

Return of Organization Exempt From Income Tax

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

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

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning **JUL 1, 2011** and ending **JUN 30, 2012**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization Lehigh Valley Hospital		D Employer identification number 23-1689692
	Doing Business As		E Telephone number 484-884-0130
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	
	2100 Mack Blvd.		G Gross receipts \$ 1687330111.
City or town, state or country, and ZIP + 4 Allentown, PA 18103-5622		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
F Name and address of principal officer: Ronald W. Swinford same as C above		H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No	
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		If "No," attach a list. (see instructions)	
J Website: www.lvhn.org		H(c) Group exemption number ▶	
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: 1971 M State of legal domicile: PA	

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>Our mission is to heal, comfort and care for the people of our community by providing advanced and</u>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	9
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	6
	5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	7204
	6 Total number of volunteers (estimate if necessary)	6	893
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	6,670,831.
b Net unrelated business taxable income from Form 990-T, line 34	7b	1,367,926.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	18,821,114.	20,190,637.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	967,379,218.	1,056,508,268.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	14,121,867.	42,741,574.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	23,386,299.	27,756,109.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	1,023,708,498.	1,147,196,588.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	247,489.	386,971.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0.	0.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	380,431,474.	404,632,987.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,976,704.	0.	0.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	568,525,912.	634,130,436.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	949,204,875.	1,039,150,394.
19 Revenue less expenses. Subtract line 18 from line 12	74,503,623.	108,046,194.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	1,336,010,242.	1,410,048,439.
	22 Net assets or fund balances. Subtract line 21 from line 20	645,026,959.	770,209,921.
		690,983,283.	639,838,518.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer		Date		
	Edward F. O'Dea, Sr. V.P. Finance and CFO				
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no.			

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission: Our mission is to heal, comfort and care for the people of our community by providing advanced and compassionate health care of superior quality and value, supported by education and research.

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 [X] No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 1002503352. including grants of \$) (Revenue \$ 1109270650.) LVH offers a continuum of health care promotion, prevention, diagnosis, treatment and rehabilitation to the community. Extensive outpatient and educational services are provided at locations throughout the region and are a part of a healthcare network established by LVH to meet the medical, surgical and educational needs of the residents of the Lehigh Valley and beyond.

The following summary reflects the general classification of acute care beds as of June 30, 2012.

Medical/Surgical-380, Obstetrics/Gynecology-37, Medical/Surgical Intensive Care Unit-32, Cardiac Intensive Care Unit-12, Neonatal Intensive Care Unit-32, Pediatric Intensive Care Unit-8, Open Heart

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$) Continued from 4(a)-Cancer Services

The John and Dorothy Morgan Cancer Center offers a range of cancer services in two convenient, patient-focused locations, one at the Cedar Crest Site and another in Bethlehem at the Muhlenberg campus. The program is a selected member of the prestigious National Community Cancer Centers Program (NCCCP) administered by the National Cancer Institute(NCI).

Cancer care programs include prevention, detection, diagnosis, and all forms of therapy, plus clinical trials, rehabilitation and the evaluation of cancer-related care. The Cancer Center is a partner with H.Lee Moffitt Cancer Center of Tampa, Florida and the Wistar Scientific and Biology Institute of Philadelphia, PA both of who are NCI

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$) Continued from 4(b)-Estimated Value of Free Care, Community

Service, Charitable Contributions, and Professional and Community Education - Medicare Shortfall 67,475,118, Medical Assistance Shortfall 31,613,830, Uncompensated Charity Care 16,276,000, Bad Debt 15,405,798, Clinics Subsidy 14,926,290, TRICARE (CHAMPUS) Shortfall 341,591, Blue Cross Special Care & CHIP Shortfall 412,861, Real Estate Taxes Paid on Owned and Leased Property 1,514,458, Salisbury Township School District Agreement (includes 50% add-on value for voluntary agreements) 172,223, Stipend to Salisbury Township 127,000, Financial Support to City of Allentown 190,000, Free Pap Tests, Mammograms & Ultrasounds-City of Allentown 177,396, Laboratory Tests & Consultative Services - City of Allentown 13,683, Physical Examinations - Firefighters & HazMat

4d Other program services (Describe in Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 1,002,503,352.

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

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	X	
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? <i>If "Yes," complete Schedule J</i>	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>	X	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		X
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?		X
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		X
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	X	
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? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
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? <i>If "Yes," complete Schedule L, Part IV</i>	X	
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	X	
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?	X	

Note. All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Input box for Schedule O response

Main table with columns for question number, description, and Yes/No responses. Includes rows for Form 1096, Form W-2G, Form W-3, Form 990-T, Form 8886-T, Form 8282, Form 8899, Form 1098-C, Form 4966, Form 501(c)(7), Form 501(c)(12), Form 4947(a)(1), and Form 501(c)(29).

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year 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.	9	
1b	Enter the number of voting members included in line 1a, above, who are independent	6	
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?		X
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?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?		X
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?		X
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
8a	The governing body?	X	
8b	Each committee with authority to act on behalf of the governing body?	X	
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		X

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?		X
10b	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?		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
11b	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	X	
12b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
13	Did the organization have a written whistleblower policy?	X	
14	Did the organization have a written document retention and destruction policy?	X	
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?		
15a	The organization's CEO, Executive Director, or top management official	X	
15b	Other officers or key employees of the organization	X	
	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?	X	
16b	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?		X

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed **PA**
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 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
- 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: **The Organization - 484-884-0130**
2100 Mack Blvd., Allentown, PA 18103-5622

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

Check if Schedule O contains a response to any question 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, and 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 (describe hours for related organizations in Schedule O)	(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			
(1) Richard Fleming Honorary Trustee	1.00	X					0.	0.	0.	
(2) William F. Hecht Trustee	1.00	X					0.	0.	0.	
(3) Matthew M. McCambridge, MD Trustee	1.00	X					45,000.	0.	0.	
(4) Stephen K. Klasko, MD Trustee	1.00	X					0.	0.	0.	
(5) Ronald W. Swinfard, MD Trustee/CEO	60.00	X		X			1,383,034.	0.	30,230.	
(6) Kathryn P. Taylor Chair	1.00	X					0.	0.	0.	
(7) Martin K. Till Vice Chair	1.00	X					0.	0.	0.	
(8) Daniel H. Weiss Trustee	1.00	X					0.	0.	0.	
(9) Robert J. Motley, MD Trustee	1.00	X					15,000.	0.	0.	
(10) John D. Stanley Trustee	1.00	X					0.	0.	0.	
(11) Keith Weinhold Sr. Vice-President-Operations	60.00				X		299,353.	0.	30,230.	
(12) James Geiger Sr. Vice-President-Operations	60.00				X		299,759.	0.	30,230.	
(13) Debby Patrick Vice-President Human Resources	60.00				X		297,726.	0.	30,230.	
(14) Scott Lipkin Chief, Nori	60.00				X		248,266.	0.	30,230.	
(15) Edward Dougherty Senior VP, Business and Network Dev.	60.00				X		243,922.	0.	30,123.	
(16) Elliot J. Sussman, MD Former Trustee/CEO	0.00					X	2,112,251.	0.	0.	
(17) Joseph G. Felkner Former Treasurer	0.00					X	931,418.	0.	0.	

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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(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			
(18) Mary Kay Grim Former Sr. Vice-President-Human Reso	0.00						X	242,316.	0.	0.
1b Sub-total								6,118,045.	0.	181,273.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								6,118,045.	0.	181,273.

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 **200**

	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	X	
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	X	
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		X

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
Pulmonary Associates, P.C., 1210 S. Cedar Crest Blvd.- Suite 2300, Allentown, PA	Physician Services	3,481,084.
VSAS Orthopaedics, 1250 S. Cedar Crest Blvd.- Suite 110, Allentown, PA 18103	Physician Services	2,305,350.
Lehigh Area Medical Associates, 1255 S. Cedar Crest Blvd.- Suite 2200, Allentown, PA	Physician Services	2,033,851.
Post & Schell, PC, Four Penn Center, 1600 John F. Kennedy Blvd., Philadelphia,	Attorneys	1,533,555.
Norris McLaughlin & Marcus PA, 1611 Pond Road, Suite 300, Allentown, PA 18104-2221	Attorneys	958,154.

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 **48**

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e	6348605.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	13,842,032.				
	g Noncash contributions included in lines 1a-1f: \$		182,761.				
	h Total. Add lines 1a-1f		20,190,637.				
	Program Service Revenue	2 a <u>Inpatient Revenue</u>	Business Code 624100	655,241,094.	655,241,094.		
b <u>Outpatient Revenue</u>		624100	400,313,573.	394,652,980.	5,660,593.		
c <u>Physician Fee Revenue</u>		624100	953,601.	953,601.			
d							
e							
f All other program service revenue							
g Total. Add lines 2a-2f			1,056,508,268.				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		9441360.			9,441,360.	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross rents	(i) Real	6,436,192.				
		b Less: rental expenses	5,470,763.				
		c Rental income or (loss)	965429.				
		d Net rental income or (loss)		965,429.			965,429.
	7 a Gross amount from sales of assets other than inventory	(i) Securities	567,404,524.				
		(ii) Other	101717.				
		b Less: cost or other basis and sales expenses	534,122,801.	83,226.			
		c Gain or (loss)	33,281,723.	18,491.			
	d Net gain or (loss)		33,300,214.	33,300,214.			
	8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a	1,114,414.				
		b Less: direct expenses	456733.				
		c Net income or (loss) from fundraising events		657,681.			657,681.
9 a Gross income from gaming activities. See Part IV, line 19	a						
	b Less: direct expenses						
	c Net income or (loss) from gaming activities						
10 a Gross sales of inventory, less returns and allowances	a						
	b Less: cost of goods sold						
	c Net income or (loss) from sales of inventory						
Miscellaneous Revenue		Business Code					
11 a <u>Health Network Labs</u>	621500	13,465,937.	12,576,270.	889,667.			
	b <u>Research & Misc. Incom</u>	900099	12,013,182.	11,892,611.	120,571.		
	c <u>Lehigh Valley PHO</u>	900003	653,880.	653,880.			
	d All other revenue						
	e Total. Add lines 11a-11d		26,132,999.				
12 Total revenue. See instructions.		1,147,196,588.	1,109,270,650.	6,670,831.	11,064,470.		

