

Form 990

Return of Organization Exempt From Income Tax

OMB No 1545-0047

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

2005

Open to Public Inspection

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

Department of the Treasury Internal Revenue Service

A For the 2005 calendar year, or tax year beginning 01-01-2005 and ending 12-31-2005

- B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending

C Name of organization: Torrance Memorial Medical Center. Number and street: 3330 Lomita Boulevard. City or town: Torrance, CA 90505

D Employer identification number: 95-1644042. E Telephone number: (310) 517-4688. F Accounting method: Accrual

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

G Web site: http://www.torrancememorial.org/

J Organization type: 501(c)(3)

K Check here if the organization's gross receipts are normally not more than \$25,000

H and I are not applicable to section 527 organizations. H(a) Is this a group return for affiliates? H(b) If "Yes" enter number of affiliates. H(c) Are all affiliates included? H(d) Is this a separate return filed by an organization covered by a group ruling? I Group Exemption Number. M Check if the organization is not required to attach Sch B

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12: 703,745,531

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

Table with columns for Revenue, Expenses, and Net Assets. Rows include Contributions, Program service revenue, Membership dues, Interest on savings, Dividends, Gross rents, Gross amount from sales of assets, Special events, Gross sales of inventory, Other revenue, Total revenue, Program services, Management and general, Fundraising, Payments to affiliates, Total expenses, Excess or (deficit) for the year, Net assets at beginning of year, Other changes in net assets, Net assets at end of year.

**Part II Statement of Functional Expenses**

All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others (See the instructions )

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising	
<b>22</b>	Grants and allocations (attach schedule) (cash \$ <sup>0</sup> _____ noncash \$ <sup>0</sup> _____ ) If this amount includes foreign grants, check here <input type="checkbox"/>	<b>22</b>				
<b>23</b>	Specific assistance to individuals (attach schedule)	<b>23</b>				
<b>24</b>	Benefits paid to or for members (attach schedule)	<b>24</b>				
<b>25</b>	Compensation of officers, directors, etc . . . . .	<b>25</b>	2,071,736	2,071,736		
<b>26</b>	Other salaries and wages . . . . .	<b>26</b>	132,394,696	115,873,618	16,521,078	
<b>27</b>	Pension plan contributions . . . . .	<b>27</b>	5,175,526	4,598,972	576,554	
<b>28</b>	Other employee benefits . . . . .	<b>28</b>	33,847,546	30,076,929	3,770,617	
<b>29</b>	Payroll taxes . . . . .	<b>29</b>	9,521,167	8,567,640	953,527	
<b>30</b>	Professional fundraising fees . . . . .	<b>30</b>				
<b>31</b>	Accounting fees . . . . .	<b>31</b>	417,150		417,150	
<b>32</b>	Legal fees . . . . .	<b>32</b>	236,476		236,476	
<b>33</b>	Supplies . . . . .	<b>33</b>	65,550,887	63,302,692	2,248,195	
<b>34</b>	Telephone . . . . .	<b>34</b>	420,328	245,775	174,553	
<b>35</b>	Postage and shipping . . . . .	<b>35</b>	1,954	1,954		
<b>36</b>	Occupancy . . . . .	<b>36</b>	992,952	714,747	278,205	
<b>37</b>	Equipment rental and maintenance . . . . .	<b>37</b>	3,176,247	1,700,768	1,475,479	
<b>38</b>	Printing and publications . . . . .	<b>38</b>	704,221	80,299	623,922	
<b>39</b>	Travel . . . . .	<b>39</b>	114,099	79,112	34,987	
<b>40</b>	Conferences, conventions, and meetings . . . . .	<b>40</b>	472,344	290,789	181,555	
<b>41</b>	Interest . . . . .	<b>41</b>	3,539,536	3,145,232	394,304	
<b>42</b>	Depreciation, depletion, etc (attach schedule) <input checked="" type="checkbox"/>	<b>42</b>	19,779,345	17,575,926	2,203,419	
<b>43</b>	Other expenses not covered above (itemize)					
<b>a</b>	INSURANCE	<b>43a</b>	3,714,872	3,301,035	413,837	
<b>b</b>	LICENSES & TAXES	<b>43b</b>	428,027	380,345	47,682	
<b>c</b>	PURCHASED SERVICES	<b>43c</b>	23,576,211	20,949,824	2,626,387	
<b>d</b>	CONSULTING	<b>43d</b>	292,938	99,155	193,783	
<b>e</b>	UTILITIES	<b>43e</b>	3,128,824	2,780,273	348,551	
<b>f</b>	BAD DEBT EXPENSE	<b>43f</b>	8,283,343	8,283,343		
<b>g</b>		<b>43g</b>				
<b>44</b>	<b>Total functional expenses.</b> Add lines 22 through 43 (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	<b>44</b>	317,840,425	282,048,428	35,791,997	0

**Joint Costs.** Check  if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  Yes  No

If "Yes," enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_, (ii) the amount allocated to Program services \$ \_\_\_\_\_, (iii) the amount allocated to Management and general \$ \_\_\_\_\_, and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_

**Part III Statement of Program Service Accomplishments** (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► TORRANCE MEMORIAL MEDICAL CENTER IS A GENERAL ACUTE CARE, NOT-FOR-PROFIT HOSPITAL WITH A LICENSED CAPACITY OF 382 BEDS. THE MEDICAL CENTER PROVIDES INPATIENT, OUTPATIENT AND EMERGENCY CARE SERVICES FOR RESIDENTS IN THE SURROUNDING SOUTH BAY COMMUNITY.

**Program Service Expenses**  
(Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others.)

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

**a** SEE ATTACH

(Grants and allocations \$ ) If this amount includes foreign grants, check here ►

**b** PROGRAM SE

(Grants and allocations \$ ) If this amount includes foreign grants, check here ►

**c** SEE STATEMENT 7

(Grants and allocations \$ ) If this amount includes foreign grants, check here ►

282,048,428

**d**

(Grants and allocations \$ ) If this amount includes foreign grants, check here ►

**e** Other program services (attach schedule)









(Grants and allocations \$ ) If this amount includes foreign grants, check here ►

**f Total of Program Service Expenses** (should equal line 44, column (B), Program services) . . . . ►

282,048,428

**Part IV Balance Sheets** (See the instructions.)

**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		<b>(A)</b>		<b>(B)</b>		
		Beginning of year		End of year		
Assets	<b>45</b> Cash—non-interest-bearing . . . . .		551,150	<b>45</b>	673,662	
	<b>46</b> Savings and temporary cash investments . . . . .		4,459,302	<b>46</b>	13,319,106	
	<b>47a</b> Accounts receivable . . . . .	<b>47a</b>	57,011,692			
	<b>b</b> Less allowance for doubtful accounts . . . . .	<b>47b</b>	9,375,000	38,262,226	<b>47c</b>	47,636,692
	<b>48a</b> Pledges receivable . . . . .	<b>48a</b>				
	<b>b</b> Less allowance for doubtful accounts . . . . .	<b>48b</b>			<b>48c</b>	
	<b>49</b> Grants receivable . . . . .				<b>49</b>	
	<b>50</b> Receivables from officers, directors, trustees, and key employees (attach schedule) . . . . .				<b>50</b>	
	<b>51a</b> Other notes and loans receivable (attach schedule) . . . . .	<b>51a</b>				
	<b>b</b> Less allowance for doubtful accounts . . . . .	<b>51b</b>			<b>51c</b>	
	<b>52</b> Inventories for sale or use . . . . .		1,683,470	<b>52</b>	1,944,164	
	<b>53</b> Prepaid expenses and deferred charges . . . . .		9,172,255	<b>53</b>	3,544,997	
	<b>54</b> Investments—securities (attach schedule) . . . . .	<input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV			<b>54</b>	
	<b>55a</b> Investments—land, buildings, and equipment basis . . . . .	<b>55a</b>				
	<b>b</b> Less accumulated depreciation (attach schedule) . . . . .	<b>55b</b>			<b>55c</b>	
<b>56</b> Investments—other (attach schedule) . . . . .		16,278,000	<b>56</b>	 14,523,408		
<b>57a</b> Land, buildings, and equipment basis . . . . .	<b>57a</b>	392,894,707				
<b>b</b> Less accumulated depreciation (attach schedule) . . . . .	<b>57b</b>	208,994,060	167,490,952	<b>57c</b>	 183,900,647	
<b>58</b> Other assets (describe  _____)		238,061,128	<b>58</b>	 254,561,540		
<b>59 Total assets</b> (must equal line 74) Add lines 45 through 58 . . . . .		475,958,483	<b>59</b>	520,104,216		
Liabilities	<b>60</b> Accounts payable and accrued expenses . . . . .		85,716,989	<b>60</b>	109,219,858	
	<b>61</b> Grants payable . . . . .			<b>61</b>		
	<b>62</b> Deferred revenue . . . . .			<b>62</b>		
	<b>63</b> Loans from officers, directors, trustees, and key employees (attach schedule) . . . . .			<b>63</b>		
	<b>64a</b> Tax-exempt bond liabilities (attach schedule) . . . . .		96,790,000	<b>64a</b>	 95,690,000	
	<b>b</b> Mortgages and other notes payable (attach schedule) . . . . .		1,000,000	<b>64b</b>	 800,000	
	<b>65</b> Other liabilities (describe  _____)		7,431,486	<b>65</b>	 7,240,340	
<b>66 Total liabilities</b> Add lines 60 through 65 . . . . .		190,938,475	<b>66</b>	212,950,198		
Net Assets or Fund Balances	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74</b>					
	<b>67</b> Unrestricted . . . . .		268,742,008	<b>67</b>	289,630,608	
	<b>68</b> Temporarily restricted . . . . .		12,533,000	<b>68</b>	13,889,172	
	<b>69</b> Permanently restricted . . . . .		3,745,000	<b>69</b>	3,634,238	
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74</b>					
	<b>70</b> Capital stock, trust principal, or current funds . . . . .			<b>70</b>		
	<b>71</b> Paid-in or capital surplus, or land, building, and equipment fund . . . . .			<b>71</b>		
	<b>72</b> Retained earnings, endowment, accumulated income, or other funds . . . . .			<b>72</b>		
	<b>73 Total net assets or fund balances</b> (add lines 67 through 69 or lines 70 through 72, column (A) <b>must</b> equal line 19, column (B) <b>must</b> equal line 21) . . . . .		285,020,008	<b>73</b>	307,154,018	
	<b>74 Total liabilities and net assets / fund balances</b> Add lines 66 and 73 . . . . .		475,958,483	<b>74</b>	520,104,216	





