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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 private foundations)

▶ Do not enter Social Security numbers on this form as it may be made public By law, the IRS generally cannot redact the information on the form

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

OMB No 1545-0047

2013

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning 07-01-2013 , 2013, and ending 06-30-2014

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
The Nebraska Medical Center

Doing Business As

Number and street (or P O box if mail is not delivered to street address) 988145 NEBRASKA MEDICAL CENTER Suite | Room/suite

City or town, state or province, country, and ZIP or foreign postal code
OMAHA, NE 681988145

D Employer identification number
91-1858433

E Telephone number
(402) 559-4000

G Gross receipts $ 914,268,195

F Name and address of principal officer
STEPHANIE DAUBERT
987400 NEBRASKA MEDICAL CENTER
OMAHA, NE 681987400

H(a) Is this a group return for subordinates? ☐ Yes ☑ No

H(b) Are all subordinates 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 NEBRASKAMED COM

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1997

M State of legal domicile NE

Part I Summary

1 Briefly describe the organization's mission or most significant activities
TO BE THE REGION'S PREMIER MEDICAL PROVIDER BY SERVING OUR PATIENTS AND COMMUNITY THROUGH EXTRAORDINARY CARE, THE FINEST PEOPLE, AND ACADEMIC AND PRIVATE PRACTICE MEDICINE

2 Check this box ▶☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

Activities & Governance

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	8
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	5
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	**5**	6,317
6	Total number of volunteers (estimate if necessary)	**6**	670
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	3,219,048
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	90,540

		Prior Year	Current Year
Revenue	**8** Contributions and grants (Part VIII, line 1h)	4,951,878	4,850,308
	9 Program service revenue (Part VIII, line 2g)	746,303,783	874,097,620
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	10,357,225	8,537,296
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	12,119,720	15,361,500
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	773,732,606	902,846,724
Expenses	**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3)	113,208,617	117,545,952
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	315,326,031	336,746,700
	16a Professional fundraising fees (Part IX, column (A), line 11e)	53,667	60,750
	b Total fundraising expenses (Part IX, column (D), line 25) ▶1,029,067		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	330,730,497	418,132,182
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	759,318,812	872,485,584
	19 Revenue less expenses Subtract line 18 from line 12	14,413,794	30,361,140

		Beginning of Current Year	End of Year
Net Assets or Fund Balances	**20** Total assets (Part X, line 16)	837,949,195	875,768,799
	21 Total liabilities (Part X, line 26)	253,733,299	251,072,806
	22 Net assets or fund balances Subtract line 21 from line 20	584,215,896	624,695,993

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including my knowledge and belief, it is true, correct, and complete Declaration of prepar preparer has any knowledge

Sign Here

******
Signature of officer

Stephanie Daubert CFO
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name Donald Neal JR | Preparer's signature

Firm's name ▶ KPMG LLP

Firm's address ▶ 1212 North 96th Street Suite 300
Omaha, NE 68114

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

For Paperwork Reduction Act Notice, see the separate instructions.

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III . . . . . ☑

1 Briefly describe the organization's mission

TO BE THE REGION'S PREMIER MEDICAL PROVIDER BY SERVING OUR PATIENTS AND COMMUNITY THROUGH EXTRAORDINARY CARE, THE FINEST PEOPLE, AND ACADEMIC AND PRIVATE PRACTICE MEDICINE

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 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 $ 165,240,921 including grants of $ 41,424,329) (Revenue $ 191,829,842)

ONCOLOGY SERVICE LINE CANCER TREATMENT SERVICES OFFERED BY THE CORPORATION INCLUDE TREATMENT OF LYMPHOMA, LEUKEMIA, HEAD AND NECK, BREAST, GASTROINTESTINAL, LUNG, PROSTATE, GYNECOLOGIC, BLOOD, BONE MARROW, BRAIN AND SPINE CANCERS THE PATIENTS ARE SUPPORTED BY RESEARCH THAT IS CONDUCTED ON THE CORPORATION/UNMC CAMPUS THE CORPORATION AND PARTNER UNMC EPPLEY CANCER INSTITUTE IS THE ONLY CLINICAL CANCER CENTER IN ITS SERVICE AREA DESIGNATED BY THE NATIONAL CANCER INSTITUTE IN ADDITION TO TREATMENT AND CLINICAL TRIALS THE CORPORATION OFFERS SUPPORT GROUPS, SOCIAL WORK, PAIN MANAGEMENT, AND A VARIETY OF ADDITIONAL PATIENT SUPPORTIVE SERVICES IN THE FALL OF 2008, THE CORPORATION OPENED A NEW CANCER CENTER NEAR VILLAGE POINTE OFFERING OUTPATIENT SERVICES IN EFFORT TO SERVE THE GROWING DEMAND FOR EXCELLENT CANCER CARE CLOSER TO PATIENTS' HOMES IN THE FALL OF 2011, THE CORPORATION OPENED A CANCER CLINIC AND TREATMENT CENTER AT BELLEVUE MEDICAL CENTER IN ADDITION, AS ONE OF THE BUSIEST PROGRAMS IN THE WORLD, THE BONE MARROW TRANSPLANTATION PROGRAM SERVED 177 PATIENTS IN THE YEAR ENDED JUNE 30, 2014 THE PROGRAM BENEFITS FROM THE RESEARCH CONDUCTED ON THE CORPORATION/UNMC CAMPUS AND THE COOPERATIVE CARE PROGRAM WHICH ASSISTS PATIENTS TO PREPARE FOR AND RECOVER FROM THE TRANSPLANT IN A HOME-LIKE SETTING WITH A CARE PARTNER OF THEIR CHOOSING THE PROGRAM IS HOUSED IN THE LIED TRANSPLANT CENTER AND RECOGNIZES THE IMPORTANCE OF ENVIRONMENT TO THE PATIENT'S OVERALL WELL-BEING DURING FISCAL YEAR 2014, THE ONCOLOGY SERVICE LINE INCURRED OVER 83,000 CASES AND OVER 22,000 PATIENT DAYS APPROXIMATELY 40% OF THE NET REVENUE WAS DERIVED FROM INPATIENT CASES

4b (Code) (Expenses $ 108,831,612 including grants of $ 18,767,666) (Revenue $ 114,644,231)

CARDIOVASCULAR SERVICE LINE THE CORPORATION PROVIDES A WIDE RANGE OF CARDIOVASCULAR SERVICES FROM DIET COUNSELING TO SURGICAL PROCEDURES AND REHABILITATION THE CORPORATION HAS BEEN SUCCESSFUL IN RECRUITING PHYSICIANS AND HAS THE ONLY HEART FAILURE SPECIALIST IN THE REGION AND THE ONLY HEART FAILURE PROGRAM CERTIFIED BY THE JOINT COMMISSION IN THE STATE OF NEBRASKA THE CONGESTIVE HEART FAILURE PROGRAM AND ACUTE MYOCARDIAL INFARCTION PROGRAM EACH RECEIVED THE GOLD SEAL OF APPROVAL CERTIFICATION FROM AMERICAN HEART ASSOCIATION AND ARE CERTIFIED BY THE JOINT COMMISSION THESE SERVICES ARE THE FIRST AND ONLY NATIONALLY CERTIFIED PROGRAMS OF THEIR KIND IN THE STATE OF NEBRASKA THE CHEST PAIN CENTER HAS RECEIVED FULL CHEST PAIN CENTER ACCREDITATION FROM THE SOCIETY OF CHEST PAIN CENTERS THE NEBRASKA MEDICAL CENTER HAS BEEN RECOGNIZED FOR SERVICE EXCELLENCE UNDER THE J D POWER AND ASSOCIATES DISTINGUISHED HOSPITAL PROGRAM WE HAVE THE ONLY JOINT COMMISSION CERTIFIED DESTINATION THERAPY PROGRAM IN THE STATE AND ARE THE ONLY HOSPITAL IN THE REGION PERFORMING HEART TRANSPLANTS AND IMPLANTING TOTAL ARTIFICIAL HEARTS THE HOSPITAL TREATS PATIENTS FROM THE SURROUNDING REGION AND IN THE YEAR ENDED JUNE 30, 2014, APPROXIMATELY 477 OPEN HEART SURGERIES WERE PERFORMED, 30 HEART TRANSPLANTS, 55 MECHANICAL CIRCULATORY SYSTEM DEVICE IMPLANTATIONS, AND 4 TOTAL ARTIFICIAL HEART IMPLANTATIONS WERE PERFORMED

4c (Code) (Expenses $ 69,762,275 including grants of $ 10,945,694) (Revenue $ 75,195,041)

SOLID ORGAN TRANSPLANTATION SERVICE LINE THE CORPORATION OPERATES ONE OF THE BUSIEST SOLID ORGAN TRANSPLANT PROGRAMS IN THE WORLD IN THE YEAR ENDED JUNE 30, 2014, THE CORPORATION PERFORMED 262 SOLID ORGAN TRANSPLANTS INCLUDING LIVER, KIDNEY, HEART, PANCREAS AND SMALL BOWEL THE SUCCESS OF THE CORPORATION'S SOLID ORGAN TRANSPLANT PROGRAM IS HEIGHTENED BY RESEARCH DONE ON THE CORPORATION/UNMC CAMPUS PATIENTS HAVE COME TO THE CORPORATION FOR SINGLE-OR MULTIPLE-ORGAN TRANSPLANT FROM ALL 50 STATES AND FIVE CONTINENTS DURING FISCAL YEAR 2014, THE SOLID ORGAN TRANSPLANTATION SERVICE LINE INCURRED OVER 35,346 CASES AND 12,960 PATIENT DAYS APPROXIMATELY 80% OF THE REVENUE WAS DERIVED FROM INPATIENT CASES

(Code) (Expenses $ 71,477,793 including grants of $ 11,664,800) (Revenue $ 76,733,096)

NEUROLOGY SERVICE LINE

(Code) (Expenses $ 282,861,194 including grants of $ 34,743,463) (Revenue $ 282,060,861)

ALL OTHER HOSPITAL

(Code) (Expenses $ 170,911,677 including grants of $) (Revenue $ 149,986,974)

OTHER PROGRAM SERVICES

4d Other program services (Describe in Schedule O)

(Expenses $ 525,250,664 including grants of $ 46,408,263) (Revenue $ 508,780,931)

4e **Total program service expenses** ▶ 869,085,472

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	Yes	
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	Yes	
9	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *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	Yes	
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		No
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 and XII*	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 and XII 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, Parts I and IV*	14b	Yes	
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts 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 other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts 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 (see instructions)*	17	Yes	
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	Yes	
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 hospital facilities? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**	Yes	
22	Did the organization report more than $5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**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? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
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? *If "Yes," complete Schedule L, Part 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? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If so, complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	**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? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	**28c**	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**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? *If "Yes," complete Schedule R, Part I*	**33**	Yes	
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	**34**	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	**35a**	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**	Yes	
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**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? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V . . . . . ☐

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable . .	1a	381		
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		Yes	
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	2a	6,317		
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)	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year? . . .	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O* . . .	3b		Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
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? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . .	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
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?	7a		Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		Yes	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h			
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?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			
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.** See the instructions for additional information the organization must report on Schedule O	13a			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b			
c	Enter the amount of reserves on hand	13c			
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a			No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .	14b			

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 or note to any line 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** 8		
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
b	Enter the number of voting members included in line 1a, above, who are independent	**1b** 5		
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**	Yes	
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**	Yes	
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**	Yes	
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**	Yes	
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 this 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**	Yes	
	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**		No

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

☐ Own website ☐ Another's website ☑ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization

▶LINDA SCHOLTING 988145 NEBRASKA MEDICAL CENTER
OMAHA, NE 681988145 (402) 559-9789

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

Check if Schedule O contains a response or note to any line in this Part VII . . . . . ☑

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b **Sub-Total** . . . . . ▶										
c **Total from continuation sheets to Part VII, Section A** . . . . ▶										
d **Total (add lines 1b and 1c)** . . . . . ▶								11,512,682	0	1,583,435

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 261

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	**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? *If "Yes," complete Schedule J for such individual*	**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? *If "Yes," complete Schedule J for such person*	**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
UNMC PHYSICIANS, 988101 NEBRASKA MEDCIAL CENTER OMAHA NE 681988101	MEDICAL SERVICES	22,561,231
UNMC, 984290 NEBRASKA MEDICAL CENTER OMAHA NE 681984290	MEDICAL SERVICES	14,893,194
DELOITTE TOUCHE LLP, FIRST NATIONAL TOWER 1601 DODGE ST OMAHA NE 681029706	PROFESSIONAL FEES	10,089,446
CARDINAL HEALTH, 5840 F ST OMAHA NE 68117	MANAGEMENT FEE	7,148,199
EPIC SYSTEMS CORPORATION, 1979 MILKY WAY VERONA WI 53593	IT SERVICES/EHR IMPL	4,521,688

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 ▶ 118

Part VIII Statement of Revenue

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

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c	576,860			
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	1,234,624			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	3,038,824			
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f		4,850,308			
Program Service Revenue			Business Code				
	2a	NET PATIENT REVENUE	900099	853,720,956	853,720,956		
	b	LAB ADMINISTRATION	900099	5,818,476	5,818,476		
	c	EHR INCENTIVE PAYMENTS	900099	4,228,137	4,228,137		
	d	REMOTE PHARMACY SERVICES	446110	3,798,870	3,685,009	113,861	
	e	POISON CONTROL	900099	1,983,919	1,983,919		
	f	All other program service revenue		4,547,262	4,547,262		
	g	**Total.** Add lines 2a–2f		874,097,620			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		6,945,280	6,945,280		
	4	Income from investment of tax-exempt bond proceeds		0			
	5	Royalties		0			
			(i) Real / (ii) Personal				
	6a	Gross rents	4,473,131 / 540,468				
	b	Less rental expenses					
	c	Rental income or (loss)	4,473,131 / 540,468				
	d	Net rental income or (loss)		5,013,599		2,070,408	2,943,191
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory	11,771,447 / 1,026,056				
	b	Less cost or other basis and sales expenses	9,952,883 / 1,252,604				
	c	Gain or (loss)	1,818,564 / -226,548				
	d	Net gain or (loss)		1,592,016			1,592,016
	8a	Gross income from fundraising events (not including $ 576,860 of contributions reported on line 1c) See Part IV, line 18	a 8,100				
	b	Less direct expenses	b 215,984				
	c	Net income or (loss) from fundraising events		-207,884			-207,884
	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		0			
	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		0			
		Miscellaneous Revenue	Business Code				
	11a	ENVIRONMENTAL SVCS	900099	3,331,910	3,331,910		
	b	ONE CHART	446110	1,957,427	1,933,735	23,692	
	c	FAMILY PLACE	900099	795,261	795,261		
	d	All other revenue		4,471,187	3,460,100	1,011,087	
	e	**Total.** Add lines 11a–11d		10,555,785			
	12	**Total revenue.** See Instructions		902,846,724	890,450,045	3,219,048	4,327,323

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States See Part IV, line 21	71,467,635	71,467,635		
2 Grants and other assistance to individuals in the United States See Part IV, line 22	46,078,317	46,078,317		
3 Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	10,198,741	10,198,741		
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	261,548,048	260,952,926		595,122
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	21,912,014	21,868,994		43,020
9 Other employee benefits	23,933,077	23,898,770		34,307
10 Payroll taxes	19,154,820	19,120,927		33,893
11 Fees for services (non-employees)				
a Management	0			
b Legal	1,303,972		1,303,972	
c Accounting	1,067,073		1,067,073	
d Lobbying	72,842	72,842		
e Professional fundraising services See Part IV, line 17	60,750			60,750
f Investment management fees	300,020	300,020		
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	85,365,574	85,301,717		63,857
12 Advertising and promotion	4,403,213	4,403,213		
13 Office expenses	5,001,473	4,985,350		16,123
14 Information technology	0			
15 Royalties . .	0			
16 Occupancy	7,654,241	7,654,241		
17 Travel	830,671	824,117		6,554
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	338,281	336,401		1,880
20 Interest	3,697,565	3,697,565		
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	51,644,962	51,635,628		9,334
23 Insurance	3,472,425	3,472,425		
24 Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a PHARMACY & OTHER M&C	179,166,429	179,166,429		
b REPAIRS & MAINTENANCE	21,395,167	21,395,167		
c AFFILIATED PURCHASES & AGRMNTS	17,420,146	17,384,836		35,310
d EQUIPMENT RENTALS/LEASES	19,917,138	19,868,169		48,969
e All other expenses	15,080,990	15,001,042		79,948
25 **Total functional expenses.** Add lines 1 through 24e	872,485,584	869,085,472	2,371,045	1,029,067
26 **Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

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

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		84,597,960	1	113,019,277
	2	Savings and temporary cash investments		162,423,912	2	166,094,655
	3	Pledges and grants receivable, net		164,895	3	158,800
	4	Accounts receivable, net		110,896,687	4	126,250,391
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		0	6	0
	7	Notes and loans receivable, net		4,057,952	7	3,004,290
	8	Inventories for sale or use		4,171,169	8	4,768,739
	9	Prepaid expenses and deferred charges		11,218,829	9	11,726,481
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 933,048,116			
	b	Less accumulated depreciation	10b 568,828,408	371,611,514	10c	364,219,708
	11	Investments—publicly traded securities		38,777,618	11	45,540,024
	12	Investments—other securities See Part IV, line 11		9,936,693	12	10,817,240
	13	Investments—program-related See Part IV, line 11		0	13	0
	14	Intangible assets		0	14	0
	15	Other assets See Part IV, line 11		40,091,966	15	30,169,194
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		837,949,195	16	875,768,799
Liabilities	17	Accounts payable and accrued expenses		124,368,293	17	117,873,899
	18	Grants payable		0	18	0
	19	Deferred revenue		0	19	0
	20	Tax-exempt bond liabilities		77,386,744	20	62,788,474
	21	Escrow or custodial account liability Complete Part IV of Schedule D		0	21	0
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		10,353,473	23	38,834,872
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	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		41,624,789	25	31,575,561
	26	**Total liabilities.** Add lines 17 through 25		253,733,299	26	251,072,806
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		572,891,657	27	612,301,096
	28	Temporarily restricted net assets		9,672,927	28	10,758,435
	29	Permanently restricted net assets		1,651,312	29	1,636,462
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☐ 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		584,215,896	33	624,695,993
	34	Total liabilities and net assets/fund balances		837,949,195	34	875,768,799

Part XI Reconcilliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI . . . . . ☑

1	Total revenue (must equal Part VIII, column (A), line 12)	1	902,846,724
2	Total expenses (must equal Part IX, column (A), line 25)	2	872,485,584
3	Revenue less expenses Subtract line 2 from line 1	3	30,361,140
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	584,215,896
5	Net unrealized gains (losses) on investments	5	3,625,707
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	6,493,250
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	624,695,993

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII . . . . . ☐

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ 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?	2a		No
	If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
	If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separate basis			
c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	Yes	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		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	3b		

Additional Data

Software ID:
Software Version:
EIN: 91-1858433
Name: The Nebraska Medical Center

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 (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Jeffrey Gold MD Chairman effective 1/20/2014	1 0 0 0	X		X				0	0	0
Bruce R Lauritzen Chairman thru 1/20/2014	1 0 0 0	X		X				0	0	0
Mogens C Bay Vice Chairman	1 0 0 0	X		X				0	0	0
Bruce Grewcock Treasurer	1 0 0 0	X		X				0	0	0
James B Milliken Secretary thru 1/20/2014	1 0 0 0	X		X				0	0	0
Dr Marlin G Stahl MEMBER & BMC CMO	55 0 0 0	X						214,260	0	541
James T Canedy Member	1 0 0 0	X						0	0	0
Ronald Hollins MD Member thru 1/20/14	1 0 0 0	X						0	0	0
Harold Maurer MD Member thru 1/20/14	1 0 0 0	X						0	0	0
Gail Walling Yanney MD Member	1 0 0 0	X						0	0	0
Nancy Keegan Member	1 0 0 0	X						0	0	0
James E McClurg PHD Member	1 0 0 0	X						0	0	0
Glenn Fosdick CEO thru 12/13/2013	55 0 0 0			X				1,757,254	0	172,787
Stephen B Smith CMO thru 3/31/2014	55 0 0 0			X				842,215	0	136,184
William S Dinsmoor CFO thru 1/5/2014 & CEO	54 0 1 0			X				778,099	0	143,301
Joe B Graham COO	55 0 0 0			X				902,621	0	144,994
Rosanna D Morris CNO & COO effective 1/6/2014	54 0 1 0			X				568,577	0	97,230
Bradley E Britigan MD President	1 0 0 0			X				0	0	0
Tadd M Pullin VP Marketing and Planning	55 0 0 0				X			459,200	0	126,026
Ruta P Davidson COO BMC	55 0 0 0				X			241,359	0	42,532
Louis W Burgher MD Clarkson College President	1 0 54 0				X			320,829	0	13,635
Theresa Franco Exec Dir Oncology	55 0 0 0				X			299,206	0	46,159
Jorge A Parodi Exec Dir CP thru 3/31/2014	55 0 0 0				X			265,383	0	33,772
Stephanie Daubert CFO effective 1/6/2014	55 0 0 0				X			191,306	0	43,995
Thomas C Macy Nebraska Orthopaedic Hosp CEO	55 0 0 0				X			245,399	0	47,829