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	386,971.	386,971.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	10,047,999.	10,047,999.		
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	314257021.	298344149.	14,662,763.	1,250,109.
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)	22,932,752.	21,871,245.	977,964.	83,543.
9 Other employee benefits	34,211,715.	32,887,536.	1,227,764.	96,415.
10 Payroll taxes	23,183,500.	21,972,460.	1,115,339.	95,701.
11 Fees for services (non-employees):				
a Management				
b Legal	2,429,072.	2,429,072.		
c Accounting	344,576.	344,576.		
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	106066840.	96,409,884.	9,598,713.	58,243.
12 Advertising and promotion	5,791,092.	4,304,438.	1,486,654.	
13 Office expenses	2,730,225.	2,588,262.	128,983.	12,980.
14 Information technology	12,496,064.	12,423,128.	68,354.	4,582.
15 Royalties				
16 Occupancy	27,092,493.	26,570,284.	478,909.	43,300.
17 Travel	1,376,120.	1,290,885.	76,442.	8,793.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	1,750,117.	1,639,403.	75,735.	34,979.
20 Interest	16,087,125.	16,087,125.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	64,030,015.	63,912,317.	115,911.	1,787.
23 Insurance	6,225,463.	6,225,463.		
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 MEDICAL SUPPLIES	176799561.	176798045.	1,516.	
b PURCHASED SERVICES	107378707.	105120141.	2,099,311.	159,255.
c BAD DEBTS EXPENSE	66,764,137.	66,764,137.		
d OTHER SUPPLIES	4,043,508.	4,022,589.	30,709.	-9,790.
e All other expenses	32,725,321.	30,063,244.	2,525,270.	136,807.
25 Total functional expenses. Add lines 1 through 24e	1,039,150,394.	1,002,503,352.	34,670,337.	1,976,704.
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 <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

		(A)		(B)	
		Beginning of year		End of year	
Assets	1 Cash - non-interest-bearing	10,853.	1	13,515.	
	2 Savings and temporary cash investments	3,528,591.	2	2,920,440.	
	3 Pledges and grants receivable, net	7,152,180.	3	11,268,693.	
	4 Accounts receivable, net	124,382,143.	4	201,194,989.	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0.	5	90,000.	
	6 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)		6		
	7 Notes and loans receivable, net	1,123,621.	7	2,238,618.	
	8 Inventories for sale or use	7,833,516.	8	13,133,075.	
	9 Prepaid expenses and deferred charges	15,094,205.	9	15,764,871.	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 1,032,736,708.			
	b Less: accumulated depreciation	10b 588,417,428.			
	11 Investments - publicly traded securities	639,808,126.	11	613,111,767.	
	12 Investments - other securities. See Part IV, line 11	0.	12	0.	
	13 Investments - program-related. See Part IV, line 11	89,606,426.	13	102,113,760.	
	14 Intangible assets		14		
	15 Other assets. See Part IV, line 11	8,671,371.	15	3,879,431.	
16 Total assets. Add lines 1 through 15 (must equal line 34)	1,336,010,242.	16	1,410,048,439.		
Liabilities	17 Accounts payable and accrued expenses	82,631,847.	17	89,089,187.	
	18 Grants payable		18		
	19 Deferred revenue	2,394,848.	19	2,707,670.	
	20 Tax-exempt bond liabilities	351,205,810.	20	342,411,615.	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21		
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22		
	23 Secured mortgages and notes payable to unrelated third parties	34,362,783.	23	34,605,371.	
	24 Unsecured notes and loans payable to unrelated third parties		24		
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	174,431,671.	25	301,396,078.	
	26 Total liabilities. Add lines 17 through 25	645,026,959.	26	770,209,921.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27 Unrestricted net assets	551,790,038.	27	502,217,281.	
	28 Temporarily restricted net assets	97,224,615.	28	91,734,168.	
	29 Permanently restricted net assets	41,968,630.	29	45,887,069.	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	30 Capital stock or trust principal, or current funds		30		
	31 Paid-in or capital surplus, or land, building, or equipment fund		31		
	32 Retained earnings, endowment, accumulated income, or other funds		32		
33 Total net assets or fund balances	690,983,283.	33	639,838,518.		
34 Total liabilities and net assets/fund balances	1,336,010,242.	34	1,410,048,439.		

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1147196588.
2	Total expenses (must equal Part IX, column (A), line 25)	2	1039150394.
3	Revenue less expenses. Subtract line 2 from line 1	3	108,046,194.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	690,983,283.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-159,190,959.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	639,838,518.

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
2b	Were the organization's financial statements audited by an independent accountant?	X	
2c	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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	X	
3b	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.	X	

Form 990 (2011)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization **Lehigh Valley Hospital** Employer identification number **23-1689692**

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 - Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	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?		
(ii) A family member of a person described in (i) above?		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?		
- h Provide the following information about the supported organization(s).

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

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule A (Form 990 or 990-EZ) 2011

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. 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 section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

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

Part 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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11, and 12.)						

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

Section C. Computation of Public Support Percentage

15 Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2011. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2010. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

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

SCHEDULE C
(Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

OMB No. 1545-0047

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

2011

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**

Open to Public Inspection

▶ **See separate instructions.**

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 organization Lehigh Valley Hospital	Employer identification number 23-1689692
---	---

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-.

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule C (Form 990 or 990-EZ) 2011

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												
1 a	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.														
<table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">If the amount on line 1e, column (a) or (b) is:</th> <th style="text-align: left;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>		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.		
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.														
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-														
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?		<input type="checkbox"/> Yes <input type="checkbox"/> 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) 2008	(b) 2009	(c) 2010	(d) 2011	(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					

Schedule C (Form 990 or 990-EZ) 2011

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)		(b)
	Yes	No	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?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? ..	X		
c Media advertisements?		X	
d Mailings to members, legislators, or the public?	X		0.
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	X		76,084.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		24,000.
j Total. Add lines 1c through 1i			100,084.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
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

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A; and Part II-B, line 1. Also, complete this part for any additional information.

Part II-B, Line 1, Lobbying Activities:

Indirect State lobbying activities - Indirect communication includes communication explaining a principal's position and requesting others to contact elected officials by way of grassroots lobbying.

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.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

Lehigh Valley Hospital

Employer identification number

23-1689692

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?		<input type="checkbox"/> Yes <input type="checkbox"/> 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?		<input type="checkbox"/> Yes <input type="checkbox"/> 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 Tax 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 XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (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 XIV, 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

▶ \$ _____

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

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

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIV and complete the following table:
- | | Amount |
|---------------------------------|--------|
| 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 XIV.

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	105,775,895.	89,400,969.	78,716,975.	96,684,736.	
b Contributions	4,304,716.	1,438,232.	3,372,844.	362,255.	
c Net investment earnings, gains, and losses	2,562,031.	16,891,409.	9,223,571.	-16,234,043.	
d Grants or scholarships	363,340.	246,433.	285,893.	650,019.	
e Other expenditures for facilities and programs	1,892,924.	1,708,282.	1,625,502.	1,445,904.	
f Administrative expenses					
g End of year balance	110,386,378.	105,775,895.	89,401,995.	78,717,025.	

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

- a Board designated or quasi-endowment 0.00 %
- b Permanent endowment 36.00 %
- c Temporarily restricted endowment 64.00 %

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:

- (i) unrelated organizations
- (ii) related organizations

	Yes	No
3a(i)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3a(ii)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3b	<input type="checkbox"/>	<input type="checkbox"/>

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

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

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		5,024,338.		5,024,338.
b Buildings		631014641.	337043266.	293971375.
c Leasehold improvements		19,867,370.	7,742,404.	12,124,966.
d Equipment		258166637.	181482234.	76,684,403.
e Other		118663722.	62,149,524.	56,514,198.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				444319280.

Part VII Investments - Other Securities. 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		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 12.) ▶		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Investment-Lehigh Valley		
(2) Physician Hospital		
(3) Org.-42.7%	8,246,346.	Cost
(4) Investment-Health Network		
(5) Laboratories-83.24%	89,425,459.	Cost
(6) Quakertown Health Venture		
(7) - 50%	3,058,726.	Cost
(8) Investment - Careworks		
(9) Allentown	53,000.	Cost
(10)		
Total. (Col (b) must equal Form 990, Part X, col (B) line 13.) ▶	102,113,760.	

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) Cost Settlement Reserves with	
(3) Third Parties	-1,610,874.
(4) Deferred Compensation Plan	3,613,492.
(5) Pension Liability	245,195,631.
(6) Workers Compensation	1,979,411.
(7) Professional Insurance Liability	
(8) Reserves	28,112,435.
(9) Asset Retirement Obligation	4,142,709.
(10) Unrealized Loss on Interest Rate	
(11) Swap	19,023,168.
Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ▶	301,396,078.

2. FIN 48 (ASC 740) Footnote. In Part XIV, 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).

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV.)	8	
9	Total adjustments (net). Add lines 4 through 8	9	
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	
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 XIV.)	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 XIV.)	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 XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

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 XIV.)	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 XIV.)	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 XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Part V, line 4: The endowment funds are used for continuing education,

scholarships, research, clinical equipment, and nursing awards.

Part X, Line 2: In 2008, the Organization adopted Financial Accounting Standards Board (FASB) Interpretation No. 48 "Accounting for Uncertainty in Income Taxes" ("FIN 48"). FIN 48 has become part of ASC 740. FIN 48/ASC 740 establishes that the financial statement effects of a tax position taken or expected to be taken are to be recognized in the financial

Part XIV Supplemental Information (continued)

statements when it is more likely than not, based on technical merits, that the position will be sustained upon IRS examination. FIN 48 became effective for fiscal year 2008 for the Organization.

The Organization has analyzed tax positions taken on federal income tax returns for all open tax years for the taxable entities and has determined that as of June 30, 2012, there are no uncertain tax positions taken or expected to be taken that would require recognition in the financial statements.

The Organization has analyzed specific criteria regarding the exempt 501(c) 3 status for the tax exempt entities and has determined that as of June 30, 2012 the Organization is compliant with the qualifications for exemption from Federal income tax.

SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

**Supplemental Information Regarding
Fundraising or Gaming Activities**

OMB No. 1545-0047

2011

**Open To Public
Inspection**

**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.**

Name of the organization **Lehigh Valley Hospital** Employer identification number **23-1689692**

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
- 2 a** 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?		(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
		Yes	No			
Harris Connect - 1511 Route 22 - Suite C-25, Brewster, NY	Phone/Mail Solicitation		X	79,253.	208,548.	-129,295.
Total				79,253.	208,548.	-129,295.

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.