**Part VI Other Information** (continued)

Yes No

<p><b>82a</b> Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? . . . . .</p> <p><b>b</b> If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III) . . . . .</p>	<b>82a</b>		No
<p><b>83a</b> Did the organization comply with the public inspection requirements for returns and exemption applications?</p> <p><b>b</b> Did the organization comply with the disclosure requirements relating to quid pro quo contributions? . . . . .</p>	<b>83a</b>	Yes	
<p><b>84a</b> Did the organization solicit any contributions or gifts that were not tax deductible? . . . . .</p> <p><b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .</p>	<b>84a</b>		No
<p><b>85</b> <i>501(c)(4), (5), or (6) organizations.</i> <b>a</b> Were substantially all dues nondeductible by members? . . . . .</p> <p><b>b</b> Did the organization make only in-house lobbying expenditures of \$2,000 or less? . . . . .</p> <p>If "Yes," was answered to either 85a or 85b, <b>do not</b> complete 85c through 85h below unless the organization received a waiver for proxy tax owed the prior year.</p> <p><b>c</b> Dues assessments, and similar amounts from members . . . . .</p> <p><b>d</b> Section 162(e) lobbying and political expenditures . . . . .</p> <p><b>e</b> Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices . . . . .</p> <p><b>f</b> Taxable amount of lobbying and political expenditures (line 85d less 85e) . . . . .</p> <p><b>g</b> Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? . . . . .</p> <p><b>h</b> If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? . . . . .</p>	<b>85a</b>		
<p><b>86</b> <i>501(c)(7) orgs.</i> Enter <b>a</b> Initiation fees and capital contributions included on line 12 <b>86a</b> 0</p> <p><b>b</b> Gross receipts, included on line 12, for public use of club facilities . . . . . <b>86b</b> 0</p>	<b>85b</b>		
<p><b>87</b> <i>501(c)(12) orgs.</i> Enter <b>a</b> Gross income from members or shareholders . . . . . <b>87a</b> 0</p> <p><b>b</b> Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) . . . . . <b>87b</b> 0</p>	<b>85c</b>		
<p><b>88</b> At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX . . . . .</p>	<b>85d</b>		
<p><b>89a</b> <i>501(c)(3) organizations</i> Enter Amount of tax imposed on the organization during the year under section 4911 <b>0</b>, section 4912 <b>0</b>, section 4955 <b>0</b></p> <p><b>b</b> <i>501(c)(3) and 501(c)(4) orgs.</i> Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction . . . . .</p> <p><b>c</b> Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 . . . . . <b>0</b></p> <p><b>d</b> Enter Amount of tax on line 89c, above, reimbursed by the organization . . . . .</p>	<b>85e</b>		
<p><b>90a</b> List the states with which a copy of this return is filed <b>▶</b> _____</p> <p><b>b</b> Number of employees employed in the pay period that includes March 12, 2005 (See instructions) <b>90b</b> 2,438</p>	<b>85f</b>		
<p><b>91a</b> The books are in care of <b>▶</b> ALEX CLUGE Telephone no <b>▶</b> (310) 325-9110</p> <p style="margin-left: 40px;">3330 LOMITA BLVD</p> <p>Located at <b>▶</b> TORRANCE, CA ZIP + 4 <b>▶</b> 90505</p> <p><b>b</b> 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)?</p> <p>If "Yes," enter the name of the foreign country <b>▶</b> _____</p> <p>See the instructions for exceptions and filing requirements for <b>Form TD F 90-22.1</b>, Report of Foreign Bank and Financial Accounts</p> <p><b>c</b> At any time during the calendar year, did the organization maintain an office outside of the United States?</p> <p>If "Yes," enter the name of the foreign country <b>▶</b> _____</p>	<b>85g</b>		
<p><b>92</b> <i>Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041</i>—Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <b>▶</b> <b>92</b></p>	<b>85h</b>		

**Part VII Analysis of Income-Producing Activities** (See the instructions.)

**Note:** Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
<b>93</b> Program service revenue					
<b>a</b> PROGRAM SERVICE	561000	8,550,394			319,409,232
<b>b</b> SEE STMT 20-A					
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>f</b> Medicare/Medicaid payments . . . . .					
<b>g</b> Fees and contracts from government agencies					
<b>94</b> Membership dues and assessments . . . . .					
<b>95</b> Interest on savings and temporary cash investments			14	7,995,163	
<b>96</b> Dividends and interest from securities . . . . .					
<b>97</b> Net rental income or (loss) from real estate					
<b>a</b> debt-financed property . . . . .					
<b>b</b> non debt-financed property . . . . .					
<b>98</b> Net rental income or (loss) from personal property					
<b>99</b> Other investment income . . . . .					
<b>100</b> Gain or (loss) from sales of assets other than inventory			18	5,182,046	
<b>101</b> Net income or (loss) from special events . . . . .					
<b>102</b> Gross profit or (loss) from sales of inventory					
<b>103</b> Other revenue <b>a</b> _____					
<b>b</b> _____					
<b>c</b> _____					
<b>d</b> _____					
<b>e</b> _____					
<b>104</b> Subtotal (add columns (B), (D), and (E)) . . . . .		8,550,394		13,177,209	319,409,232
<b>105</b> Total (add line 104, columns (B), (D), and (E)) . . . . .					341,136,835

**Note:** Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
	See Additional Data Table

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

(b) Did the organization, during the year, pay premiums, directly or indirectly


**NOTE:** If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).


Under penalties of perjury, I declare that I have examined this return, including all attachments, in connection with the preparation of this return, and I believe it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Please Sign Here**

Signature of officer  
 \_\_\_\_\_  
 DOUGLAS KLEBE CFO  
 Type or print name and title

**Paid Preparer's Use Only**

Preparer's signature  213-972-4000 Date \_\_\_\_\_

Firm's name (or yours if self-employed), address, and ZIP + 4  KPMG LLP  
 355 S Grand Ave Suite 2000  
 Los Angeles, CA 90071

**SCHEDULE A  
(Form 990 or  
990EZ)**

**Organization Exempt Under Section 501(c)(3)**

(Except Private Foundation) and Section 501(e), 501(f), 501(k),  
501(n), or 4947(a)(1) Nonexempt Charitable Trust

**Supplementary Information—(See separate instructions.)**

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No 1545-0047

**2005**

Department of the  
Treasury  
Internal Revenue  
Service

Name of the organization  
Torrance Memorial Medical Center

**Employer identification number**

95-1644042

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
SUN KON NAM 3330 LOMITA BOULEVARD TORRANCE, CA 90505	PHARMACIST 40	137,065	84,051	0
HAU-CHANG NAIWEI 3330 LOMITA BOULEVARD TORRANCE, CA 90505	STAFF RN III 40	139,370	73,465	0
WEN-WEN TSAI 3330 LOMITA BOULEVARD TORRANCE, CA 90505	STAFF RN II 40	147,874	74,045	0
JOHN BELLOTTI 3330 LOMITA BOULEVARD TORRANCE, CA 90505	RADIATION PHYSICIST 40	153,446	76,467	0
LARRY SONNENSCHNEIN 3330 LOMITA BOULEVARD TORRANCE, CA 90505	TECH PROJECT MANAGER 40	183,622	55,586	0
Total number of other employees paid over \$50,000	792			

**Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See page 2 of the instructions. List each one (whether individual or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
O'GRADY-PEYTON INTERNATIONAL 4441 COLLECTIONS CENTER DRIVE CHICAGO, IL 60893	PURCHASED SERVICES	918,339
ROBERT YOUNG ASSOCIATES 36 NORTH MARANGO AVE PASADENA, CA 91101	CONSTRUCT CONSULTANT	657,753
KPFF CONSULTING ENGINEERS 18400 VON KARMAN AVE SUITE 100 IRVINE, CA 92612	ENGINEER CONSULTANT	512,510
JOHN DOUGLAS AIA 22609 ARIZA TORRANCE, CA 90505	CONSTRUCT CONSULTANT	374,725
LABOR LINK 65 PINE AVE SUITE 375 LONG BEACH, CA 90802	TEMP LABOR POOL	367,259
Total number of others receiving over \$50,000 for professional services	42	

**Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services**  
(List each contractor who performed services other than professional services, whether individual or firms. If there are none, enter "None". See page X for instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
MORROW MEADOWS CORPORATION 231 BENTON COURT CITY OF INDUSTRY, CA 91789	CONSTRUCTION	4,074,818
CANON BUILDING SERVICES INC 1640 SIERRA MADRE CIRCLE PLACENTIA, CA 92870	CONSTRUCTION	1,720,112
ANGELICA TEXTILES 743 EAST 59TH ST LOS ANGELES, CA 90001	SUPPLIES	1,453,655
CARUNA ASSOCIATES 3633 LONG BEACH BOULEVARD LONG BEACH, CA 90807	CONSTRUCTION	561,670
MCCARTHY BUILDING COMPANIES 20401 SW BIRCH ST SUITE 300 NEWPORT BEACH, CA 92660	CONSTRUCTION	309,677
Total number of other contractors receiving over \$50,000 for other services		