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 (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Deborah K Istas Exec Dir Neuro	55 0 0 0				X			252,243	0	25,834
David S Fuller Interim, Chief Process Officer	55 0 0 0				X			241,359	0	48,494
Levi Scheppers CAO effective 1/6/2014	55 0 0 0				X			185,725	0	25,791
Charles D Lakso Exec Dir Diagnostic Services	55 0 0 0				X			230,703	0	24,757
Randall J Hallett Exec Dir Devel thru 12/31/13	55 0 0 0				X			311,296	0	31,240
Michael F Powell Exec Dir Pharmacy Services	55 0 0 0				X			204,062	0	47,157
Lisa J McClane Exec Dir Women & Children	55 0 0 0				X			198,290	0	15,626
Carissa SchweitzerMasek Exec Dir Enterprise Apps	55 0 0 0				X			197,858	0	25,890
Donald Futrell Exec Dir Fac & Clin Spc plng	55 0 0 0				X			199,594	0	35,220
Mark W Weiss Exec Dir Enterprise Tech Serv	55 0 0 0				X			192,816	0	23,710
Jana Danielson Exec Dir Revenue Cycle	55 0 0 0				X			194,967	0	16,467
Connie S Ogden Exec Dir Acute Adult Services	55 0 0 0				X			187,311	0	16,930
Julie Lazure Exec Dir Acute Care Program	55 0 0 0				X			174,894	0	35,287
Mandy Constantine Exec Dir Telehealth	55 0 0 0				X			187,194	0	6,465
Crista Madsen Exec Dir Mktg & Communications	55 0 0 0				X			154,541	0	26,165
Marcel Devetten MD Associate CMO thru 12/31/2014	55 0 0 0					X		278,743	0	32,547
Cynthia D Owen Quality & Compliance Advisor	55 0 0 0					X		344,895	0	4,140
Steven J Wees MD Physician	55 0 0 0					X		245,140	0	31,535
Chad Whyte Physician	55 0 0 0					X		221,986	0	38,070
Richard Hurd Physician	55 0 0 0					X		223,357	0	23,125

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
The Nebraska Medical Center

Employer identification number
91-1858433

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

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

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☑ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state _____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)

9 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Non-functionally integrated

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? — **11g(i)**		
(ii) A family member of a person described in (i) above? — **11g(ii)**		
(iii) A 35% controlled entity of a person described in (i) or (ii) above? — **11g(iii)**		

h Provide the following information about the supported organization(s)

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 **Total support** (Add lines 7 through 10)						

12 Gross receipts from related activities, etc (see instructions) **12**

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

Section C. Computation of Public Support Percentage

14	Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	**14**
15	Public support percentage for 2012 Schedule A, Part II, line 14	**15**

16a **33 1/3% support test—2013.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support test—2012.** If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

17a **10%-facts-and-circumstances test—2013.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

b **10%-facts-and-circumstances test—2012.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization ▶☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶☐

Part III **Support Schedule for Organizations Described in Section 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public support** (Subtract line 7c from line 6)						

Section B. Total Support

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

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

19a **33 1/3% support tests—2013.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

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

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

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

Facts And Circumstances Test		
Return Reference	Explanation	

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SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ Complete if the organization is described below. ▶ Attach to Form 990 or Form 990-EZ.
▶ See separate instructions. ▶ Information about Schedule C (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

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

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

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

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

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

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

Name of the organization	Employer identification number
The Nebraska Medical Center	91-1858433

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

1 Provide a description of the organization's direct and indirect political campaign activities in Part IV

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

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

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $ _____

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $ _____

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

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

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $ _____

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ $ _____

3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ $ _____

4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

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

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

A Check ▶ ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

B Check ▶ ☐ if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount Enter the amount from the following table in both columns		
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a If zero or less, enter -0-		
i Subtract line 1f from line 1c If zero or less, enter -0-		

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over $500,000	20% of the amount on line 1e
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ Yes ☐ No

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

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

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

	For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?	Yes		72,842
j	Total Add lines 1c through 1i			72,842
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Return Reference	Explanation
SCHEDULE C, PART II-B, LINE 1I	THIS AMOUNT CONSISTS OF HOSPITAL LOBBYING DUES PAID THROUGH ANNUAL DUES OF THE NATIONAL AND STATE HOSPITAL ASSOCIATIONS AND AN AMOUNT PAID TO BROMM & ASSOCIATES, LLC (LAW FIRM) FOR LOBBYING

Part IV Supplemental Information *(continued)*

Return Reference	Explanation

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions. ▶ Information about Schedule D (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
The Nebraska Medical Center

Employer identification number
91-1858433

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? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or education) ☐ Preservation of an historically important land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

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

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

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

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

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

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

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

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

(ii) Assets included in Form 990, Part X ▶ $ _____

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

a Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

b Assets included in Form 990, Part X ▶ $ 630,351

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

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

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

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

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

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

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

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

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

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

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

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

		(a) Current year	(b) Prior year	b (c) Two years back	(d) Three years back	(e) Four years back
1a	Beginning of year balance	11,334,983	11,324,608	9,728,657	15,906,146	14,503,430
b	Contributions	705,663	608,313	2,441,330	-3,167,621	1,477,127
c	Net investment earnings, gains, and losses	937,864	378,953	111,526	274,128	356,880
d	Grants or scholarships					0
e	Other expenditures for facilities and programs	575,424	976,891	956,905	3,283,996	431,291
f	Administrative expenses					
g	End of year balance	12,403,086	11,334,983	11,324,608	9,728,657	15,906,146

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

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶ 13 000 %
- c Temporarily restricted endowment ▶ 87 000 %

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

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

		Yes	No
(i) unrelated organizations	3a(i)		No
(ii) related organizations	3a(ii)		No
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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

Part VI Land, Buildings, and Equipment. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		12,337,152		12,337,152
b Buildings		170,897,124	96,985,674	73,911,450
c Leasehold improvements		5,464,537	3,044,248	2,420,289
d Equipment		739,840,519	464,631,327	275,209,192
e Other		4,508,784	4,167,159	341,625
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				364,219,708

Part VII **Investments—Other Securities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶		

Part VIII **Investments—Program Related.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) must equal Form 990, Part X, col (B) line 13)* ▶		

Part IX **Other Assets.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11d See Form 990, Part X, line 15

(a) Description	(b) Book value
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

Part X **Other Liabilities.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1 (a) Description of liability	(b) Book value
Federal income taxes	0
DUE TO AFFILIATES	12,104,952
OTHER LONG-TERM LIABILITIES	10,959,420
THIRD PARTY PAYOR SETTLEMENT	8,511,189
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	31,575,561

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

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

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

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return. Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

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

Part XIII Supplemental Information

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

Return Reference	Explanation
Description of Art Collection	SCHEDULE D, Part III, Line 4 THE HOSPITAL DISPLAYS ITS COLLECTION OF ART THROUGHOUT THE WALLS OF THE ORGANIZATION IT IS A COLLECTION OF IMAGES & PORTRAITS TAKEN OF VARIOUS CULTURES AROUND THE WORLD & PORTRAYS THE HOSPITAL'S CULTURE OF PROVIDING MEDICAL CARE TO PEOPLE OF ALL CULTURES
ENDOWMENT FUNDS	SchEDULE D, Part V, Line 4 THE MAJORITY OF THE ENDOWMENT FUNDS HELD BY THE HOSPITAL ARE HELD IN ORDER TO EARN INTEREST IN ORDER TO PROVIDE SCHOLARSHIPS OR EDUCATION FOR EMPLOYEES OF THE HOSPITAL THE TERM ENDOWMENT FUNDS INCLUDE CHARITABLE GIFT ANNUITIES THE CONTRIBUTIONS WERE MADE TO THE HOSPITAL AND INTEREST IS PAID BACK TO THE CONTRIBUTOR AS AN ANNUITY UNTIL THE TIME OF THEIR PASSING WHEN THIS OCCURS, THE BALANCE OF THE ANNUITY IS NO LONGER ENDOWED
FIN 48 FOOTNOTE	SchEDULE D, Part X, Line 2 NMC HAS ADOPTED FASB INTERPRETATION NO 48, ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES - AN INTERPRETATION OF FASB STATEMENT NO 109 (FIN 48) FIN 48 PROVIDES SPECIFIC GUIDANCE ON HOW TO ADDRESS UNCERTAINTY IN ACCOUNTING FOR INCOME TAX ASSETS AND LIABILITIES, PRESCRIBING RECOGNITION THRESHOLDS AND MEASUREMENT ATTRIBUTES THERE WERE NO UNCERTAIN TAX POSITIONS AT JUNE 30, 2014 OR 2013

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

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SCHEDULE F (Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

► Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.

► Attach to Form 990. ► See separate instructions.

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
The Nebraska Medical Center

Employer identification number
91-1858433

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

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

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

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

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) North America			Program Services	PROMOTE MEDICAL CARE	1,944
(2) East Asia and the Pacific			Program Services	PROMOTE MEDICAL CARE	9,914
(3) Middle East and North Africa			Program Services	PROMOTE MEDICAL CARE	20,314
(4) South Asia			Program Services	PROMOTE MEDICAL CARE	24,451
(5)					
3a Sub-total					56,623
b Total from continuation sheets to Part I					
c **Totals** (add lines 3a and 3b)					56,623

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than $5,000. Part II can be duplicated if additional space is needed.

1 **(a)** Name of organization	**(b)** IRS code section and EIN (if applicable)	**(c)** Region	**(d)** Purpose of grant	**(e)** Amount of cash grant	**(f)** Manner of cash disbursement	**(g)** Amount of non-cash assistance	**(h)** Description of non-cash assistance	**(i)** Method of valuation (book, FMV, appraisal, other)
(1)								
(2)								
(3)								
(4)								

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . ▶ _____

3 Enter total number of other organizations or entities . . . . . ▶

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

1	Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*	☐ Yes	☑ No
2	Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)*	☐ Yes	☑ No
3	Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with Respect to Certain Foreign Corporations. (see Instructions for Form 5471)*	☐ Yes	☑ No
4	Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)*	☐ Yes	☑ No
5	Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships. (see Instructions for Form 8865)*	☐ Yes	☑ No
6	Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713).*	☐ Yes	☑ No

Part V **Supplemental Information**

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

990 Schedule F, Supplemental Information

Return Reference	Explanation
INTERNATIONAL ACTIVITIES	SchEDULE F, Part I INTERNATIONAL ACTIVITIES INCLUDE TRAVEL TO THESE REGIONS FOR MARKETING AND PROMOTION OF INTERNATIONAL PROGRAM OF THE NEBRASKA MEDICAL CENTER INCLUDING PATIENT CA RE, TRAINING, AND EDUCATION

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SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a.

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

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
The Nebraska Medical Center

Employer identification number
91-1858433

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

1 Indicate whether the organization raised funds through any of the following activities Check all that apply

- **a** ☑ Mail solicitations
- **b** ☑ Internet and email solicitations
- **c** ☐ Phone solicitations
- **d** ☑ In-person solicitations
- **e** ☑ Solicitation of non-government grants
- **f** ☐ Solicitation of government grants
- **g** ☑ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☑ **Yes** ☐ **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization

	(i) Name and address of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions? Yes	**(iii)** No	**(iv)** Gross receipts from activity	**(v)** Amount paid to (or retained by) fundraiser listed in col **(i)**	**(vi)** Amount paid to (or retained by) organization
1	BETHANY OCHSER 802 N 66TH STREET OMAHA, NE 68132	GRANT WRITING		No		46,780	-46,780
2	CHAD GOBEL GOBEL PHILANTHROPY 2 STATE STREET ROCHESTER, NY 14614	CONSULTANT WRITING		No		12,000	-12,000
3							
4							
5							
6							
7							
8							
9							
10							
Total . . . . . ▶						58,780	-58,780

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing

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

		(a) Event #1 POLO (event type)	(b) Event #2 (event type)	(c) Other events 0 (total number)	(d) Total events (add col (a) through col (c))
Revenue	1 Gross receipts	584,960		0	584,960
	2 Less Contributions	576,860		0	576,860
	3 Gross income (line 1 minus line 2)	8,100		0	8,100
Direct Expenses	4 Cash prizes			0	0
	5 Noncash prizes	3,891		0	3,891
	6 Rent/facility costs	127,137		0	127,137
	7 Food and beverages	29,064		0	29,064
	8 Entertainment	15,807		0	15,807
	9 Other direct expenses	40,085		0	40,085
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				(215,984)
	11 Net income summary Subtract line 10 from line 3, column (d) ▶				-207,884

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

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes % ☐ No	☐ Yes % ☐ No	☐ Yes % ☐ No	
	7 Direct expense summary Add lines 2 through 5 in column (d) ▶				
	8 Net gaming income summary Subtract line 7 from line 1, column (d) ▶				

9 Enter the state(s) in which the organization operates gaming activities _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain _____

11

Does the organization operate gaming activities with nonmembers? . . . . . ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? . . . . . ☐ Yes ☐ No

13 Indicate the percentage of gaming activity operated in

a	The organization's facility	13a	%
b	An outside facility	13b	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶ .....

Address ▶ .....

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . . ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization ▶ $ _____ and the amount of gaming revenue retained by the third party ▶ $ _____

c If "Yes," enter name and address of the third party

Name ▶ .....

Address ▶ .....

16 Gaming manager information

Name ▶ .....

Gaming manager compensation ▶ $ .....

Description of services provided ▶ .....

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? . . . . . ☐ Yes ☐ No

b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ $

Part IV Supplemental Information. Provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

Return Reference	Explanation

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
The Nebraska Medical Center

Employer identification number
91-1858433

Part I Financial Assistance and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year			
	☑ Applied uniformly to all hospital facilities ☐ Applied uniformly to most hospital facilities ☐ Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing *free* care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for *free* care	3a	Yes	
	☐ 100% ☐ 150% ☑ 200% ☐ Other _____ %			
b	Did the organization use FPG as a factor in determining eligibility for providing *discounted* care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care	3b	Yes	
	☐ 200% ☐ 250% ☐ 300% ☐ 350% ☑ 400% ☐ Other _____ %			
c	If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care			
4	Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	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 financial assistance 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 eligibile for free or discounted care?	5c		No
6a	Did the organization prepare a community benefit report during the tax year?	6a	Yes	
b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance 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 Financial Assistance at cost (from Worksheet 1)		5,663	14,265,740		14,265,740	1 560 %
b Medicaid (from Worksheet 3, column a)		58,087	112,160,842	83,715,730	28,445,112	3 110 %
c Costs of other means-tested government programs (from Worksheet 3, column b)		1,238	1,752,477	1,534,102	218,375	0 020 %
d **Total** Financial Assistance and Means-Tested Government Programs		64,988	128,179,059	85,249,832	42,929,227	4 690 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	8	134,807	2,157,364	1,160,291	997,073	0 110 %
f Health professions education (from Worksheet 5)	4	477	18,576,365	9,291,717	9,284,648	1 020 %
g Subsidized health services (from Worksheet 6)	9		26,737,592	19,922,979	6,914,613	0 760 %
h Research (from Worksheet 7)	1		4,314,000	1,264,885	3,049,115	0 330 %
i Cash and in-kind contributions for community benefit (from Worksheet 8)	6	145	54,443,634		54,443,634	5 950 %
j **Total.** Other Benefits	28	135,429	106,228,955	31,639,872	74,689,083	8 170 %
k **Total.** Add lines 7d and 7j	28	200,417	234,408,014	116,889,704	117,618,310	12 860 %

Part II Community Building Activities Complete this if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

	(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
1 Physical improvements and housing						
2 Economic development						
3 Community support	1		247,788	16,760	231,028	0 030 %
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development	2	425	200,720		200,720	0 020 %
9 Other						
10 **Total**	3	425	448,508	16,760	431,748	0 050 %

Part III Bad 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?	1	Yes	
2	Enter the amount of the organization's bad debt expense Explain in Part VI the methodology used by the organization to estimate this amount	2 25,430,063		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements			

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	177,241,598
6	Enter Medicare allowable costs of care relating to payments on line 5	6	194,424,994
7	Subtract line 6 from line 5 This is the surplus (or shortfall)	7	-17,183,396
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		

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

9a	Did the organization have a written debt collection policy during the tax year?	9a	Yes	
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	9b	Yes	

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians—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 NEB ORTHO HOSPITAL	ORTHOPEDIC HOSPITAL			45 940 %
2 BELLEVUE MEDICAL CTR	Acute Care Hospital	67 630 %		10 080 %
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest—see instructions)
How many hospital facilities did the organization operate during the tax year? **2**

	Name, address, primary website address, and state license number	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
	See Additional Data Table										

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices

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

Group A

Name of hospital facility or facility reporting group _____

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

			Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)				
1	During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9	1	Yes	
	If "Yes," indicate what the CHNA report describes (check all that apply)			
a	☑ A definition of the community served by the hospital facility			
b	☑ Demographics of the community			
c	☑ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d	☑ How data was obtained			
e	☑ The health needs of the community			
f	☑ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g	☑ The process for identifying and prioritizing community health needs and services to meet the community health needs			
h	☑ The process for consulting with persons representing the community's interests			
i	☑ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j	☐ Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a CHNA 20 12			
3	In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in 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	Yes	
4	Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	Yes	
5	Did the hospital facility make its CHNA report widely available to the public?	5	Yes	
	If "Yes," indicate how the CHNA report was made widely available (check all that apply)			
a	☑ Hospital facility's website (list url) See PART V, SECTION C			
b	☑ Other website (list url) See PART V, SECTION C			
c	☑ Available upon request from the hospital facility			
d	☐ Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply as of the end of the tax year)			
a	☑ Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA			
b	☐ Execution of the implementation strategy			
c	☑ Participation in the development of a community-wide plan			
d	☑ Participation in the execution of a community-wide plan			
e	☐ Inclusion of a community benefit section in operational plans			
f	☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g	☐ Prioritization of health needs in its community			
h	☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i	☐ Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7		No
8a	Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a		No
b	If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b		
c	If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? $_____			

Part V Facility Information *(continued)*

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

Part V Facility Information *(continued)*

18 Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply)

- **a** ☑ Notified individuals of the financial assistance policy on admission
- **b** ☑ Notified individuals of the financial assistance policy prior to discharge
- **c** ☑ Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills
- **d** ☑ Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy
- **e** ☐ Other (describe in Section C)

Policy Relating to Emergency Medical Care

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

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

20 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care			
a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b ☑ The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d ☐ Other (describe in Part VI)			
21 During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care?	**21**		No
If "Yes," explain in Part VI			
22 During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual?	**22**		No
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

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

Form and Line Reference	Explanation
See Additional Data Table	

Part V Facility Information *(continued)*

Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility
(list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? **8**

	Name and address	Type of Facility (describe)
1	Nebraska Medical Center Radiology 2727 S 144th St Ste 120 Omaha, NE 68144	Provider Based Radiology Department
2	Nebraska Medical Center Laboratory 2727 S 144th St Ste 160 Omaha, NE 68144	Provider Based Laboratory Department
3	NMC - Bellevue Pharmacy 2510 Bellevue Medical Ctr Dr Ste Bellevue, NE 68123	Pharmacy
4	Cancer Ctr at VillAge Point Med Center 111 N 175th Street Omaha, NE 68118	Oncology, Radiology, Pathology, Pharmacy , Treatment
5	NMC - Bellevue Cancer Services 2510 Bellevue Med Ctr Dr Bellevue, NE 68123	Infusion Services Oncology Clinic
6	NMC Cardiology Imaging 2727 S 144th St STE 290 Omaha, NE 68144	Cardiology Imaging
7	NMC Village Pointe endoscopy center 111 N 175th street omaha, NE 68118	Endoscopy services
8	NMC Bellevue Cancer Services 2500 Bellevue Med Ctr Dr RMS 224- Bellevue, NE 68123	Infusion services
9		
10		

Part VI Supplemental Information

Provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II and Part III, lines 2, 3, 4, 8 and 9b

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Form and Line Reference	Explanation
Part I, Line 3C	NOT APPLICABLE AS THE ORGANIZATION DOES FOLLOW FPG TO DETERMINE ELIGIBILITY FOR PROVIDING FEE CARE TO LOW INCOME INDIVIDUALS

Form and Line Reference	Explanation
Part I, Line 6A	THE ORGANIZATION'S COMMUNITY BENEFIT REPORT CAN BE ACCESSED AT http //www nebraskamed com/app_files/pdf/community/benefit-report/communit y-benifit-report-2013 pdf Part I, Line 7G PHYSICIAN CLINICS WERE INCLUDED IN THE SUBSIDIZED HEALTH SERVICES CALCULATION RESULTING IN ADDITIONAL NET COMMUNITY BENEFIT EXPENSE OF $1,952,811

Form and Line Reference	Explanation
Part I, Line 7, Column F	The denominator used to calculate the percentages in column (f) is 914,611,510 This number is calculated by taking the total expenses from Part IX, Line 25 of 872,485,584 and adding in the expenses (less bad debt) of 42,125,926 which represents TNMC's percentage of expense in BMC LLC

Form and Line Reference	Explanation
Part I, Line 7	THESE NUMBERS ARE COMPUTED IN A COST ACCOUNTING SYSTEM THAT PRODUCES A COST FOR EVERY SERVICE THE HOSPITAL PROVIDES RELATIVE VALUE UNITS, FOR SEVEN CATEGORIES OF EXPENSE, ARE UPDATED ANNUALLY FOR EACH PATIENT SERVICE WHICH KEEPS THE COST ACCOUNTING CURRENT THESE COSTS PER UNIT VALUES ARE APPLIED TO THE PATIENT UTILIZATION TO COMPUTE THE TOTAL COST THE COST ACCOUNTED TOTAL IS TIED BACK TO THE HOSPITAL'S FINANCIAL STATEMENTS TO ENSURE SYSTEM INTEGRITY Part II, Community Building Activities Community-building activities are designed to address the root causes of health problems Poverty, homelessness and environmental problems all contribute to poor health The types of programs included in this category support workforce development and training programs to provide employment and leadership skills training, job shadowing for students interested in health careers and economic development support grants to help revitalize low-income areas and businesses