AL, AK, AZ, AR, CA, CO, CT, FL, GA, HI, IL, KS, KY, LA, ME, MA, MD, MI, MN, MS, MO, NH, NJ, NM, NY, NC, ND, OH, OK, OR, PA, RI, SC, TN, UT, VA, WA, WV, WI, DC

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	(b) Event #2	(c) Other events	(d) Total events (add col. (a) through col. (c))
		Nite Lites (event type)	(event type)	None (total number)	
Revenue	1 Gross receipts	1,114,414.			1,114,414.
	2 Less: Charitable contributions	0.			
	3 Gross income (line 1 minus line 2)	1,114,414.			1,114,414.
Direct Expenses	4 Cash prizes	0.			
	5 Noncash prizes	0.			
	6 Rent/facility costs	0.			
	7 Food and beverages	0.			
	8 Entertainment	0.			
	9 Other direct expenses	456,733.			456,733.
	10 Direct expense summary. Add lines 4 through 9 in column (d)				(456,733)
	11 Net income summary. Combine line 3, column (d), and line 10				657,681.

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))
		1 Gross revenue			
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
7 Direct expense summary. Add lines 2 through 5 in column (d)				(_____)	
8 Net gaming income summary. Combine line 1, column d, and line 7					

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:

13a		%
13b		%

 - a The organization's facility
 - b An outside facility
- 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 to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV Supplemental Information. Complete this part to 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).

Schedule G, Part I, Line 2b, List of Ten Highest Paid Fundraisers:

(i) Name of Fundraiser: Harris Connect

(i) Address of Fundraiser: 1511 Route 22 - Suite C-25, Brewster, NY 10509

Schedule G, Part I, Line 2b, Column (v): The vendor provides donor acquisition services that provide multi-year benefits. The current financial information does not reflect the long-term cost/benefit of this program.

**SCHEDULE H
(Form 990)**

Hospitals

OMB No. 1545-0047

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

Name of the organization **Lehigh Valley Hospital** Employer identification number **23-1689692**

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	<input checked="" type="checkbox"/>	
b If "Yes," was it a written policy?	<input checked="" type="checkbox"/>	
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. <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> 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) to determine eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input checked="" type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	<input checked="" type="checkbox"/>	
b Did the organization use FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input checked="" type="checkbox"/> 400% <input type="checkbox"/> Other _____ %	<input checked="" type="checkbox"/>	
c If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, to determine 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"?	<input checked="" type="checkbox"/>	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	<input checked="" type="checkbox"/>	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?		<input checked="" type="checkbox"/>
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		
6a Did the organization prepare a community benefit report during the tax year?	<input checked="" type="checkbox"/>	
b If "Yes," did the organization make it available to the public?	<input checked="" type="checkbox"/>	

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)			16,276,000.		16,276,000.	1.67%
b Medicaid (from Worksheet 3, column a)			126,032,126.	94,418,296.	31,613,830.	3.25%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			142,308,126.	94,418,296.	47,889,830.	4.92%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			6,304,469.		6,304,469.	.65%
f Health professions education (from Worksheet 5)			13,317,798.	5,491,488.	7,826,310.	.80%
g Subsidized health services (from Worksheet 6)			18,253,430.	1,607,340.	16,646,090.	1.71%
h Research (from Worksheet 7)			5,470,062.	2,707,592.	2,762,470.	.28%
i Cash and in-kind contributions for community benefit (from Worksheet 8)			216,570.		216,570.	.02%
j Total. Other Benefits			43,562,329.	9,806,420.	33,755,909.	3.46%
k Total. Add lines 7d and 7j			185,870,455.	104,224,716.	81,645,739.	8.38%

Part II Community Building Activities Complete this table 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			5,148.		5,148.	.00%
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy			613,297.		613,297.	.06%
8 Workforce development						
9 Other						
10 Total			618,445.		618,445.	.06%

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 Healthcare Financial Management Association Statement No. 15?	1 X	
2 Enter the amount of the organization's bad debt expense	2 15,405,798.	
3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy	3 10,963,927.	
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit.		

Section B. Medicare

5 Enter total revenue received from Medicare (including DSH and IME)	5 238153460.
6 Enter Medicare allowable costs of care relating to payments on line 5	6 234599809.
7 Subtract line 6 from line 5. This is the surplus (or shortfall)	7 3,553,651.
8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other	

Section C. Collection Practices

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

Part IV Management Companies and Joint Ventures (see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1 LVHN Reciprocal Risk Retention Group	Malpractice Insurance	16.67%	.00%	.00%
2 Health Network Laboratories, LLC	Laboratory Services	85.00%	.00%	.00%
3 Health Network Laboratories, LP	Laboratory Services	81.67%	.00%	.00%
4 Lehigh Valley Physician Hospital Organization, Inc.	Health Care Services	45.00%	.00%	.00%

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, from largest to smallest)

How many hospital facilities did the organization operate during the tax year? 2

Name and address

1 Lehigh Valley Hospital - Cedar Crest
1200 S. Cedar Crest Blvd.
Allentown, PA 18103

2 Lehigh Valley Hospital - 17th Street
17th & Chew Streets
Allentown, PA 18103

Table with columns: Licensed hospital, General medical & surgical, Children's hospital, Teaching hospital, Critical access hospital, Research facility, ER-24 hours, ER-other, Other (describe). Rows 1 and 2 are populated with 'X' marks.

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of Hospital Facility: Lehigh Valley Hospital - Cedar Crest

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 1

	Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for tax year 2011)		
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8	1	X
If "Yes," indicate what the Needs Assessment describes (check all that apply):		
a <input type="checkbox"/> A definition of the community served by the hospital facility		
b <input type="checkbox"/> Demographics of the community		
c <input type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input type="checkbox"/> How data was obtained		
e <input type="checkbox"/> The health needs of the community		
f <input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Part VI)		
2 Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 _____		
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	
5 Did the hospital facility make its Needs Assessment widely available to the public?	5	
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):		
a <input type="checkbox"/> Hospital facility's website		
b <input type="checkbox"/> Available upon request from the hospital facility		
c <input type="checkbox"/> Other (describe in Part VI)		
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):		
a <input type="checkbox"/> Adoption of an implementation strategy to address the health needs of the hospital facility's community		
b <input type="checkbox"/> Execution of the implementation strategy		
c <input type="checkbox"/> Participation in the development of a community-wide community benefit plan		
d <input type="checkbox"/> Participation in the execution of a community-wide community benefit plan		
e <input type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the Needs Assessment		
g <input type="checkbox"/> Prioritization of health needs in its community		
h <input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7	
Financial Assistance Policy		
Did the hospital facility have in place during the tax year a written financial assistance policy that:		
8 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	X
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	X
If "Yes," indicate the FPG family income limit for eligibility for free care: <u>200</u> %		
If "No," explain in Part VI the criteria the hospital facility used.		

Part V Facility Information (continued) **Lehigh Valley Hospital - Cedar Crest**

	Yes	No
10 Used FPG to determine eligibility for providing <i>discounted care</i> ? If "Yes," indicate the FPG family income limit for eligibility for discounted care: <u>400</u> % If "No," explain in Part VI the criteria the hospital facility used.	X	
11 Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply): a <input checked="" type="checkbox"/> Income level b <input type="checkbox"/> Asset level c <input checked="" type="checkbox"/> Medical indigency d <input type="checkbox"/> Insurance status e <input checked="" type="checkbox"/> Uninsured discount f <input type="checkbox"/> Medicaid/Medicare g <input type="checkbox"/> State regulation h <input type="checkbox"/> Other (describe in Part VI)	X	
12 Explained the method for applying for financial assistance?	X	
13 Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply): a <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website b <input checked="" type="checkbox"/> The policy was attached to billing invoices c <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms d <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices e <input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility f <input checked="" type="checkbox"/> The policy was available on request g <input type="checkbox"/> Other (describe in Part VI)	X	

Billing and Collections

14 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	X	
15 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 patient's eligibility under the facility's FAP: a <input type="checkbox"/> Reporting to credit agency b <input type="checkbox"/> Lawsuits c <input type="checkbox"/> Liens on residences d <input type="checkbox"/> Body attachments e <input checked="" type="checkbox"/> Other similar actions (describe in Part VI)		
16 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged: a <input type="checkbox"/> Reporting to credit agency b <input type="checkbox"/> Lawsuits c <input type="checkbox"/> Liens on residences d <input type="checkbox"/> Body attachments e <input type="checkbox"/> Other similar actions (describe in Part VI)		X
17 Indicate which efforts the hospital facility made before initiating any of the actions checked in line 16 (check all that apply): a <input type="checkbox"/> Notified patients of the financial assistance policy on admission b <input type="checkbox"/> Notified patients of the financial assistance policy prior to discharge c <input type="checkbox"/> Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills d <input type="checkbox"/> Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy e <input type="checkbox"/> Other (describe in Part VI)		

Part V Facility Information (continued) **Lehigh Valley Hospital - Cedar Crest**

Policy Relating to Emergency Medical Care

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

Individuals Eligible for Financial Assistance

19 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.		
a <input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b <input checked="" type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c <input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d <input type="checkbox"/> Other (describe in Part VI)		
20 Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?		X
If "Yes," explain in Part VI.		
21 Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for any service provided to that patient?	X	
If "Yes," explain in Part VI.		

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

Name of Hospital Facility: Lehigh Valley Hospital - 17th Street

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 2

	Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for tax year 2011)		
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment (Needs Assessment)? If "No," skip to line 8		X
If "Yes," indicate what the Needs Assessment describes (check all that apply):		
a <input type="checkbox"/> A definition of the community served by the hospital facility		
b <input type="checkbox"/> Demographics of the community		
c <input type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input type="checkbox"/> How data was obtained		
e <input type="checkbox"/> The health needs of the community		
f <input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Part VI)		
2 Indicate the tax year the hospital facility last conducted a Needs Assessment: 20 <u> </u>		
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI		
5 Did the hospital facility make its Needs Assessment widely available to the public?		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply):		
a <input type="checkbox"/> Hospital facility's website		
b <input type="checkbox"/> Available upon request from the hospital facility		
c <input type="checkbox"/> Other (describe in Part VI)		
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply):		
a <input type="checkbox"/> Adoption of an implementation strategy to address the health needs of the hospital facility's community		
b <input type="checkbox"/> Execution of the implementation strategy		
c <input type="checkbox"/> Participation in the development of a community-wide community benefit plan		
d <input type="checkbox"/> Participation in the execution of a community-wide community benefit plan		
e <input type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the Needs Assessment		
g <input type="checkbox"/> Prioritization of health needs in its community		
h <input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs		
Financial Assistance Policy		
Did the hospital facility have in place during the tax year a written financial assistance policy that:		
8 Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	X	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	X	
If "Yes," indicate the FPG family income limit for eligibility for free care: <u>200</u> %		
If "No," explain in Part VI the criteria the hospital facility used.		