**Part III Statements About Activities** (See page 2 of the instructions.)**Yes No**

<b>1</b>	During the year, has the organization attempted to influence national, state, or local legislation, include any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ►\$ _____ (Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B ) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities		
<b>2</b>	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.) <input type="checkbox"/>		
<b>a</b>	Sale, exchange, or leasing property?	<b>2a</b>	No
<b>b</b>	Lending of money or other extension of credit?	<b>2b</b>	No
<b>c</b>	Furnishing of goods, services, or facilities?	<b>2c</b>	No
<b>d</b>	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	<b>2d</b>	Yes
<b>e</b>	Transfer of any part of its income or assets?	<b>2e</b>	No
<b>3a</b>	Do you make grants for scholarships, fellowships, student loans, etc ? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments )	<b>3a</b>	No
<b>b</b>	Do you have a section 403(b) annuity plan for your employees?	<b>3b</b>	No
<b>c</b>	During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?	<b>3c</b>	No
<b>4a</b>	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?	<b>4a</b>	No
<b>b</b>	Do you provide credit counseling, debt management, credit repair, or debt negotiation services?	<b>4b</b>	No

**Part IV Reason for Non-Private Foundation Status** (See pages 3 through 6 of the instructions.)The organization is not a private foundation because it is (Please check only **ONE** applicable box )

- 5**  A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6**  A school Section 170(b)(1)(A)(ii) (Also complete Part V )
- 7**  A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8**  A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9**  A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) **Enter the hospital's name, city, and state ►** \_\_\_\_\_
- 10**  An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)
- 11a**  An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 11b**  A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 12**  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 charitable, etc , 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) (Also complete the **Support Schedule** in Part IV-A )
- 13**  An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in **(1)** lines 5 through 12 above, or **(2)** sections 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) Check the box that describes the type of supporting organization ►  Type 1  Type 2  Type 3

Provide the following information about the supported organizations (see page 5 of the instructions )

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14**  An organization organized and operated to test for public safety Section 509(a)(4) (See page 5 of the instructions )

**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12 ) **Use cash method of accounting.****Note:** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
<b>15</b> Gifts, grants, and contributions received (Do not include unusual grants See line 28 )					
<b>16</b> Membership fees received					
<b>17</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc , purpose					
<b>18</b> Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
<b>19</b> Net income from unrelated business activities not included in line 18					
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
<b>21</b> The value of services or facilities furnished to the organization by a governmental unit without charge Do not include the value of services or facilities generally furnished to the public without charge					
<b>22</b> Other income Attach a schedule Do not include gain or (loss) from sale of capital assets					
<b>23</b> Total of lines 15 through 22					
<b>24</b> Line 23 minus line 17					
<b>25</b> Enter 1% of line 23					
<b>26 Organizations described on lines 10 or 11:</b>	<b>a</b> Enter 2% of amount in column (e), line 24				<b>26a</b>
<b>b</b> Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2001 through 2004 exceeded the amount shown in line 26a <b>Do not file this list with your return.</b> Enter the total of all these excess amounts					<b>26b</b>
<b>c</b> Total support for section 509(a)(1) test Enter line 24, column (e)					<b>26c</b>
<b>d</b> Add Amounts from column (e) for lines	18	19			<b>26d</b>
	22	26b			<b>26e</b>
<b>e</b> Public support (line 26c minus line 26d total)					<b>26e</b>
<b>f</b> Public support percentage (line 26e (numerator) divided by line 26c (denominator))					<b>26f</b>
<b>27 Organizations described on line 12:</b>	<b>a</b> For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person " <b>Do not file this list with your return.</b> Enter the sum of such amounts for each year				
	(2004)	(2003)	(2002)	(2001)	
<b>b</b> For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the <b>larger</b> of <b>(1)</b> the amount on line 25 for the year or <b>(2)</b> \$5,000 (Include in the list organizations described in lines 5 through 11, as well as individuals ) <b>Do not file this list with your return.</b> After computing the difference between the amount received and the larger amount described in <b>(1)</b> or <b>(2)</b> , enter the sum of these differences (the excess amounts) for each year	(2004)	(2003)	(2002)	(2001)	
<b>c</b> Add Amounts from column (e) for lines	15	16			<b>27c</b>
	17	20	21		<b>27d</b>
<b>d</b> Add Line 27a total	and line 27b total				<b>27e</b>
<b>e</b> Public support (line 27c total minus line 27d total)					<b>27e</b>
<b>f</b> Total support for section 509(a)(2) test Enter amount from line 23, column (e)					<b>27f</b>
<b>g</b> Public support percentage (line 27e (numerator) divided by line 27f (denominator))					<b>27g</b>
<b>h</b> Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					<b>27h</b>
<b>28 Unusual Grants:</b> For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant <b>Do not file this list with your return.</b> Do not include these grants in line 15					

**Part V Private School Questionnaire** (See page 7 of the instructions.)**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

	Yes	No
<b>29</b> Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	<b>29</b>	
<b>30</b> Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	<b>30</b>	
<b>31</b> Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement )	<b>31</b>	
<b>32</b> Does the organization maintain the following	<b>32a</b>	
<b>a</b> Records indicating the racial composition of the student body, faculty, and administrative staff?	<b>32b</b>	
<b>b</b> Records documenting that scholarships and other financial assistance are awarded on racially nondiscriminatory basis?	<b>32c</b>	
<b>c</b> Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	<b>32d</b>	
<b>d</b> Copies of all material used by the organization or on its behalf to solicit contributions?		
If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement )		
<b>33</b> Does the organization discriminate by race in any way with respect to	<b>33a</b>	
<b>a</b> Students' rights or privileges?	<b>33b</b>	
<b>b</b> Admissions policies?	<b>33c</b>	
<b>c</b> Employment of faculty or administrative staff?	<b>33d</b>	
<b>d</b> Scholarships or other financial assistance?	<b>33e</b>	
<b>e</b> Educational policies?	<b>33f</b>	
<b>f</b> Use of facilities?	<b>33g</b>	
<b>g</b> Athletic programs?	<b>33h</b>	
<b>h</b> Other extracurricular activities?		
If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement )		
<b>34a</b> Does the organization receive any financial aid or assistance from a governmental agency?	<b>34a</b>	
<b>b</b> Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement	<b>34b</b>	
<b>35</b> Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	<b>35</b>	

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 9 of the instructions.)  
**(To be completed ONLY by an eligible organization that filed Form 5768)**

Check **a**  if the organization belongs to an affiliated group Check **b**  if you checked "a" and "limited control" provisions apply

**Limits on Lobbying Expenditures**

(The term "expenditures" means amounts paid or incurred )

		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
<b>36</b>	Total lobbying expenditures to influence public opinion (grassroots lobbying)	<b>36</b>	
<b>37</b>	Total lobbying expenditures to influence a legislative body (direct lobbying)	<b>37</b>	
<b>38</b>	Total lobbying expenditures (add lines 36 and 37)	<b>38</b>	
<b>39</b>	Other exempt purpose expenditures	<b>39</b>	
<b>40</b>	Total exempt purpose expenditures (add lines 38 and 39)	<b>40</b>	0
<b>41</b>	Lobbying nontaxable amount Enter the amount from the following table— <b>If the amount on line 40 is—</b> <b>The lobbying nontaxable amount is—</b> Not over \$500,000                                      20% of the amount on line 40 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	<b>41</b>	
<b>42</b>	Grassroots nontaxable amount (enter 25% of line 41)	<b>42</b>	
<b>43</b>	Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	<b>43</b>	0
<b>44</b>	Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	<b>44</b>	0

**Caution:** If there is an amount on either line 43 or line 44, you must file Form 4720.

**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 45 through 50 on page 11 of the instructions )

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
<b>45</b> Lobbying nontaxable amount					
<b>46</b> Lobbying ceiling amount (150% of line 45(e))					
<b>47</b> Total lobbying expenditures					
<b>48</b> Grassroots nontaxable amount					
<b>49</b> Grassroots ceiling amount (150% of line 48(e))					
<b>50</b> Grassroots lobbying expenditures					

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

- a** Volunteers
- b** Paid staff or management (Include compensation in expenses reported on lines **c** through **h**.)
- c** Media advertisements
- d** Mailings to members, legislators, or the public
- e** Publications, or published or broadcast statements
- f** Grants to other organizations for lobbying purposes
- g** Direct contact with legislators, their staffs, government officials, or a legislative body
- h** Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i** Total lobbying expenditures (Add lines **c** through **h**.)

Yes	No	Amount

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities



**Additional Data****Software ID:****Software Version:****EIN:** 95-1644042**Name:** Torrance Memorial Medical Center**Form 990, Part V-A - Current Officers, Directors, Trustees, and Key Employees:**

<b>(A) Name and address</b>	<b>(B) Title and average hours per week devoted to position</b>	<b>(C) Compensation (If not paid, enter -0-.)</b>	<b>(D) Contributions to employee benefit plans &amp; deferred compensation plans</b>	<b>(E) Expense account and other allowances</b>
WILLIAM COLLIER ESQ 3330 LOMITA BOULEVARD TORRANCE, CA 90505	CHAIRMAN 1	0	0	0
TRACY AUSTIN 3330 LOMITA BOULEVARD TORRANCE, CA 90505	DIRECTOR 1	0	0	0
WILLIAM AVERILL MD 3330 LOMITA BOULEVARD TORRANCE, CA 90505	VICE CHAIRMAN 1	0	0	0
EDWARD BOLD MD 3330 LOMITA BOULEVARD TORRANCE, CA 90505	DIRECTOR 1	0	0	0
NANCY COMBS 3330 LOMITA BOULEVARD TORRANCE, CA 90505	BOARD MEMBER 1	0	0	0
JUAN CORREDOR MD 3330 LOMITA BOULEVARD TORRANCE, CA 90505	BOARD MEMBER 1	0	0	0
PAMELA CRANE 3330 LOMITA BOULEVARD TORRANCE, CA 90505	SECRETARY 1	0	0	0
DENNIS FITZGERALD 3330 LOMITA BOULEVARD TORRANCE, CA 90505	TREASURER 1	0	0	0
GEORGE W GRAHAM 3330 LOMITA BOULEVARD TORRANCE, CA 90505	PRESIDENT 40	686,090	43,225	0
CRAIG LEACH 3330 LOMITA BOULEVARD TORRANCE, CA 90505	EXEC VP/TREASURER 40	437,284	30,662	0

**Form 990, Part V-A - Current Officers, Directors, Trustees, and Key Employees:**

<b>(A) Name and address</b>	<b>(B) Title and average hours per week devoted to position</b>	<b>(C) Compensation (If not paid, enter -0-.)</b>	<b>(D) Contributions to employee benefit plans &amp; deferred compensation plans</b>	<b>(E) Expense account and other allowances</b>
ELAINE POTAMPA 3330 LOMITA BOULEVARD TORRANCE, CA 90505	DIRECTOR 1	0	0	0
LINDA SEVERY MCMAHON 3330 LOMITA BOULEVARD TORRANCE, CA 90505	BOARD MEMBER 1	0	0	0
SALLY EBERHARD 3330 LOMITA BOULEVARD TORRANCE, CA 90505	SR VP/PLN & MKT 40	324,077	35,249	0
LAURA SCHENASI 3330 LOMITA BOULEVARD TORRANCE, CA 90505	EXEC VP 40	160,047	23,300	0
DOUGLAS KLEBE 3330 LOMITA BOULEVARD TORRANCE, CA 90505	CFO 40	246,516	28,894	0
MARGARET BERWALD 3330 LOMITA BOULEVARD TORRANCE, CA 90505	SR VP/PT SVCS 40	217,722	19,871	0

Form 4562

(Rev. January 2006) Department of the Treasury Internal Revenue Service

Depreciation and Amortization (Including Information on Listed Property)

See separate instructions. Attach to your tax return.