Form and Line Reference	Explanation
Part III, Line 2 & 4	THE ORGANIZATION'S FOOTNOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS DO NOT CONTAIN A FOOTNOTE SPECIFICALLY COVERING BAD DEBT EXPENSE THOUGH PATIENT INCOME MAY QUALIFY THEM FOR FINANCIAL ASSISTANCE, THE PATIENT HAS OBLIGATIONS AS WELL TO COMPLETE FINANCIAL ASSISTANCE FORMS AND TO SUBMIT SUPPORTING DOCUMENTATION TO QUALIFY PATIENTS WHO PROVIDE THIS INFORMATION AND QUALIFY FOR ASSISTANCE WOULD NEVER GO TO BAD DEBT THEREFORE, IT IS REASONABLE TO STATE THAT OUR BAD DEBT EXPENSE IS FOR THOSE UNWILLING TO PAY OR UNWILLING TO WORK WITH US TO PROVIDE FINANCIAL ASSISTANCE IF AVAILABLE IF AN ACCOUNT IS COMPLETELY WRITTEN OFF TO BAD DEBT, THE TOTAL COST VIA THE COST ACCOUNTING SYSTEM IS APPLIED IF ONLY A PORTION OF THE ACCOUNT WAS WRITTEN OFF TO BAD DEBT, THEN BAD DEBT AS A PERCENTAGE OF CHARGE IS THEN APPLIED TO THE TOTAL COST FOR THE ENCOUNTER TO ESTIMATE THE COST ASSOCIATED WITH THE BAD DEBT THE AMOUNT THAT GOES TO COLLECTIONS IS PATIENT LIABILITY NOT COLLECTING THESE DOLLARS IS A DIRECT EXPENSE TO THE ORGANIZATION AS A NOT-FOR-PROFIT HEALTHCARE ORGANIZATION, IT IS OUR RESPONSIBILITY TO HELP ANYONE WHO PRESENTS THEMSELVES WITH A HEALTH ISSUE, AS SUCH WE HAVE LESS CONTROL OVER WHAT GETS RECOGNIZED AS BAD DEBT TO COMPUTE BAD DEBT AT COST, MANAGEMENT USED ALL DISCHARGED CASES IN PRIOR FISCAL YEAR WITH BAD DEBT WRITE-OFF THE WRITE-OFF WAS COMPUTED AS A PERCENTAGE OF CHARGE AND THEN MULTIPLIED BY THE TOTAL COST (DETERMINED BY A DETAILED COST ACCOUNTING METHODOLOGY) TO ESTIMATE THE COST OF BAD DEBT

Form and Line Reference	Explanation
Part III, Line 8	OVERALL MEDICARE PATIENTS PRODUCE A NEGATIVE 7% MARGIN ON GROSS CHARGES THIS IS SPREAD ACROSS MOST OF OUR PRODUCT LINES OUR HEAVIEST LOSSES ARE FROM THE INPATIENT NEUROLOGY, ONCOLOGY AND CARDIAC PRODUCT LINES AND FROM ONCOLOGY AND SURGERY ON THE OUTPATIENT SIDE IN GENERAL MEDICARE INPATIENTS DO COVER THE DIRECT COSTS OF PROVIDING THEIR CARE HOWEVER, THE INDIRECT COSTS TO SUPPORT THE HOSPITAL MUST BE ACCOUNTED FOR AND TURNS THE MARGIN NEGATIVE THESE NUMBERS ARE COMPUTED IN A COST ACCOUNTING SYSTEM THAT PRODUCES A COST FOR EVERY SERVICE THE HOSPITAL PROVIDES THE SYSTEM IS UPDATED ANNUALLY AND TIED TO OUR FINANCIAL STATEMENTS TO ENSURE INTEGRITY OF THE PRODUCT LINE PROFITABILITY STATEMENTS

Form and Line Reference	Explanation
Part III, Line 9B	A PATIENT KNOWN TO QUALIFY FOR FINANCIAL ASSISTANCE (ONCE ALL PAPERWORK IS RECEIVED AND APPROVED) ARE FLAGGED IN THE SYSTEM AND MONITORED ACCORDINGLY TO ENSURE FINANCIAL ASSISTANCE IS "POSTED" TO THE PATIENT ACCOUNT WHEN THE 12 MONTH APPROVAL EXPIRES, PATIENTS ARE CONTACTED IF SERVICES HAVE BEEN RENDERED WITHIN THE LAST SIX MONTHS TO DISCUSS SUBMITTAL OF NEW INFORMATION FOR CONTINUATION OF ASSISTANCE IF PATIENTS NO LONGER QUALIFY, OTHER PAYMENTS OPTIONS ARE DISCUSSED PER ORGANIZATIONAL POLICY REPORTS ARE UTILIZED FOR FOLLOW UP PURPOSES PATIENTS WHO QUALIFY FOR 100% ASSISTANCE DO NOT RECEIVE GUARANTOR STATEMENTS (BILLS) FROM THE ORGANIZATION PATIENTS WHO QUALIFY FOR AN 80% OR 60% DISCOUNT WORK WITH CUSTOMER SERVICE OR COLLECTION STAFF TO OUTLINE PAYMENT ARRANGEMENTS ACCORDING TO SET POLICY Part V, Section D We do not have rehabilitation, free standing diagnostic facilities, or skilled nursing Our off site diagnostic services are included on our hospital license and our hospital ancillary services are hospital based and included on our license

Form and Line Reference	Explanation
Schedule H, Part VI, Line 2	Needs Assessment NMC uses disease incidence and prevalence data, leading causes of death, community health status research and supply and demand analysis to assess the health care needs of the communities it serves ADDITIONALLY, NMC ENGAGED PROFESSIONAL RESEARCH CONSULTANTS (PRC) TO PERFORM A COMPREHENSIVE COMMUNITY HEALTH NEEDS ASSESSMENT (CHNA) IN COLLABORATION WITH THE LOCAL HEALTH SYSTEMS AND COUNTY HEALTH DEPARTMENTS

Form and Line Reference	Explanation
Schedule H, Part VI, Line 3	Patient Education of Eligibility for Assistance NMC and BMC employ Financial Counselors, Customer Service Staff and Collection Staff, all of whom are trained in assisting our patients with resolution of patient liability Depending upon individual patient needs, payment arrangements or financial assistance may be offered to assist our customers with resolution of patient balances Additionally, the organization works with our self pay population to pursue coverage through state, federal or local programs Charity Care Policy This policy outlines the guidelines Patient Financial Services (PFS) will use to ensure adequate and appropriate follow up is completed in order for qualifying patients to receive charity care PFS will work with patients to find payment solutions when available This policy is written to ensure a fair and comprehensive system of distributing charity care to financially burdened patients within the available resources of NMC in a manner that does not discriminate based on race, creed, color, sex, national origin, religion or age Policy A Charity care is available when all other recovery sources have been exhausted B Charity care is provided to patients who have demonstrated inability to meet their financial obligation to NMC C Charity care will not be approved for elective and/or cosmetic care D Charity care may be approved in the instance of catastrophic care as defined 1 This could be occasioned by a personal catastrophe or unavoidable crisis affecting an individual who would otherwise be able to pay for service, or a person who has income above poverty level but is still not able to pay the entire cost of service 2 A patient generally may qualify for catastrophic charity care in instances where the patient liability is in excess of 25% of annual household income E All transplant and IRP patients must meet with a Transplant Financial Counselor to secure financial clearance Transplant and IRP patients must pass financial screening (ACCESS-FIC-082) or must be approved via the Transplant Variance Policy (FN 21) Charity approval for other services prior to consideration for transplant does not meet this requirement F Prior approval for charity care does not apply for future elective or cosmetic procedures GUIDELINES A Identification process 1) The hospital maintains a separate policy in order to assure compliance with the emergency medical treatment and active labor act (EMTALA) and a separate patient rights and organizational ethics policy This charity care policy is subject to the terms of those policies 2) Financial counselors authorized by NMC will identify patients requiring financial screening B Verification of Insurance Eligibility and Benefits 1) The patient will execute an assignment of insurance benefits on behalf of the hospital 2) Verification of eligibility, benefits, and payer source will be performed in a timely manner according to patient finance and access services departmental procedures C Financial Counseling 1) Financial Counselors and contracted vendors will assist patients requiring financial assistance 2) Financial Counselors and vendors will assist patients in seeking reimbursement from local, state, and federal programs when there is no other source of payment as well as assisting patients with applications or making appointments to qualify for government programs 3) Patients are responsible for follow up meetings with an agency that may provide financial resources for health care services Charity assistance may be terminated at any time due to non compliance with this expectation

Form and Line Reference	Explanation
Schedule H, Part VI, Line 4	Community Information WE SERVE MANY COMMUNITIES, INTERNATIONAL, REGIONAL, STATE AND LOCAL OMAHA THE STATISTICS BELOW DESCRIBE OUR "LOCAL" OMAHA COMMUNITY DEFINED AS DOUGLAS AND SARPY COUNTIES IN NEBRASKA THIS LOCAL AREA REPRESENTS APPROXIMATELY 69% OF OUR INPATIENT AND OUTPATIENT DISCHARGES AND VISITS THE 2014 ESTIMATED POPULATION FOR THIS LOCAL AREA IS 715,437 THE ESTIMATED RACE BREAKDOWN OF THE POPULATION IS BELOW WHITE NON-HISPANIC 530,452 75 04% BLACK NON-HISPANIC 70,592 9 99% ASIAN NON-HISPANIC 20,801 2 94% HISPANIC 77,508 10 96% ALL OTHERS 16,084 1 07% THERE ARE ELEVEN HOSPITALS IN NEBRASKA TO SERVE THE LOCAL COMMUNITY METHODIST HOSPITAL, METHODIST WOMEN'S HOSPITAL, LAKESIDE HOSPITAL, BERGAN MERCY MEDICAL CENTER, MIDLANDS HOSPITAL, CREIGHTON MEDICAL CENTER, CHILDREN'S HOSPITAL, IMMANUEL HOSPITAL, NEBRASKA ORTHOPAEDIC HOSPITAL, BMC AND NMC THERE ARE FOUR DESIGNATED MEDICALLY UNDERSERVED AREAS IN DOUGLAS COUNTY (THREE AREAS) AND SARPY COUNTY (ONE AREA) Douglas County Median household income, (2009-2013) = $53,325 Persons below poverty level, percent (2009-2013) = 14 3% (76,867 based on 2013 population estimate) Sarpy County Median household income, (2009-2013) = $69,965 Persons below poverty level, percent (2009-2013) = 6 6% (11,187 based on 2013 population estimate) IN THE 2014 FISCAL YEAR, THERE WERE 14,183 MEDICAID CLAIMS IN THE LOCAL COMMUNITY AND 4,176 UNINSURED OR SELF PAY CLAIMS OF THESE, NMC SERVED 30 8% OF THE MEDICAID CLAIMS AND 36 9% OF THE UNINSURED (OR SELF PAY)

Form and Line Reference	Explanation
Schedule H, Part II and Part VI, Line 5	Community Building Activities and Promotion of Health NMC RECOGNIZES THE COMMUNITY BENEFIT OF ADDRESSING ROOT CAUSES OF POOR HEALTH IN ORDER TO IMPROVE COMMUNITY HEALTH THE HOSPITAL PARTICIPATED IN SEVERAL COMMUNITY BUILDING ACTIVITIES THROUGHOUT THE PAST YEAR DESIGNED TO ADDRESS THESE ROOT CAUSES INCLUDED IN THIS TOTAL ARE THE HOSPITAL'S EFFORTS TO SUPPORT THE MID-AMERICA HOSPITAL ALLIANCE (MAHA), A coalition OF RURAL AND CRITICAL ACCESS HOSPITALS IN THE REGION OF WHICH THE HOSPITAL IS A FOUNDING MEMBER THE HOSPITAL SPENDS TIME COORDINATING RESOURCES TO ENSURE SMALLER, RURAL HOSPITALS CAN HAVE ACCESS TO THE EXPERTISE AND SERVICES OF A LARGE ACADEMIC MEDICAL CENTER to help address WORKFORCE SHORTAGES IN RURAL counties of america THE HOSPITAL'S COMMUNITY BUILDING ACTIVITIES ALSO INCLUDE PROGRAMS INTENDED TO DRIVE ENTRY INTO HEALTH CAREERS AND NURSING PRACTICE MANY HOSPITAL STAFF MEMBERS GIVE EDUCATIONAL PRESENTATIONS ON THE HEALTH PROFESSIONS TO AREA STUDENTS NMC ALSO PROVIDES JOB SHADOWING OPPORTUNITIES TO UNDERGRADUATE STUDENTS WHO WISH TO EXPLORE THE HEALTH CAREERS ADDITIONALLY, THE HOSPITAL HAS THE ONLY BIO-CONTAINMENT UNIT IN THE STATE and largest in the country, CONTRIBUTING TO DISASTER PREPAREDNESS ABOVE AND BEYOND LICENSURE REQUIREMENTS In 2014, the biocontainment unit was activated to treat ebola patients at the request of the state department MEMBERS OF THE HOSPITAL'S CRITICAL CARE AND TRAUMA STAFF SHARE THE EXPERTISE BY PARTICIPATING IN COMMUNITY COALITIONS TO IMPROVE SAFETY AND REDUCE ACCIDENTS AMONG CHILDREN, TEENS, AND SENIORS BMC HAS PARTICIPATED IN, AND HOSTED A NUMBER OF EVENTS DESIGNED TO PROMOTE A HEALTHIER COMMUNITY IN ADDITION TO FINANCIAL SUPPORT OF SEVERAL COMMUNITY-BASED CHARITABLE ORGANIZATIONS AND THE LOCAL CHAMBER OF COMMERCE, THE HOSPITAL'S LEADERSHIP TEAM IS ACTIVE ON COMMUNITY BOARDS BMC ALSO HOSTS FREE MONTHLY "HEALTHY REVIEW" TALKS WHERE A PHYSICIAN GIVES AN EDUCATIONAL PRESENTATION ON VARIOUS DISEASES AND CONDITIONS THESE INITIATIVES DEMONSTRATE BMC'S MISSION TO SUPPORT THE HEALTHCARE NEEDS OF THE COMMUNITY BY PROVIDING A HEALING ENVIRONMENT FOCUSED ON QUALITY, COMPASSION, AND PERSONALIZED CARE ALONG WITH ITS ONGOING COMMITMENT TO CREATE A HEALTHIER COMMUNITY THROUGHOUT ITS SERVICE AREA

Form and Line Reference	Explanation
Other Information	NMC IS A NONPROFIT HOSPITAL MEETING THE REQUIREMENTS OF REVENUE RULING 69-545 IN SUMMARY, THE HOSPITAL OPERATES AN EMERGENCY ROOM OPEN TO ALL PERSONS WITHOUT REGARD TO ABILITY TO PAY, THE HOSPITAL ALSO HAS A BOARD COMPRISED OF MEMBERS FROM THE COMMUNITY, THEY HAVE AN OPEN MEDICAL STAFF POLICY, THEY ACCEPT PATIENTS PAYING THEIR BILLS WITH MEDICAID AND MEDICARE, AND THEY USE THE SURPLUS OF THEIR FUNDS TO IMPROVE THEIR FACILITIES, EQUIPMENT, PATIENT CARE, MEDICAL TRAINING, EDUCATION, AND RESEARCH

Form and Line Reference	Explanation
Schedule H, Part VI, Line 6	Neither NMC nor BMC are in an affiliated healthcare system

Form and Line Reference	Explanation
Schedule H, Part VI, Line 7	NMC files a community benefit report with the Nebraska Hospital Association annually BMC is not required to file a community benefit report in any state, but voluntarily files an annual report with the Nebraska Hospital Association

Additional Data

Software ID:
Software Version:
EIN: 91-1858433
Name: The Nebraska Medical Center

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

Form and Line Reference	Explanation
Part V, Section B, Line 3	(CHNA) For The Nebraska Medical Center and Bellevue Medical Center For the comprehensive CHNA process, a steering committee comprised of key stakeholders from area health systems, local county health department representatives, and key informants from several community agencies worked collaboratively to oversee the process The CHNA steering committee retained Professional Research Consultants (PRC), Inc to conduct the survey PRC is a nationally recognized health care consulting firm with extensive experience conducting CHNAs such as this in hundreds of communities across the United States since 1994 INPUT FROM COMMUNITY STAKEHOLDERS Key informant focus group discussions included representation from all of the assessed counties Focus group participants were chosen because of their ability to provide input regarding vulnerable or medically underserved populations, minorities, and/or populations with chronic disease Eighty-seven community stakeholders, including physicians, other health professionals, social service providers, and business and community leaders participated in focus group sessions A full list of participating key informant focus groups and their areas of expertise can be found here http //www nebraskamed com/about-us/community/community-health-needs-asses sments CHNA Steering Committee Participant Names Below is a listing of the participants and the sponsoring organizations represented in the original CHNA Steering Committee formed in 2011 Alegent Creighton Health Beth Llewellyn- Vice President, Mission Integration Mikki Frost- Director, Community Benefit and Healthier Communities Douglas County Health Department Dr Adi Pour- Health Director Mary Balluff- Division Chief, Community Health and Nutrition Services Live Well Omaha Kerri Peterson- Executive Director Methodist Health System Ken Klaasmeyer- Vice President Ruth Freed- Director of Clinical Alignment Jeff Prochaska- Director, Strategic Planning Visiting Nurses Association/Pottawattamie County Kris Stapp- Vice President, Community Health Service Sarpy/Cass County Health Department Diane Kelly- Health Director The Nebraska Medical Center Tadd Pullin- Senior Vice President, Marketing, Strategic Planning and Network Ops Annette Wolfe- Director, Strategic Planning Leslie Spethman- Gift Officer/Community Relations and Community Benefit

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

Form and Line Reference	Explanation
Part V, Section B, Line 4	The CHNA was conducted with other hospital and community based facilities as listed below The Nebraska Medical Center and Bellevue Medical Center Alegent Creighton Health System Methodist Health System Douglas, Sarpy, Cass and Pottawattamie County Health Departments Live Well Omaha

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

Form and Line Reference	Explanation
Part V, Section B, LIne 5A	http //www nebraskamed com/about-us/community/community-health-needs-asses sments Part V, Section B, Line 5b HTTP //WWW DOUGLASCOHEALTH ORG/JAVASCRIPT/HTMLEDITOR/UPLOADS/2011_CHNA_REP ORT___OMAHA_METRO_AREA__DOUGLAS__SARPY__CASS___POTTAWATTAMIE_COS_ PDF

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

Form and Line Reference	Explanation
Part V, Section B, Line 7	TNMC or its partners have current programs and services in place to address each of the nine CHNA- identified community needs However, in order to make meaningful impact, and to use its finances most effectively and efficiently, TNMC will place a primary focus on Diabetes, Heart and Stroke, and Access to care However, it has no plans to discontinue other community benefit efforts addressing the remaining CHNA-identified needs, and may touch upon each of these categories within its efforts to address issues surrounding access to care in underserved populations Further, in order to ensure all identified needs will be addressed in the community, TNMC met with the other local health systems and County health departments to discuss the CHNA-identified community needs and look for opportunities to collaborate The identified needs not being addressed by TNMC are identified as Nutrition/Weights Status, Maternal, Infant, and Child Health, Mental Disorders and Substance Abuse, Oral Health, and Sexually Transmitted Diseases Each of these remaining CHNA-identified needs are being addressed by one of the other community health systems, local university medical schools, County health departments, or community-based organizations A full listing of these are provided in TNMC's CHNA report and can be found here http //www nebraskamed com/about-us/community/community-health-needs-asses sments BMC is majority owned by the Nebraska Medical Center (NMC) UNMC Physicians had a minority ownership through may 31, 2014 Both organizations are 501(c)(3) organizations It was determined that the community had a need for medical services that was not currently being fulfilled Between the two organizations they owned over 80% of BMC through 12/31/2013 and 100% from 1/1/2-14 - 5/31/2014 As of June 1,2014, TNMC owned 100% of BMC LLC as it became a single member LLC Implementation Strategy Plan Update The Nebraska Medical Center's 2012 CHNA identified nine community needs, of which the following health needs were prioritized Heart Disease and Stroke, Access to Care, and Diabetes During fiscal year 2014, The Nebraska Medical Center began implementation of its heath improvement plan and made the following, to name a few, community health improvements -Targeted community health education and outreach events aimed at reaching underserved populations as identified by the CHNA -Greater collaboration with the UNMC College of Public Health's Center for Reducing Health Disparities and UNMC's Urban Advisory Council -Designed urban telehealth project to increase access to care in underserved diabetic patients -Provided expanded urgent care hours The implementation strategy plan can be found online at http //www nebraskamed com/about-us/community/community-health-needs-asses sments

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

Form and Line Reference	Explanation
Part V, Section B, Line 12h	POLICY FN16 DISCOUNT/FINANCIAL ADJUSTMENTS TALKS ABOUT "DISCOUNTS FOR PATIENTS WITH NON THIRD-PARTY PAYMENT SOURCE," DISCOUNTS, SIMILAR TO DISCOUNTS OFFERED TO MANAGED CARE PLANS, ARE OFFERED FOR MOST PATIENTS THAT DO NOT HAVE THIRD-PARTY INSURANCE AND DO NOT MEET THE GUIDELINES FOR GOVERNMENTAL ASSISTANCE PROGRAMS THIS DISCOUNT IS SUBJECT TO CHANGE BASED ON THE RATES AGREED UPON THROUGH MANAGED CARE CONTRACTS THESE DISCOUNTS ARE INDEPENDENT OF THE CHARITY ADJUSTMENTS, AND THAT CHARITY ADJUSTMENTS ARE APPLIED AFTER THE SELF-PAY ADJUSTMENT IS APPLIED TO THE BILLED CHARGES Part V, Section B, Line 14G INFORMATION ON HOW TO GET FINANCIAL ASSISTANCE IS POSTED ON THE WEBSITE UNDER PATIENT FRIENDLY BILLING WHICH IS LOCATED UNDER THE PATIENT & VISITORS SECTION THERE ARE DEPARTMENTS LISTED WITH PHONE NUMBERS TO CALL FOR MORE INFORMATION OR TO SET UP AN APPOINTMENT