Part V Facility Information (continued) **Lehigh Valley Hospital - 17th Street**

	Yes	No
10 Used FPG to determine eligibility for providing <i>discounted care</i> ?	<input checked="" type="checkbox"/>	
If "Yes," indicate the FPG family income limit for eligibility for discounted care: <u>400</u> %		
If "No," explain in Part VI the criteria the hospital facility used.		
11 Explained the basis for calculating amounts charged to patients?	<input checked="" type="checkbox"/>	
If "Yes," indicate the factors used in determining such amounts (check all that apply):		
a <input checked="" type="checkbox"/> Income level		
b <input type="checkbox"/> Asset level		
c <input checked="" type="checkbox"/> Medical indigency		
d <input type="checkbox"/> Insurance status		
e <input checked="" type="checkbox"/> Uninsured discount		
f <input type="checkbox"/> Medicaid/Medicare		
g <input type="checkbox"/> State regulation		
h <input type="checkbox"/> Other (describe in Part VI)		
12 Explained the method for applying for financial assistance?	<input checked="" type="checkbox"/>	
13 Included measures to publicize the policy within the community served by the hospital facility?	<input checked="" type="checkbox"/>	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):		
a <input checked="" type="checkbox"/> The policy was posted on the hospital facility's website		
b <input checked="" type="checkbox"/> The policy was attached to billing invoices		
c <input checked="" type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms		
d <input checked="" type="checkbox"/> The policy was posted in the hospital facility's admissions offices		
e <input checked="" type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility		
f <input checked="" type="checkbox"/> The policy was available on request		
g <input type="checkbox"/> Other (describe in Part VI)		

Billing and Collections

14 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	<input checked="" type="checkbox"/>	
15 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 patient's eligibility under the facility's FAP:		
a <input type="checkbox"/> Reporting to credit agency		
b <input type="checkbox"/> Lawsuits		
c <input type="checkbox"/> Liens on residences		
d <input type="checkbox"/> Body attachments		
e <input checked="" type="checkbox"/> Other similar actions (describe in Part VI)		
16 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?		<input checked="" type="checkbox"/>
If "Yes," check all actions in which the hospital facility or a third party engaged:		
a <input type="checkbox"/> Reporting to credit agency		
b <input type="checkbox"/> Lawsuits		
c <input type="checkbox"/> Liens on residences		
d <input type="checkbox"/> Body attachments		
e <input type="checkbox"/> Other similar actions (describe in Part VI)		
17 Indicate which efforts the hospital facility made before initiating any of the actions checked in line 16 (check all that apply):		
a <input type="checkbox"/> Notified patients of the financial assistance policy on admission		
b <input type="checkbox"/> Notified patients of the financial assistance policy prior to discharge		
c <input type="checkbox"/> Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills		
d <input type="checkbox"/> Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy		
e <input type="checkbox"/> Other (describe in Part VI)		

Part V Facility Information (continued) Lehigh Valley Hospital - 17th Street

Policy Relating to Emergency Medical Care

18 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?

	Yes	No
18	X	

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)

Individuals Eligible for Financial Assistance

19 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.

- a** 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)

20 Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?

If "Yes," explain in Part VI.

20		X
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21 Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for any service provided to that patient?

If "Yes," explain in Part VI.

21	X	
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Part VI Supplemental Information

Complete this part to provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II; Part III, lines 4, 8, and 9b; and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

Part I, Line 6a: The Community Benefit Report is issued by Lehigh Valley Health Network - EIN 22-2458317, the parent company of Lehigh Valley Hospital.

Part I, Line 7: The costing methodology is cost to charge ratio for programs with gross charges and direct costs for programs without gross charges.

Part I, Line 7g: CLINICS SUBSIDY

The clinics subsidy of \$14,926,290 is the difference between clinic payments and clinic costs. The clinics subsidy includes the operations of the Medical and Surgical Clinics, Children's Clinic, the Dental Clinic, the Center for Women's Medicine, the Family Health Center, Geriatrics, Maternal Fetal Medicine, and the Mental Health Clinic.

TRANSITIONAL LIVING CENTERS

Lehigh Valley Health Network administers two Residential Aftercare Programs as a contracted provider for the Lehigh County Department of Human Services. These programs include the Transitional Living

Part VI Supplemental Information

Center-Full Care and the Transitional Living Center-Moderate Care.

Although the programs receive revenue from clients and reimbursements from Lehigh County, these funds do not fully reimburse program operating expenditures. In FY'12, program operating expenditures exceeded program revenues and reimbursements by \$395,951.

The Transitional Living Centers serve residents of Lehigh County age 18 and over who have been treated for mental illness and would benefit from a structured residential program. The Full Care site is supervised 24 hours per day and teaches the activities of daily living as designated by the Pa. Department of Welfare to those residents who demonstrate the need for ongoing intensified supervision due to their mental illness. The Moderate Care site is supervised 10 hours per day and is designed to teach activities of daily living to those individuals who demonstrate the need for community reentry support in a less-intensified structure.

AIDS ACTIVITIES OFFICE

Established in 1989, Lehigh Valley Hospital's AIDS Activities Office (AAO) provides clinical and social services to children, adolescents and adults infected and affected by HIV/AIDS and HCV (hepatitis C). In FY'12, the AIDS Activities Office's active patients received one or more of the following services:

HIV testing and counseling (A free service open to the public as a state-designated Department of Health lab site).

Prevention counseling.

Initial and ongoing medical care (including laboratory evaluation, coordination and referral to diagnostic and specialty service, and pharmaceutical treatment regimens) provided by a physician board-certified in infectious diseases and specializing in HIV care.

Part VI Supplemental Information

Coordination and monitoring of clinical therapies, and education provided by registered nurses.

Nutritional assessments and interventions.

Adherence counseling.

Case management to insure coverage of basic and social service needs, including housing, employment, outpatient substance abuse treatment, mental health counseling, etc., and providing linkages to care and coordination of specialty treatments.

HIV outreach, prevention education, and testing in network community settings

Hepatitis C treatment provided by a physician board-certified in internal medicine and specializing in HCV care.

Hepatitis C education by nurses specially educated in the disease as well as prevention and adherence counseling.

Support groups for HIV

Mental health counseling by a licensed clinical social worker specializing in people living with HIV and HCV.

The AAO Food Bank, supported by private donations.

HepA, HepB, & Hep A/B vaccines

Funded originally by the Dorothy Rider Pool Health Care Trust and Lehigh Valley Hospital (LVH), the AIDS Activities Office is currently primarily supported by LVH, Early Intervention Funding (Title III) from the Ryan White Care Act (Human Resources and Services Administration) and AIDSNET (Ryan White Title II funding) and the PA Department of Health. LVH's contribution to the operations of the AIDS Activities Office in FY'12 was \$394,518, net of payments.

Part VI Supplemental Information

FREE ORAL TRAUMA SURGERY CARE

In FY'12, Lehigh Valley Hospital paid \$389,074 to private oral surgery practices to provide oral trauma surgery care to hospital patients.

AMBULANCE TRANSPORT COSTS

Lehigh Valley Hospital incurred total ambulance costs of \$131,637 to transport patients to other non-LVHN facilities.

PHARMACEUTICALS FOR DISCHARGED PATIENTS

Pharmaceuticals appropriate to the course of treatment are often provided at no charge to indigent patients upon discharge. The cost of these medications in FY'12 was \$408,620.

Part I, Ln 7 Col(f): The costing methodology for bad debt expense is the Medicare cost to charge ratio. The ratio of uninsured charges written off as charity was applied to total charges written off as bad debt to estimate the portion of bad debt that is attributed to patients under the hospital charity policy.

Part II: Community Building Activities are conducted on behalf of Lehigh Valley Health Network, which is the governing entity for Lehigh Valley Hospital and Lehigh Valley Hospital - Muhlenberg.

Our Community Partners include:

School Health

Lehigh Valley Hospital's outpatient pediatric department provides free on-site clinical services and health exams for Central Elementary School's student population. The net cost of direct services provided at the

Part VI Supplemental Information

school in FY'12 was \$150,546.

NEIGHBORHOOD HEALTH CENTERS OF THE LEHIGH VALLEY

The hospital's cost to provide Family Health Services at The Caring Place "New Life" Clinic and Casa Guadalupe "Vida Nueva" Clinic was \$458,601 in FY'12.

MOSELEM SPRINGS SENIORS EVENT

The Health Center at Moselem Springs conducted a Seniors Event in August 2011. A group of seniors was transported by bus from Hamburg, PA and given a health presentation and tour of the Health Center. Lunch was provided. Staff costs, transportation and other expenses, excluding donated physician time, was \$1,504.

CRUCIAL CONVERSATIONS TRAINING - CHILDREN'S ADVOCACY CENTER

Organizational Development and Clinical Staff Development staff provided Crucial Conversations Training to Lehigh County employees who are part of the Children's Advocacy Center. Training materials were supplied through a grant from VitalSmarts, the parent company of Crucial Conversations. Unreimbursed staff costs and other expenses to provide the training were \$2,646.

Communities in Schools

Communities in Schools of the Lehigh Valley, Inc., is a non-profit partnership supported by local businesses, human services, government and volunteers who strive to reduce the number of school dropouts. To support this program, classroom, auditorium, and office space, and mailroom services are provided at Lehigh Valley Hospital - 17th and Chew. The

Part VI Supplemental Information

value of below market building rental and services provided to the program in FY'12 was \$5,148.

Part III, Line 4: BAD DEBTS-In instances where the Organization believes a patient has the ability to pay for services and, after appropriate collection effort, payment is not made, the amount of services not paid is written-off, at charges, as bad debts. Amounts recorded as bad debts expense do not include charity. The amount of bad debts expense for the years ended June 30, 2012 and 2011, at charges, was \$66,745,000 and \$56,427,000 respectively, and is reported as Bad debts expense on the Combined Statements of Operations.

Part III, Line 8: The source of the Medicare allowable costs relating to revenue received from Medicare is the FY '12 Medicare Cost Report.

Part III, Line 9b: Financial Counseling staff will determine whether patients meet eligibility criteria for financial assistance. Accounts that do not meet the eligiblilty requirements will be referred to the internal collection unit and subsequently transferred to bad debt status if the accounts remain unpaid.

When the hospital determines that a Medicare patient is either financially or medically indigent and that he is unable to pay his patient liability, the hospital waives its standard collection procedures, deems the account to be uncollectible, and immediately writes off the unpaid balance to charity.