OMB No 1545-0172

2005

Attachment Sequence No 67

Table with 3 columns: Name(s) shown on return, Business or activity to which this form relates, Identifying number.

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

Table with 5 rows for Part I calculations: 1 Maximum amount, 2 Total cost, 3 Threshold cost, 4 Reduction in limitation, 5 Dollar limitation.

Table with 13 rows for Part II calculations: 6-13 (a) Description of property, (b) Cost, (c) Elected cost, 7-13 (a) Description of property, (b) Cost, (c) Elected cost.

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property) (See instructions)

Table with 4 rows for Part II calculations: 14 Special allowance, 15 Property subject to section 168(f)(1) election, 16 Other depreciation.

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

Table with 2 rows for Section A: 17 MACRS deductions, 18 Grouping assets.

Section B—Assets Placed in Service During 2005 Tax Year Using the General Depreciation System

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction.

Section C—Assets Placed in Service During 2005 Tax Year Using the Alternative Depreciation System

Table with 3 rows for Section C: 20a Class life, b 12-year, c 40-year.

Part IV Summary (see instructions)

Table with 3 rows for Part IV: 21 Listed property, 22 Total, 23 For assets shown above.

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A-Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? Yes No 24b If "Yes," is the evidence written? Yes No

Table with 9 columns: (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation/deduction, (i) Elected section 179 cost. Includes rows 25-27 and summary rows 28-29.

Section B-Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Table for Section B with 6 columns: (a) Vehicle 1, (b) Vehicle 2, (c) Vehicle 3, (d) Vehicle 4, (e) Vehicle 5, (f) Vehicle 6. Rows 30-36 include mileage and availability questions.

Section C-Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions)

Table for Section C with 2 columns: Yes, No. Rows 37-41 include questions about written policies and requirements.

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles

Part VI Amortization

Table for Section VI with 6 columns: (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year. Includes rows 42-44.

**Form 990, Part VI, Line 80b - If "Yes", enter the name of the organization and whether it is exempt or nonexempt:**

Name of the Organization	Exempt	Nonexempt
TORRANCE HEALTH ASSOCIATION	X	
TORRANCE MEMORIAL MEDICAL CENTER H TH CARE FOUNDATION	X	

**Form 990, Part VIII - Relationship of Activities to the Accomplishment of Exempt Purposes:**

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93	TMMC PROVIDES NEEDED ACUTE MEDICAL CARE SERVICES TO THE
0	COMMUNITY REGARDLESS OF ANY INDIVIDUAL'S ABILITY TO PAY
0	SERVICES INCLUDE INPATIENT AND OUTPATIENT ROUTINE, AND
0	ANCILLARY SERVICES IN SUPPORT OF THE HOSPITAL'S MISSION TO
0	PROVIDE HIGH QUALITY, COST EFFECTIVE ACUTE CARE THROUGHOUT
0	THE COMMUNITY THE NEGATIVE AMOUNTS SHOWN ON LINE 93A
0	REPRESENT BOTH THE ACUTE AND SKILLED MEDICAL CARE THAT IS
0	PROVIDED FOR WHICH TMMC IS NOT PARTIALLY OR FULLY
0	COMPENSATED TMMC PROVIDES CARE TO PATIENTS UNDER ITS
0	CHARITY CARE POLICY WITHOUT CHARGE OR AT AMOUNTS LESS THAN
0	THE ESTABLISHED RATES
0	
0	THE RENTAL INCOME IS FOR MEDICAL OFFICE BUILDING RENTED TO
0	TORRANCE HEALTH ASSOCIATION, WHICH IS A RELATED
0	ORGANIZATION TO TORRANCE MEMORIAL MEDICAL CENTER
0	
0	RENTAL INCOME FROM MEDICAL OFFICE BUILDINGS ADJACENT TO
0	TORRANCE MEMORIAL MEDICAL CENTER WHICH ENABLE DOCTORS TO
0	BE IN CLOSE PROXIMITY IN ORDER TO ASSIST THE HOSPITAL IN
0	ITS EXEMPT PURPOSE, IN ACCORDANCE WITH REVENUE RULINGS
0	69-463 AND 69-464

## TY 2005 Depreciation and Depletion Schedule

**Name:** Torrance Memorial Medical Center

**EIN:** 95-1644042

Asset	Amount
LAND & IMPROVEMENT	0
BLDG.& IMPROVEMENT	134,482,738
FURNITURE & EQUIP.	74,511,322
CONST. IN PROGRESS	0

**TY 2005 Gain/Loss from Sale of Public Securities Schedule**

**Name:** Torrance Memorial Medical Center

**EIN:** 95-1644042

**Gross Sales Price:** 364,790,742

**Basis:** 359,608,696

**Sales Expenses:**

**Total (net):** 5,182,046

**TY 2005 Investments - Other Schedule**

**Name:** Torrance Memorial Medical Center

**EIN:** 95-1644042

Description	Book Value	Cost/FMV
BENEFICIAL INTEREST IN NET		
ASSETS OF TMMCHCF	14,523,408	F

**TY 2005 Land etc. Schedule**

**Name:** Torrance Memorial Medical Center

**EIN:** 95-1644042

<b>Category/Item</b>	<b>Cost/Other Basis</b>	<b>Accumulated Depreciation</b>	<b>Book Value</b>
LAND & IMPROVEMENTL	7,037,000	0	7,037,000
BLDG.& IMPROVEMENTB	267,949,000	134,482,738	133,466,262
FURNITURE & EQUIP.	100,572,000	74,511,322	26,060,678
CONST. IN PROGRESS	17,337,000	0	17,337,000

## TY 2005 Mortgages and Notes Payable Schedule

**Name:** Torrance Memorial Medical Center

**EIN:** 95-1644042

**Total Mortgage Amount:** 800000

<b>Item No.</b>	1
<b>Lender's Name</b>	SKYPARK PROPERTY PARTNERSHIP LLP
<b>Lender's Title</b>	
<b>Relationship to Insider</b>	
<b>Original Amount of Loan</b>	1600000
<b>Balance Due</b>	800000
<b>Date of Note</b>	2001-08
<b>Maturity Date</b>	2009-04
<b>Repayment Terms</b>	YEARLY INSTALLMENTS OF \$200,000
<b>Interest Rate</b>	
<b>Security Provided by Borrower</b>	DEED OF TRUST
<b>Purpose of Loan</b>	PURCHASE OF BUILDING - DIALYSIS LAB
<b>Description of Lender Consideration</b>	
<b>Consideration FMV</b>	

## TY 2005 Officer Compensation Schedule

**Name:** Torrance Memorial Medical Center

**EIN:** 95-1644042

### GEORGE W GRAHAM

	Compensation	EE Benefit Plans	Expense Acct
Program Services			
Mgmt & General	686,090		
Fundraising			

**CRAIG LEACH**

	<b>Compensation</b>	<b>EE Benefit Plans</b>	<b>Expense Acct</b>
<b>Program Services</b>			
<b>Mgmt &amp; General</b>	437,284		
<b>Fundraising</b>			

**SALLY EBERHARD**

	<b>Compensation</b>	<b>EE Benefit Plans</b>	<b>Expense Acct</b>
<b>Program Services</b>			
<b>Mgmt &amp; General</b>	324,077		
<b>Fundraising</b>			

**LAURA SCHENASI**

	<b>Compensation</b>	<b>EE Benefit Plans</b>	<b>Expense Acct</b>
<b>Program Services</b>			
<b>Mgmt &amp; General</b>	160,047		
<b>Fundraising</b>			

**DOUGLAS KLEBE**

	<b>Compensation</b>	<b>EE Benefit Plans</b>	<b>Expense Acct</b>
<b>Program Services</b>			
<b>Mgmt &amp; General</b>	246,516		
<b>Fundraising</b>			

**MARGARET BERWALD**

	<b>Compensation</b>	<b>EE Benefit Plans</b>	<b>Expense Acct</b>
<b>Program Services</b>			
<b>Mgmt &amp; General</b>	217,722		
<b>Fundraising</b>			

## TY 2005 Other Assets Schedule

**Name:** Torrance Memorial Medical Center

**EIN:** 95-1644042

Description	Beginning of Year Amount	End of Year Amount
CURRENT ASSETS-LIMITED TO USE	18,265,932	28,468,618
NON-CURRENT ASSETS - LIMITED		
TO USE	218,422,054	218,804,410
DEFERRED LOAN COSTS	1,373,142	1,273,243
DEPOSITS AND OTHER		6,015,269

## TY 2005 Other Changes in Net Assets Schedule

**Name:** Torrance Memorial Medical Center

**EIN:** 95-1644042

Description	Amount
EQUITY METHOD TMMCHCF-SFAS 136	1,245,408
UNREALIZED LOSSES ON INVESTMENTS	5,407,808