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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**

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
The Nebraska Medical Center

Employer identification number
91-1858433

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. Part II can be duplicated 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
See Additional Data Table							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . ▶ 24

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

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
(1) Financial Assistance (Charity Care)	5663		45,943,067	BOOK	CHARITY CARE
(2) Financial Assistance (Pharmaceuticals)	1120		135,250	BOOK	EMERG DRUG FUND

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

Return Reference	Explanation
REVIEW AND APPROVAL OF CHARITABLE CONTRIBUTIONS	SchEDULE I, Part I, LINE 1 THE NEBRASKA MEDICAL CENTER (NMC) HAS A COMMITTEE WHOSE RESPONSIBILITY IS TO REVIEW AND APPROVE OR DISPROVE REQUESTS FOR SPONSORSHIP THIS COMMITTEE IS COMPRISED OF KEY EXECUTIVES AND OTHER MEMBERS OF THE LEADERSHIP TEAM, AS WELL AS REPRESENTATIVES FROM THE UNIVERSITY OF NEBRASKA MEDICAL CENTER DECISIONS ARE MADE ON EACH REQUEST INDIVIDUALLY BASED ON A SET OF GUIDELINES ESTABLISHED BY THE ORGANIZATION IN ORDER TO EFFECTIVELY EVALUATE AND REVIEW THE MANY REQUESTS WE RECEIVE, EACH REQUEST IS BROUGHT BEFORE OUR SPONSORSHIPS AND CHARITABLE CONTRIBUTIONS COMMITTEE FOR CONSIDERATION THIS COMMITTEE IS COMPRISED OF KEY EXECUTIVES AND OTHER MEMBERS OF THE HOSPITAL LEADERSHIP TEAM THE COMMITTEE CONSIDERS EACH REQUEST INDIVIDUALLY, AND CONTRIBUTIONS ARE MADE BASED ON THREE PRIMARY OBJECTIVES 1) TO SUPPORT THE COMMUNITY NEED FOR RESOURCES ADDRESSING NEBRASKA'S LEADING CAUSES OF DEATH, INCLUDING CANCER, STROKE AND HEART DISEASE 2) TO ALIGN WITH ORGANIZATIONS FURTHERING NMC'S CHARITABLE MISSION TO SUPPORT CAUSES WHICH SIGNIFICANTLY IMPACT THE OVERALL HEALTH STATUS OF THE COMMUNITY 3) TO SUPPORT ORGANIZATIONS WHICH IMPACT FAVORABLY THE PUBLIC IMAGE OF THE HOSPITAL AND ENHANCE EXISTING PARTNERSHIPS OR INITIATIVES IF A SPONSORSHIP OR CHARITABLE CONTRIBUTION REQUEST FALLS WITHIN OUR THREE PRIMARY OBJECTIVES, THE FOLLOWING CRITERIA ARE THEN APPLIED TO FURTHER ASSIST THE COMMITTEE IN MAKING FUNDING DECISIONS 1)ORGANIZATION MUST PROVIDE PROOF OF 501(C)(3) STATUS FROM THE IRS, OR NONPROFIT DESIGNATION AS A GOVERNMENTAL OR TRIBAL ENTITY 2) ALL REQUESTS MUST BE RECEIVED IN WRITING- NO PHONE REQUESTS WILL BE CONSIDERED 3) REQUESTOR MUST BE ABLE TO PROVIDE THE ORGANIZATION'S NON-DISCRIMINATION POLICY 4) MUST BE ABLE TO PROVIDE AN ORGANIZATIONAL OPERATING BUDGET AND PROJECT BUDGET UPON REQUEST 5) PROPOSAL MUST INCLUDE A LIST OF BOARD MEMBERS, DIRECTORS, AND KEY PROJECT STAFF MEMBERS AND THE ROLE THEY SERVE IN THE ORGANIZATION 6) REQUEST MUST INCLUDE A BRIEF NARRATIVE OF THE PROJECT, INCLUDING AN ESTIMATE OF NUMBERS OF PEOPLE SERVED BY THE REQUEST AND LOCATION OF COMMUNITIES IMPACTED BY THE ORGANIZATION'S MISSION 7) REQUESTS FOR SPONSORSHIP NEED TO BE SUBMITTED AT LEAST 90 DAYS PRIOR TO THE EVENT, WITH REQUESTS OVER $10,000 BEING SUBMITTED BY MARCH 1 FOR CONSIDERATION IN THE NEXT FISCAL YEAR GROUPS, PROGRAMS, AND ACTIVITIES NOT SUPPORTED BY NMC 1) ORGANIZATIONS WITHOUT IRS 501(C)(3) OR EQUIVALENT TAX EXEMPT STATUS 2) ORGANIZATIONS THAT DISCRIMINATE ON THE BASIS OF AGE, DISABILITY, RELIGION, ETHNIC ORIGIN, GENDER, OR SEXUAL ORIENTATION 3) ORGANIZATIONS WITH DIVISIVE OR LITIGIOUS PUBLIC AGENDAS 4) MEMBER BASED ORGANIZATIONS, INCLUDING CHAMBERS OF COMMERCE, ROTARY CLUBS OR IRS 501(C)(4) LEGIONS AND ASSOCIATIONS 5) MUNICIPALITIES, INCLUDING FIRE AND POLICE DEPARTMENTS OR RELATED SOCIAL SERVICE GROUPS AND POLITICAL ORGANIZATIONS 6) RELIGIOUS ORGANIZATIONS OR SECTARIAN PROGRAMS FOR RELIGIOUS PURPOSES 7) FRATERNAL ORGANIZATIONS, SOCIAL CLUBS, SPORTS TEAMS OR CLUBS, ATHLETIC COMPETITIONS 8) ENDOWMENTS 9) MULTIYEAR REQUESTS AND PLEDGES 10) INDIVIDUALS REQUESTING LOANS, DEBT RETIREMENTS, SCHOLARSHIP OR FELLOWSHIP ASSISTANCE 11) TRAVEL- INCLUDING STUDENT TRIPS OR TOURS 12) MARKETING ACTIVITIES OR PROMOTIONAL MERCHANDISE 13) PURCHASE OR MAINTENANCE OF VEHICLES 14) FILM OR VIDEO PROJECTS, INCLUDING DOCUMENTARIES 15) BEAUTY PAGEANTS
GRANT MONITORING PROCEDURES	SchEDULE I, Part I, Line 2 BASED ON THE DETAILED GIFT POLICY OUTLINED IN PART I, LINE 1, THE FUNDS ARE ONLY PROVIDED FOR CHARITABLE PURPOSES, AND THOSE ORGANIZATIONS THAT RECEIVE MONIES FROM NMC ARE REQUIRED TO FOLLOW THEIR 501(C)(3) REQUIREMENTS SURROUNDING THE USE OF FUNDS RECEIVED

Additional Data

Software ID:
Software Version:
EIN: 91-1858433
Name: The Nebraska Medical Center

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
American Heart Association 10100 J Street Ste A Omaha,NE 68127	13-5613797	501(C)(3)	10,000				GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Clarkson College 101 S 42nd Street Omaha,NE 681312739	36-3649217	501(C)(3)	1,370,802				General Support GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Clarkson Regional Health Sevices Inc 988145 NE MED CTR Omaha,NE 681988145	47-0376531	501(C)(3)	6,000,000				General Support GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
First Sight 11126 O Street Omaha,NE 68107	46-4448686	501(c)(3)	10,000				General Support

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Friends of UNMC Cancer Center 985950 Nebraska Medical Center Omaha,NE 68198	47-0809725	501(C)(3)	9,500				General support for clinic operations serving unde GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Greater Omaha Chamber Foundation 1301 Harney Street Omaha,NE 68102	47-0258610	501(C)(3)	15,070				General Support GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Harbor House (Hospice House) 7415 Cedar Street Omaha,NE 681242367	36-4003095	501(C)(3)	100,000				General Support GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Hope Medical Outreach Coalition 4920 S 30th Street Omaha,NE 68107	47-0548990	501(C)(3)	23,400				support GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Intercultural Senior Center 2021 U Street Omaha,NE 68107	27-2460810	501(C)(3)	6,000				General Support GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Joslyn Art Museum 2200 Dodge St Omaha,NE 68102	47-0384577	501(C)(3)	51,167				General Support GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Latino Center of the Midlands 4821 South 24th St Omaha,NE 68107	23-7208431	501(C)(3)	10,000				General Support GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Legal Aid of Nebraska 1904 Farnam St 5th Omaha,NE 68102	47-0483506	501(C)(3)	75,000				General support for lymphoma research and educatio GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Leukemia and Lymphoma Society 12100 W Center Road Building 1 Su Omaha,NE 68144	13-5644916	501(C)(3)	7,500				General Support GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Make a Wish 11926 Arbor St Ste 102 Omaha, NE 68144	47-0671096	501(C)(3)	7,500				General Support GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Mid-America Council 12401 W Maple Rd Omaha, NE 681641853	47-0376545	501(C)(3)	19,900				General support of auxiliary's community efforts GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Nebraska Medical Association 233 S 13 St 1200 Omaha,NE 685082026	47-0372108	501(C)(3)	10,000				General support of society's operations GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Omaha Symphony 1605 Howard St Omaha,NE 68102	47-6039304	501(C)(3)	25,000				General support of museum operations GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Ronald McDonald House 620 S 38th Street Omaha,NE 681051104	47-0755104	501(C)(3)	10,000				General support of association's operations GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
The Durham Western Heritage Museum 801 S 10th St Omaha, NE 68108	47-0556061	501(C)(3)	50,000				General operations and support GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
United Way of the Midlands 1805 Harney St Omaha,NE 68102	47-0376605	501(C)(3)	6,382				Faculty Support for the University GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
University of Nebraska Medical Center 986800 Nebraska Medical Center Omaha, NE 681986800	47-0049123	GOVT	30,572,403				General support (AAA agreement) SUPPORT OPERATIONS

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
UNMC Physicians 988101 Nebraska Medical Center Omaha,NE 681988101	47-0785575	501(C)(3)	27,068,011				General support SUPPORT OPERATIONS

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
Wellness Council of the Midlands 12565 W Center Rd Ste 220 Omaha, NE 68144	47-0642708	501(C)(3)	10,000				General support GENERAL SUPPORT

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(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
BOARD OF REGENTS OF THE UNIV OF NE 3835 HOLDREGE STREET LINCOLN,NE 68583	47-0049123	GOVT	6,000,000				General support

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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, line 23.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**
▶ **Information about Schedule J (Form 990) and its instructions is at *www.irs.gov/form990*.**

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
The Nebraska Medical Center

Employer identification number
91-1858433

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate 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			
	☐ First-class or charter travel	☐ Housing allowance or residence for personal use		
	☐ Travel for companions	☐ Payments for business use of personal residence		
	☐ Tax idemnification and gross-up payments	☑ Health or social club dues or initiation fees		
	☐ Discretionary spending account	☐ Personal services (e g , maid, chauffeur, chef)		
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 of 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 directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	**2**	Yes	
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III			
	☑ Compensation committee	☑ Written employment contract		
	☑ Independent compensation consultant	☑ Compensation survey or study		
	☑ Form 990 of other organizations	☑ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**	Yes	
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**	Yes	
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**	Yes	
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 accured pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		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**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

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

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

(A) Name and Title	**(B)** Breakdown of W-2 and/or 1099-MISC compensation			**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns (B)(i)-(D)	**(F)** Compensation reported as deferred in prior Form 990
	(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
See Additional Data Table							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II
Also complete this part for any additional information

Return Reference	Explanation
NONQUALIFIED RETIREMENT PLANS	SchEDULE J, Part I, Line 4b CERTAIN EXECUTIVES DO PARTICIPATE IN SUPPLEMENTAL NONQUALIFIED RETIREMENT PLANS A PAYOUT OCCURRED DURING THE YEAR FROM A SUPPLEMENTAL NONQUALIFIED PLAN TO THE FOLLOWING INDIVIDUALS GLENN FOSDICK $749,383 WILLIAM DINSMOOR $139,271 STEPHEN SMITH $130,021 JOE GRAHAM $329,652 ROSANNA MORRIS $101,050
CONTINGENT COMPENSATION	SchEDULE J, Part I, Line 5a & 6a THE ORGANIZATION'S REVENUES AND NET EARNINGS ARE TAKEN INTO CONSIDERATION WHEN CALCULATING EXECUTIVE INCENTIVE COMPENSATION IN ADDITION TO OTHER NON-FINANCIAL FACTORS EXECUTIVE INCENTIVE COMPENSATION IS DETERMINED BY SEVERAL KEY METRICS THAT ARE ESTABLISHED BY THE NEBRASKA MEDICAL CENTER BOARD OF DIRECTORS THESE METRICS ARE INCLUSIVE OF STRATEGIC, FINANCIAL, OPERATIONAL AND QUALITY OUTCOMES ON AN ANNUAL BASIS, THE NEBRASKA MEDICAL CENTER BOARD OF DIRECTORS REVIEWS ACHIEVEMENT OF PRESET TARGETS AND APPROVES INCENTIVES WHEN WARRANTED THESE PERFORMANCE PAYMENTS ARE IN LIEU OF A TYPICAL EXECUTIVE'S BASE PAY THE BOARD OF DIRECTORS AND EXECUTIVES DETERMINED IT IS IN THE BEST INTEREST OF THE ORGANIZATION TO HAVE A PORTION OF THEIR BASE PAY SUBJECT TO FORFEITURE UNLESS THE PRE-DETERMINED FINANCIAL AND NON-FINANCIAL FACTORS DISCUSSED ABOVE ARE ACHIEVED INCENTIVE COMPENSATION RELATED TO FY13 PERFORMANCE WERE PAID TO THE FOLLOWING INDIVIDUALS GLENN FOSDICK $300,000 STEPHEN SMITH, MD $340,026 JOE GRAHAM $170,000 WILLIAM DINSMOOR $210,000 ROSANNA MORRIS $241,050 TADD PULLIN $120,000 RANDALL HALLET $61,115 THERESA FRANCO $27,484 DEB ISTAS $17,559 RUTA DAVIDSON $97,112 DAVID FULLER $20,000
SEVERANCE PAYMENTS	SCHEDULE J, PART I, LINE 4A THE FOLLOWING EMPLOYEES WERE TERMINATED DURING FISCAL YEAR 2014 AND RECEIVED SEVERANCE PAYMENTS DURING CALENDAR YEAR 2013 CINDY D OWEN $225,913

Additional Data

Software ID:
Software Version:
EIN: 91-1858433
Name: The Nebraska Medical Center

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				
Dr Marlin G Stahl MEMBER & BMC CMO	(I) (II)	213,404 0	0 0	856 0	236 0	305 0	214,801 0	0 0
Glenn Fosdick CEO thru 12/13/2013	(I) (II)	668,135 0	300,000 0	789,119 0	158,593 0	21,615 0	1,937,462 0	749,383 0
Stephen B Smith CMO thru 3/31/2014	(I) (II)	341,099 0	340,026 0	161,090 0	124,066 0	15,164 0	981,445 0	130,021 0
William S Dinsmoor CFO thru 1/5/2014 & CEO	(I) (II)	423,619 0	210,000 0	144,480 0	138,057 0	8,560 0	924,716 0	139,271 0
Joe B Graham COO	(I) (II)	396,482 0	170,000 0	336,139 0	124,415 0	24,943 0	1,051,979 0	329,652 0
Rosanna D Morris CNO & COO effective 1/6/2014	(I) (II)	220,333 0	241,050 0	107,194 0	97,230 0	912 0	666,719 0	101,050 0
Tadd M Pullin VP Marketing and Planning	(I) (II)	332,987 0	120,000 0	6,213 0	11,776 0	14,874 0	485,850 0	0 0
Ruta P Davidson COO BMC	(I) (II)	142,552 0	97,112 0	1,695 0	17,486 0	26,186 0	285,031 0	0 0
Louis W Burgher MD Clarkson College President	(I) (II)	320,829 0	0 0	0 0	0 0	13,635 0	334,464 0	0 0
Theresa Franco Exec Dir Oncology	(I) (II)	251,395 0	27,484 0	20,327 0	24,022 0	22,137 0	345,365 0	0 0
Jorge A Parodi Exec Dir CP thru 3/31/2014	(I) (II)	243,581 0	0 0	21,802 0	20,649 0	14,035 0	300,067 0	0 0
Stephanie Daubert CFO effective 1/6/2014	(I) (II)	182,868 0	0 0	8,438 0	22,381 0	22,118 0	235,805 0	0 0
Thomas C Macy Nebraska Orthopaedic Hosp CEO	(I) (II)	244,340 0	0 0	1,059 0	22,783 0	25,626 0	293,808 0	0 0
Deborah K Istas Exec Dir Neuro	(I) (II)	233,096 0	17,559 0	1,588 0	25,201 0	2,121 0	279,565 0	0 0
David S Fuller Interim, Chief Process Officer	(I) (II)	194,277 0	20,000 0	27,082 0	23,448 0	26,186 0	290,993 0	0 0
Levi Scheppers CAO effective 1/6/2014	(I) (II)	185,076 0	0 0	649 0	12,280 0	14,334 0	212,339 0	0 0
Charles D Lakso Exec Dir Diagnostic Services	(I) (II)	229,131 0	0 0	1,572 0	17,292 0	7,465 0	255,460 0	0 0
Randall J Hallett Exec Dir Devel thru 12/31/13	(I) (II)	236,613 0	61,115 0	13,568 0	17,952 0	19,359 0	348,607 0	0 0
Michael F Powell Exec Dir Pharmacy Services	(I) (II)	194,614 0	3,000 0	6,448 0	23,207 0	23,950 0	251,219 0	0 0
Lisa J McClane Exec Dir Women & Children	(I) (II)	196,923 0	0 0	1,367 0	12,711 0	4,403 0	215,404 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				
Carissa SchweitzerMasek Exec Dir Enterprise Apps	(I)	180,416	0	17,442	17,924	8,494	224,276	0
	(II)	0	0	0	0	0	0	0
Donald Futrell Exec Dir Fac & Clin Spc plng	(I)	198,203	0	1,391	18,452	19,174	237,220	0
	(II)	0	0	0	0	0	0	0
Mark W Weiss Exec Dir Enterprise Tech Serv	(I)	191,984	0	832	846	23,806	217,468	0
	(II)	0	0	0	0	0	0	0
Jana Danielson Exec Dir Revenue Cycle	(I)	177,587	0	17,380	15,426	1,323	211,716	0
	(II)	0	0	0	0	0	0	0
Connie S Ogden Exec Dir Acute Adult Services	(I)	186,051	0	1,260	16,930	2,252	206,493	0
	(II)	0	0	0	0	0	0	0
Julie Lazure Exec Dir Acute Care Program	(I)	173,664	0	1,230	19,592	17,380	211,866	0
	(II)	0	0	0	0	0	0	0
Mandy Constantine Exec Dir Telehealth	(I)	186,130	0	1,064	0	7,005	194,199	0
	(II)	0	0	0	0	0	0	0
Crista Madsen Exec Dir Mktg & Communications	(I)	153,457	0	1,084	12,004	14,888	181,433	0
	(II)	0	0	0	0	0	0	0
Marcel Devetten MD Associate CMO thru 12/31/2014	(I)	276,818	0	1,925	17,871	14,676	311,290	0
	(II)	0	0	0	0	0	0	0
Cynthia D Owen Quality & Compliance Advisor	(I)	118,896	0	225,999	41,353	5	386,253	0
	(II)	0	0	0	0	0	0	0
Steven J Wees MD Physician	(I)	197,600	46,198	1,342	15,317	19,626	280,083	0
	(II)	0	0	0	0	0	0	0
Chad Whyte Physician	(I)	218,461	2,000	1,525	15,933	22,864	260,783	0
	(II)	0	0	0	0	0	0	0
Richard Hurd Physician	(I)	161,366	6,000	55,991	17,363	5,762	246,482	0
	(II)	0	0	0	0	0	0	0

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
The Nebraska Medical Center

Employer identification number
91-1858433

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	HOSPITAL AUTH NO 2 OF DOUGLAS COUNTY NE	52-1440769	259230HT0	12-10-2003	41,792,267	REFUND BOND ISSUE (8/22/1991)		X		X		X
B	HOSPITAL AUTH NO 2 OF DOUGLAS COUNTY NE	52-1440769	000000000	05-01-2014	51,000,000	REFUND BOND ISSUE		X		X		X

Part II Proceeds

		A	B	C	D
1	Amount of bonds retired	28,085,000	0		
2	Amount of bonds legally defeased	0	0		
3	Total proceeds of issue	41,762,254	51,000,000		
4	Gross proceeds in reserve funds	4,171,292	0		
5	Capitalized interest from proceeds	0	0		
6	Proceeds in refunding escrows	0	0		
7	Issuance costs from proceeds	834,246	0		
8	Credit enhancement from proceeds	0	0		
9	Working capital expenditures from proceeds	0	0		
10	Capital expenditures from proceeds	3,768	1,061,084		
11	Other spent proceeds	36,879,309	49,665,668		
12	Other unspent proceeds	0	273,248		
13	Year of substantial completion	1994	2014		

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?	X		X					
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				
2	Are there any lease arrangements that may result in private business use of bond-financed property?				X				