Lehigh Valley Hospital - Cedar Crest:

Part V, Section B, Line 15e: Collection activities are limited to hospital

Part VI Supplemental Information

sending 3 statements requesting payment. If payment is not made, the account is turned over to a primary collection agency for 6 months. If payment is not received after 6 months, the account is turned over to a secondary agency for 3 months. If these collection efforts do not result in payment, the account is written off as a bad debt.

Lehigh Valley Hospital - 17th Street:

Part V, Section B, Line 15e: Collection activities are limited to hospital sending 3 statements requesting payment. If payment is not made, the account is turned over to a primary collection agency for 6 months. If payment is not received after 6 months, the account is turned over to a secondary agency for 3 months. If these collection efforts do not result in payment, the account is written off as a bad debt.

Lehigh Valley Hospital - Cedar Crest:

Part V, Section B, Line 21: All patients receive the same charge for the same service. The expected collection amount for the uninsured is the average payment of non-government payers. Further reductions are based on the patient income and federal poverty guidelines.

Lehigh Valley Hospital - 17th Street:

Part V, Section B, Line 21: All patients receive the same charge for the same service. The expected collection amount for the uninsured is the average payment of non-government payers. Further reductions are based on the patient income and federal poverty guidelines.

Part VI Supplemental Information

Part VI, Line 2: Community Health Needs Assessment

The Health Care Council of the Lehigh Valley (HCCLV) is a newly formed not-for-profit group with representation from Lehigh Valley Health Network, the Dorothy Rider Pool Health Care Trust, St. Luke's University Health Network, Sacred Heart Health Care System, and Good Shepherd Rehabilitation Hospital. The HCCLV is developing a comprehensive regional Community Health Needs Assessment (CHNA) designed to identify the strengths and needs of our community, establish health priorities, and encourage collaborations within the community to take action on health issues, all in an effort to improve the health of residents in our region.

Members of the CHHS team have provided leadership in developing the HCCLV group, designing the CHNA, and collecting and analyzing key community health information.

Part VI, Line 3: Consistent with the mission and values of Lehigh Valley Health Network, it is the policy to provide medical care to all individuals without regard to their ability to pay for services. The Charity Care Policy which incorporates the LVHN Reduced Cost of Care program applies to uninsured and under-insured individuals who participate in the process to evaluate their ability to pay for LVHN services.

Patients are identified by LVHN registration, Benefits and Verification, Customer Service, and Financial Counselors as being in financial need. The Financial Counselors help patients complete the application for Reduced Cost of Care. LVHN follows the Federal Poverty Guidelines to evaluate eligibility. Patients whose family income falls below 200% of the

Part VI Supplemental Information

Federal Poverty guideline will have their entire balance forgiven for their qualifying services at a participating LVHN provider. Patients with a family income below 400% of the Federal Poverty guidelines will have a portion of their balance forgiven for qualifying services at a participating LVHN provider.

Patients are evaluated for no cost or reduced premium insurance plans. The LVHN Financial Counselors will offer information to patients who are interested in seeing if they qualify for these programs offered by commercial insurance companies.

Patients often express financial concern or need by contacting the LVHN Customer Service departments. The Customer Service representatives explain the programs available; Reduced Cost of Care, Medical Assistance, and a Reduced Patient responsibility for Self Pay patients.

Patients will be referred to the Financial Counselors who work with patients to apply for Pennsylvania Medical Assistance. The Financial Counselors are located onsite. The PATHS representatives visit patients in their inpatient rooms, in the Cancer Center, and in the Emergency Department.

In addition, LVHN advertises Financial Assistance in the local newspaper, on our public website and on the statements sent to our patients.

Part VI, Line 4: Lehigh Valley Hospital, Inc. (LVH) is a Pennsylvania not-for-profit membership corporation exempt from federal income taxes as a corporation described in Section 501(c)(3) of the Internal Revenue Code.

Part VI Supplemental Information

As of June 30, 2012, LVH operates hospital facilities at three primary locations:

17th and Chew Streets in Allentown, Lehigh County, Pennsylvania where 11 acute care beds, 52 skilled nursing beds and 10 inpatient hospice beds are operated; Cedar Crest Boulevard and Interstate 78 in Salisbury Township, Lehigh County, Pennsylvania where 665 acute care beds are operated; LVH also operates 65 psychiatry beds on the LVH-Muhlenberg campus.

The primary service area of LVH consists of Lehigh, Northampton and Carbon counties. Based on information available from the U.S. Census Bureau for the year 2010 census, the population of the primary service area was approximately 712,261 people and was estimated to be 726,443 at the end of calendar year 2012. During fiscal year 2012, 73% of the discharges from LVH were residents of the primary service area. The secondary service area consists of Monroe, Berks, Schuylkill and Luzerne counties as well as northern portions of Bucks and Montgomery counties. The 2010 population of the secondary service area was approximately 1,375,956. During fiscal year 2012, 22% of the discharges from LVH were residents of the secondary service area. Based on U.S. Census Bureau data, the current population of the combined primary and secondary LVH service area is projected by Claritas Demographics to increase approximately 5% by the year 2017. During fiscal year 2012, 5% of the discharges from LVH were residents outside the primary and secondary service areas.

Part VI, Line 5: Lehigh Valley Hospital qualifies as an Institution of Purely Public Charity in Pennsylvania. This regulation is referred to as Act 55. To be considered a purely public charity, nonprofits must:

(1) advance a charitable purpose;

Part VI Supplemental Information

- (2) donate or render gratuitously a substantial portion of its services;
- (3) benefit a substantial and indefinite class of persons who are legitimate subjects of charity;
- (4) relieve the government of some burden; and
- (5) operate entirely free from private profit motive.

LVH is required to reapply for this charitable status every five years and currently qualifies through October 31, 2015.

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

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

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

OMB No. 1545-0047

2011

**Open to Public
Inspection**

Name of the organization

Lehigh Valley Hospital

Employer identification number

23-1689692

Part I General Information on Grants and Assistance

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed

1 (a) Name and address of organization or government	(b) EIN	(c) IRC 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

- 2** Enter total number of section 501(c)(3) and government organizations listed in the line 1 table
- 3** Enter total number of other organizations listed in the line 1 table

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) (2011)

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
Nursing Scholarships	115	386,371.	0.	Book	
Jirolano Tuition Aide Scholarship	1	600.	0.	Book	

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

Schedule I, Part I, Line 2: Scholarships are awarded to senior nursing students in a Bachelor of Nursing program and 2nd year nursing students in an Associate Degree program, as well as employees who currently possess a Registered nurse continuing their education towards either a Bachelor's Degree or Master's Degree.

Criteria for scholarships to students in a Graduate Nurse program are: submit 2 letters of recommendation from clinical instructors, an official copy of their most current transcript demonstrating a 3.0 GPA or higher, a one page essay describing why they deserve the scholarship and a completed

Part IV Supplemental Information

assessment survey. If above information is considered favorable, two interviews are scheduled with selection committee members. If considered favorable after all interviews have been conducted, a scholarship award is offered. If candidate accepts and signs a contract, their commitment back to the hospital is for 2080 hours of employment as a Registered Nurse after successfully completing an internship. If candidate does not fulfill their commitment, the scholarship dollars are pro-rated and repayment is due back.

For current employees, an application is completed along with a letter of recommendation from their direct supervisor, a copy of most recent performance evaluation noting an evaluation score of 3.0 or better, and the must be currently enrolled in a nursing program.

**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.

OMB No. 1545-0047

2011

Open to Public Inspection

Name of the organization

Lehigh Valley Hospital

Employer identification number

23-1689692

Part I Questions Regarding Compensation

	Yes	No								
<p>1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.</p> <table border="0"> <tr> <td><input type="checkbox"/> First-class or charter travel</td> <td><input type="checkbox"/> Housing allowance or residence for personal use</td> </tr> <tr> <td><input checked="" type="checkbox"/> Travel for companions</td> <td><input type="checkbox"/> Payments for business use of personal residence</td> </tr> <tr> <td><input type="checkbox"/> Tax indemnification and gross-up payments</td> <td><input type="checkbox"/> Health or social club dues or initiation fees</td> </tr> <tr> <td><input type="checkbox"/> Discretionary spending account</td> <td><input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)</td> </tr> </table>	<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use	<input checked="" type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence	<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees	<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use									
<input checked="" type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence									
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees									
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)									
<p>b If any of the boxes on 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</p>	X									
<p>2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?</p>	X									
<p>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. Explain in Part III.</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Compensation committee</td> <td><input checked="" type="checkbox"/> Written employment contract</td> </tr> <tr> <td><input checked="" type="checkbox"/> Independent compensation consultant</td> <td><input checked="" type="checkbox"/> Compensation survey or study</td> </tr> <tr> <td><input type="checkbox"/> Form 990 of other organizations</td> <td><input checked="" type="checkbox"/> Approval by the board or compensation committee</td> </tr> </table>	<input checked="" type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract	<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study	<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee				
<input checked="" type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract									
<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study									
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee									
<p>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:</p> <p>a Receive a severance payment or change-of-control payment?</p> <p>b Participate in, or receive payment from, a supplemental nonqualified retirement plan?</p> <p>c Participate in, or receive payment from, an equity-based compensation arrangement?</p> <p>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.</p>	X	X								
<p>Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.</p> <p>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:</p> <p>a The organization?</p> <p>b Any related organization?</p> <p>If "Yes" to line 5a or 5b, describe in Part III.</p>		X								
<p>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:</p> <p>a The organization?</p> <p>b Any related organization?</p> <p>If "Yes" to line 6a or 6b, describe in Part III.</p>		X								
<p>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</p>		X								
<p>8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III</p>		X								
<p>9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?</p>										

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2011

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		(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				
1 Ronald W. Swinfard, MD	(i)	834,231.	283,500.	265,303.	0.	30,230.	1,413,264.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 Keith Weinhold	(i)	241,120.	48,148.	10,085.	0.	30,230.	329,583.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3 James Geiger	(i)	238,799.	50,000.	10,960.	0.	30,230.	329,989.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 Debby Patrick	(i)	237,957.	61,672.	-1,903.	0.	30,230.	327,956.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5 Scott Lipkin	(i)	216,669.	18,888.	12,709.	0.	30,230.	278,496.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
6 Edward Dougherty	(i)	208,536.	37,840.	-2,454.	0.	30,123.	274,045.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
7 Elliot J. Sussman, MD	(i)	145,093.	135,892.	1831266.	0.	0.	2,112,251.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
8 Joseph G. Felkner	(i)	335,279.	108,533.	487,606.	0.	0.	931,418.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
9 Mary Kay Grim	(i)	163,675.	61,900.	16,741.	0.	0.	242,316.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to 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.