## TY 2005 Other Liabilities Schedule

**Name:** Torrance Memorial Medical Center

**EIN:** 95-1644042

Description	Beginning of Year Amount	End of Year Amount
DUE TO CONTRACT PROGRAMS	7,431,486	7,240,340

**TY 2005 Other Revenues Included Schedule**

**Name:** Torrance Memorial Medical Center

**EIN:** 95-1644042

Description	Amount
EQUITY METHOD TMMCHCF-SFAS 136	1,245,408

## TY 2005 Tax-Exempt Bond Liabilities Schedule

**Name:** Torrance Memorial Medical Center

**EIN:** 95-1644042

<b>Item No.</b>	1
<b>Name of Issue</b>	
<b>Purpose</b>	ISSUED 05/01/1992 (ATTACHED)
<b>Amount Outstanding</b>	34800000
<b>Unexpeded Bond Proceeds</b>	
<b>Third Party Use</b>	
<b>Space Percentage</b>	
<b>Maturity Date</b>	
<b>Repayment Terms</b>	
<b>Interest Rate</b>	
<b>Security</b>	

<b>Item No.</b>	2
<b>Name of Issue</b>	
<b>Purpose</b>	ISSUED 11/01/2001 (ATTACHED)
<b>Amount Outstanding</b>	60890000
<b>Unexpeded Bond Proceeds</b>	
<b>Third Party Use</b>	
<b>Space Percentage</b>	
<b>Maturity Date</b>	
<b>Repayment Terms</b>	
<b>Interest Rate</b>	
<b>Security</b>	

**TY 2005 Self Dealing Statement****Name:** Torrance Memorial Medical Center**EIN:** 95-1644042

Line Number	Explanation
2d	FORM 990, PART V

**TORRANCE MEMORIAL MEDICAL CENTER  
EIN: 95-1644042  
FOR THE YEAR ENDED DECEMBER 31, 2005**

**FORM 990, PART I, LINE 8, COLUMN A, SECURITIES**

<u>SECURITY DESCRIPTION</u>	<u>SALES PRICE</u>	<u>COST OR OTHER BASIS</u>	<u>NET GAIN(LOSS)</u>	<u>DATE ACQUIRED</u>	<u>DATE SOLD</u>
PUBLICLY TRADED SECURITIES	364,790,742	359,608,696	5,182,046	VARIOUS	VARIOUS

**TORRANCE MEMORIAL MEDICAL CENTER  
EIN: 95-1644042  
FOR THE YEAR ENDED DECEMBER 31, 2005**

**FORM 990, PART II, LINE 42 - DEPRECIATION**

<u>DESCRIPTION</u>	<u>CURRENT DEPRECIATION</u>
BUILDINGS AND BUILDING IMPROVEMENTS	12,804,231
FURNITURE AND EQUIPMENT	<u>6,975,114</u>
<b>TOTAL DEPRECIATION LINE 42</b>	<b><u><u>19,779,345</u></u></b>

## FORM 990, PART III - PROGRAM SERVICE ACCOMPLISHMENTS

TORRANCE MEMORIAL MEDICAL CENTER (TMMC) PROVIDED CARE TO PATIENTS WHO MET CERTAIN CRITERIA UNDER ITS CHARITY CARE POLICY WITHOUT CHARGE OR AT AMOUNT LESS THAN THE ESTABLISHED RATES. ALL PROGRAM SERVICE EXPENSES RELATED TO THE PROVISION OF MEDICAL SERVICES. TMMC PROVIDED 102,291 PATIENT DAYS, 172,420 OUTPATIENT VISITS, 62,449 EMERGENCY ROOM VISITS, 6,495 INPATIENT AND 10,568 OUTPATIENT SURGERIES DURING 2005. TMMC ALSO PROVIDED CARE TO PATIENTS WHO MET CERTAIN CRITERIA UNDER ITS CHARITY CARE POLICY WITHOUT CHARGE OR AT AMOUNTS LESS THAN THE ESTABLISHED RATES. BECAUSE THE MEDICAL CENTER DID NOT PURSUE COLLECTION OF AMOUNTS DETERMINED TO QUALIFY AS CHARITY CARE, THEY WERE NOT REPORTED AS REVENUE. CHARITY CARE PROVIDED AND AMOUNTS NOT REIMBURSED BY MEDI-CARE AND MEDI-CAL AGGREGATED APPROX \$14,328,097 IN 2005. CHARITY CARE INCLUDED SUBSIDIZED PATIENT CARE PROGRAMS. TMMC ALSO PROVIDED OTHER HEALTH BENEFITS FOR VULNERABLE POPULATIONS AND FOR THE COMMUNITY AT LARGE, AND PROVIDED HEALTH RESEARCH, EDUCATION AND TRAINING PROGRAMS. SEE THE FOLLOWING COMMUNITY BENEFIT SUMMARY REPORT FOR A DESCRIPTION OF NUMEROUS TMMC PROGRAMS UNDERTAKEN IN 2005.

# Community Benefit Summary Report

2005

A summary report on the objectives and expenditures incurred by Torrance Memorial Medical Center and its parent corporation, Torrance Health Association, Inc., in its Community Benefit Plan activities in 2005.



July, 2006

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## **What is a Community Benefit Plan And How is it Prepared?**

Torrance Memorial Medical Center is a non-profit, non-sectarian community hospital. A twelve-person Board of Trustees governs the affairs of the hospital, serves voluntarily and provides direction to the medical center. The hospital employs 2,672 employees, 939 physicians are members of the medical staff, and over 700 volunteers contribute almost 140,000 hours of annual support.

In conjunction with its non-profit parent company, Torrance Health Association, Torrance Memorial conducts a community healthcare needs assessment every three years and prepares a plan for providing community benefit activities each year. Community benefits, as defined by SB697 are activities intended to address community needs and priorities, primarily through disease prevention and health status improvement.

Annually, the community benefit priorities are reviewed by hospital administrators, included in the annual plan and adopted by medical center's Board of Trustees. The full plan and budget are submitted to the Office of Statewide Health Planning and Development. The Senior Vice President of Planning & Development reports on the progress of plan activities to the Board of Trustees for review and approval.

Torrance Memorial first formalized a Community Benefit Plan in 1996, when information on current and ongoing community benefit activities provided by hospital staff, physicians, volunteers and community members was collected and inventoried. This plan, in an SB697 recommended reporting outline, was submitted to the Accounting and Reporting Systems Section, Office of Statewide Health Planning and Development (OSHDP). Through the years, community benefit activities have continued, with a significant growth in the formation and continuation of partnerships and collaborations with other community nonprofit organizations including: South Bay Children's Health Center, Collaborative for Alternatives to Violence and Abuse, American Heart Association, American Cancer Society, Alisa Ann Ruch Burn Foundation, South Bay Health Resource Partnerships, school nurses, Alcoholics Anonymous, etc.

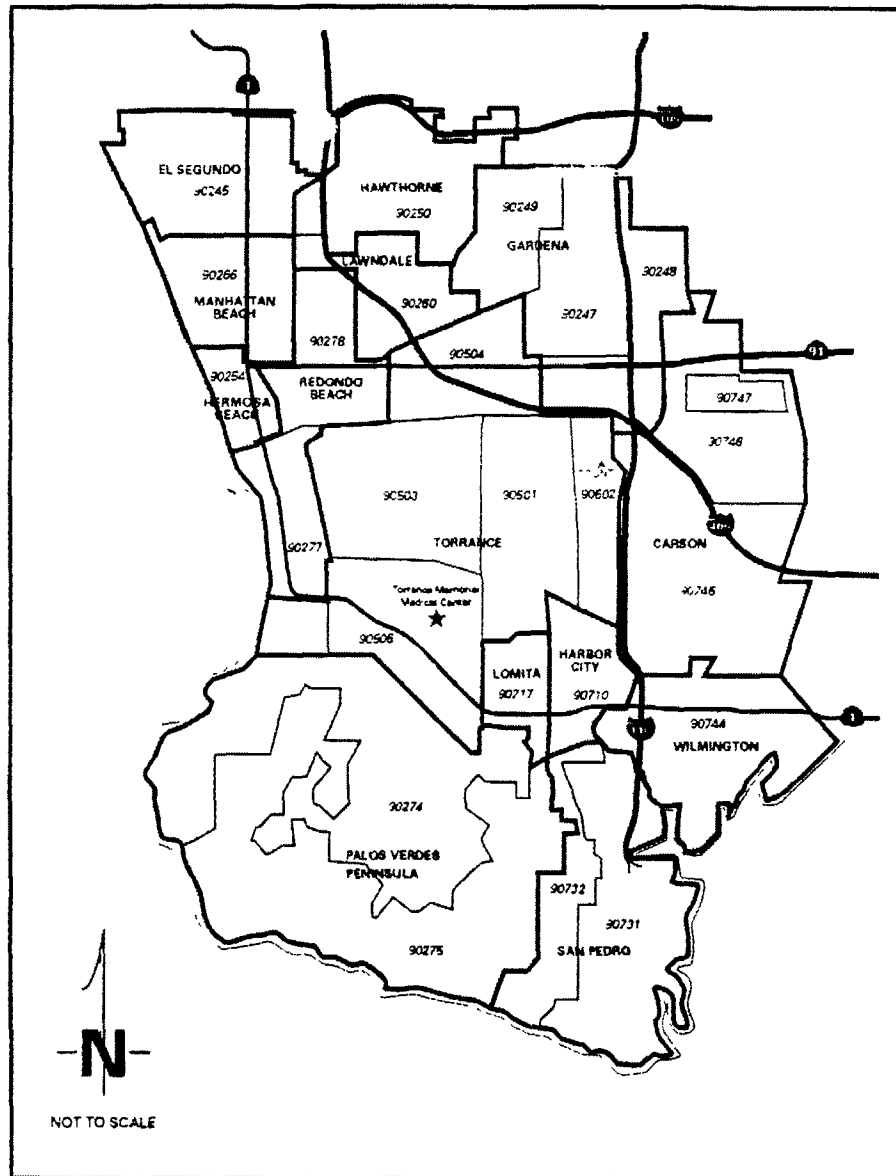
The Community Benefit Plan reflects the mission of Torrance Memorial Medical Center whose purpose is to provide quality healthcare services, predominately to the residents of the South Bay/Peninsula communities. Under the governance of a community-based Board of Trustees, Torrance Memorial serves the public interest by:

- Improving the community health within the scope and expertise of our resources
- Offering the most current and effective medical technologies rendered in a compassionate, caring manner
- Maintaining long-term stability in order to assure our strength and viability for the benefit of the community.