Part III Private Business Use *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?			X					
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?			X					
c	Are there any research agreements that may result in private business use of bond-financed property?			X					
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?			X					
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 %		0 500 %					
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government ▶								
6	Total of lines 4 and 5			0 500 %					
7	Does the bond issue meet the private security or payment test?				X				
8a	Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?				X				
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1 141-12 and 1 145-2?				X				
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1 141-12 and 1 145-2?			X					

Part IV Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T?		X		X				
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?		X						
b	Exception to rebate?	X		X					
c	No rebate due?	X							
	If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?		X	X					
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X	X					
b	Name of provider	0		First National Bank					
c	Term of hedge				10				
d	Was the hedge superintegrated?				X				
e	Was the hedge terminated?				X				

Part IV Arbitrage *(Continued)*

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
5a	Were gross proceeds invested in a guaranteed investment contract (GIC)?		X		X				
b	Name of provider	0		0					
c	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6	Were any gross proceeds invested beyond an available temporary period?		X		X				
7	Has the organization established written procedures to monitor the requirements of section 148?	X		X					

Part V Procedures To Undertake Corrective Action

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

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

Return Reference	Explanation
REbate Computation	Part IV, Line 2c, Column A Date the rebate computation was performed was November 30, 2013

Return Reference	Explanation
Private Business Use	Bond Issue - Private Business Use Schedule K, Part III, Column A Per the instructions, this part is not to be completed for post-december 31, 2002 Bond Issues which refund a Pre-January 2003 Issue Bond Issue - Proceeds Part II, Line 3, Column A The total proceeds do not equal the summation of lines 4-12 due to transferred or replacement proceeds in line 4 Bond Issue - Reserve Schedule K, Part II, Line 4, Column A The reserve amount is higher than the required reserve due to appreciation of the investment at 6/30/2014

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.
▶ Information about Schedule L (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
The Nebraska Medical Center

Employer identification number
91-1858433

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) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected? Yes	No

2 Enter the amount of tax incurred by 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-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization? To	From	(e) Original principal amount	(f) Balance due	(g) In default? Yes	No	(h) Approved by board or committee? Yes	No	(i) Written agreement? Yes	No
Total ▶ $												

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 assistance	(d) Type of assistance	(e) Purpose 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
See Additional Data Table					

Part V Supplemental Information

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

Return Reference	Explanation
BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS	SchEDULE L, Part IV 1) THE SERVICES THAT ARE PROVIDED BY FIRST NATIONAL BANK OF OMAHA CONSIST OF PURCHASED SUPPLIES AND SERVICES 2) THE SERVICES THAT ARE PROVIDED BY KIEWIT CONSTRUCTION CONSIST OF FEES EARNED ON CONSTRUCTION CONTRACTS FOR PROJECTS THROUGHOUT THE CAMPUS 3) THE TRANSACTIONS WITH SIMPLYWELL CONSISTS OF RENTAL INCOME TO NMC FOR THE LEASE OF SPACE AND OTHER INCOME FOR SALE OF SERVICES AND SUPPLIES, SUCH AS PARKING, SUPPLY CHAIN AND PHONE SERVICES APPROXIMATELY 80% OF THE TOTAL TRANSACTION RELATES TO PAYMENTS TO SIMPLYWELL FOR THE WELLNESS PROGRAM FOR NMC EMPLOYEES 4) THE SERVICES PROVIDED TO/FROM NOH LLC ARE COMPRISED OF RENT, SUPPLIES AND SERVICES

Additional Data

Software ID:
Software Version:
EIN: 91-1858433
Name: The Nebraska Medical Center

Form 990, Schedule L, Part IV - Business Transactions Involving Interested Persons

(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) BRUCE LAURITZEN	PRESIDENT 1ST NATL BANK	195,937	SUPPLIES, SERVICES, LEASE		No
(2) BRUCE GREWCOCK	KIEWIT CONSTRUCTION, PRES	3,274,625	CONSTRUCTION SERVICES		No
(3) CANEDY PULLIN FOSDICK DINSMOOR	SIMPLYWELL BOARD MEMBERS	425,896	SERVICES, SUPPLIES, RENTAL		No
(4) SMITH CANEDY DINSMOOR PULLIN MA	NOH LLC BOARD MEMBERS	1,953,966	SERVICES AND SUPPLIES		No
(5) WILLIAM DINSMOOR	WIFE IS EMPLOYEE	199,969	EMPLOYMENT		No
(6) WILLIAM DINSMOOR	BROTHER IS EMPLOYEE	30,108	EMPLOYMENT		No
(7) LOUIS BURGHER MD	DAUGHTER IS EMPLOYEE	63,898	EMPLOYMENT		No
(8) JOE B GRAHAM	DAUGHTER IS EMPLOYEE	47,204	EMPLOYMENT		No
(9) DEB ISTAS	SON IS EMPLOYEE	43,794	EMPLOYMENT		No

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

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
The Nebraska Medical Center

Employer identification number
91-1858433

Return Reference	Explanation
Members	Form 990, Part VI, Line 6 The corporation has two members, The Board of Regents of the University of Nebraska ("Board of Regents") and Clarkson Regional Health Services, Inc ("CRHS")

Return Reference	Explanation
Governing Body Appointment	Form 990, Part VI, Line 7a and 7b BOARD OF REGENTS AND CRHS EACH APPOINT SIX MEMBERS TO THE BOARD OF DIRECTORS BOARD OF REGENTS AND CRHS ARE REQUIRED TO APPROVE THE FOLLOWING DECISIONS MADE BY THE NEBRASKA MEDICAL CENTER BOARD OF DIRECTORS A)AMENDMENTS TO THE CORPORATION'S ARTICLES OF INCORPORATION & BYLAWS B)AMENDMENTS TO, OR DECLARATIONS OF DEFAULT UNDER, THE JOINT OPERATING AGREEMENT ("JOA") C)MERGER, LIQUIDATION OR DISSOLUTION OF THE CORPORATION D)RETENTION OF RESPECTIVE OWNERSHIP OF ALL PROPERTY, PLANT AND EQUIPMENT, SUBJECT TO THE TERMS OF THE LEASE OR MANAGEMENT AGREEMENT WITH THE CORPORATION SET FORTH IN THE JOA E)DISPOSITION OF DEFINED MEMBER ASSETS VALUED IN EXCESS OF A STATED AMOUNT F)ADDITIONAL CAPITAL INVESTMENTS IN THE CORPORATION NOT SET FORTH IN THE JOA G)CAPITAL EXPENDITURES BY THE MEMBERS FOR DEFINED PROJECTS RELATING TO THE CORPORATION IN EXCESS OF A STATED AMOUNT H)DEBT ISSUANCE FOR DEFINED PROJECTS UNRELATED TO THE CORPORATION I)ADMISSION OF ADDITIONAL PARTICIPANTS IN THE CORPORATION IF SUCH ADMISSION IS BEYOND THE POWERS DELEGATED

Return Reference	Explanation
Review of 990 Prior to Filing	Form 990, Part VI, Line 11B A copy of the Form 990 was presented to the Audit Committee of the Board of Directors In addition, the Board of Directors were provided a copy of the Form 990 to review on the secured Board portal called "Board Effect" before it was filed

Return Reference	Explanation
Monitoring and Enforcement of Board Independence	Form 990, Part VI, Line 12c Each member of the Board of Directors, Officers and Key Employees discloses annually that he/she is either an Officer, Director, Member, Owner, Agent or associated in some manner with delineated business entities that either have or might reasonably be expected to have a business relationship with NMC Each Board Member agrees to make conflicts known and withdraw from participation in deliberations if a subsequent conflict arises Disclosure statements are distributed annually and monitored by the corporate compliance officer for completion Any disclosed conflicts are brought to the attention of the Chairman of the Board for Board Members and Officers or to the Officers for Key Employees

Return Reference	Explanation
Compensation of Officers, Directors and Key Employees	Form 990, Part VI, Line 15a & 15b Senior Executive compensation is governed through the by-laws for NMC In accordance with provisions set forth in the by-laws for NMC, an Executive Compensation Committee is appointed by the Board of Directors The Board of Directors engages a third party consultant to provide comparable data for review of executive salaries, assess the overall compensation and benefit package and provide advice to the Executive Compensation Committee on compensation and regulatory matters The Committee reviews the data and recommendations provided by the consultant which is based on competitive assessments with peer organizations and national trends The following is a brief summary of the consultant's work. Fact Finding Collect pertinent information about NMC and its executive total compensation programs (salaries, incentive award levels, benefits and prerequisites) Analysis of Total Compensation Using NMC's existing compensation philosophy as the basis of the study, analyze all elements of the Executive Compensation Program, both individually and in aggregate Using a proprietary database and published surveys, compare NMC compensation and benefit program and practices to those in its national peer group of organizations similar in size and complexity Present a Written Report to the Compensation Committee which summarizes 1)Best practices and regulatory requirements for governing executive pay 2)Competitive analysis of the cash compensation program 3)Competitive analysis of the levels and provisions of the benefit program 4)Opportunities for strengthening the program 5)Recommendations, as appropriate

Return Reference	Explanation
Governing Documents, Conflict of Interest Policy, Financial Statements	Form 990, Part VI, Line 19 The governing documents, conflict of interest policy and financial statements are typically not made available to the public However, if someone comes into the Accounting Department and requests to view the documents, they would be made available to view in the office

Return Reference	Explanation
Business and Family Relationships	Form 990, Part VI, Line 2 Mr Bruce Grewcock and Mr Mogens Bay have a business relationship (through board of directors relationship) Mr William Dinsmoor, Mr Glenn Fosdick, Dr James Canedy and Mr Tadd Pullin have a business relationship (through board of directors relationship) Dr Marlin Stahl and Dr James Canedy have a business relationship (through board of directors relationship) Mr Joe Graham, Mr William Dinsmoor, Dr Marlin Stahl, Ms Ruta Davidson, and Mr Charles Lakso have a business relationship (through Board of Directors relationship) MR GLENN FOSDICK, MR WILLIAM DINSMOOR, MR JOE GRAHAM, DR STEPHEN SMITH, AND MS STEPHANIE DAUBERT HAVE A BUSINESS RELATIONSHIP (THROUGH BOARD OF DIRECTORS RELATIONSHIP) Mr William Dinsmoor, Dr James Canedy, Mr Thomas Macy, Mr Joe Graham, Dr Stephen Smith, Dr Marlin Stahl, MR LEVI SCHEPPERS, AND MS STEPHANIE DAUBERT have a business relationship (through board of directors relationship) Mr William Dinsmoor, Dr James Canedy, AND MS ROSANNA MORRIS have a business relationship (through board of directors relationship) Mr William Dinsmoor, Mr Tadd Pullin, Mr Tom Macy, Dr Stephen Smith, AND MR LEVI SCHEPPERS have a business relationship (through board of directors relationship) MR MOGENS BAY AND MR J B MILLIKEN HAVE A BUSINESS RELATIONSHIP (THROUGH BOARD OF DIRECTORS RELATIONSHIP)

Return Reference	Explanation
OTHER PROGRAM SERVICES	FORM 990, PART III, LINE 4D Neuroology Service Line The core services include precise diagnosis and treatment of stroke and vascular disease, movement and memory disorders, multiple sclerosis brain and spinal tumors, spine as well as epilepsy The Epilepsy Center is the only level 4 center in the region and treats patients from the state of Nebraska and the region The Corporation has one of few magnetoencephalograph (MEG) scanners and trained MEG scientists in the region The MEG can detect brain activity in much greater detail and with more accuracy than previous methods and will advance patient care and research opportunities greatly The Corporation has earned the American Heart Association/American Stroke Association's Get With The Guidelines Stroke Gold plus Achievement Award Get With The Guidelines is a hospital-based, quality-improvement program designed to ensure hospitals consistently care for cardiac and stroke patients following the most up-to-date guidelines and recommendations The Corporation also hosts the only young adult stroke support group to address the emotion and physical challenges of recovering from stroke In addition, U S News and World Report surveyed the nation's roughly 5,000 hospitals to come up with this year's list of Best Hospitals Fewer than 150 of those hospitals are nationally ranked Of the 16 specialties studied by U S News and World Report, The Nebraska Medical Center was recognized in 9, including Neurology and Neurosurgery During fiscal year 2014, Neurosciences incurred over 2,756 inpatients with over 13,913 patient days and over 16,313 outpatient billing units Approximately 71% of the revenue was derived from inpatient cases All Other Hospital Services With a history dating back to 1869, The Nebraska Medical Center was formed with the merging of Bishop Clarkson Memorial Hospital and University Hospital and continues to attract patients from the region and around the world The Nebraska Medical Center is a tertiary/quaternary academic medical center The Corporation is the largest health care facility in the state with more than 5,000 employees and over 900 physicians on staff practicing in all major specialties and sub-specialties Besides several key services in cardiology, oncology, transplant and neurology, the hospital offers comprehensive care in women's services for obstetrics and gynecology, as well as pediatric services, orthopedics, rheumatology, and pulmonary care In addition, the Corporation has one of the region's largest hyperbaric medicine programs The medical center also has one of the few biocontainment units in the United States equipped to safely care for those exposed to highly contagious, dangerous diseases Its diabetes center is a recognized education program by the American Diabetes Association and has earned the Joint Commission's gold Seal of Approval for Advanced Inpatient Diabetes Care In partnership with UNMC, The Nebraska Medical Center CONTINUED construction of the Fred & Pamela Buffett Cancer Center, the largest single project ever on campus The project will be completed in 2016 and scheduled to open in early 2017

Return Reference	Explanation
RECONCILIATION OF NET ASSETS	990, PART XI, LINE 9 Equity Changes in Subs 776,344 Change in Pension Accts 12,582,491 Net Assets Released (575,252) Clarkson College Net Income (1,574,943) Investment in ACA 50,500 Chg in BMC inv (Redemption) (14,571,735) BMC Noncontrolling Int at 6/30/13 8,970,028 BMC Noncontrolling Int at 6/30/14 835,817 Total 6,493,250

Return Reference	Explanation
Changes to Governing Documents	FORM 990, PART VI, LINE 1A DURING THE FISCAL YEAR ENDED JUNE 30 2014, THE BOARD OF DIRECTORS OF THE NEBRASKA MEDICAL CENTER ADOPTED A RESOLUTION WHICH DELEGATED CERTAIN AUTHORITY OVER THE GOVERNANCE OF TNMC TO AN ADVISORY BOARD COMPRISED OF JEFFREY GOLD, MD, CHAIRMAN, BRADLEY BRITIGAN, MD , WILLIAM DINSMOOR, MOGENS BAY, BRUCE GREWCOCK, NANCY KEEGAN, JAMES MCCLURG PHD, CHARLES BURT, MD, TIMOTHY KINGSTON, MD, DEBRA ROMBERGER MD, AND CARL SMITH MD TNMC BOARD OF DIRECTORS RETAINED THE AUTHORITY TO MAKE ANY CHANGES TO THE JOINT OPERATING AGREEMENT, THE ACADEMIC AFFILIATION AGREEMENT, OR THE ARTICLES OF INCORPORATION OR BYLAWS OF TNMC THE BOARD ALSO RETAINED THE RIGHT AND AUTHORITY TO RESCIND OR AMEND THE RESOLUTION AT ANY TIME. THIS RESOLUTION AND THE RESULTING CREATION OF AN ADVISORY BOARD IS AN INTERIM STEP TOWARDS THE COMBINATION OF THE NEBRASKA MEDICAL CENTER (TNMC), BELLEVUE MEDICAL CENTER (BMC) AND UNMC PHYSICIANS TO FORM AN INTEGRATED CLINICAL ENTERPRISE. The following members overlap on the Advisory Board and Board of Directors for The Nebraska Medical Center Mogens C Bay Bruce Grewcock JEFFREY GOLD, MD Nancy Keegan James E. McClurg, PHD EFFECTIVE DURING FISCAL YEAR 2014, THE NEBRASKA MEDICAL CENTER EXECUTIVE DUTIES OF CEO WERE ASSIGNED TO WILLIAM DINSMOOR AND THE DUTIES OF PRESIDENT WERE ASSIGNED TO BRADLEY E. BRITIGAN, MD

Return Reference	Explanation
Significant Programs	Part III, Line 2 Effective 6/1/2014, Bellevue Medical Center LLC became a disregarded entity of The Nebraska Medical Center

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
The Nebraska Medical Center

Employer identification number
91-1858433

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) Bellevue Medical CTR 2500 BMC Dr Bellevue, NE 68123 20-4305186	Acute Care	NE	-3,344,534	25,135,255	NMC

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 entity? Yes	(g) No
(1) NHS CLARKSON HOSPITAL SERVICE LEAGUE 988145 NEBRASKA MEDICAL CENTER OMAHA, NE 68198 47-6028036	SUPPORT TNMC	NE	501(C)(3)	L11,TYPEIII	NA		No
(2) CLARKSON COLLEGE 101 SOUTH 42ND STREET OMAHA, NE 68131 36-3649217	COLLEGE	NE	501(C)(3)	LINE 2	NMC	Yes	

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) Disproprtionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership
(1) BELLEVUE MEDICAL CTR 2500 BMC DR BELLEVUE, NE 68123 20-4305186	ACUTE CARE	NE	NMC	RELATED	-1,211,835	34,455,230		No		Yes		86 350 %
(2) NEBRASKA HEALTH NETWORK (ACA) 8511 W DODGE RD OMAHA, NE 68114 27-1784907	HEALTHCARE	NE	NH PARTNERS	RELATED	-37,110	125,409		No			No	50 000 %
(3) NC LAB LLC 8303 DODGE ST OMAHA, NE 68114 46-1173104	DIAGNOSTIC SVC	NE	NMC	RELATED	-32,688	105,573		No	-1,464	Yes		25 000 %

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	(i) Section 512 (b)(13) controlled entity? Yes	(i) No
(1) NHS ORTHOPAEDIC SERVICES INC 988145 NEBRASKA MEDICAL CENTER OMAHA, NE 681988145 47-0845238	INVESTMENT SVC	NE	NMC	C Corp	2,962,287	11,370,782	100 000 %	Yes	
(2) NEBRASKA HEALTH PARTNERS INC 988145 NEBRASKA MEDICAL CENTER OMAHA, NE 681988145 47-0816463	MANAGEMENT	NE	NMC	C Corp	950,659	3,461,311	100 000 %	Yes	

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

		Yes	No
Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule			
1 During the tax year, did the orgranization 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 or **(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to related organization(s)	1b	Yes	
c Gift, grant, or capital contribution from related organization(s)	1c		No
d Loans or loan guarantees to or for related organization(s)	1d	Yes	
e Loans or loan guarantees by related organization(s)	1e		No
f Dividends from related organization(s)	1f		No
g Sale of assets to related organization(s)	1g		No
h Purchase of assets from related organization(s)	1h	Yes	
i Exchange of assets with related organization(s)	1i		No
j Lease of facilities, equipment, or other assets to related organization(s)	1j	Yes	
k Lease of facilities, equipment, or other assets from related organization(s)	1k	Yes	
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	Yes	
m Performance of services or membership or fundraising solicitations by related organization(s)	1m		No
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	Yes	
o Sharing of paid employees with related organization(s)	1o	Yes	
p Reimbursement paid to related organization(s) for expenses	1p		No
q Reimbursement paid by related organization(s) for expenses	1q		No
r Other transfer of cash or property to related organization(s)	1r		No
s Other transfer of cash or property from related organization(s)	1s		No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
See Additional Data Table			

Part VI **Unrelated Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate 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		Yes	No	

Part VII Supplemental Information

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

Return Reference	Explanation
DISREGARDED ENTITY	SCHEDULE R, PART I, LINE 1 ON 6/1/2014, BELLEVUE MEDICAL CENTER BECAME A DISREGARDED ENTITY OF THE NEBRASKA MEDICAL CENTER

Additional Data

Software ID:
Software Version:
EIN: 91-1858433
Name: The Nebraska Medical Center

Form 990, Schedule R, Part V - Transactions With Related Organizations

(a) Name of other organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
CLARKSON COLLEGE	b	1,370,802	BOOK
BELLEVUE MEDICAL CENTER	d	25,081,006	BOOK
BELLEVUE MEDICAL CENTER	j	24,671,664	BOOK
CLARKSON COLLEGE	j	12,794,221	BOOK
BELLEVUE MEDICAL CENTER	l	4,852,449	BOOK
CLARKSON COLLEGE	l	1,938,759	BOOK
NEBRASKA HEALTH PARTNERS	o	488,444	BOOK

KPMG

THE NEBRASKA MEDICAL CENTER AND AFFILIATES
OMAHA, NEBRASKA

Consolidated Financial Statements

June 30, 2014 and 2013

(With Independent Auditors' Report Thereon)

KPMG LLP
Suite 300
1212 N. 96th Street
Omaha, NE 68114-2274

Suite 1600
233 South 13th Street
Lincoln, NE 68508-2041

Independent Auditors' Report

The Board of Directors
The Nebraska Medical Center:

We have audited the accompanying consolidated financial statements of The Nebraska Medical Center and Affiliates, which comprise the consolidated balance sheets as of June 30, 2014 and 2013, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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 audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Nebraska Medical Center and Affiliates as of June 30, 2014 and 2013, and the results of their operations and their cash flows for the years then ended, in accordance with U.S. generally accepted accounting principles.

KPMG LLP is a Delaware limited liability partnership, the U.S. member firm of KPMG International Cooperative ("KPMG International"), a Swiss entity

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating information is presented for purposes of additional analysis and is 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.