Part I, Line 1a: Travel expenses for companion is paid by Lehigh Valley Hospital for one professional meeting per year for the President/CEO.

Part I, Lines 4a-b: Elliot J. Sussman, MD 635,131

Ronald W. Swinfard, MD 264,046

Keith Weinhold 16,599

Mary Kay Grim 15,444

James Geiger 15,613

Scott Lipkin 12,202

Edward Dougherty 3,670

Joseph Felkner 98,628

These amounts are accruals to a nonqualified supplemental executive retirement plan.

Supplemental Information on Tax-Exempt Bonds

Entity 1

OMB No. 1545-0047

2011
Open to Public
Inspection

▶ 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.

Name of the organization

Lehigh Valley Hospital

Employer identification number
23-1689692

Part I	Bond Issues See Part VI for Column (f) Continuations											
	(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) Pooled financing	
							Yes	No	Yes	No	Yes	No
A	Lehigh County General Purpose Authority	91-1886539	5248053F3	09/15/05	81,000,000.	construct, renovate & equip		X		X		X
B	Lehigh County General Purpose Authority	91-1886539	52480GAY0	06/04/08	53,725,184.	construct, renovate & equip		X		X		X
C	Lehigh County General Purpose Authority	91-1886539	52480GBG8	04/01/11	115,096,730.	refund 9/12/96 & 4/21/99 A issues;		X		X		X
D	Lehigh County General Purpose Authority	91-1886539	NoneAvail	02/15/12	18,665,000.	refund 4/15/04 & 10/17/01 issues		X		X		X

Part II	Proceeds							
	A		B		C		D	
1	Amount of bonds retired		2,612,200.		4,530,790.			
2	Amount of bonds legally defeased							
3	Total proceeds of issue		82,955,467.		53,885,593.		115,096,730.	
4	Gross proceeds in reserve funds		5,000,000.					
5	Capitalized interest from proceeds							
6	Proceeds in refunding escrows				114,976,250.		18,330,782.	
7	Issuance costs from proceeds		908,575.		704,637.		120,480.	
8	Credit enhancement from proceeds		2,341,645.		1,323,209.			
9	Working capital expenditures from proceeds							
10	Capital expenditures from proceeds		71,505,488.		51,857,747.			
11	Other spent proceeds		3,199,759.					
12	Other unspent proceeds							
13	Year of substantial completion		2007		2010		2011	
			Yes		No		Yes	
			No		Yes		No	
14	Were the bonds issued as part of a current refunding issue?		X		X		X	
15	Were the bonds issued as part of an advance refunding issue?		X		X		X	
16	Has the final allocation of proceeds been made?		X		X		X	
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?		X		X		X	

Part III	Private Business Use							
1	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X		X		X	
2	Are there any lease arrangements that may result in private business use of bond-financed property?		X		X		X	

Supplemental Information on Tax-Exempt Bonds

Entity 2

OMB No. 1545-0047

▶ 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.

2011
Open to Public
Inspection

Name of the organization

Lehigh Valley Hospital

Employer identification number
23-1689692

Part I Bond Issues		See Part VI for Column (f) Continuations									
(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) Pooled financing	
						Yes	No	Yes	No	Yes	No
A Lehigh County General Purpose Authority	91-1886539	NoneAvail	06/01/12	59,745,000.	reissuance of 6/6/08 issue		X		X		X
B											
C											
D											

Part II Proceeds		A		B		C		D	
1	Amount of bonds retired	955,000.							
2	Amount of bonds legally defeased								
3	Total proceeds of issue	59,745,000.							
4	Gross proceeds in reserve funds								
5	Capitalized interest from proceeds								
6	Proceeds in refunding escrows	59,745,000.							
7	Issuance costs from proceeds								
8	Credit enhancement from proceeds								
9	Working capital expenditures from proceeds								
10	Capital expenditures from proceeds								
11	Other spent proceeds								
12	Other unspent proceeds								
13	Year of substantial completion	2012							
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?	X							
15	Were the bonds issued as part of an advance refunding issue?		X						
16	Has the final allocation of proceeds been made?	X							
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	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		X		X		
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c Are there any research agreements that may result in private business use of bond-financed property?		X		X		X		
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government		%		%		%		%
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		%		%		%		%
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X		X			

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X		X		X
2 Is the bond issue a variable rate issue?		X		X	X		X	
3a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X		X	X		X	
b Name of provider					Merrill Lynch & Gold		JPMorgan Chase	
c Term of hedge					20.0000000		10.4000000	
d Was the hedge superintergrated?						X		X
e Was the hedge terminated?						X		X
4a Were gross proceeds invested in a guaranteed investment contract (GIC)?	X			X		X		X
b Name of provider	MBIA							
c Term of GIC	3.3000000							
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?	X							
5 Were any gross proceeds invested beyond an available temporary period?		X		X		X		X
6 Did the bond issue qualify for an exception to rebate?	X		X		X		X	

Part V Procedures To Undertake Corrective Action

Check the box if the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations Yes No

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K.

See Part VI Supplemental Explanation sheet

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?								
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?								
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		%		%		%		%
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		%		%		%		%
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X							

Part IV Arbitrage

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

Part V Procedures To Undertake Corrective Action

Check the box if the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations Yes No

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K.

See Part VI Supplemental Explanation sheet

Part VI Supplemental Information. Complete this part to provide additional information for responses to questions on Schedule K.

Schedule K, Part I, Bond Issues:

(a) Issuer Name: Lehigh County General Purpose Authority

(f) Description of Purpose: construct, renovate & equip facilities

(a) Issuer Name: Lehigh County General Purpose Authority

(f) Description of Purpose: construct, renovate & equip facilities

(a) Issuer Name: Lehigh County General Purpose Authority

(f) Description of Purpose:

refund 9/12/96 & 4/21/99 A issues;reissuance of 7/7/05 and 6/5/08 issues

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, line 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.**

OMB No. 1545-0047

2011

Open To Public Inspection

Name of the organization **Lehigh Valley Hospital** Employer identification number **23-1689692**

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

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

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

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ▶ \$ 0.
3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$ 0.

Part II Loans to and/or From Interested Persons.

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

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
Harry Lukens - Fi		X	90,000.	90,000.		X		X	X	
Total				▶ \$	90,000.					

Part III Grants or Assistance Benefiting 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 and type of assistance

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
Kathryn P. Taylor-Trustee	Board Member of Cap	98658402.	Capital Blu		X

Part V Supplemental Information

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

Sch L, Part IV, Business Transactions Involving Interested Persons:

(a) Name of Person: Kathryn P. Taylor-Trustee

(b) Relationship Between Interested Person and Organization:

Board Member of Capital Blue Cross - Trustee of LVHN/LVH/LVHM

(c) Amount of Transaction \$ 98,658,402.

(d) Description of Transaction: Capital BlueCross is a third party insurer doing business with LVHN.

(e) Sharing of Organization Revenues? = No

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.**
▶ **Attach to Form 990.**

Name of the organization **Lehigh Valley Hospital** Employer identification number **23-1689692**

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art - Works of art	X	9	77,710.	Fair Market Value
2 Art - Historical treasures				
3 Art - Fractional interests				
4 Books and publications	X		6,757.	Fair Market Value
5 Clothing and household goods	X		1,752.	Fair Market Value
6 Cars and other vehicles	X	1	18,200.	Fair Market Value
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded				
10 Securities - Closely held stock				
11 Securities - Partnership, LLC, or trust interests				
12 Securities - Miscellaneous				
13 Qualified conservation contribution - Historic structures				
14 Qualified conservation contribution - Other				
15 Real estate - Residential				
16 Real estate - Commercial				
17 Real estate - Other				
18 Collectibles				
19 Food inventory	X	15	1,569.	Fair Market Value
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (<u>IPads, DVD pl</u>)	X	3	2,725.	Fair Market Value
26 Other ▶ (<u>Jewelry</u>)	X	5	2,131.	Fair Market Value
27 Other ▶ (<u>Epson Project</u>)	X	1	640.	Fair Market Value
28 Other ▶ (<u>Digital Camer</u>)	X	1	200.	Fair Market Value

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement **29**

	Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	X	
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?		X
b If "Yes," describe in Part II.		
33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.		

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule M (Form 990) (2011)

Part II

Supplemental Information. Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

Part I, Other Types of Property:

Science Program

(a) Check if applicable = **X**

(b) Number of Contributors = **1**

(c) Revenue Reported on Form 990, Part VIII \$ **200.**

(d) Method of determining revenue: **Fair Market Value**

Multiple horizontal lines for additional information.

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 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

2011

Open to Public
Inspection

Name of the organization

Lehigh Valley Hospital

Employer identification number

23-1689692

Form 990, Part I, Line 1, Description of Organization Mission:

compassionate health care of superior quality and value, supported by
education and research.

Form 990, Part III, Line 4a, Program Service Accomplishments:

Unit-9, Burn Unit-18, Trauma/Neuro Intensive Care Unit-14, Neuroscience
Intensive Care Unit-14, Transitional Trauma Unit-30, Pediatric Unit-28,
Psychiatry (Adult)-52, Psychiatry (Adolescent)-13, Transitional Open
Heart Unit-30, Progressive Coronary Care Unit-32, Total-741. In
addition, LVH operates 27 bassinets in its Nursery.

LVH serves as a referral center for approximately two million residents
of surrounding counties in eastern Pennsylvania, with a special focus
in the following key areas:

Cardiovascular Services

LVH is one of the largest cardiovascular programs in the Commonwealth
of Pennsylvania. LVH performed 821 open-heart surgeries and 10,837
cardiac catheterization and electrophysiology procedures during the
fiscal year ended June 30, 2012. It consistently ranks in the top 1%
in the nation for heart attack survival. It received five of a
possible eight "lower than expected" mortality ratings for coronary
artery bypass graft and valve procedures in the Cardiac Surgery in
Pennsylvania 2008-2009 report published by the Pennsylvania Health Care
Cost Containment Council. In addition to operating one of the most
experienced cardiac programs in the country, LVH's heart and heart

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surgery program was cited as a "high performer" in US News and World Report in their Best Hospitals national rankings. LVH's Regional Heart Center provides disease prevention, acute care and rehabilitation services, including but not limited to: Medical Cardiology, Interventional Cardiology (Diagnostic, Therapeutic, Peripheral Vascular), Electrophysiology (Diagnostic, Therapeutic), Open Heart Surgery (Complex Heart Valve Surgery, Transaortic Valve Replacement, Ventricular Assist Device), Vascular Surgery (Acute Aortic Treatment, Peripheral Arterial Disease, Carotid Stenting), Cardiac Rehabilitation, Specialized Programs-Cardiovascular Prevention Program, Woman's Heart Program, Heart Disease and Pregnancy, MI Alert Program, Therapeutic Hypothermia, Sports Cardiology, Hypertrophic Cardiomyopathy, Arrhythmia Care, Pacer/ICD Lead Removal.

