We know that all things work together for good for those who love God, who are called according to his purpose.

– Romans 8:28
MISSION
We, CHE Trinity Health, serve together in the spirit of the Gospel as a compassionate and transforming healing presence within our communities.

CORE VALUES
Reverence
Commitment to Those Who are Poor
Justice
Stewardship
Integrity
Health care is personal. It is about people. And for the 18 million people in the communities we serve throughout the United States, CHE Trinity Health is positioned to help. Our mission is to serve together, in the spirit of the Gospel, to be a compassionate and transforming, healing presence.

CHE Trinity Health builds on the courageous and progressive people-centered care that started with our founding congregations more than 170 years ago. In 1847, for the growing immigrant population in Pittsburgh, the Sisters of Mercy built the nation’s first Catholic hospital – and, nine years later, they built Chicago’s first hospital of any kind. For wounded soldiers of the North and South during the Civil War, the Sisters of the Holy Cross worked in battlefield hospitals. For the migrant laborers and mill workers of central Massachusetts in 1873, the Sisters of Providence ventured from Ontario, Canada, to establish a ministry. For vulnerable people in other countries, the Franciscan Sisters of Allegany, New York, was the first U.S. congregation to establish a mission overseas.

In May 2013, our ministry took another big step when we consolidated two of the nation’s largest Catholic health systems: Trinity Health and Catholic Health East. As a united system, the 87,000 colleagues of CHE Trinity Health now serve people in 20 states to help them live healthier, happier lives.

As one, united ministry, we pledge to help ensure the viability and responsiveness of Catholic health care for a long time. Truly, we are stronger together.

Melanie Dreher, PhD, RN  
Chair, CHE Trinity Health  
Board of Directors

Richard J. Gilfillan, MD  
President and CEO  
CHE Trinity Health
ADVANCING QUALITY AND SAFETY

CHE Trinity Health is committed to consistently delivering the highest quality, safest, and most efficient care...for every patient, every time, at every location.

Multidisciplinary teams throughout the system share best practices, conduct research, lead performance improvement initiatives, and redesign processes based on evidence-based practice.

Some examples include...

* A five-year effort by a group of hospitals resulted in a 74 percent decline in patients impacted by hospital-acquired conditions. Collaboratives across CHE Trinity Health continue this work.

* Standardized processes to reduce falls are being created within the electronic health record, leveraging best practices from across the system.

* A clinical quality report card was implemented throughout CHE Trinity Health hospitals and other care settings.

* Transparent serious event reporting rolled out across the system, facilitating a powerful learning culture.

* A perinatal care collaborative helped reduce the rate of elective deliveries before 39 weeks at participating hospitals from almost five percent in 2009 to less than one percent in 2013. Based on these results, this initiative has now been launched throughout CHE Trinity Health, helping to safeguard the 400,000 newborns entrusted to us each year.

“Clinical quality and safety is supported by every person and every department across the organization,” says Terry O’Rourke, MD, executive vice president, clinical transformation, CHE Trinity Health. “It is a team effort. It is sacred work.”

INFORMATION TECHNOLOGY SUPPORTS CLINICAL TRANSFORMATION

Information is the engine that helps our colleagues drive clinical transformation...uniting people, processes and technology.

Our electronic health record (EHR) provides real-time patient information at the point of care. With more than 16 million interconnected health records, multidisciplinary clinical and operational teams across CHE Trinity Health are collaborating closely with our information technology (IT) division to “connect the dots” between care practices and outcomes.
A major project going forward is to integrate data, identify best practices, and create evidence-based order sets. Innovative new models can be piloted and, if proven effective, quickly replicated across the system. One example: a group of our hospitals designed evidence-based strategies to accelerate accurate diagnosis and treatment of sepsis. Since the implementation of this initiative, mortality rates dropped more than 22 percent. Building on this success, the sepsis collaborative is being implemented across CHE Trinity Health in 2014.

Another fundamental change in health care is the shift from providing episodic care for individuals to impacting the long-term health status of entire populations. CHE Trinity Health is aggressively building a strong technological infrastructure to support clinically integrated networks across a community’s care continuum…thus helping sustain the ministry of Catholic health care well into the future.

