional Health System, Lake Jackson
CHI St. Luke’s Health Baylor St. Luke’s Medical Center, Houston
CHI St. Luke’s Health Baylor St. Luke’s Medical Center is a joint operating agreement between Catholic Health Initiatives and Baylor College of Medicine, Houston
CHI St. Luke’s Health Hospital at The Vintage, Houston
CHI St. Luke’s Health Lakeside Hospital, The Woodlands
CHI St. Luke’s Health Patients Medical Center, Pasadena
CHI St. Luke’s Health Sugar Land Hospital, Sugar Land
CHI St. Luke’s Health The Woodlands Hospital, The Woodlands
CHI St. Luke’s Health Springwoods Village, Spring
CHI St. Luke’s Health Memorial, Lufkin
Monte Bostwick, Market President
CHI St. Luke’s Health Memorial Medical Center-Livingston, Livingston
CHI St. Luke’s Health Memorial Medical Center-Lufkin, Lufkin
National Offices

Englewood
Home Office
198 Inverness Drive West
Englewood, CO 80112
303.298.9100

Meridian
11045 East Lansing Circle
Englewood, CO 80112-5909
720.875.7100

Fargo
4816 Amber Valley Parkway
Suite 100
Fargo, ND 58104
701.237.8100

Northern Kentucky
3900 Olympic Boulevard
Suite 400
Erlanger, KY 41018-1099
859.594.3000

CHI St. Luke’s Health Memorial Medical Center-San Augustine, San Augustine
CHI St. Luke’s Health Memorial Specialty Hospital, Lufkin
St. Luke’s Health – Clinically Integrated Network*

Washington
CHI Franciscan Health, Tacoma
Ketul J. Patel, CEO and Senior Vice President, Divisional Operations, Catholic Health Initiatives
CHI Franciscan Health Medical Group, Tacoma

CHI Franciscan Health Harrison Medical Center-Bremerton, Bremerton
CHI Franciscan Health Harrison Medical Center-Silverdale, Silverdale
CHI Franciscan Health Highline Medical Center, Burien
CHI Franciscan Health Regional Hospital for Respiratory and Complex Care, Burien
CHI Franciscan Health St. Anthony Hospital, Gig Harbor
CHI Franciscan Health St. Clare Hospital, Lakewood
CHI Franciscan Health St. Elizabeth Hospital, Enumclaw

Wisconsin
CHI Franciscan Villa, South Milwaukee
Char Adams, President

Rainier Health Network – Clinically Integrated Network*