KPMG LLP

Omaha, Nebraska
October 20, 2014

THE NEBRASKA MEDICAL CENTER AND AFFILIATES
OMAHA, NEBRASKA

Consolidated Balance Sheets

June 30, 2014 and 2013

(Dollars in thousands)

Assets		2014	2013
Current assets:			
Cash and cash equivalents	$	113,575	85,143
Short-term investments		153,906	151,066
Patient accounts receivable, net of allowance for uncollectible accounts of $36,687 and $36,088 in 2014 and 2013, respectively		126,251	123,904
Other receivables		15,058	11,614
Inventories and prepaid expenses		16,534	16,549
Other current assets		2,136	1,210
Total current assets		427,460	389,486
Assets limited as to use:			
Long-term investments		53,153	45,549
Assets held by trustee		6,626	6,321
Total assets limited as to use		59,779	51,870
Property and equipment, net		378,289	408,628
Other assets:			
Deferred debt issuance costs		375	463
Investment in joint ventures		10,818	9,937
Notes receivable		1,025	2,972
Other assets		14,917	7,386
Total other assets		27,135	20,758
Total assets	$	892,663	870,742
Liabilities and Net Assets			
Current liabilities:			
Current portion of long-term debt and capital lease obligations	$	12,484	28,459
Accounts payable		47,499	44,821
Salaries, wages, and vacation payable		43,407	38,333
Accrued interest payable		351	301
Payable to affiliates		21,608	22,185
Line of credit		11,045	14,971
Other accrued liabilities		25,815	20,627
Estimated third-party payor settlements		2,834	7,399
Total current liabilities		165,043	177,096
Other long-term liabilities		10,104	13,252
Interest rate swap liability		855	-
Long-term debt and capital lease obligations, excluding current portion		83,464	86,901
Total liabilities		259,466	277,249
Net assets:			
Unrestricted		618,383	589,024
Noncontrolling interest		---	(8,955)
Total unrestricted net assets		618,383	580,069
Temporarily restricted		12,313	10,908
Permanently restricted		2,501	2,516
Total net assets		633,197	593,493
Total liabilities and net assets	$	892,663	870,742

See accompanying notes to consolidated financial statements.

THE NEBRASKA MEDICAL CENTER AND AFFILIATES
OMAHA, NEBRASKA

Consolidated Statements of Operations

Years ended June 30, 2014 and 2013

(Dollars in thousands)

	2014	2013
Unrestricted revenues, gains, and other support:		
Patient service revenue, net of contractual adjustments and discounts	$ 869,756	808,603
Provision for uncollectible accounts	61,978	54,641
Net patient service revenue	807,778	753,962
Cafeteria, rental income, and other support	39,248	34,835
Tuition and fees	14,429	13,942
Total unrestricted revenues, gains, and other support	861,455	802,739
Operating expenses:		
Salaries and wages	282,640	284,466
Employee benefits	68,005	67,804
Purchased services, supplies, and other	417,232	370,363
Clinic contribution expense	5,291	5,198
Depreciation and amortization	52,629	54,462
Impairment of long-lived assets	171	1,381
Interest	3,940	4,222
(Gain) loss on sale of property and equipment	237	(2)
Total operating expenses	830,145	787,894
Operating income	31,310	14,845
Other income (loss):		
Investment income	6,407	5,394
Equity in net income of joint venture	2,758	2,089
Gain on sale of investment	—	2,299
Interest rate swap fair value adjustment	(855)	—
Other	(300)	(210)
Total other income, net	8,010	9,572
Excess of revenues over expenses before noncontrolling interest	39,320	24,417
Noncontrolling interest in losses of consolidated subsidiary	836	467
Excess of revenues over expenses	40,156	24,884
Other changes in unrestricted net assets:		
Capital distributions to sponsors	(12,000)	(12,000)
Change in pension accounts	12,582	14,020
Change in unrealized gains and losses on investments, net	3,141	1,738
Net assets released from restrictions and contributions used for purchase of property and equipment	12	425
Matching college grants	(13)	(11)
Redemption of Bellevue Medical Center shares	(14,570)	—
Other	51	648
Increase in unrestricted net assets	$ 29,359	29,704

See accompanying notes to consolidated financial statements.

THE NEBRASKA MEDICAL CENTER AND AFFILIATES
OMAHA, NEBRASKA

Consolidated Statements of Changes in Net Assets

Years ended June 30, 2014 and 2015

(Dollars in thousands)

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Balance, June 30, 2012	$ 559,320	10,746	2,483	572,549
Excess of revenues over expenses	24,884	—	—	24,884
Capital distributions to sponsors	(12,000)	—	--	(12,000)
Change in pension accounts	14,020	--	—	14,020
Restricted gifts and grants	—	897	33	930
Change in unrealized gains and losses on investments, net	1,738	(106)	-	1,632
Net assets released from restrictions used for purchase of property and equipment	425	(425)	—	—
Restricted interest and investment income	-	637	—	637
Net assets released from restrictions for use in operations	—	(841)	--	(841)
Matching College grants	(11)	—	--	(11)
Other	648	—	—	648
Increase in net assets	29,704	162	33	29,899
Balance, June 30, 2013	589,024	10,908	2,516	602,448
Excess of revenues over expenses	40,156	—	—	40,156
Capital distributions to sponsors	(12,000)	—	—	(12,000)
Change in pension accounts	12,582	—	—	12,582
Restricted gifts and grants	—	1,071	(15)	1,056
Change in unrealized gains and losses on investments, net	3,141	484	—	3,625
Contributions for the purchase of property and equipment	12	—	—	12
Restricted interest and investment income	—	780	-	780
Net assets released from restrictions for use in operations	—	(930)	—	(930)
Matching College grants	(13)	—	--	(13)
Redemption of Bellevue Medical Center shares	(14,570)	--	--	(14,570)
Other	51	—	--	51
Increase (decrease) in net assets	29,359	1,405	(15)	30,749
Balance, June 30, 2014	$ 618,383	12,313	2,501	633,197

See accompanying notes to consolidated financial statements.

THE NEBRASKA MEDICAL CENTER AND AFFILIATES
OMAHA, NEBRASKA

Consolidated Statements of Cash Flows

Years ended June 30, 2014 and 2013

(Dollars in thousands)

	2014	2013
Cash flows from operating activities:		
Increase in net assets	$ 30,749	29,899
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	52,629	54,462
Amortization of deferred debt issuance costs	88	88
(Gain) loss on sale of property and equipment	237	(2)
Provision for uncollectible accounts	61,978	54,641
Equity in net income of joint venture	(2,758)	(2,089)
Gain on sale of investment	—	(2,299)
Cash distributed by joint ventures	1,877	3,505
Noncontrolling interest in losses of consolidated subsidiary	(836)	(467)
Impairment of long-lived assets	171	1,381
Restricted gifts and grants	(1,056)	(930)
Contributions for the purchase of property and equipment	(12)	-
Redemption of Bellevue Medical Center Shares	14,570	—
Capital distributions to sponsors	12,000	12,000
Interest rate swap fair value adjustment	855	—
Restricted interest and investment income	(780)	(637)
Realized and unrealized losses on investments, net	(5,444)	(2,391)
Change in pension accounts	(12,582)	(14,020)
Matching college grants	13	11
Changes in assets and liabilities:		
Patient accounts receivable	(64,325)	(67,378)
Other receivables	(3,444)	(5,578)
Inventories and prepaid expenses	15	(2,141)
Other assets	1,596	(269)
Accounts payable	2,678	2,976
Salaries, wages, and vacation payable	8,491	4,253
Accrued interest payable	50	(397)
Payable to affiliates	1,847	(995)
Other accrued liabilities	2,040	7,126
Estimated third party payor settlements	(4,565)	(3,526)
Net cash provided by operating activities	96,082	67,223
Cash flows from investing activities		
Purchases of short-term investments	(82,663)	(83,038)
Sales of short-term investments	85,708	109,003
Purchases of assets limited as to use	(35,381)	(19,375)
Sales of assets limited as to use	27,798	28,011
Additions to property and equipment	(21,352)	(29,948)
Net cash provided by (used in) investing activities	(25,890)	4,653
Cash flows from financing activities:		
Principal payments on long-term debt and capital lease obligations	(20,890)	(27,423)
Payments received on notes receivable	1,054	(973)
Proceeds (repayments) from (on) line of credit	(3,926)	4,971
Issuance of long-term debt	144	881
Minority interest contributions	—	35
Redemption of Bellevue Medical Center Shares	(4,779)	—
Capital distributions to sponsors	(14,424)	(7,807)
Restricted contributions and interest received	1,061	1,176
Net cash used in financing activities	(41,760)	(29,140)
Net increase in cash and cash equivalents	28,432	42,736
Cash and cash equivalents, beginning of year	85,143	42,407
Cash and cash equivalents, end of year	$ 113,575	85,143
Supplemental disclosure of cash flow information:		
Cash paid during the year for interest	$ 5,802	4,531

Supplemental disclosures of noncash items:

During 2014 and 2013, NMC entered into capital lease obligations of $1,334 and $24,889, respectively.

During 2014, noncontrolling interests of $(9,791) were redeemed in connection with the redemption of shares in lieu of cash.

In conjunction with distributions declared, receivable from affiliates of $8,425 and $1,807 were forgiven in lieu of repayments during 2014 and 2013, respectively.

See accompanying notes to consolidated financial statements

(1) Organization

The Nebraska Medical Center and Affiliates (NMC) is a not-for-profit acute care hospital, which provides and promotes effective and efficient quality healthcare and related services, and supports the academic mission of the University of Nebraska Medical Center (UNMC). NMC operates the largest hospital in the area, which facilitates the clinical operations of both private and academic physicians, serving primarily eastern Nebraska and western Iowa.

NMC was formed on October 1, 1997 pursuant to a Joint Operating Agreement between the Board of Regents of the University of Nebraska (Board of Regents); Clarkson Regional Health Services, Inc. (CRHS); and Bishop Clarkson Memorial Hospital (Clarkson), integrating the operations and facilities of parties commonly referred to as University and Clarkson Hospitals (note 3).

The consolidated financial statements include the accounts of NMC, the Bellevue Medical Center, Clarkson College (the College), NHS Orthopedic Services, Inc and Nebraska Health Partners, Inc. The College is an educational institution that maintains and offers programs of study including, but not limited to, degrees in nursing. Bellevue Medical Center, LLC (BMC) is a Nebraska limited liability company, formed between numerous physicians and physician groups, including UNMC Physicians (UNMCP) and NMC. BMC was formed to lease and operate an acute care hospital located in Bellevue, Nebraska. NMC owned 100% as of June 30, 2014 and 68% as of June 30, 2013 of BMC and has appropriately reflected the noncontrolling interest in the accompanying consolidated financial statements. NHS Orthopedic Services, Inc. owns a minority interest in Nebraska Orthopedic Hospital (NOH) (note 14). Nebraska Health Partners, Inc. is a contracting entity, negotiating managed care rates for NMC. The corporation is 100% owned by NMC as of June 30, 2014. All significant intercompany accounts and transactions have been eliminated in the consolidation.

(2) Summary of Significant Accounting Policies

The following is a summary of significant accounting policies of NMC. These policies are in accordance with U.S. generally accepted accounting principles.

(a) Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles 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 consolidated financial statements. Estimates also reflect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(b) Cash and Cash Equivalents

Cash and cash equivalents include certain investments in highly liquid debt instruments with original maturities of three months or less when purchased.

(Continued)

(c) Inventories

Inventories are stated at the lower of cost or market. Cost is determined principally using the first-in, first-out cost method.

(d) Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the accompanying consolidated balance sheets. Investments in common collective trusts are recorded at net asset value (NAV) as a practical expedient to fair value. Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in the excess of revenues over expenses unless the income or loss is restricted by donor or law. Unrealized gains and losses on investments are excluded from the excess of revenues over expenses unless the investments are trading securities.

NMC periodically reviews its investment portfolio to determine whether any unrealized losses are other than temporary. Based on this evaluation, there were no other-than-temporary losses recognized in 2014 and 2013.

Short-term investments include investments with maturity dates in excess of one year as they are considered to be available-for-sale for use in day-to-day operations.

(e) Provision for Uncollectible Accounts

The provision for uncollectible accounts is based upon management's assessment of expected net collections considering the accounts receivable aging, historical collections experience, economic conditions, trends in healthcare coverage, and other collection indicators. Management periodically assesses the adequacy of the allowances for uncollectible accounts and contractual adjustments based upon historical write-off experience by payor category. The results of these reviews are used to establish the net realizable value of patients accounts receivable. NMC follows established guidelines for placing certain patient balances with collection agencies. Self-pay accounts are charged against the allowance for uncollectible accounts at the time of transfer to the collection agency. Deductibles and coinsurance are classified as either third-party or self-pay receivables on the basis of which party had the original financial responsibility, while the total gross revenue remains classified based on the primary payor at the time of service. There are various factors that can impact collection trends, such as changes in the economy, which in turn may have an impact on unemployment rates and the number of uninsured and underinsured patients, the volume of patients through the emergency departments, the increased burden of copayments and deductibles to be made by patients with insurance, and business practices related to collection efforts. These factors continuously change and can have an impact on collection trends and the estimation process. Net patient accounts receivable have been adjusted to the estimated amounts expected to be collected and do not bear interest.

(Continued)

(f) Assets Limited as to Use

Assets limited as to use primarily includes assets held by trustees under indenture agreements, designated assets set aside by the board of directors for future capital improvements, over which the board of directors retains control and may, at its discretion, subsequently use for other purposes; and assets whose use has been limited by donors to a specific time period or purpose.

(g) Property and Equipment

Property and equipment acquisitions are recorded at cost. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method based on the following useful lives:

Land improvements	10–40 years
Buildings and improvements	5–40 years
Equipment and furnishings	3–20 years

Equipment under capital lease obligations is amortized on the straight-line method over the shorter period of the lease term or their estimated useful lives. Equipment under capital lease obligations with a bargain purchase option or where title passes at the end of the lease are amortized over their estimated useful lives. Such amortization is included in depreciation and amortization in the accompanying consolidated statements of operations. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of acquiring those assets. During 2014 and 2013, there was $197 and $162, respectively, of interest capitalized.

Gifts of long-lived assets, such as land, buildings, or equipment, are reported as unrestricted support and are excluded from the excess of revenues over expenses, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and 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 those long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

(h) Long-Lived Assets

NMC reviews the carrying amount of long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

(i) Investment in Joint Ventures

NMC has invested in various joint ventures and accounts for such investments using either the equity or the cost methods of accounting based on the relative percentage of ownership.

(Continued)

(j) Deferred Debt Issuance Costs

In connection with the issuance of Hospital Revenue Bonds and Educational Finance Authority Revenue Bonds, NMC and the College incurred certain financing costs, which are being amortized over the term of the bonds.

(k) Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are those whose use by NMC has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by NMC in perpetuity.

(l) Excess of Revenues over Expenses

The consolidated statements of operations include excess of revenues over expenses. Changes in unrestricted net assets, which are excluded from excess of revenues over expenses, consistent with industry practice, include unrealized gains and losses on investments other than trading securities, permanent transfers of assets to and from affiliates for other than goods and services, contributions of long-lived assets, (including assets acquired using contributions that by donor restriction were to be used for the purpose of acquiring such assets), donations to sponsors, redemption of BMC shares and change in pension accounts.

(m) Net Patient Service Revenue

Revenue is recorded during the period the services are provided. NMC has agreements with third-party payors that provide for payments to NMC 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. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

(n) Charity Care

NMC provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because NMC does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue in the consolidated statements of operations. The cost of services and supplies furnished under NMC's charity policy are estimated by using a patient-based cost accounting system and aggregated to $14,427 and $14,210 in 2014 and 2013, respectively. Discounts are given to patients that do not have third-party insurance and do not meet the guidelines for governmental assistance programs. Charity adjustments are based on balances remaining after the self-pay discount program is applied.

(Continued)

(o) Donor-Restricted Gifts

Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated asset. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the accompanying consolidated statements of operations as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying consolidated financial statements.

(p) Estimated Malpractice Costs

The provision for estimated medical malpractice claims includes estimates of the ultimate costs for both reported claims and claims incurred but not reported.

(q) Income Taxes

NMC and the College have been recognized as tax-exempt organizations by the Internal Revenue Service as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and are exempt from Federal income taxes on related income pursuant to Section 501(a) of the Code. BMC is a multi-member limited liability corporation treated as a partnership and therefore, is not subject to federal and state income taxes. Each member is individually responsible for their share of BMC's taxable income. NHS Orthopedic Services, Inc. and Nebraska Health Partners, Inc. are for-profit corporations which paid taxes of $1,227 and $1,550 in 2014 and 2013, respectively.

NMC has adopted Financial Accounting Standards Board (FASB) Interpretation No. 48, Accounting for Uncertainty in Income Taxes–an interpretation of FASB Statement No. 109 (FIN 48). FIN 48 provides specific guidance on how to address uncertainty in accounting for income tax assets and liabilities, prescribing recognition thresholds and measurement attributes. There were no uncertain tax positions at June 30, 2014 or 2013.

(r) Fair Value of Financial Instruments

NMC utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. NMC determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

- Level 1 Inputs: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity can access at the measurement date.

(Continued)

- Level 2 Inputs: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 Inputs: Unobservable inputs for the asset or liability.

(s) Reclassifications

Certain balances from 2013 have been reclassified to conform to the current year presentation.

(3) Joint Operating Agreement

On October 1, 1997, the Board of Regents and CRHS entered into a Joint Operating Agreement (the Agreement) forming NMC for the purpose of providing the highest quality patient care, education, and research. The Agreement integrated the operations and physical facilities of parties commonly referred to as University and Clarkson Hospitals. NMC is governed by a board of directors comprised of six members appointed by CRHS and six members appointed by the Board of Regents.

The Agreement provided for the contribution of certain net assets by the Board of Regents and CRHS to NMC. NMC also entered into lease arrangements with CRHS and the Board of Regents providing for the lease of certain healthcare facilities. In addition, to the extent that sufficient funds are available as determined by the board of directors, annual cash flow distributions will be made to the Board of Regents and CRHS up to a specified amount determined by the board of directors. During both 2014 and 2013, NMC recorded distributions of $12,000. As of June 30, 2014 and 2013, $9,827 and $12,251 of distributions, respectively, remained unpaid. These balances are recorded in payable to affiliates in the accompanying consolidated balance sheets.

The Agreement provides for termination by the parties subject to complex provisions including potential economic penalties and dispute resolution remedies. In connection with the Agreement, NMC also entered into an Academic Affiliation Agreement for Education and Research with the UNMC College of Medicine in support of the educational, research, and clinical mission of NMC (note 11).

(4) Noncontrolling Interest

As of June 30, 2014 and 2013, the noncontrolling interest had unrestricted net assets of $0 and $(8,955), respectively. In addition, the noncontrolling interest in losses of consolidated subsidiary was $836 and $467 for the years ended June 30, 2014 and 2013, respectively. During 2014, BMC redeemed the outstanding shares of the minority shareholders, resulting in NMC owning 100% of BMC as of June 30, 2014.

(5) Net Patient Service Revenue

NMC has agreements with third-party payors that provide for payments to NMC at amounts different from its established rates. A summary of the payment arrangements with major third-party payors follows:

(a) Medicare

Inpatient acute care services and outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Certain inpatient nonacute services, defined capital, and medical education costs related to Medicare beneficiaries are paid on a cost reimbursement method. NMC is reimbursed for cost reimbursable items at a tentative rate with final settlement after a submission of annual cost reports by NMC and audits thereof by the Medicare fiscal intermediary.

(b) Nebraska Medicaid

Inpatient services rendered to Medicaid program beneficiaries are paid at prospectively determined rates per discharge. Certain outpatient services are reimbursed based on a percentage rate representing the average ratio of cost to charges discounted by 24%. Clinic services are paid based on fee schedule amounts.

Revenue from the Medicare and Nebraska Medicaid programs accounted for approximately 26% and 7%, respectively, of NMC's patient service revenue, net of contractual adjustments and discounts, for the year ended June 30, 2014, and 29% and 8%, respectively, of NMC's patient service revenue, net of contractual adjustments and discounts, for the year ended June 30, 2013. 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 by a material amount in the near term. The 2014 and 2013 net patient service revenue increased approximately $1,755 and $985, respectively, due to the removal of allowances previously estimated that are no longer necessary as a result of final settlements and years that are no longer subject to audits, reviews, and investigations.

NMC has also entered into payment agreements with certain commercial insurance carriers and health maintenance organizations. The basis for payment under these agreements includes discounts from established charges, prospectively determined per-diem rates, fee schedules, and prospectively determined rates per discharge.

Patient service revenue, net of contractual allowances and discounts (but before the provision for bad debts), recognized in 2014 and 2013 from these major payor sources, is as follows.

	2014		
	Third party payors	Self-pay	Total all payors
Patient service revenue, net of contractual adjustments and discounts	$ 817,989	51,767	869,756

	2013		
	Third party payors	Self-pay	Total all payors
Patient service revenue, net of contractual adjustments and discounts	$ 760,654	47,949	808,603

(6) Assets Limited as to Use

The composition of assets limited as to use as of June 30, 2014 and 2013 is set forth in the following table. Investments are stated at fair value:

	2014	2013
Long-term investments:		
Board-designated investments:		
Cash and cash equivalents	$ 1,699	1,306
Fixed income funds	2,387	2,401
Marketable equity securities	34,781	28,949
Total board-designated investments	38,867	32,656
Assets restricted by donor in long-term investments:		
Cash and cash equivalents	1,134	922
Commercial notes	4,287	4,294
Fixed income funds	813	1,322
Marketable equity securities	8,052	6,355
Total assets restricted by donor in long-term investments	14,286	12,893
Total long-term investments	$ 53,153	45,549

(Continued)

		2014	2013
Assets held by trustee under indenture agreement:			
Cash and cash equivalents	$	6,626	6,321

Investment income and net gains included in the consolidated statements of operations for assets limited as to use and cash and cash equivalents are comprised of the following for the years ended June 30, 2014 and 2013:

		2014	2013
Income:			
Investment income	$	4,588	4,635
Net realized gains and losses on sale of investments		1,819	759
	$	6,407	5,394
Other changes in unrestricted net assets:			
Change in unrealized gains and losses on investments, net	$	3,141	1,738

At June 30, 2014 and 2013, total unrealized losses on investments approximated $937 and $2,034, respectively. Investments with gross unrealized losses for less than 12 months were $819 and investments with gross unrealized losses for greater than 12 months were $118 at June 30, 2014.