“The vehicle to manage population health is a clinically integrated network,” explains Paul Harkaway, MD, senior vice president, clinical integration. “We are organizing communities of caregivers to function as a cohesive, highly integrated delivery system. Sharing clinical data and evidence-based practices within this network, we can manage the care of populations of patients to achieve better outcomes, improved quality and safety, greater patient satisfaction, and lower costs. Informatics is key.”

EXPANDING ACCESS TO CARE
The Affordable Care Act helps to advance the CHE Trinity Health mission by making health care more accessible, strengthening our ability to improve the health of individuals and communities. Over the last year, our regional health ministries educated consumers about the new health insurance marketplaces, or “exchanges,” and helped them find affordable coverage.

CHE Trinity Health has been recognized as a national leader in building public awareness about health insurance exchanges. When enrollment in the exchanges was lagging in early 2014, the White House reached out to our ministry for ideas on how to increase enrollment nationally. We shared our successes and ideas…and we believe it is no coincidence that enrollments picked up dramatically over the last few months, totaling over eight million nationwide by April 1.

St. Mary Medical Center (Langhorne, Pa.) created posters and brochures to help educate its community about the new health insurance exchanges.

Many CHE Trinity Health RHMs helped to educate consumers and encourage enrollment over the last few months through a wide array of initiatives, including the establishment of resource centers, development and implementation of community and individual education sessions, and the creation of public service announcements focused on the importance of “getting coverage.” Our participating RHMs helped to sign up over 75,000 individuals in their local communities.
Community Benefit Ministry amounts have been prepared in accordance with the Catholic Health Association of the United States’ *A Guide for Planning and Reporting Community Benefit*, 2012 Edition.

CHE Trinity Health contributed over $832 million to its communities through our direct programs, charity care, education and research, and the unpaid cost of Medicaid and other public programs. This amount reflects an increase of $6 million over the previous year. Nearly $280 million or 34% of this total was spent on proactive programs for the poor, underserved and broader community.

In addition to charity care, CHE Trinity Health provides a significant amount of uncompensated care to uninsured and underinsured patients, which is reported as bad debt at cost and not included in the amounts reported above. During the twelve months ended June 30, 2013 and 2012, CHE Trinity Health reported provision for bad debt at cost of $225.0 million and $218.3 million, respectively.
<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>CURRENT ASSETS:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash, cash equivalents and investments</td>
<td>$3,248,696</td>
<td>$3,047,913</td>
</tr>
<tr>
<td>Assets limited or restricted as to use, current portion</td>
<td>63,201</td>
<td>57,433</td>
</tr>
<tr>
<td>Patient and other receivables, net</td>
<td>1,823,298</td>
<td>1,796,628</td>
</tr>
<tr>
<td>Assets held for sale</td>
<td>352,190</td>
<td>465,376</td>
</tr>
<tr>
<td>Other current assets</td>
<td>494,599</td>
<td>588,748</td>
</tr>
<tr>
<td>Total current assets</td>
<td>5,981,984</td>
<td>5,956,098</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ASSETS LIMITED OR RESTRICTED AS TO USE:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Held by trustees</td>
<td>730,855</td>
<td>854,874</td>
</tr>
<tr>
<td>By Board</td>
<td>2,847,628</td>
<td>2,527,747</td>
</tr>
<tr>
<td>By donors</td>
<td>278,506</td>
<td>269,868</td>
</tr>
<tr>
<td>Total assets limited or restricted as to use, non-current portion</td>
<td>3,856,989</td>
<td>3,652,489</td>
</tr>
<tr>
<td>Investments</td>
<td>615,612</td>
<td>582,661</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>6,474,533</td>
<td>6,032,705</td>
</tr>
<tr>
<td>Investments in unconsolidated affiliates</td>
<td>1,836,369</td>
<td>1,647,344</td>
</tr>
<tr>
<td>Other Assets</td>
<td>580,358</td>
<td>454,035</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td><strong>$19,345,845</strong></td>
<td><strong>$18,325,332</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>LIABILITIES AND NET ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>$4,046,508</td>
<td>$3,749,275</td>
</tr>
<tr>
<td>Long term debt, net of current portion</td>
<td>3,512,404</td>
<td>3,518,210</td>
</tr>
<tr>
<td>Other long term liabilities</td>
<td>2,341,972</td>
<td>2,926,090</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>9,900,884</td>
<td>10,193,575</td>
</tr>
<tr>
<td><strong>NET ASSETS:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>9,082,629</td>
<td>7,793,871</td>
</tr>
<tr>
<td>Restricted</td>
<td>362,332</td>
<td>337,886</td>
</tr>
<tr>
<td>Total Net Assets</td>
<td>9,444,961</td>
<td>8,131,757</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND NET ASSETS</strong></td>
<td><strong>$19,345,845</strong></td>
<td><strong>$18,325,332</strong></td>
</tr>
</tbody>
</table>
# CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN UNRESTRICTED NET ASSETS