#### **Our Beliefs and Values**

Beyond the Mission Statement, the Board of Trustees has also endorsed a set of beliefs/values which guide the delivery of patient services and the medical center's relationship with patients, physicians, employees and the community; these are included as Exhibit A attached.

TORRANCE MEMORIAL MEDICAL CENTER SERVICE AREA



## **Service Area Summary**

Torrance Memorial Medical Center's "community" encompasses these cities: Torrance, Lomita, El Segundo, Manhattan Beach, Hermosa Beach, Redondo Beach, Palos Verdes, Hawthorne, Lawndale, Gardena, Carson, Wilmington, Harbor City and San Pedro.

- Estimated 2005 population is 890,254 persons.
- 11% of residents are 65 years and older, slightly higher than the Los Angeles County average of 10%.
- Population is racially/ethnically diverse: 50% white; 17% asian/pacific islander; 12% black and 21% other races. Of the total population, one-third are hispanic or latino origin.
- Average household income is estimated at \$81,319, higher than the Los Angeles County average of \$68,640.
- 10% of households are below poverty level, compared to 15% in Los Angeles County.
- 107,166 Medicare beneficiaries (approximately 12% of the population).
- 134,573 Medi-Cal beneficiaries (approximately 15% of the population).
- Overall, births decreased 1.1% from 1999 to 2003.

## **Key Characteristics Affecting Healthcare Access**

The healthcare needs of the Torrance Memorial community are continually in flux, due in part to the dense population and cultural diversity of the service area, the complexity of private and public healthcare services in Los Angeles County, and the impact of changing conditions, including:

- For many years, health care spending has increased at a faster rate than inflation resulting in reduced health insurance coverage offerings by employers, particularly those with low wage workers.
- Annual out-of-pocket medical costs for consumers continue as employers shift part of the increased cost to consumers.
- Over 5.0 million Californians are uninsured and have poor access to medical care services; hospital emergency departments are often their sole source of medical care.
- In recent years, nine hospitals with emergency departments and fifteen community clinics have closed in Los Angeles County due to limits of funding and/or the financial impact of uninsured or unfunded patients.

## How Do We Develop Our Community Benefit Priorities?

Determining the healthcare needs of our community is a multi-faceted process. At the medical center level, it involves collecting and synthesizing information from numerous sources:

- Staff of health-related community agencies
- Staff of Torrance Memorial, including medical staff, employees and volunteers
- Community leaders
- Elected officials
- Health-related public school staff
- Members of the South Bay Community

It also involves reviewing previous Torrance Memorial needs assessments and community benefit plans, and examining literature from such sources as:

- Centers for Medicare and Medicaid Services
- California Office of Statewide Health Planning Department
- Los Angeles County Department of Health Services
- California Department of Health Services
- U.S. Department of Health & Human Services
- National Research Corporation
- Health Care Market Guide
- Claritas, Inc.
- Los Angeles County Rainbow Resource Directory
- Physical Fitness Testing Report to the Governor and Legislature
- Healthy People 2010: Benchmarking Medical Characteristics

The Healthy People Reports (1979, 1980, 2000 and 2010) were created by the U.S. Department of Health and Human Services.

"Healthy People 2010 seeks to increase life expectancy and quality of life over the next 10 years by helping individuals gain the knowledge, motivation and opportunities they need to make informed decisions about their health. At the same time, Healthy People 2010 encourages local and state leaders to develop community wide and statewide efforts that promote healthy behaviors, create healthy environments and increase access to high quality health care. Because individual and community

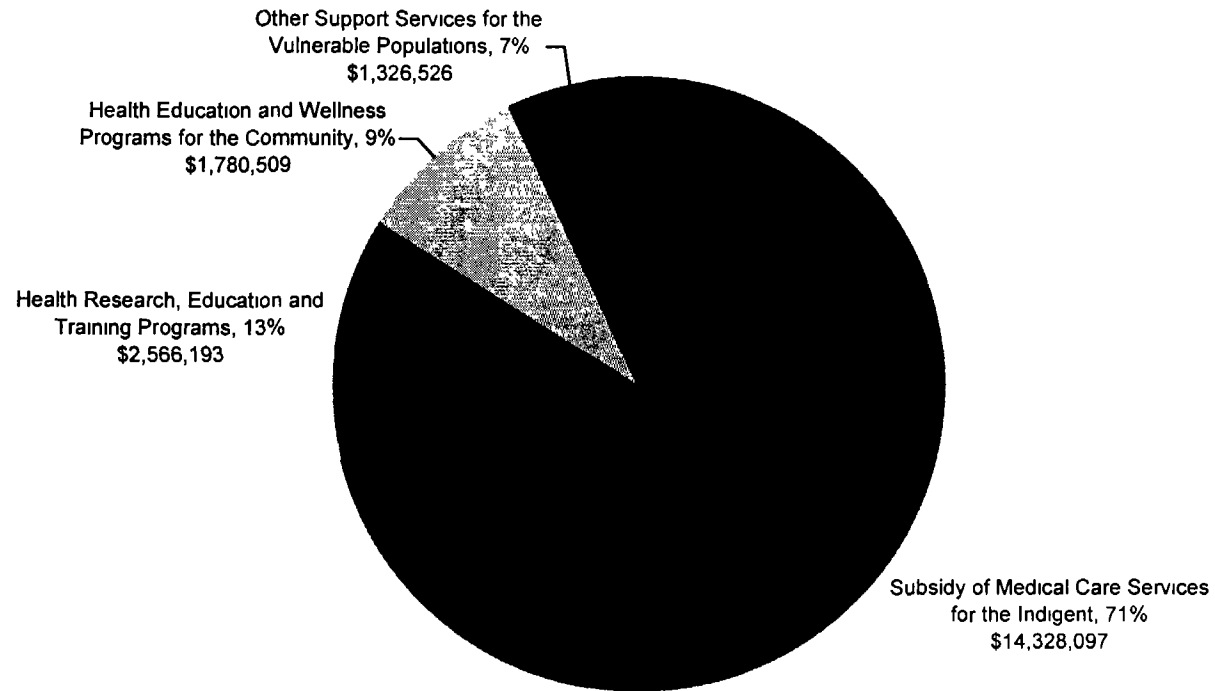
health are virtually inseparable, both the individual and the community need to do their parts to increase life expectancy and improve quality of life." (Page 10, Healthy People 2010, Volume I)

Priorities from the 2004 Needs Assessment were ranked by a community committee in three categories:

- Improve access to healthcare services.
  - ◆ Access to affordable medical, dental, mental health services
  - ◆ Promote more physical exercise, better nutrition, mental health counseling (i.e. cutting and eating disorders) in the schools
  - ◆ Improve transportation
  - ◆ Low-cost clinics
  - ◆ Programs for overweight kids
  - ◆ Case management services
  - ◆ Provide surgeries/healthcare for indigent students
  - ◆ Medical advice line for school nurses
- Provide education and health promotion information to the community.
  - ◆ Parent education and support for childhood obesity
  - ◆ Better management of chronic conditions – asthma, obesity, diabetes
  - ◆ Early cardiovascular health promotion information
  - ◆ Speakers on health topics
  - ◆ Support groups
  - ◆ Provide education for patients and community
  - ◆ Build awareness of community health issues
  - ◆ Continuing education for nurses and healthcare staff
- Increase information and referral on how to use/access health information and resources.
  - ◆ User-friendly resource guide for service area including transportation information
  - ◆ Educate discharge planners and other hospital staff about community resources so all are knowledgeable
  - ◆ Resource link for healthcare agencies services and patients needing services
  - ◆ Communicate/collaborate: share knowledge about services
  - ◆ Assist with understanding the system, i.e. senior prescription plans, finding quality care and health insurance

Allocation of resources in the 2005 Community Benefit Plan is described in the next section.

**Torrance Memorial Medical Center**  
**2005 Community Benefit Plan Expenses**  
(Listed by State Suggested Categories)



Total Expenses \$20,001,325

## 2005 Torrance Memorial Community Benefit Expenses Breakdown

	<u>2005 Expenses</u>	<u>% of Total</u>
1. Medical Care Services		
• Charity care for the indigent	\$ 1,367,096	
• Subsidy of Medical Care costs of government sponsored medically indigent patients	<u>\$12,961,001**</u>	
	<u>\$14,328,097</u>	71%
2. Other Benefits for Vulnerable Populations		
• *Automated external defibrillator/public access defibrillation <sup>1</sup>		
• *Collaborative for Alternatives to Violence and Abuse		
• *Thelma McMillen Center for Chemical Dependency Treatment		
• *Health services for the schools <sup>1</sup>		
• *Kids N Fitness <sup>©</sup>		
• ADVANTAGE: Network of health-related services for people 50+ <sup>1</sup>		
• Bereavement Services		
• Congestive Heart Failure Program		
• Heart-to-Heart links patients and family members with former heart patients		
• Image Enhancement Center for Cancer Patients		
• Partners for a Healthy South Bay Community Grants -- supports volunteer involvement of employees in local healthcare-related non-profit groups <sup>1</sup>		

\*Indicates new or expanded service in 2005

\*\*Includes unreimbursed costs of Medi-Cal (fee-for-service), Medi-Cal HMO, and the Medi-Cal portion of the low income aged eligible for Medicare/Medi-Cal coverage. In prior years, only fee-for-service Medi-Cal was reported.