Neurosciences Services

LVH provides treatment for stroke, brain tumors, aneurysms, back problems and other neurological disorders that accounted for 7,030 admissions during the fiscal year ended June 30, 2012 in the following areas: Neurosurgery, Pain Management, Neurology, Neuropsychology, Neuro-Imaging, Neuro-Oncology, Neuro-Interventional Radiology.

LVH provides stroke services through its Regional Comprehensive Stroke Program which began operations in July, 2002. Since that time, the Stroke Center has treated 11,859 patients from northeastern Pennsylvania and western New Jersey. In addition, LVH was the first primary stroke center in the Lehigh Valley certified by the Joint Commission and was the first stroke program to be surveyed for Comprehensive Stroke Center status in Pennsylvania.

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Orthopedic Services

The Division of Orthopedic Surgery treats musculoskeletal disorders of the upper and lower extremities as well as the spine. Subspecialists with fellowship credentials provide the following services: joint replacement, spinal disorders, sports medicine, hand and wrist surgery, foot and ankle surgery, orthopedic trauma and pediatric orthopedics. In the fiscal year ended June 30, 2012, there were 7,758 total orthopedic cases of which 4,163 were inpatient and 3,595 were outpatient. In 2012, the LVH Orthopedic program was recognized by US News and World Report for being in the top 50 orthopedic programs in the country.

Behavioral Health Services

LVH operates inpatient behavioral health programs for adolescents and adults. The combined programs rank first in total beds in use, admissions, patient days and occupancy rate in Lehigh, Northampton, Carbon, Monroe, Schuylkill, and Berks counties. Clinical programs include psychiatric, psychological, nursing, dual diagnosis, psychiatric rehabilitation, social work and discharge planning services. LVH also provides ambulatory behavioral healthcare, including:

Psychiatric Evaluation Service program in all three hospital emergency departments

Three Partial Hospital programs for adults and adolescents

Several large outpatient group practices providing multidisciplinary short-term treatment to children, adolescents, adults and geriatric patients

Name of the organization Lehigh Valley Hospital	Employer identification number 23-1689692
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Two outpatient mental health clinics for seriously and persistently mentally ill adults

Two residential treatment sites, supporting and educating adults in independent living skills. Both these sites and the clinics are funded in part, under a contract with Lehigh County Department of Human Services through funds provided by County of Lehigh and the Pennsylvania Department of Public Welfare.

Psychiatric Home Care services

Consultation /Liaison Psychiatry, Education and Research and service offerings to schools, nursing homes and other community agencies round out LVH's contribution to the health and well-being of the region.

Trauma and Burn Services

In 1981, LVH became the first hospital in Pennsylvania to be designated as a Level I Trauma Center and is currently the second largest trauma program in Pennsylvania, admitting 3,635 patients in the fiscal year ended June 30, 2012. This program provides comprehensive trauma care and serves as a major regional resource covering a ten county area and a patient base of more than two million. LVH is also one of four Level I trauma programs in the state with additional qualifications in pediatric trauma. The Lehigh Valley Hospital Trauma Program provides a continuum of care for the trauma patient with one of eight trauma surgeons in-house 24 hours a day covering a 14 bed Trauma/Neuro Intensive Care unit as well as a 28 bed Transitional Trauma unit. A trauma rehabilitation team completes this continuum of trauma care. LVH also provides a Regional Burn Center operating 18 beds serving northeastern Pennsylvania, western New Jersey and parts of New York.

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The Regional Burn Center is the largest burn program in Pennsylvania, admitting 687 patients in fiscal year 2012 and has received certification from the American Burn Association and the American College of Surgeons to provide comprehensive inpatient and outpatient care for both adult and pediatric patients. Since 2008, the Regional Burn Center has implemented a TeleBurn service, which provides rapid access to our comprehensive burn care to more than 45 hospitals in Pennsylvania and New Jersey.

In addition, LVH coordinates pre-hospital emergency medical services and provides a 24 hour-a-day air ambulance service operating four helicopters covering eastern Pennsylvania and western New Jersey. Lehigh Valley Hospital MedEvac performs over 1,500 flights annually, including both on-scene and inter-facility patient transports.

Magnet Status for Nursing Excellence

In August 2002, the American Nurses Credentialing Center (ANCC) granted Magnet designation to LVH and LVH-Muhlenberg, the first full-service hospitals in Pennsylvania to receive the recognition. Developed by the ANCC in 1994, the Magnet designation is the American Nurses Association's highest honor for excellence in nursing and recognizes both hospitals as national leaders in nursing education, research, patient satisfaction, quality care, job retention and the central role of nursing in the organization. Magnet designation is for a period of four years, at which time an organization must reapply. The reapplication process is intense, necessitating that hospitals demonstrate increasingly higher standards than previous applications. In 2006 and 2011, LVHN hospitals were redesignated as Magnet hospitals, continuing to demonstrate the required evidence of a practice

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environment in which professional nurses and interdisciplinary colleagues deliver the highest standards of quality care.

Form 990, Part III, Line 4b, Program Service Accomplishments:

designated cancer centers.

Cancer Center facilities include physicians' offices, conference rooms, private education and counseling areas, multi-purpose treatment area for infusions, procedure room and radiation oncology facilities including: Linear accelerators (6), CT Simulators, Stereotaxic Body Radiosurgery Therapy, Brachytherapy-high and low dose rate, Gamma Knife, 3-D treatment planning, Intensity Modulated Radiation Therapy, Image Guided Radiation Therapy.

The faculty of the Cancer Center is composed of physicians who are cancer care specialists and board-certified in all fields of cancer therapy and evaluation. In addition, LVH participates in the 1-800-PA-CANCER telephone line, the Pennsylvania Department of Health's toll-free cancer information and resource phone number. Specially trained nurses from LVH provide callers with information about institutions, agencies, services and programs in the caller's communities that meet their cancer-related needs.

In calendar year 2011, the Cancer Center saw over 3,117 new cancer patients, making the Center the fourth largest in Pennsylvania. An analysis of the Pennsylvania State Tumor Registry data shows that LVH has 12% of the estimated cancer market share in LVH's nine-county market, including 62% in Lehigh County, 30% in Northampton County and 30% in Carbon County. Inpatient oncology admissions were 3,904 in the fiscal year ended June 30, 2012 and outpatient volumes were 86,208 radiation treatments, 64,397 infusion treatments and 51,872 breast

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procedures.

Women's Services

LVH offers programs and services designed to provide complete care for women in the Lehigh Valley. LVH delivered 4,153 babies during the fiscal year ended June 30, 2012. LVH maintains a special focus on prenatal care as a component of its comprehensive obstetric and gynecology services. The department of Obstetrics and Gynecology at LVH provides a variety of services to the women in the Greater Lehigh Valley and surrounding communities within Northeastern Pennsylvania. The Obstetrical portion of the department provides a vast array of services for both routine and high risk, complex obstetrical patients. Obstetrics - Physicians and Certified midwives provide general obstetrical care within LVH. Midwives offer their patients a family centered approach to low risk prenatal and general delivery care. They are independent allied health professionals who enjoy staff privileges and work under a collaborative agreement with designated physicians. General Obstetrics provide care to low to medium risk pregnancies and handle most deliveries at LVH.

Maternal Fetal Medicine - These physicians have specialized training and are available to provide complex, high risk prenatal care which includes: genetic counseling, amniocentesis, chorionic villus sampling and ultrasound. They currently reside on the Labor and Delivery and Perinatal Units to provide direct patient care, supervision and assist to ensure patients receive quality care.

Gynecology - LVH maintains a special focus on procedural and technological gynecological interventions (Gyn minimally invasive surgery), laparoscopic surgery, preoperative consultation and

Name of the organization Lehigh Valley Hospital	Employer identification number 23-1689692
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evaluation of pre-invasive and invasive gynecologic malignancies (cancer care), pelvic floor disorders (Urogynecology) and Reproductive Endocrinology & Infertility.

Women's services offers preventative care programs in a variety of lecture based series covering issues addressing young, middle and older females related to wellness and prevention. These include diverse support groups, community health fairs related to women, bilingual prenatal education, childbirth classes, lactation consultation and postpartum depression. "Our First" program is designed to address the needs of first time parents in addition to the Healthy Beginnings Plus programs for the underserved, uninsured and under insured patients of the community.

Children's Hospital at Lehigh Valley Hospital

Children's Hospital at Lehigh Valley Hospital, introduced in May 2012, offers the most wide-ranging, specialized health care services of any facility in the region. It is the region's only Children's ER, Pediatric Intensive Care Unit and the only associate member of the Children's Hospital Association, the organization that recognizes children's hospitals in the U.S.

LVHN completed a "children's care checklist" made by the late Forrest Moyer, MD, the Lehigh Valley's father of pediatrics. LVHN recently accomplished the last two goals on the list for the community by opening the Children's emergency room in 2011 and establishing a pediatric residency program.

LVHN's board-certified physicians provide children's care in 28 specialties including critical care, burn care, cancer, pulmonology, neurology, endocrinology including diabetes and gastroenterology.

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There are also 71 general pediatricians and 81 pediatric specialists on staff. Inpatient pediatric services include 111 licensed beds for general pediatrics, pediatric intensive care, neonatal intensive care and adolescent psychiatry. Children can receive care as an outpatient in the Children's ER at the Cedar Crest Site and the sleep center at the 17th & Chew Site. Other pediatric services included within the health network are the pediatric ambulatory surgery center and the outpatient infusion area at LVH-Muhlenberg in Bethlehem.

Pharmacy Services

Health Spectrum Pharmacy Services offers a range of pharmacy services in three convenient, patient focused locations: one at the Cedar Crest Site, one at the 17th & Chew Site and one at LVH-Muhlenberg. A fourth pharmacy located near the Cedar Crest Site provides home infusion services to residents of surrounding counties in eastern Pennsylvania.

Pharmacy services include prescriptions, compounding, specialty medications, over-the-counter, herbal/alternative medications, personal care products, first aid, wound care, ostomy, knee braces, orthotics, vascular garments, post-mastectomy, breast prostheses, diabetic supplies, and home infusion.

The retail pharmacies are accredited by The Board of Certification/Accreditation International and the home infusion pharmacy is accredited by Community Health Accreditation Program. The retail pharmacies are equipped with workflow, counting cell, and bar code scanning technology. Pills in a Pouch compliance packaging is also offered. In fiscal year 2012 354,036 prescriptions were filled and 3,187 infusion patients were serviced.