Twelve Months ended June 30, 2013 and 2012 (in thousands)

<table>
<thead>
<tr>
<th>HOW OUR RESOURCES ARE CREATED:</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>We billed for services to patients</td>
<td>$35,219,228</td>
<td>$33,543,614</td>
</tr>
<tr>
<td>We had other operating revenue</td>
<td>1,656,936</td>
<td>1,419,894</td>
</tr>
<tr>
<td>Our total operating revenue was</td>
<td>36,876,164</td>
<td>34,963,508</td>
</tr>
</tbody>
</table>

**However, we did not receive full payment:**
- From Medicare, Medicaid and other contracted payers: (21,855,198) (20,889,715)
- From those unable to pay (charity care): (1,027,554) (920,847)
- To allow for health benefits to our colleagues: (699,689) (672,493)
- Therefore, we wrote off: (23,582,441) (22,483,055)

| Our net resources were | 13,293,723 | 12,480,453 |

<table>
<thead>
<tr>
<th>HOW OUR RESOURCES ARE USED:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>To pay our colleagues’ salary and benefits</td>
<td>7,076,268 6,625,939</td>
</tr>
<tr>
<td>To purchase supplies</td>
<td>2,124,738 2,057,271</td>
</tr>
<tr>
<td>To pay for medical claims and purchased services</td>
<td>1,721,626 1,547,302</td>
</tr>
<tr>
<td>To allow for wear and deterioration on buildings and equipment</td>
<td>677,126 642,617</td>
</tr>
<tr>
<td>To pay interest on our outstanding debt</td>
<td>155,761 145,352</td>
</tr>
<tr>
<td>To pay for other operating expenses</td>
<td>1,123,131 1,090,443</td>
</tr>
</tbody>
</table>

| Our total expenses were | 12,878,650 12,108,924 |

- Our operating income before other items: 415,073 371,529
- To pay costs related to the consolidation: (23,169) —
- We had net gains on sales of assets: 21,021 71,836

| Our operating income | 412,925 443,365 |

| We had non-operating items | 636,508 492,910 |

**EXCESS FUNDS TO INVEST IN CHE TRINITY HEALTH’S FUTURE:**

- (Ministry for the Poor and the Broader Community, capital spending, payment on outstanding debt, etc.): 1,049,433 936,275

<table>
<thead>
<tr>
<th>Other changes in total unrestricted net assets, primarily non-cash items:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in retirement plans</td>
<td>384,624 (846,355)</td>
</tr>
<tr>
<td>Other changes in unrestricted net assets</td>
<td>18,108 69,460</td>
</tr>
<tr>
<td>Discontinued operations</td>
<td>(163,407) (182,873)</td>
</tr>
</tbody>
</table>

| Increase (decrease) in total unrestricted net assets | $1,288,758 $(23,493) |
ALABAMA
Senior Living Facilities
Mercy Medical
Portier Place
Mobile, AL