(7) Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets are available for the following purposes as of June 30, 2014 and 2013:

		2014	2013
Capital acquisitions	$	38	38
Oncology programs		4,423	4,397
Other departmental programs		6,053	5,065
Scholarship and loan programs		566	521
Residency program		155	86
Other		1,078	801
Total temporarily restricted net assets	$	12,313	10,908

Included in temporarily restricted net assets as of June 30, 2014 and 2013 are pledges receivable of $159 and $165, respectively.

(Continued)

Permanently restricted net assets are required to be maintained in perpetuity, the income of which is restricted to the following purposes:

	2014	2013
Residency program	$ 1,000	1,000
Indigent care	50	50
Other	13	12
Physician leadership program	574	590
Scholarships	864	864
Total permanently restricted net assets	$ 2,501	2,516

(8) Concentrations of Credit Risk

NMC grants credit without collateral to its patients, most of whom are insured under third-party payor agreements. The mix of receivables from patients and third-party payors at June 30, 2014 and 2013 was as follows:

	2014	2013
Medicare	27%	28%
Nebraska Medicaid	9	8
Managed care/Transplant	36	34
Self-pay	15	15
Commercial	3	3
Other	10	12
	100%	100%

(Continued)

(9) Property and Equipment

Property and equipment include amounts capitalized in connection with lease agreements (note 10) and consist of the following:

		2014	2013
Land and improvements	$	17,929	17,819
Buildings and improvements		181,605	181,605
Equipment and furnishings		734,821	712,616
Rental property		5,465	5,465
Construction in progress		17,833	21,040
		957,653	938,545
Less accumulated depreciation and amortization		579,364	529,917
Property and equipment, net	$	378,289	408,628

(10) Long-Term Debt and Capital Lease Obligations

At June 30, 2014 and 2013, NMC's long-term debt and capital lease obligations consist of the following:

		2014	2013
Hospital Authority No. 2 of Douglas County, Nebraska, Hospital Revenue Bonds, Series 2003, payable in varying annual installments to 2017, with interest rates ranging from 1.80% to 4.65% (NMC).	$	12,160	15,874
Nebraska Educational Finance Authority Revenue Bonds, Series 2011, payable in varying annual installments to 2035, with an average interest rate of 4.9% (College).		5,370	5,535
Debt obligation to the Board of Regents of the University of Nebraska, payable in fixed quarterly installments through 2015, with interest rates fixed at 3.79% (NMC).		245	1,204
Debt obligation payable in varying monthly installments to 2015, with interest rates ranging from 2.13% to 2.39% (NMC).		1,775	3,047
Capital lease for certain medical facilities, payable in equal installments of principal and interest through 2023, with interest imputed at 7.00%, collateralized by the leased premises. The building leased has a net book value of approximately $3,105 at June 30, 2014 (NMC).		4,992	5,419

(Continued)

	2014	2013
Capital lease obligation for financed medical equipment, payable in varying quarterly installments to 2014, with interest rates fixed at 3.55%. The assets leased have a net book value of approximately $3,741 at June 30, 2014 (NMC).	$ —	2,144
Capital lease obligation for financed medical equipment payable in fixed quarterly installments to 2015, with interest rates fixed at 2.09%. The assets leased have a net book value of $0 at June 30, 2014 (NMC).	—	4,629
Capital lease obligation for financed medical equipment payable in fixed quarterly installments to 2016, with interest rates fixed at 2.33%. The assets leased have a net book value of $0 at June 30, 2014 (NMC).	—	6,139
Capital lease obligation for financed medical equipment payable in fixed monthly installments to 2015, with interest rates fixed at 2.57%. The assets leased have a net book value of approximately $533 at June 30, 2014 (NMC).	346	683
Capital lease obligation for financed IT software, medical equipment and various renovation projects payable in fixed monthly installments to 2017, with interest rates fixed at 2.15%. The assets leased have a net book value of $0 at June 30, 2014 (NMC).	—	48,601
Capital lease obligation for financed IT software, medical equipment and various renovation projects payable in variable monthly installments to 2024, with a variable interest rate of 1.33% (65% of one month LIBOR plus 1.90%). The assets leased have a net book value of approximately $51,790 at June 30, 2014 (NMC).	50,628	—
Capital lease obligation for financed IT hardware and software, payable in varying quarterly installments of principle and interest to 2014, with interest imputed at 4.94%. The assets leased have a net book value of $0 at June 30, 2014 (BMC).	—	178
Capital lease obligation for financed IT hardware and software payable in fixed monthly installments to 2015, with interest rates ranging from 3.17% to 3.91%. The assets leased have a net book value of $0 at June 30, 2014 (BMC).	—	4,850
Capital lease obligation for financed medical equipment, payable in fixed monthly installments to 2015, with interest rates fixed at 4.47%. The assets leased have a net book value of $0 at June 30, 2014 (BMC).	—	2,700

(Continued)

	2014	2013
Capital lease obligation for financed medical and general equipment, payable in varying monthly installments to 2019, with interest rates ranging from 4.14% to 4.92%. The assets leased have a net book value of $0 at June 30, 2014 (BMC)	$ —	14,357
Capital lease obligation for financed medical and general equipment, payable in fixed monthly installments to 2024 with interest rates fixed at 4.37%. The assets leased have a net book value of approximately $20,432 at June 30, 2014 (BMC).	20,432	—
	95,948	115,360
Less current portion	12,484	28,459
Long-term debt and capital lease obligations, excluding current portion	$ 83,464	86,901

Scheduled principal repayments on long-term debt and payments on capital lease obligations for the next five fiscal years and thereafter are as follows:

	Long-term debt	Capital lease obligations
2015	$ 5,402	9,886
2016	4,884	9,536
2017	4,399	9,537
2018	175	9,628
2019	180	9,647
Thereafter	4,510	43,980
	$ 19,550	92,214
Less amounts representing interest under the capital lease obligations		15,816
		$ 76,398

In connection with the Agreement discussed in note 3, NMC entered into lease agreements with the Board of Regents and CRHS, the terms of which coincide with the Agreement. The lease agreements provide for the lease of the space previously assigned to University and Clarkson Hospitals and certain other common areas in exchange for annual lease payments approximating the debt service on the obligations of University and Clarkson Hospitals as of October 1, 1997. NMC has accounted for the leases as capital leases. Property and equipment capitalized in connection with the lease agreements are included in

(Continued)

property and equipment in the accompanying consolidated balance sheets (note 9). In addition, the lease agreements with the Board of Regents provides for potential additional lease payments based on NMC achieving certain stipulated levels of profitability, as defined in the Agreement. No additional lease payments were required during 2014 and 2013.

The lease agreements require NMC to comply with the terms and conditions of the Trust Indentures related to the outstanding obligations, including the maintenance of certain ratios, restrictions on the amount of additional loans, asset additions, transfers, and dispositions.

The terms and provision relating to the Hospital Revenue Bonds are included in a Loan Agreement and Trust Indenture dated November 1, 2003. The College refunded the Educational Finance Authority Revenue Bonds through the issuance of Revenue Refunding Bonds (Refunding Bonds) on May 18, 2011 in the amount of $5,760. The terms and provisions relating to the Refunding Bonds are included in the Loan Agreement and Trust Indenture dated May 18, 2011.

The Trust Indentures provide, among other things, for certain covenants related to the incurrence of additional indebtedness, a restriction on disposal of assets, maintenance of certain financial ratios, and the maintenance of certain funds to be used by the trustee to pay principal and interest on the bonds as they become due. The Refunding Bonds are secured by pledged revenues of the College.

During 2014, NMC refinanced and consolidated several existing capital leases into one long-term capital lease, and added new principal of approximately $1,334. BMC also refinanced and consolidated existing capital leases in 2014.

In conjunction with the refinancing of the NMC capital leases, NMC entered into an interest rate swap that provides a fixed interest rate of 2.85% to hedge against fluctuations in the variableness of the interest. NMC has accounted for the interest rate swap in accordance with FASB Accounting Standards Codification (ASC) Topic 815, which requires that the derivatives be recorded at fair value in the consolidated financial statements and the change in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. NMC has not met the requirements for hedge accounting. At June 30, 2014, the fair value of the interest rate swap was $855 which was shown as an interest rate swap liability in the consolidated balance sheets.

The maximum loss to NMC at June 30, 2014 if the financial institution failed to perform is $0, since NMC is in a liability position. NMC may be required to post collateral under the interest rate swap agreement depending on the liability position and credit ratings. NMC may require the financial institution to post collateral if the interest rate swap is in a net asset position. The amount and terms of the swap agreement are as follows:

	Notional amount of swap	Interest rate
Capital lease obligation for financed IT software, medical equipment and various renovation projects (NMC)	$ 51,000,000	2.850%

As of June 30, 2014, BMC has available an unsecured line of credit of $15,000 with interest at the 30-day LIBOR rate plus 2.5%, adjusted monthly. At June 30, 2014, the interest rate was 2.7%. The line of credit expires on January 15, 2015. As of June 30, 2014, $11,045 has been advanced on the line of credit.

As of June 30, 2014, BMC has available an unsecured letter of credit of $7,244 that expires on March 31, 2015. No amounts have been drawn against the letter of credit.

As of June 30, 2014 and 2013, NMC is in compliance with its long-term financial debt covenants.

(11) Related-Party Transactions

NMC routinely has transactions with UNMC and UNMCP. Numerous members of the medical staff of NMC are also members of the faculty of UNMC and the practice plan of UNMCP and, in many other areas, the operations of NMC and these entities are integrated and overlap. In addition, NMC and UNMC have entered into an Academic Affiliation Agreement for Education and Research (note 3). In connection with the Agreement, NMC has agreed to financially support certain educational, research, operational, and clinical activities of the UNMC College of Medicine that further the mission and objectives of NMC. NMC also provides financial support to UNMCP, a 501(c)(3) organization affiliated with UNMC, in connection with the operation of certain specialty and primary care clinics.

The schedule below depicts related-party transactions provided by NMC to UNMC and UNMCP. All transactions, with the exception of clinic contribution expense, are included in purchased services, supplies, and other in the accompanying consolidated statements of operations.

	2014	2013
Academic affiliation agreement	$ 22,089	21,698
Purchased services and supplies	33,520	31,256
Program support	24,956	26,422
Salary support	16,817	13,674
Clinic contribution expense	5,291	5,198
	$ 102,673	98,248

In addition, during 2014 and 2013, UNMC paid NMC $11,224 and $9,638, respectively, and UNMCP paid NMC approximately $2,882 and $4,189, respectively, for support services provided by NMC. These amounts are recorded in cafeteria, rental income, and other support in the accompanying consolidated statements of operations.

In connection with these activities, NMC has recorded a payable to UNMC of $3,827 and $525 as of June 30, 2014 and 2013. NMC has also recorded amounts payable to UNMCP of approximately $7,954 and $9,409 as of June 30, 2014 and 2013, respectively. These balances are recorded in payable to affiliates in the accompanying consolidated balance sheets.

NMC provides certain support services to CRHS. During 2014 and 2013, CRHS also donated $1,575 and $1,352, respectively, to NMC in support of its operations.

NMC has entered into a management agreement with NOH whereby NMC provides human resources to consolidated NOH (note 14) Amounts paid by NOH to NMC in both 2014 and 2013 approximated $350.

(12) Retirement Plans

NMC sponsors a defined contribution retirement plan, The Nebraska Medical Center Retirement Plan – Base and Matching Contributions (the Plan). Generally, employees are eligible for participation after completing 12 months of continuous service and having attained the age of 21. The Plan provides for a retirement age of 65 or for earlier retirement under certain circumstances.

For the defined contribution option, NMC contributes 4% to all eligible plan participants, and also contributes an amount equal to 100% of the amount deferred by the employee under a separate 403(b) benefit plan, up to a maximum of 7% of the employee's eligible compensation based on years of service. Benefits for the defined contribution option vest over six years.

Formally, NMC sponsored a defined benefit option, which was frozen December 31, 2009. For the defined benefit option, benefits are based on years of service and the amount of compensation received during

(Continued)

those years and vest over three years. Employee contributions are not permitted under the defined benefit option except for certain rollover provisions.

(a) Defined Benefit Option

The following table summarizes the projected benefit obligation, the fair value of plan assets, and the funded status at the measurement dates of June 30, 2014 and 2013:

		2014	2013
Changes to benefit obligation:			
Benefit obligation at beginning of year	$	104,700	118,285
Service cost		175	175
Interest cost		4,739	4,525
Expenses paid		—	(174)
Plan settlement		(5,447)	(7,579)
Actuarial gain		(1,624)	(9,079)
Benefits paid		(1,352)	(1,453)
Benefit obligation at end of year		101,191	104,700

		2014	2013
Changes in plan assets:			
Fair value of plan assets at beginning of year	$	108,443	113,373
Actual return on plan assets		12,455	4,124
Employer contributions		—	152
Plan settlement		(5,447)	(7,579)
Expenses paid		—	(174)
Benefits paid		(1,352)	(1,453)
Fair value of plan assets at end of year		114,099	108,443
Funded status at end of year	$	12,908	3,743
Amounts recognized in the consolidated balance sheets:			
Noncurrent assets	$	12,908	3,743
Net amount recognized	$	12,908	3,743

The accumulated benefit obligation as of June 30, 2014 and 2013 was $101,191 and $104,700, respectively.

(Continued)

The following is a summary of the components of net periodic pension cost for the years ended June 30, 2014 and 2013:

		2014	2013
Service cost during the period	$	175	175
Interest cost on projected benefit obligation		4,739	4,525
Expected return on plan assets		(6,200)	(6,482)
Amortization of unrecognized loss		2,762	3,892
Settlement gain recognized		1,550	2,966
Net periodic pension cost	$	3,026	5,076

Other changes in plan assets and benefit obligations recognized in other changes in unrestricted net assets in 2014 and 2013 are as follows:

		2014	2013
Accumulated loss	$	(28,791)	(40,982)
Total recognized in unrestricted net assets	$	(28,791)	(40,982)

		2014	2013
Amounts recognized in changes in unrestricted net assets:			
Amortization of actuarial loss	$	4,312	6,858
Net gain recognized in the current period		7,879	6,722
Total change in unrestricted net assets	$	12,191	13,580

Included within the change in unrestricted net assets as of June 30, 2014 and 2013 are adjustments for $391 and $440, respectively, related to NMC's Supplemental Executive Retirement Plan. The estimated transition obligation, prior service cost, and net loss that will be amortized from accumulated other comprehensive income into net periodic benefit cost over the next fiscal year are $0, $0, and $(1,609), respectively.

(Continued)

Plan asset allocations and target allocations are comprised of the following investment classifications at June 30, 2014 and 2013:

	Target allocations	2014	2013
Equity securities	85%	84%	68%
Fixed income securities	15	15	31
Cash and cash equivalents	---	1	1
	100%	100%	100%

NMC's overall investment objective is to provide a return on investment consistent with maintaining a funded ratio target, which is defined by NMC. During the fiscal year ended June 30, 2014, NMC moved to a liability-driven investment strategy. The strategies employed by NMC will provide the opportunity for returns within acceptable levels of risk of loss and volatility of returns with acceptable levels of risk of loss and volatility of returns with appropriate asset allocation being the primary tool to achieve the return objectives.

The following are the actuarial assumptions used by the Plan to develop the components of pension cost for the years ended June 30, 2014 and 2013:

	2014	2013
Discount rate	4.75%	4.00%
Rate of increase in compensation levels	N/A	N/A
Expected long-term rate of return on plan assets	6.00%	6.00%

The expected long-term rate of return on plan assets reflects the anticipated rates of return on the classes of funds invested, or to be invested, to provide for the future obligation of the pension plan. The determination of this rate considers the fund's targeted asset allocation, the historical rates of return for each asset class, as well as the expected rates to be earned over the next 15 to 20 years.

The following are the actuarial assumptions used by the Plan to develop the components of the pension projected benefit obligation for the years ended June 30, 2014 and 2013:

	2014	2013
Discount rate	4.25%	4.75%
Rate of increase in compensation levels	N/A	N/A

(Continued)

The benefits expected to be paid in each year from 2015 to 2019 are as follows:

2015	$	10,159
2016		8,189
2017		8,064
2018		8,550
2019		8,970

The aggregate benefits expected to be paid in the five years from 2020 to 2024 are $33,594. The expected benefits to be paid are based on the same assumptions used to measure NMC's benefit obligation at June 30, 2014 and include estimated employee service.

NMC does not expect to contribute to its retirement plan in 2015.

The Plan's investments are measured at fair value on a recurring basis were recorded using the fair value hierarchy at June 30, 2014 and 2013 as follows:

		June 30, 2014 fair value/NAV	Level 1	Level 2	Level 3
Plan assets:					
Cash and cash equivalents	$	953	953	—	—
Domestic equity		17,459	—	17,459	—
Commercial notes		95,687	—	95,687	—
Total plan assets	$	114,099	953	113,146	—

		June 30, 2013 fair value/NAV	Level 1	Level 2	Level 3
Plan assets:					
Cash and cash equivalents	$	1,037	1,037	—	—
Domestic equity		33,898	—	33,898	—
Commercial notes		73,508	—	73,508	—
Total plan assets	$	108,443	1,037	107,406	—

There were no transfers between levels for the years ended June 30, 2014 and 2013.

(Continued)

(b) Defined Contribution Option

The Plan provides employees with a noncontributory defined contribution retirement option. During 2014 and 2013, NMC contributed $19,772 and $19,707, respectively, to the Plan in connection with this option.

(13) Insurance Coverage

NMC is insured under a claims-made policy for its professional liability and an occurrence-based policy for its general liability coverage, which expires October 15, 2015. The policy has a deductible of $200 per occurrence with aggregate coverage of $1,000 per occurrence and $3,000 annual aggregate. In addition, NMC has excess coverage providing for $50,000 per occurrence and in the aggregate. In the event that the current policy is not renewed or replaced with equivalent insurance, claims based on occurrences during its term, but reported subsequently, will be uninsured. NMC is also insured under an occurrence-based policy for its workers' compensation insurance. The policy has a deductible of $300 per occurrence with an aggregate stop loss, subject to payroll audit of $4,000.

NMC has established reserves for possible losses on both asserted and unasserted claims based upon an independent actuarial study. The actuarially estimated claims have been discounted using a discount rate of 3.0%.

NMC is also self-insured under its employee group health and dental program up to certain limits. Included in the accompanying consolidated statements of operations is a provision for premiums for excess coverage and payments for claims, including estimates of the ultimate costs for both reported claims and claims incurred, but not yet reported at year-end.

Management of NMC is presently not aware of any unasserted workers' compensation, health and dental, and general or professional liability claims, which would have a material adverse impact on the accompanying consolidated financial statements.

(14) Joint Ventures

NMC holds a 46.45% equity position as of June 30, 2014 and 2013 in NOH, a specialty orthopedic hospital located in Omaha, Nebraska. NMC's equity in the net income of NOH for the years ended June 30, 2014 and 2013, was $2,897 and $2,280, respectively, and has been reflected as such in the accompanying consolidated statements of operations.

NMC has entered into a joint venture with Shenandoah Memorial Hospital for the purpose of forming Shenandoah/NHS Regional Ventures, LLC (Shenandoah), which owns and operates an acute care hospital and a long-term care facility in Shenandoah, Iowa. NMC is entitled to a return on its investment based upon cash flows, as set forth in the Agreement. NMC has accounted for its investment based on its original cost.

(Continued)

NMC also entered into an affiliation agreement with Community Hospital Association, Inc., which owns and operates an acute care hospital located in Fairfax, Missouri. NMC is entitled to a return on its investment based upon a predefined formula, as set forth in the Agreement. NMC has accounted for its investment based on its original cost.

(15) Functional Expenses

NMC provides general health care services to residents within its geographic location. Expenses related to providing these services are as follows:

	2014	2013
Health care services	$ 572,588	553,686
General and administrative	257,557	234,208
	$ 830,145	787,894

(16) Contingencies

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursements for patient services, and Medicare and Medicaid fraud and abuse. Government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers. Violations of these laws and regulations could result in expulsion from government health care programs, together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Management believes that NMC is in compliance with fraud and abuse regulations, as well as other applicable government laws and regulations. While no regulatory inquiries have been made, which are expected to have a material effect on NMC's consolidated financial statements, compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

(17) Long-Lived Assets

NMC reviews the carrying amount of long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Measurement of any impairment would include a comparison of the present value of the estimated future operating cash flows anticipated to be generated during the remaining life of the assets to the net carrying value of the assets. During 2014 and 2013, NMC identified $171 and $1,381, respectively, of assets which were impaired. Those amounts are reflected as operating expenses in the accompanying consolidated statements of operations.