<sup>1</sup>Contributions provided on behalf of parent organization, Torrance Health Association

	<u>2005</u> <u>Expenses</u>	<u>%</u> <u>of Total</u>
<ul style="list-style-type: none"> <li>• Social Services counseling</li> <li>• Support groups (12)</li> <li>• Support of local non-profit agencies working with underserved populations</li> <li>• TLC – mildly sick child care</li> <li>• Torrance Memorial Health Education Center of Carson provides local access to healthcare services and health education programs<sup>1</sup></li> <li>• Interpreter services for multi-language and hearing impaired</li> <li>• Van transportation</li> </ul>		
Sub-Total	\$1,326,526	7%

3. Other Benefits for the Broader Community (Health Education and Wellness Programs)
- \*Cancer Resource Center
  - \*Disaster/Bioterrorism Preparedness
  - \*HealthLinks – Health Resource Center<sup>1</sup>
  - \*Palliative Care Program
  - \*Video health information
  - Arts and Healing – music, pet visitation and clowns
  - Breast Examination Training Center
  - Health Education, classes, lectures<sup>1</sup>
  - Health Fairs<sup>1</sup>

\*Indicates new or expanded service in 2005

<sup>1</sup>Contributions provided on behalf of parent organization, Torrance Health Association

	<u>2005 Expenses</u>	<u>% of Total</u>
<ul style="list-style-type: none"> <li>• HealthLine Information<sup>1</sup></li> <li>• Hospital Services Information<sup>1</sup></li> <li>• Medical Library</li> <li>• Physician Referral Service<sup>1</sup></li> <li>• South Bay Health Resources Partnership – a network of providers who share and acquire information about local health resources and community health needs.<sup>1</sup></li> <li>• Speakers Bureau</li> <li>• <u>Vim &amp; Vigor</u>, South Bay's <u>Prevention</u> Magazine<sup>1</sup></li> </ul>		
Sub-Total	\$ 1,780,509	9%

4. Health Research, Education & Training Programs

- \*Continuing medical education for physicians, nurses and healthcare professionals
- \*Clinical Skills Lab for student nurses & ancillary staff training
- \*Scholarships for designated hospital careers<sup>1</sup>
- STAR Clinical Trial
- \*Versant RN Residency Program
- Burn Life Support Training

Sub-Total	\$ <u>2,566,193</u>	13%
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Total	\$20,001,325	
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\*Indicates new or expanded service in 2005

<sup>1</sup>Contributions provided on behalf of parent organization, Torrance Health Association

## Progress on Community Benefit Objectives 2005

### New or Re-Emphasized Priorities

#### A. Improve access to healthcare services

1. Torrance Memorial Medical Center offers a charity care program and financial assistance to uninsured patients within the scope of its mission and available resources. The hospital does not refuse emergency medical care for anyone for any reason.
2. Enhance the end-of-life experience for patients and families by responding to the complex needs of chronically or terminally ill patients and families with Palliative Care.

### Update 2005

- The Charity Care Policy was reviewed and reaffirmed.
- With the approval of the Board of Trustees Torrance Memorial's credit and collection policy will be changed, effective Jan. 1, 2006, to provide a 70% discount to uninsured patients who do not qualify for Medi-Cal or charity care and who agree to payment terms. The discount was 60% in 2005.
- In the Fall of 2004, Torrance Memorial implemented a comprehensive comfort care or palliative care program with an interdisciplinary team of caregivers and a dedicated space where patients and family members can approach the end-of-life comfortably.
- Since then, nearly 800 patients and families have been assisted by the care team.

\*This summary represents the highlights of those new or re-emphasized objectives pursued in 2005 which support the Community Benefit priorities at Torrance Memorial; this update is not all inclusive of all community benefit activities.

### New or Re-Emphasized Priorities

3. Develop a wide spread public access defibrillation (PAD) program to lower the number of lives lost to sudden cardiac arrest. Provide AED awareness information and annual training for AED users.
  
4. Provide comprehensive services for chemically dependent individuals and their families in an outpatient setting.

### Update 2005

- Since its inception in 2001, Torrance Memorial has facilitated the placement of more than 106 automatic external defibrillators (AEDs) in various community sites and training for more than 500 people. Torrance Memorial staff provides annual checks to evaluate each unit..
- The program educates the community about the importance of early defibrillation in the person experiencing cardiac arrest.
  
- In 2005, 457 adults and 100 teens received free and confidential assessments creating individualized treatment plans based on physical, emotional, social and behavioral status with substance abuse history.
- The program formed a collaborative with the Betty Ford Center providing a free local professional development series. 750 professionals attended 5 lectures. Hosted weekly 12-step and 3 support group meetings.

## New or Re-Emphasized Priorities

5. Continue participation in Collaborative for Alternatives to Violence and Abuse (CAVA) by training emergency and maternity department staff to identify possible domestic violence victims.
  
6. Respond to a disaster in the community or a bioterrorism attack with the most efficient use of space, supplies, triage staff, security and emergency communications equipment while communicating with city/county emergency operation centers.

## Update 2005

- In 2005 a total of 82,961 patients were screened and 447 patients were identified as positive for intimate partner violence, a 46% increase over 2004.
- 13 training sessions were conducted for 172 health care providers.
- Torrance Memorial's Emergency Department has a 94% compliance rate for screening. The average is 63%.
- 81 patients were linked to advocate response for shelter, counseling and legal services.
- 357 community members received education about domestic violence and CAVA.
  
- Increased our supply of personal protective equipment including the addition of 2,000 isolation kits.
- Increased staff on decontamination team.
- Conducted a total of 15 classes, in-services and drills on disaster response.
- Implemented a Respiratory Protection Program.
- Revised disaster traffic flow to accommodate changes as a result of Emergency Dept. expansion
- Continued collaborative working relationships with the umbrella hospitals in our Disaster Resource center.
- Developed guidelines for response to a possible infectious disease outbreak.
- Revised policy on suspected bomb threats.

## New or Re-Emphasized Priorities

## Update 2005

- Expanded disaster training to include staff from all departments within the hospital and off-site facilities.
- Video-taped the fall city/county/statewide disaster drill so a team from Harbor/UCLA can evaluate and compare with the results of other facilities and submit findings to us.

## New or Re-Emphasized Priorities

### B. Provide Education and Health Promotion Information to the Community

1. Partner with South Bay school districts to supply key resources or to link a district need with a community solution.

## Update 2005

- Hosted career days at Torrance Memorial for 3 high schools and a community college for 226 students.
- Staff continued to participate at career days at local middle schools discussing opportunities and preparation for healthcare careers and donating school supplies.
- Continued sponsorship of a medical advisory board for a local school district with 17 participating physicians and dentists, district nurses and administrators.  
New protocols to be used in the schools, health office guidelines and medical procedures for West Nile Virus, SARS, Chicken Pox rashes and pertusis were developed. A Drug Task Force was formed around drug abuse and community awareness issues. Other concerns are childhood obesity, vending machines and pollution guidelines.
- Hosted an annual recognition and education program and provided requested first aid supplies and resource materials for 60 local school nurses.
- Partnered with South Bay Children's Health Center to provide diagnostic, corrective and restoration dental care services for the prevention, detection and treatment of dental problems for children 3 years to 18 years of age.
- Distributed materials on healthcare careers to 70 high school counselors.

## New or Re-Emphasized Priorities

2. Provide information and education about a wide variety of cancer related subjects: cancer prevention, early detection, diagnosis, treatment and support services in the community.

## Update 2005

- Provided booklets, videotapes and other cancer related materials from a variety of organizations, including the American Pain Foundation, American Cancer Society, National Cancer Institute and Leukemia and Lymphodemia Society to 4200 community members.
- Newly diagnosed breast cancer patients and breast cancer survivors received a complete overview of treatment options, had questions answered and concerns addressed by staff at the Cancer Resource Center including the Breast Health Navigator.
- 3 community presentations were attended by 120.
- Held the 14<sup>th</sup> Annual Oncology Symposium for 100 healthcare professionals discussing the latest advances in the screening, diagnosis and treatment of a wide variety of cancers.  
A chemotherapy certification course is offered in conjunction with the symposium for Torrance Memorial nurses, nurses from numerous other hospitals and physician offices.
- A series of 11 lectures about a wide variety of cancer-related topics for cancer patients, their loved ones and those in the community who want to learn more about cancer, its treatment and managing the effects of the disease was attended by 660.
- A wide variety of support services are offered to meet the needs of each individual patient:

## New or Re-Emphasized Priorities

3. Enable patients, family members and community residents to easily access easy-to-understand reliable healthcare information, products and services which will enhance patient understanding and management of health issues and conditions.

## Update 2005

--72 patients received information and hands-on instruction on make-up, skin care for women experiencing appearance-related side effects from chemotherapy and other cancer treatments.

--The woman-to-woman image enhancement center provided private instruction for 60 women on the use of scarves, hats and hairpieces.

- HealthLinks a health resource center, provides a consumer resource library, unique specialty store items and the assistance of knowledgeable staff.
- Trained staff is available to assist with referrals to medical experts, resource computers, a variety of complementary health services, reference materials, and community information.
- Products are available such as breast feeding supplies, fitness accessories, relaxation tapes and health education videos.
- Information is available on hospital services, community resources and disease prevention, diagnosis and treatment.
- Referrals to classes, physicians, health and healing services, support groups and individualized training are made through HealthLinks as well.
- Aging Well, a new consultation service was developed as an effective starting place for age-related concerns. Aging Well provides:
  - Consultation with a specialist in Aging.
  - Education about senior care options and the benefits of each.

## New or Re-Emphasized Priorities

4. Furnish education and health promotion information to patients in the hospital, cable television audiences in the South Bay area and community residents, allow ADVANTAGE members to view tapes during the day and at convenient locations and improve the health status of the community by distributing free educational videos.

## Update 2005

- Assistance in navigating aging services.
- Caregiver support and respite referrals.
- 2 free screenings for depression and memory problems.
- Torrance Memorial provided 60-second medical news reports "Medical Minute" weekly to four cable companies which are included as part of their news programs.
- Medical Minute received an award for Excellence from the National Association of Medical Communicators.
- HealthBeat, a half-hour cable television show appeared weekly on cable networks. Keeping viewers informed about medical issues, important healthcare services in the community and discussing a variety of health related topics such as childbirth, hospice care, cardiovascular health, common emergencies, eye diseases, etc.
- Provided patients with educational videos on heart disease, diabetes, spirometer, and newborn care on several channels of the hospital closed circuit system in English and Spanish.
- Videotaped 15 evening lecture programs for viewing by residents during the day at convenient locations.