CALIFORNIA
Acute Care
Saint Agnes Medical Center
Fresno, CA

CONNECTICUT
Senior Living Facilities
The Mercy Community
Frances Warde Apartments
West Hartford, CT
St. Mary Home
West Hartford, CT
The McAuley
West Hartford, CT

DELAWARE
Acute Care
Saint Francis Healthcare
Wilmington, DE

FLORIDA
Acute Care
BayCare Health System
Mease Countryside Hospital
Safety Harbor, FL
Mease Dunedin Hospital
Dunedin, FL
Morton Plant Hospital
Clearwater, FL
Morton Plant North Bay Hospital
New Port Richey, FL
South Florida Baptist Hospital
Plant City, FL
St. Anthony’s Hospital
St. Petersburg, FL
St. Joseph’s Hospital
Tampa, FL
St. Joseph’s Children’s Hospital
Tampa, FL

GEORGIA
Acute Care
Saint Joseph’s Hospital of Atlanta
Atlanta, GA
St. Luke’s Hospital
Athens, GA
Supportive Health Corporation
Allegany Franciscan Ministries
Palm Harbor, FL

St. Joseph’s Hospital - North Lutz, FL
St. Joseph’s Women’s Hospital
Tampa, FL
Winter Haven Hospital
Winter Haven, FL
Holy Cross Hospital
Ft. Lauderdale, FL
Supportive Health Corporation
Allegany Franciscan Ministries
Palm Harbor, FL
IDAHO/OREGON

Acute Care
Saint Alphonsus Health System
Saint Alphonsus Regional Medical Center – Boise
Boise, ID
Saint Alphonsus Medical Center – Baker City
Baker City, OR
Saint Alphonsus Medical Center – Nampa
Nampa, ID
Saint Alphonsus Medical Center – Ontario
Ontario, OR

Saint Alphonsus Medical Center – Boise
Saint Alphonsus Medical Center – Baker City
Saint Alphonsus Medical Center – Nampa
Saint Alphonsus Medical Center – Ontario

Senior Living Facilities
Providence Health Care,
Saint Mary of the Woods, IN
Sanctuary at Holy Cross – IN
South Bend, IN
Sanctuary at St. Paul’s
South Bend, IN
Sanctuary at Trinity Tower
South Bend, IN

ILLINOIS

Acute Care
Loyola University Health System
Loyola University Medical Center
Maywood, IL
Gottlieb Memorial Hospital
Melrose Park, IL
Mercy Hospital and Medical Center
Chicago, IL

Senior Living Facilities
Mercy Circle*
Chicago, IL

MARYLAND

Acute Care
Holy Cross Health
Holy Cross Hospital
Silver Spring, MD

Senior Living Facilities
Sanctuary at Holy Cross – MD
Burtonsville, MD

IOWA/NEBRASKA

Acute Care
Mercy Health Network
The Iowa organizations are part of Mercy Health Network, a joint operating arrangement between CHE Trinity Health and Catholic Health Initiatives.

Mercy Medical Center – Clinton
Clinton, IA
Morrison Community Hospital*
Morrison, IA

Mercy Medical Center – Dubuque
Dubuque, IA
Mercy Medical Center – Dyersville
Dyersville, IA
Central Community Hospital*
Elkader, IA

Mercy Medical Center – North Iowa
Mason City, IA
Mercy Medical Center- New Hampton
New Hampton, IA
Mercy Health Network – North Iowa
Hansen Family Hospital*
Iowa Falls, IA
Franklin General Hospital*
Hampton, IA
Hancock Regional Health Center*
Britt, IA

Senior Living Facilities
Kossuth Regional Health Center*
Algona, IA
Mitchell County Regional Health Center*
Osage, IA
Palo Alto County Health System*
Emmetsburg, IA
Regional Health Services of Howard County*
Cresco, IA

Mercy Medical Center – Sioux City
Sioux City, IA
Baum-Harmon Mercy Hospital
Primghar, IA
Oakland Mercy Hospital
Oakland, NE
Hawarden Community Hospital*
Hawarden, IA
Pender Community Hospital*
Pender, NE