(Continued)

(18) Fair Value Measurements

(a) Fair Value of Financial Instruments

The following table presents the carrying amounts and estimated fair values of NMC financial instruments at June 30, 2014 and 2013. The fair value of financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date:

	2014		2013	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets:				
Cash and cash equivalents	$ 113,575	113,575	85,143	85,143
Short-term investments	153,906	153,906	151,066	151,066
Patient accounts receivable	126,251	126,251	123,904	123,904
Other receivables	15,058	15,058	11,614	11,614
Assets limited as to use	59,779	59,779	51,870	51,870
Notes receivable	3,004	3,004	4,058	4,058
Financial liabilities:				
Accounts payable	$ 47,499	47,499	45,252	45,252
Salaries, wages, and vacation payable	43,407	43,407	38,333	38,333
Accrued interest payable	351	351	301	301
Payable to affiliates	21,608	21,608	21,754	21,754
Line of credit	11,045	11,045	14,971	14,971
Other accrued liabilities	25,815	25,815	20,627	20,627
Estimated third-party payor settlements	2,834	2,834	7,399	7,399
Other long-term liabilities	10,104	10,104	13,252	13,252
Interest rate swap liability	855	855	—	—
Debt and capital lease obligations	95,948	102,656	115,360	118,897

The carrying amounts shown in the table are included in the consolidated balance sheets under the indicated captions. The fair values of the financial instruments shown in the table as of June 30, 2014 and 2013 represent management's best estimates of the amounts that would be received to sell those assets or that would be paid to transfer those liabilities in an orderly transaction between market participants at that date. Those fair value measurements maximize the use of observable inputs. However, in situations where there is little, if any, market activity for the asset or liability at the measurement date, the fair value measurement reflects NMC's own judgments about the assumptions that market participants would use in pricing the asset or liability. Those judgments are developed by NMC based on the best information available in those circumstances.

(Continued)

The following methods and assumptions were used to estimate the fair value of each class of financial instrument:

Cash and cash equivalents, patient accounts receivable, other receivables, notes receivable, accounts payable, salaries, wages and vacation payable, accrued interest payable, payable to affiliates, line of credit, other accrued liabilities, estimated third-party payor settlements, and other long-term liabilities – The carrying amount approximates fair value because of the short maturity of these instruments.

Short-term investments and assets limited as to use – The fair value is based on quoted market prices or estimated quoted market prices for similar securities, if available.

Interest rate swap liability – the fair value of the interest rate swap liability is determined using pricing models developed based on the swap interest rate and other observable market data.

Debt and capital lease obligations – The fair value was determined by discounting the future cash flows of the debt and capital lease obligations that reflect, among other things, market interest rates and NMC's credit standing. The discount rate used for 2014 and 2013 was 4.37% and 4.25%, respectively

(Continued)

(b) Fair Value Hierarchy

The following tables present the financial instruments that are measured at fair value on a recurring basis (including items that are required to be measured at fair value) at June 30, 2014 and 2013:

	2014 Fair value	Level 1	Level 2	Level 3
Assets.				
Cash and cash equivalents	$ 113,575	113,575	—	—
Short-term investments:				
Cash and cash equivalents	$ 42,205	42,205	—	—
U.S. Treasury notes	40,676	—	40,676	—
Commercial notes	71,025	—	71,025	—
Total short-term investments	$ 153,906	42,205	111,701	—
Long-term investments:				
Cash and cash equivalents	$ 2,833	2,833	—	—
Commercial notes	4,287	—	4,287	—
Common stock	30,501	30,501	—	—
Domestic equity funds	11,183	11,183	—	—
Fixed-income funds	3,200	3,200	—	—
International equity funds	1,149	1,149	—	—
Total assets limited as to use	$ 53,153	48,866	4,287	—
Assets held by trustee.				
Cash and cash equivalents	$ 6,626	6,626	—	—

(Continued)

	2013 Fair value	Level 1	Level 2	Level 3
Assets:				
Cash and cash equivalents	$ 85,143	85,143	—	—
Short-term investments:				
Cash and cash equivalents	$ 41,396	41,396	—	—
U.S. Treasury notes	38,797	—	38,797	—
Commercial notes	70,873	—	70,873	—
Total short-term investments	$ 151,066	41,396	109,670	—
Long-term investments:				
Cash and cash equivalents	$ 2,228	2,228	—	—
Commercial notes	4,294	—	4,294	—
Common stock	25,402	25,402	—	—
Domestic equity funds	8,974	8,974	—	—
Fixed-income funds	3,723	3,723	—	—
International equity funds	928	928	—	—
Total assets limited as to use	$ 45,549	41,255	4,294	—
Assets held by trustee:				
Cash and cash equivalents	$ 6,321	6,321	—	—

There were no transfers between levels for the years ended June 30, 2014 and 2013.

(19) Commitments

(a) Operating Leases

Certain buildings and equipment are being leased under long-term noncancelable operating leases. In most cases, management expects that, in the normal course of operations, the leases will be renewed or replaced by other leases. The total rent expense under operating leases for 2014 and 2013 was $18,731 and $19,079, respectively.

(Continued)

The following is a schedule by year of future minimum rental payments required under noncancelable operating leases by NMC and BMC that have initial or remaining lease terms in excess of one year as of June 30, 2014:

2015	$	18,641
2016		18,345
2017		18,324
2018		18,305
2019		18,439

(b) Other

NMC and UNMC are developing the Fred and Pamela Buffett Cancer Center (the Cancer Center). The Cancer Center will be a $323,000 complex comprised of a $110,000 10-story, 98-laboratory research tower named the Suzanne and Walter Scott Cancer Research Tower, a $213,000 7-story, 108-bed inpatient treatment center named the C.I. Werner Cancer Hospital, and additional outpatient cancer areas. The Cancer Center will be owned by UNMC and NMC's commitment is to lease the clinical space from UNMC. The lease payments will begin before completion of the project and will be based on costs not funded by donations. Currently it is estimated that the present value of the lease payments is approximately $40,000.

During 2014, NMC's Board of Directors approved the construction of the Lauritzen Outpatient Center (the Outpatient Center). The Outpatient Center will be a $70,000 4-story building and will house outpatient clinics, an outpatient surgery center, and other services. Approximately $20,600 of the project cost will be funded through donations, with the remainder funded through long-term debt. The building is projected to be completed in the fall of 2016.

(20) Subsequent Events

Effective July 1, 2014, UNMCP and NMC have entered into an Interim Clinical Enterprise Integration and Management Agreement. Clinical Enterprise is defined as NMC, BMC, and UNMCP. Under the terms of the agreement, UNMCP designates NMC as its agent and service provider to provide Management Services to UNMCP to facilitate the financial, operational, and managerial integration of the Clinical Enterprise as of July 1, 2014. During the term of this agreement, the parties will continue to work towards finalization of the legal integration and creation of a permanent governance structure for the Clinical Enterprise. As part of the permanent integration, it is anticipated that a significant portion of the assets and liabilities of UNMCP will not be contributed to the Clinical Enterprise, and will remain in control of the UNMC College of Medicine.

NMC has reviewed subsequent events through October 20, 2014, the date the consolidated financial statements were issued, and concluded that there were no events or transactions during this period that would require recognition or disclosure in the consolidated financial statements other than those already disclosed.

Exhibit I

THE NEBRASKA MEDICAL CENTER AND AFFILIATES
OMAHA, NEBRASKA

Consolidating Balance Sheet

June 30, 2014

(Dollars in thousands)

Assets	Hospital operations	College operations	Eliminations	Consolidated
Current assets:				
Cash and cash equivalents	$ 113,019	556	--	113,575
Short-term investments	153,906	—	-	153,906
Patient accounts receivable, net of allowance for uncollectible accounts of $36,687	126,251	—	—	126,251
Other receivables	14,375	683	—	15,058
Inventories and prepaid expenses	16,494	40	—	16,534
Other current assets	2,136	—	—	2,136
Total current assets	426,181	1,279	--	427,460
Assets limited as to use				
Long-term investments	51,103	2,050	—	53,153
Assets held by trustee	6,626	—	—	6,626
Total assets limited as to use	57,729	2,050	—	59,779
Property and equipment, net	364,850	13,439	--	378,289
Other assets:				
Deferred debt issuance costs	247	128	—	375
Investment in joint ventures	10,818	—	—	10,818
Notes receivable	1,025	—	--	1,025
Investment in subsidiary	8,500	—	(8,500)	—
Other assets	14,917	--	—	14,917
Total other assets	35,507	128	(8,500)	27,135
Total assets	$ 884,267	16,896	(8,500)	892,663
Liabilities and Net Assets (Deficit)				
Current liabilities				
Current portion of long-term debt and capital lease obligations	$ 12,319	165	--	12,484
Accounts payable	46,830	669	—	47,499
Salaries, wages, and vacation payable	43,407	—	-	43,407
Accrued interest payable	270	81	—	351
Payable to affiliates	21,608	-	—	21,608
Line of credit	11,045	—	—	11,045
Other accrued liabilities	23,539	2,276	—	25,815
Estimated third-party payor settlements	2,834	—	--	2,834
Total current liabilities	161,852	3,191	--	165,043
Other long-term liabilities	10,104	—	—	10,104
Interest rate swap liability	855	—		855
Long-term debt and capital lease obligations, excluding current portion	78,259	5,205	--	83,464
Total liabilities	251,070	8,396	—	259,466
Net assets (deficit)				
Unrestricted	618,383	6,081	(6,081)	618,383
Noncontrolling interest	—	—	--	—
Total unrestricted net assets (deficit)	618,383	6,081	(6,081)	618,383
Temporarily restricted	12,313	1,555	(1,555)	12,313
Permanently restricted	2,501	864	(864)	2,501
Total net assets (deficit)	633,197	8,500	(8,500)	633,197
Total liabilities and net assets	$ 884,267	16,896	(8,500)	892,663

See accompanying independent auditors' report

Exhibit II

THE NEBRASKA MEDICAL CENTER AND AFFILIATES
OMAHA, NEBRASKA

Consolidating Statement of Operations

Year ended June 30, 2014

(Dollars in thousands)

	Hospital operations	College operations	Total	Eliminations	Consolidated
Unrestricted revenues, gains and other support					
Patient service revenue, net of contractual adjustments and discounts	$ 869,756	—	869,756	-	869,756
Provision for uncollectible accounts	61,978	-	61,978		61,978
Net patient service revenue	807,778	-	807,778	-	807,778
Cafeteria, rental income, and other support	39,248	—	39,248	-	39,248
Tuition and fees	—	15,309	15,309	(880)	14,429
Total unrestricted revenues, gains, and other support	847,026	15,309	862,335	(880)	861,455
Operating expenses					
Salaries and wages	272,137	10,503	282,640		282,640
Employee benefits	65,714	2,291	68,005	—	68,005
Purchased services, supplies, and other	415,258	2,854	418,112	(880)	417,232
Clinic contribution expense	5,291	--	5,291	--	5,291
Depreciation and amortization	51,645	984	52,629	-	52,629
Impairment of long-lived assets	171	—	171	-	171
Interest	3,698	242	3,940		3,940
Loss on sale of property and equipment	227	10	237		237
Total operating expenses	814,141	16,884	831,025	(880)	830,145
Operating income (loss)	32,885	(1,575)	31,310	-	31,310
Other income (loss)					
Investment income	6,407	—	6,407	—	6,407
Equity in losses of subsidiary	(1,575)	--	(1,575)	1,575	
Equity in net income of joint venture	2,758	-	2,758		2,758
Interest rate swap fair value adjustment	(855)	-	(855)		(855)
Other	(300)		(300)	--	(300)
Total other income, net	6,435	-	6,435	1,575	8,010
Excess of revenues over (under) expenses before noncontrolling interest	39,320	(1,575)	37,745	1,575	39,320
Noncontrolling interest in losses of consolidated subsidiary	836	--	836		836
Excess of revenues over (under) expenses	40,156	(1,575)	38,581	1,575	40,156
Other changes in unrestricted net assets					
Capital distributions to sponsors	(12,000)	--	(12,000)	--	(12,000)
Equity in other changes in net assets of subsidiary	478		478	(478)	
Change in pension accounts	12,582	-	12,582		12,582
Change in unrealized losses on investments, net	3,141	-	3,141	-	3,141
Transfers from (to) affiliated entities	(478)	478	--	—	—
Net assets released from restrictions used for purchase of property and equipment	12	—	12		12
Matching college grants	(13)	—	(13)		(13)
Redemption of Bellevue Medical Center shares	(14,570)	--	(14,570)	-	(14,570)
Other	51		51		51
Increase (decrease) in unrestricted net assets	$ 29,359	(1,097)	28,262	1,097	29,359

See accompanying independent auditors' report

Exhibit III

THE NEBRASKA MEDICAL CENTER AND AFFILIATES
OMAHA, NEBRASKA

Consolidating Statement of Changes in Net Assets

Year ended June 30, 2014

(Dollars in thousands)

	Hospital operations	College operations	Eliminations	Consolidated
Unrestricted:				
Balance, June 30 2013	$ 589,024	7,178	(7,178)	589,024
Excess of revenues over (under) expenses	40,156	(1,575)	1,575	40,156
Equity in other changes in net assets of subsidiary	478	—	(478)	—
Change in pension accounts	12,582	—	—	12,582
Capital distributions to sponsors	(12,000)	—		(12,000)
Change in unrealized gains and losses on investments net	3,141	—		3,141
Transfers from (to) affiliated entities	(478)	478	—	—
Contributions for the purchase of property and equipment	12		—	12
Matching College grants	(13)	—	—	(13)
Redemption of Bellevue Medical Center shares	(14,570)	—		(14,570)
Other	51	—		51
Increase (decrease) in net assets	29,359	(1,097)	1,097	29,359
Balance, June 30, 2014	$ 618,383	6,081	(6,081)	618,383
Temporarily restricted				
Balance, June 30, 2013	$ 10,908	1,235	(1,235)	10,908
Equity in other changes in net assets of subsidiary	320	—	(320)	—
Restricted gifts and grants	723	348	—	1,071
Restricted interest and investment income	454	326	—	780
Change in unrealized gains and losses on investments net	484	—	—	484
Net assets released from restrictions used for purchase of property and equipment	—	—	—	—
Net assets released from restrictions for use in operations	(576)	(354)	—	(930)
Increase (decrease) in net assets	1,405	320	(320)	1,405
Balance, June 30, 2014	$ 12,313	1,555	(1,555)	12,313
Permanently restricted				
Balance, June 30, 2013	$ 2,516	864	(864)	2,516
Restricted gifts and grants	(15)	—	—	(15)
Decrease in net assets	(15)	—	—	(15)
Balance, June 30, 2014	$ 2,501	864	(864)	2,501

See accompanying independent auditors' report

Exhibit I

THE NEBRASKA MEDICAL CENTER AND AFFILIATES
OMAHA, NEBRASKA

Consolidating Balance Sheet

June 30, 2013

(Dollars in thousands)

Assets	Hospital Operations	College Operations	Eliminations	Consolidated
Current assets:				
Cash and cash equivalents	$ 84,659	484	--	85,143
Short-term investments	151,066	—	—	151,066
Patient accounts receivable, net of allowance for uncollectible accounts of $36,088	123,904	—	—	123,904
Other receivables	10,855	759	-	11,614
Inventories and prepaid expenses	16,497	52	--	16,549
Other current assets	1,210	-	--	1,210
Total current assets	388,191	1,295	—	389,486
Assets limited as to use				
Long-term investments	43,815	1,734	—	45,549
Assets held by trustee	6,321	—	—	6,321
Total assets limited as to use	50,136	1,734	—	51,870
Property and equipment, net	394,695	13,933	—	408,628
Other assets:				
Deferred debt issuance costs	330	133	--	463
Investment in joint ventures	9,937	—	—	9,937
Notes receivable	2,972	—	--	2,972
Investment in subsidiary	9,277		(9,277)	—
Other assets	7,386	—	—	7,386
Total other assets	29,902	133	(9,277)	20,758
Total assets	$ 862,924	17,095	(9,277)	870,742
Liabilities and Net Assets (Deficit)				
Current liabilities:				
Current portion of long-term debt and capital lease obligations	$ 28,294	165	—	28,459
Accounts payable	44,796	25	—	44,821
Salaries, wages, and vacation payable	38,328	5	—	38,333
Accrued interest payable	220	81		301
Payable to affiliates	22,185	—	—	22,185
Line of credit	14,971	—	--	14,971
Other accrued liabilities	18,455	2,172	--	20,627
Estimated third-party payor settlements	7,399	—	—	7,399
Total current liabilities	174,648	2,448	—	177,096
Other long-term liabilities	13,252	-	—	13,252
Long-term debt and capital lease obligations excluding current portion	81,531	5,370	—	86,901
Total liabilities	269,431	7,818	—	277,249
Net assets (deficit):				
Unrestricted	589,024	7,178	(7,178)	589,024
Noncontrolling interest	(8,955)	—	—	(8,955)
Total unrestricted net assets (deficit)	580,069	7,178	(7,178)	580,069
Temporarily restricted	10,908	1,235	(1,235)	10,908
Permanently restricted	2,516	864	(864)	2,516
Total net assets (deficit)	593,493	9,277	(9,277)	593,493
Total liabilities and net assets	$ 862,924	17,095	(9,277)	870,742

See accompanying independent auditors' report

Exhibit II

THE NEBRASKA MEDICAL CENTER AND AFFILIATES
OMAHA, NEBRASKA

Consolidating Statement of Operations

Year ended June 30, 2013

(Dollars in thousands)

	Hospital Operations	College Operations	Total	Eliminations	Consolidated
Unrestricted revenues, gains, and other support					
Patient service revenue, net of contractual adjustments and discounts	$ 808,603		808,603	—	808,603
Provision for uncollectible accounts	54,641	—	54,641	—	54,641
Net patient service revenue	753,962		753,962	—	753,962
Cafeteria, rental income, and other support	34,835		34,835	—	34,835
Tuition and fees	—	14,822	14,822	(880)	13,942
Total unrestricted revenues, gains, and other support	788,797	14,822	803,619	(880)	802,739
Operating expenses:					
Salaries and wages	274,377	10,089	284,466		284,466
Employee benefits	66,053	1,751	67,804	—	67,804
Purchased services, supplies, and other	368,157	3,086	371,243	(880)	370,363
Clinic contribution expense	5,198	-	5,198	—	5,198
Depreciation and amortization	53,458	1,004	54,462	—	54,462
Impairment of long-lived assets	1,381		1,381	—	1,381
Interest	3,978	244	4,222	—	4,222
Gain on sale of property and equipment	(2)	—	(2)	—	(2)
Total operating expenses	772,600	16,174	788,774	(880)	787,894
Operating income (loss)	16,197	(1,352)	14,845	—	14,845
Other income (loss):					
Investment income	5,394	—	5,394	-	5,394
Equity in losses of subsidiary	(1,352)	—	(1,352)	1,352	—
Equity in net income of joint venture	2,089	-	2,089	-	2,089
Gain on sale of investment	2,299	-	2,299	-	2,299
Other	(210)	—	(210)		(210)
Total other income, net	8,220	—	8,220	1,352	9,572
Excess of revenues over (under) expenses before noncontrolling interest	24,417	(1,352)	23,065	1,352	24,417
Noncontrolling interest in losses of consolidated subsidiary	467		467	—	467
Excess of revenues over (under) expenses	24,884	(1,352)	23,532	1,352	24,884
Other changes in unrestricted net assets					
Capital distributions to sponsors	(12,000)		(12,000)	—	(12,000)
Equity in other changes in net assets of subsidiary	907	—	907	(907)	
Change in pension accounts	14,020	—	14,020	—	14,020
Change in unrealized losses on investments, net	1,738	-	1,738	-	1,738
Transfers from (to) affiliated entities	(907)	907			
Net assets released from restrictions used for purchase of property and equipment	425	—	425	—	425
Matching college grants	(11)	—	(11)	—	(11)
Other	648	-	648	—	648
Increase (decrease) in unrestricted net assets	$ 29,704	(445)	29,259	445	29,704

See accompanying independent auditors' report

Exhibit III

THE NEBRASKA MEDICAL CENTER AND AFFILIATES
OMAHA, NEBRASKA

Consolidating Statement of Changes in Net Assets

Year ended June 30, 2013

(Dollars in thousands)

	Hospital Operations	College Operations	Eliminations	Consolidated
Unrestricted				
Balance, June 30, 2012	$ 559,320	7,623	(7,623)	559,320
Excess of revenues over (under) expenses	24,884	(1,352)	1,352	24,884
Equity in other changes in net assets of subsidiary	907	—	(907)	—
Change in pension accounts	14,020	—	—	14,020
Capital distributions to sponsors	(12,000)	—	—	(12,000)
Change in unrealized gains and losses on investments, net	1,738	—	—	1,738
Transfers from (to) affiliated entities	(907)	907	—	—
Net assets released from restrictions used for purchase of property and equipment	425	—	—	425
Matching College grants	(11)	—	—	(11)
Other	648	—	—	648
Increase (decrease) in net assets	29,704	(445)	445	29,704
Balance, June 30, 2013	$ 589,024	7,178	(7,178)	589,024
Temporarily restricted:				
Balance, June 30, 2012	$ 10,746	1,054	(1,054)	10,746
Equity in other changes in net assets of subsidiary	181	—	(181)	—
Restricted gifts and grants	579	318	—	897
Restricted interest and investment income	485	152	—	637
Change in unrealized losses on investments, net	(106)	—	—	(106)
Net assets released from restrictions used for purchase of property and equipment	(425)	—	—	(425)
Net assets released from restrictions for use in operations	(552)	(289)	—	(841)
Increase (decrease) in net assets	162	181	(181)	162
Balance, June 30, 2013	$ 10,908	1,235	(1,235)	10,908
Permanently restricted:				
Balance, June 30, 2012	$ 2,483	864	(864)	2,483
Restricted gifts and grants	33	—	—	33
Increase in net assets	33	—	—	33
Balance, June 30, 2013	$ 2,516	864	(864)	2,516

See accompanying independent auditors' report