## New or Re-Emphasized Priorities

5. Provide clinical training and "real life" experience for aspiring nurses and ancillary personnel. Hold training classes for new RN grads.
  
6. Support the statewide nursing initiatives to elevate all nurses to a minimum of a BSN level of education.
  
7. Increase the number of future healthcare workers in needed healthcare careers.

## Update 2005

- Participated in partnerships with 7 schools in mentoring, preceptorships, internships for students assisting with their skill development and providing supervised "hands on" experience.
- 8-10 weeks of clinical training was provided for students from the Southern California Regional Occupation Center and the Harbor Regional Occupation Center.
- Provided 2 sessions of "Shadow Your Mentor" for 21 students from Long Beach Community College.

The RN New Graduate Program offered at Torrance Memorial is an extended eight-week orientation integrating didactic and clinical area experience. 66 new grads completed the program in 2005.

- Torrance Memorial continued scholarship programs for 12 designated healthcare careers. 1 employee received \$6,000 scholarship, and 10 high school seniors received \$1,000 scholarships.
- Provided 5 educational loans: 3 for \$3,000 each for students in associate degree programs and 2 for \$6,000 each for students in bachelors or advanced degree programs.



### New or Re-Emphasized Priorities

10. Develop a clinical skills lab to increase, sustain and reinforce clinical skills.  
To update staff with the latest technology.  
To teach and practice basic clinical skills.

### Update 2005

- The first two sections of the lab were completed: a general med/surg area where basic clinical care will be taught and practiced and a room where intensive care for adult and child/neonatal patients will be provided.
- A full-time employee, school coordinator was hired to coordinate scheduling of the Lab, become an expert with the equipment and to be a liaison with the community education partners.
- A state-of-the-art human patient simulator which enables students to work through patient scenarios of increasing complexity was purchased. Additional patient care equipment compatible with that currently used in the medical center was also purchased to facilitate training for current clinical staff in the nursing and ancillary departments.

Exhibit A

Beliefs and Values Statements  
Torrance Memorial Medical Center

## **Our Mission, Our Values**

*WE BELIEVE IN* demonstrating our value of providing SERVICE to patients by:

- Treating patients and their loved ones with dignity, respecting their basic patients' rights, which include their need for privacy and confidentiality.
- Relating to patients, their loved ones, physicians and each other, in a professional, compassionate manner, recognizing the need for understanding and clear communication in receiving and delivering services.
- Treating all people equally without regard to race, color, religion, ethnicity, age, sex, national origin or handicap.
- Respecting the spiritual and cultural beliefs of patients and staff.
- Clarifying patient, physician and staff expectations for service in a timely manner in order to agree upon reasonable outcomes and each person's responsibility in reaching these goals.

*WE BELIEVE IN* demonstrating our value of EXCELLENCE in providing services by:

- Providing a comprehensive and high quality range of nursing services and medical technologies so that residents have access within the community to a full spectrum of health care services.
- Enhancing the quality of care through a process of Continuous Quality Improvement.
- Being responsive to the needs of physicians who practice at the Medical Center, recognizing their unique contribution and essential role in defining medical practices and the needs of the community for medical technology and services.
- Enhancing the coordination of patient care by updating information systems in order to provide all caregivers needed information in a timely manner.

- Providing a supportive, cooperative work environment that encourages positive changes and rewards employees in a market-competitive manner.

*WE BELIEVE IN* demonstrating our value of promoting KNOWLEDGE by:

- Contributing to the ability of patients and community residents to make informed choices about health care and in promoting better health and improved quality of life by providing detection, prevention and treatment information.
- Promoting individual responsibility for learning as health care providers and health care consumers.
- Providing opportunities for continued education of physicians, nurses, and other allied health professionals, in order that they may enhance their skill and remain current in their medical and health care-related knowledge.

*WE BELIEVE IN* demonstrating our value of organizational STABILITY by:

- Maintaining local governance and control of the Medical Center.
- Preserving the Medical Center's long-term commitment to providing health care services through the prudent and innovative management of resources.
- Accepting individual responsibility as employees for providing economically sound care and for constantly working to improve its delivery.
- Working together in a supportive manner as employees to provide excellent, knowledgeable service in a cost-effective manner.
- Planning for the future of the Medical Center by projecting financial requirements and reinvesting retained earnings and philanthropic contributions into patient services, program development, and equipment to meet the community's needs.

*WE BELIEVE IN* demonstrating our value of meeting COMMUNITY needs by:

- Assessing community health needs and responding to the identified needs through the development and implementation of a Community Benefits Plan, within the fiscal constraints of the Medical Center.
- Providing needed emergency services to the critically injured or ill who present for care, regardless of the patient's financial capabilities.
- Being responsible to the medically indigent of the South Bay/Peninsula areas who are not served by government-sponsored programs, within the budgetary constraints of the Medical Center.
- Facilitating community involvement of Medical Center policy-making by electing to the Board of Trustees qualified representatives of the local community, who serve on a voluntary basis.
- Promoting the importance of volunteerism by providing opportunities within the Medical Center for community members to contribute meaningful volunteer service.
- Contributing to the overall community welfare by participating in civic matters, being sensitive to community concerns and acting as a responsible corporate citizen.
- Working together as a community of employees of the Medical Center, in supportive manner to provide excellent, knowledgeable services in a cost-effective manner.

**TORRANCE MEMORIAL MEDICAL CENTER  
EIN: 95-1644042  
FOR THE YEAR ENDED DECEMBER 31, 2005**

**FORM 990, PART IV, LINE 57**

<u>ASSET</u>	<u>BEGINNING OF YEAR</u>	<u>END OF YEAR</u>
LAND AND LAND IMPROVEMENTS	7,036,972	7,036,972
BUILDINGS AND BUILDING IMPROVEMENTS	238,502,850	267,948,950
FURNITURE AND EQUIPMENT	87,172,144	100,571,734
CONSTRUCTION IN PROGRESS	<u>24,540,178</u>	<u>17,337,051</u>
TOTAL BASIS:	357,252,144	392,894,707
LESS. ACCUMULATED DEPRECIATION	<u>(189,761,192)</u>	<u>(208,994,060)</u>
<b>NET BOOK VALUE</b>	<b><u>167,490,952</u></b>	<b><u>183,900,647</u></b>

TORRANCE MEMORIAL MEDICAL CENTER  
EIN: 95-1644042  
FOR THE YEAR ENDED DECEMBER 31, 2005

FORM 990, PART IV, LINE 64 (a), TAX EXEMPT BOND LIABILITIES

1992 HOSPITAL REVENUE BONDS

ISSUE DATE 5/1/1992

PURPOSE OF ISSUE EQUIPMENT PURCHASES

ORIGINAL AMOUNT OF ISSUE \$34,800,000

<u>CHECK THE FORM FILED</u>	<u>    X    </u>	8038	DATE FILED	<u>5/21/1992</u>
	<u>          </u>	8038-G	DATE FILED	<u>          </u>
	<u>          </u>	8038-GC	DATE FILED	<u>          </u>

RETIREMENT DATE 2/1/2022

PLEASE ANSWER THE FOLLOWING QUESTIONS  
BASED ON INFORMATION FOR THE YEAR ENDED 12/31/01

AMOUNT OF ISSUE OUTSTANDING \$34,800,000

DURING THE YEAR, WAS ANY PART OF THE BOND-FINANCED FACILITY USED BY A THIRD PARTY  
(OTHER THAN A GOVERNMENTAL UNIT OR 501 ( c ) ( 3 ) ORGANIZATION)?

	<u>    X    </u>	NO	
IF YES, PLEASE INDICATE THE PERCENTAGE OF SPACE USED BY THE THIRD PARTY.	<u>          </u>	YES	<u>          </u> %

TORRANCE MEMORIAL MEDICAL CENTER  
EIN: 95-1644042  
FOR THE YEAR ENDED DECEMBER 31, 2005

FORM 990, PART IV, LINE 64 (a), TAX EXEMPT BOND LIABILITIES

2001 SERIES A BONDS

ISSUE DATE 6/1/2001

PURPOSE OF ISSUE FACILITY CONSTRUCTION, EQUIPMENT AND  
REPAYMENT OF 1987 BOND ISSUE

ORIGINAL AMOUNT OF ISSUE \$65,000,000

<u>CHECK THE FORM FILED</u>	<u>    X    </u>	8038	DATE FILED	<u>        </u>
	<u>        </u>	8038-G	DATE FILED	<u>        </u>
	<u>        </u>	8038-GC	DATE FILED	<u>        </u>

RETIREMENT DATE 6/1/2031

PLEASE ANSWER THE FOLLOWING QUESTIONS  
BASED ON INFORMATION FOR THE YEAR ENDED 12/31/01

AMOUNT OF ISSUE OUTSTANDING \$60,890,000

DURING THE YEAR, WAS ANY PART OF THE BOND-FINANCED FACILITY USED BY A THIRD PARTY  
(OTHER THAN A GOVERNMENTAL UNIT OR 501 ( c ) ( 3 ) ORGANIZATION)?

	<u>    X    </u>	NO	
IF YES, PLEASE INDICATE THE PERCENTAGE OF SPACE USED BY THE THIRD PARTY.	<u>        </u>	YES	<u>        </u> %

FORM 990, PART VII - PROGRAM SERVICE REVENUE

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DESCRIPTION -----	BUSINESS CODE -----	AMOUNT -----	EXCLUSION CODE -----	AMOUNT -----	RELATED OR EXEMPT FUNCTION INCOME -----
PATIENT SERVICES	561000	8,550,394.			862,355,084.
CHARITY CARE					-5,810,722.
CONTRACTUAL DISC.					-637014315.
DISCOUNT TO GOV'T					-312434277.
MEDICAL OFFICE BLG					73,333.
MEDICAL					62,770,022.
MEDICARE					349,470,107.
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TOTALS		8,550,394.			319,409,232.
		=====		=====	=====