Senior Living Facilities
The Alverno
Clinton, IA
Mercy Living Center – North*
Clinton, IA
Mercy Living Center – South*
Clinton, IA

INDIANA

Acute Care
Saint Joseph Regional Medical Center – Mishawaka
Mishawaka, IN
Saint Joseph Regional Medical Center – Plymouth
Plymouth, IN

Senior Living Facilities
Sanctuary at Holy Cross – IN
South Bend, IN
MASSACHUSETTS

Acute Care
**Sisters of Providence Health System**
Mercy Medical Center
Springfield, MA

Senior Living Facilities
**Sisters of Providence Health System**
Beaven Kelly Home
Holyoke, MA
Farren Care Center
Turner Falls, MA
Mount St. Vincent
Holyoke, MA
St. Luke’s Home
Springfield, MA
Mary’s Meadow*
Holyoke, MA
Providence Place*
Holyoke, MA

MICHIGAN

Acute Care
**Mercy Health**
Mercy Health Muskegon
Muskegon, MI
Mercy Health Hackley Campus
Muskegon, MI
Mercy Health Lakeshore Campus
Shelby, MI
Mercy Health Saint Mary’s
Grand Rapids, MI
Mercy Health Cadillac
Cadillac, MI
Mercy Health Grayling
Grayling, MI

**Saint Joseph Mercy Health System**
Chelsea Community Hospital
Chelsea, MI
St. Joseph Mercy Ann Arbor
Ypsilanti, MI
St. Joseph Mercy Livingston
Howell, MI
St. Joseph Mercy Oakland
Pontiac, MI
St. Joseph Mercy Port Huron
Port Huron, MI
St. Mary Mercy Livonia
Livonia, MI

Senior Living Facilities
Sanctuary at the Abbey
Warren, MI
Sanctuary at Fraser Villa
Fraser, MI
Marycrest Manor
Livonia, MI
Sanctuary at McAuley
Muskegon, MI
Sanctuary at The Park
Muskegon, MI
Sanctuary at The Shore
Grand Haven, MI
Sanctuary at St. Mary’s
Grand Rapids, MI
Sanctuary at White Lake
White Lake, MI
Sanctuary at Clinton Villa
Clinton Township, MI
Sanctuary at Maple Vista
Imlay City, MI
Sanctuary at Marian Oakland
Farmington Hills, MI
Sanctuary at Marian Place
Monroe, MI
Marycrest Heights
Livonia, MI
Sanctuary at Maryhaven
Southgate, MI

Sanctuary at Villa Marie
Livonia, MI
Sanctuary at Mercy Village
Fort Gratiot, MI
Sanctuary at The Oaks
Muskegon, MI
Sanctuary at St. Joseph’s Village
Ypsilanti, MI
Sanctuary at Woodland
Brighton, MI
Sanctuary at Bellbrook
Rochester Hills, MI
Heritage Place*
Lake Orion, MI
Highland Haven*
Highland, MI
Highland Meadowview*
Highland, MI
McAuley Commons*
Detroit, MI
McGivney-Bethune*
Detroit, MI
Theresa Maxis*
Detroit, MI
Mercy Manor*
Grayling, MI
Sisters, Servants of the
Immaculate Heart of Mary*
Monroe, MI

Primary Care
Mercy Primary Care Center
Detroit, MI
*Classified as an operating unit of Trinity Health-Michigan*

Supportive Health Corporation
Trinity Health International
Livonia, MI
NEW JERSEY

Acute Care
Lourdes Health System
Lourdes Medical Center of Burlington County
Willingboro, NJ
Our Lady of Lourdes Medical Center
Camden, NJ

Saint Michael’s Medical Center
Newark, NJ

St. Francis Medical Center
Trenton, NJ

NEW YORK

Acute Care
Catholic Health
Kenmore Mercy Hospital
Kenmore, NY
Mercy Hospital
Buffalo, NY
Sisters of Charity Hospital
Buffalo, NY
Sisters of Charity Hospital – St. Joseph Campus
Cheektowaga, NY

St. James Mercy Hospital
Hornell, NY

St. Peter’s Health Partners
Albany Memorial Hospital
Albany, NY
Samaritan Hospital
Troy, NY
St. Mary’s Hospital
Troy, NY
St. Peter’s Hospital
Albany, NY

Senior Living Facilities
St. James Mercy
McAuley Manor
Hornell, NY

St. Peter’s Health Partners
Eddy Memorial Geriatric
Troy, NY
Glen Eddy
Niskayuna, NY
Hawthorne Ridge
East Greenbush, NY
Heritage House
Troy, NY
Majorie Doyle Rockwell Center
Cohoes, NY
Our Lady of Mercy Life Center
Guilderland, NY
Schuyler Ridge
Clifton Park, NY
St. Peter’s Nursing and Rehab
Albany, NY
Village Green
Slingerlands, NY
Beverwyck
Bethlehem, NY
Beechwood Co-op*
Troy, NY
Glen at Hiland Meadows*
Queensbury, NY

NORTH CAROLINA

Senior Living Facilities
St. Joseph of the Pines
Belle Meade
Southern Pines, NC
Coventry
Southern Pines, NC
Family Care Homes
Southern Pines, NC

OHIO

Acute Care
Mount Carmel Health System
Mount Carmel East
Columbus, OH
Mount Carmel West
Columbus, OH
Mount Carmel St. Ann’s
Westerville, OH
Mount Carmel New Albany
New Albany, OH
Fayette County Memorial Hospital*
Washington Court House, OH

Senior Living Facilities
Saint Francis Senior Ministries*
Tiffin, OH
Acute Care

**Mercy Health System of Southeastern Pennsylvania**
Mercy Fitzgerald Hospital
Darby, PA
Mercy Hospital of Philadelphia
Philadelphia, PA
Mercy Suburban Hospital
Norristown, PA
Nazareth Hospital
Philadelphia, PA

**St. Mary Medical Center**
Langhorne, PA

Community-Based Integrated Health Care

**Pittsburgh Mercy Health System**
Pittsburgh, PA

Senior Living Facilities

**Mercy Health System of Southeastern Pennsylvania**
Manor Care at Mercy Fitzgerald*
Darby, PA

Supportive Health Corporation
Global Health Ministry
Newtown Square, PA

* denotes managed facilities

Mercy Health Network exists pursuant to a joint operating agreement between Trinity Health and Catholic Health Initiatives

BayCare Health System exists pursuant to a Joint Operating Agreement among Catholic Health East, Morton Plant Mease, South Florida Baptist and BayCare Health System.

Catholic Health System exists pursuant to a Joint Operating Agreement among Catholic Health East, the Diocese of Buffalo and Ascension Health.

Allegany Franciscan Ministries and Global Health Ministry are Supportive Health Corporations of Catholic Health East.

MULTI-STATE

Trinity Home Health Services
Trinity Senior Living Communities

SYSTEM OFFICE

CHE Trinity Health System Office
Livonia, MI
CHE Trinity Health, the second largest Catholic health system in the nation, and fourth largest health system overall in the United States, serves people and communities in 20 states from coast to coast. The ministry was formed in May 2013 with the coming together of Trinity Health and Catholic Health East, with the goals of strengthening our shared mission, increasing excellence in care and advancing transformative efforts with our unified voice. We are sponsored by Catholic Health Ministries, a governance entity established by the Catholic Church to oversee the healing ministry and Catholic identity of CHE Trinity Health. For more information, visit www.newhealthministry.org.

- Geographic Reach: 20 States
- Revenue: $13.3 billion
- Community Benefit Ministry: Over $800 million annually
- Employees: 87,000
- Physicians: 3,200 employed
- Acute care: 86 hospitals
- Senior Care: 109 total long term care, assisted, independent living and affordable housing communities
- Home Health/Hospice: nearly 2.8 million visits (largest not-for-profit provider of home health services in the nation, based on visits).
- PACE: (Program of All-Inclusive Care for the Elderly): 11 programs (largest provider in the nation, based on number of programs).

(as of June 30, 2014)