The Lehigh Valley Health Network inpatient pharmacy services are

Name of the organization Lehigh Valley Hospital	Employer identification number 23-1689692
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nationally recognized for efforts in medications safety and advances in technology. In 2003, the Institute for Safe Medication Practices recognized LVHN with in annual Cheers Award for safety. The department utilizes advances medications safety technologies including CPOE, Bedside Barcoding Medication verification, two medication dispensing robots, automated dispensing cabinets, and smart IV pump technologies. The staff has board certified clinical pharmacy specialists in the areas of Oncology, Trauma, Burn, Pediatrics, Cardiology, and General Medicine and uses a unit based model to provide pharmacy services at the point of care. The department leaders hold national and regional board level and fellowship positions to provide state of the art leadership in pharmacy practice.

Form 990, Part III, Line 4c, Program Service Accomplishments:

Personnel 61,841, Contribution to Western Salisbury Volunteer Fire Company 15,000, School Health 150,546, Communities in Schools 5,148, Fleetwood Area Weight Management & Healthy Lifestyles 11,739, Value of Volunteer Assistancel,743,774, Neighborhood Health Centers of the Lehigh Valley 458,601, Transitional Living Centers 395,951, Community Health & Health Studies Department 1,340,427, AIDS Activities Office 394,518, Healthy You Programs 168,303, Lehigh Valley Hospital Cancer Center (includes Patient Support & Education, Community Education & Screening Programs) 553,149, George E. Moerkirk Emergency Medicine Institute 441,256, Pastoral Care 677,704, Patient Representative -Press, Ganey Patient Survey 183,063, Foreign Language & Sign Language Interpreting Service 718,024, Public Affairs Activities: Community Health Education Programs 328,141, Patient Education Publications 255,660, Materials to Promote Health-Related Activities 238,503,

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Physician Referral & Health Information Line 448,069, Community Outreach in-kind, Voluntarism in-kind, Contributions 216,570, Free Oral Trauma Surgery Care 389,074, Ambulance Transport Costs 131,637, Transportation For Discharged Patients 40,949, Pharmaceuticals For Discharged Patients 408,620, Pharmacy Financial Coordinator 43,435, Infection Control Community Service (Includes free flu vaccine) 188,093, Moselem Springs Seniors Event 1,504, LVHN Couriers Free Transportation Services 113,500, Crucial Conversations Training - Children's Advocacy Center 2,646, Dental Screenings & Free Procedures in-kind, Division of Education - Office of Student Affairs in-kind, Helwig Diabetes Center Education & Outreach Programs in-kind, Chairman, Department of Pediatrics Community Service in-kind, Library Services to the Community in-kind, Dept. of OB/GYN - Community Research Education Week in-kind, Stroke Center Community Education Programs in-kind, Comprehensive Wound, Skin & Ostomy Services Community Education in-kind, Sleep Disorders Center Community Education in-kind, Patient Care Services - Community Service (includes classes, support groups, and Professional Excellence Council activities) in-kind, Trauma Division - Injury Prevention Programs in-kind, Tobacco Treatment Program in-kind.

Subtotal	\$158,771,693
Medical Education	7,826,310
Patient Education	302,788
Nursing Education	11,939,550
Research Activities net of Grant Funding	2,762,470

Subtotal	\$22,831,118
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Total \$181,602,811

Form 990, Part VI, Section B, line 11: The process to review the 990's includes:

Draft 1 of the returns is reviewed in detail with a focus on accuracy, completeness, and perspective by the LVHN Controller and the LVHN Corporate Legal Counsel. Draft 2 of the returns is reviewed by the Chief Financial Officer. All Compensation disclosures are reviewed by the Vice President - Human Resources. In addition, selected information is also reviewed by LVHN external consultants: Compensation information reviewed by the LVHN Compensation consultant and compensation and charitable purpose information reviewed by an additional LVHN consultant. Draft 3 of the returns is reviewed together with the President & CEO, the Chief Financial Officer, the Controller and the Director-Tax.

Final Returns are reviewed with LVHN Executive Committee of the Board of Trustees prior to their filing.

Form 990, Part VI, Section B, Line 12c: Trustees, officers, management and members of the medical staff are required to complete the Conflict of Interest and Commitment questionnaire on an annual basis. Effective August 2008, the questionnaire is completed electronically and stored in a database for ease of reporting and monitoring purposes. Reported conflicts of interests are reported to the Lehigh Valley Health Network Board on an annual basis. The information is also shared with the Pennsylvania Department of Health during their survey process. Those affected within the organization and their immediate supervisors are responsible for ongoing

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compliance with the Policy both annually and in the interim between declaration periods where possible new conflict situations may arise.

Form 990, Part VI, Section B, Line 15: The Executive Compensation Committee of the Board of Trustees of Lehigh Valley Health Network is authorized to perform its functions for and on behalf of LVHN.

Committee Organization:

1. The Committee shall be composed of at least four (4) members of the Board of Trustees, one of whom shall serve as Chair of the Committee. The Committee shall be composed entirely of Trustees who are entirely disinterested members of the Board. The Trustees will have no material relationship to LVHN and/or its Senior Management Council members that may limit their disinterestedness in this role, including that the Trustees (i) must not have any personal interest in the compensation arrangement, (ii) must not be related to or under the control of the person whose compensation is being evaluated, and (iii) must have no material business relationship with LVHN. If a proposed member of the Committee has identified a potential conflict of interest, the issue shall be reviewed by the disinterested members of the Audit Committee which shall report its findings to the Chair of the Executive Compensation Committee. Based on that review, the Chair and the Committee, absent the member with a potential conflict, will make the final determination as to the disinterestedness of the Trustee and the appropriateness of service. From time to time, there may be specific situations which pose a potential conflict of interest. In such instances, the Committee will make the appropriate determination. The Committee may also establish such other procedures as it may deem appropriate with respect to the disinterested

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status of its members, subject to Board approval.

2. The members and the Chair of the Committee shall be appointed each year by the Board of Trustees in accordance with its policies, and shall serve at the pleasure of the Board of Trustees for such term or terms as the Board of Trustees may determine. The Committee shall conduct its activities in conformity with the requirements of the LVHN By-Laws and the requirements of the Internal Revenue Code of 1986, and Regulations promulgated thereunder, together with any further obligations or requirements as directed by the Board.

3. Each Committee Member shall have the following qualifications:

Ability to critically review performance and market practice data and apply relevant information fairly, while properly balancing the competing needs of LVHN's stakeholders.

Ability to consider the objectives of linking compensation to performance and retaining high-performing personnel, all in the best interests of LVHN and in accordance with its charitable mission.

An understanding of the market place regarding the attraction and retention of Senior Management Council employees and other key personnel.

Functions, Duties and Authorities:

The Committee on an annual basis shall:

Assess the performance of the Chief Executive Officer, determine the Chief Executive Officer's compensation, discuss the appraisal with the CEO and report its determination generally to the full Board.

Review the performance of all other members of the Senior Management

Council and approve their compensation considering the recommendations of

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the Chief Executive Officer, and report its determinations generally to the full Board.

Review the performance of disqualified persons and other individuals in key leadership positions as determined by the Committee.

Review the succession plan and professional and career development of senior management in the organization.

Review the compensation plan for selected physicians, including LVPG.

Assure that any applicable compensation arrangement is reviewed by the Committee in accordance with all applicable rules and regulations, including Section 4958 of the Internal Revenue Code or its successor. In particular, the Committee intends that its determinations qualify for the "Rebuttable Presumption of Reasonableness" and thus it will ensure that: A compensation arrangement is approved in advance only by Committee members who do not have a conflict of interest with respect to the arrangement, It relies upon appropriate, independent comparability data prior to making its determination, and The basis for the determination is adequately documented concurrent with the Committee's approval. Adequate documentation requires (i) the terms of compensation, (ii) date of approval, (iii) members present, (iv) the source of comparability information and the data, (v) rationale for compensation levels that fall at the upper end of the comparability data, and (vi) any actions taken with respect to conflicts of interest of any member of the Committee. The documentation must be prepared by the later of the next meeting of the Committee or 60 days after final action and approved within a reasonable time thereafter.

The Committee, with respect to the administration of the Retirement Plan shall:

Appoint the Plan Administrator

132212
01-23-12

Name of the organization Lehigh Valley Hospital	Employer identification number 23-1689692
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Delegate the day-to-day functions of Plan administration to the Plan Administrator. Specifically these delegated duties shall include: convening a pension administration committee, compliance with ERISA and IRS documentation and reporting requirements; oversight and management of the benefit claims appeal process; and preparation and distribution of disclosures to Plan participants, make recommendations to the LVHN Board regarding Retirement Plan design.

Specific responsibilities shall include: reviewing and making recommendations on benefit structure, the Plan Document or the Trust Agreement; reviewing and recommending additions or deletions of organizational divisions covered by the Plan.

The Committee shall also:
 Consider and make recommendations to the Board regarding the compensation philosophy for the Senior Management Council.
 Annually evaluate the performance and function of the Committee, including a review of its compliance with this Charter.
 Direct the establishment of a process that ensures compensation information is fully and fairly disclosed on the Form 990.
 Discharge such additional duties and responsibilities as the Board of Trustees may from time to time assign to it.

Form 990, Part VI, Section C, Line 18: Another's Website - Guidestar. Upon request - hard copies with senior management and marketing.

Form 990, Part VI, Section C, Line 19: The Organization makes its financial statements available to the public through its Annual Report to the community. The Annual Report is distributed to all attendees at the

Name of the organization Lehigh Valley Hospital	Employer identification number 23-1689692
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Organizations annual public meeting. In addition, it is distributed via mail to members of the community. The Organizations governing documents and conflict of interest policy are not made available to the public.

Form 990, Part XI, line 5, Changes in Net Assets:

Net unrealized losses on investments:	-47,284,439.
Unfunded Pension Liability	-148,920,436.
Equity Transfer from LVHS, Inc	44,734,479.
Equity transfer to LVPG	-6,148,555.
Temporarily restricted cash	-1,572,008.
Total to Form 990, Part XI, Line 5	-159,190,959.

Form 990, Part XI, Line 2c

Committee - oversight of audit

The Audit Committee of the Board of Trustees assumes responsibility for oversight of the audit and selection of an independent auditor.

Form 990, Part VI, Line 16b

Written Policy - Joint Venture arrangements

Although the organization does not have a written policy with respect to evaluation of participation in joint venture arrangements, no joint venture is entered into without having had the transactional documents reviewed and evaluated by outside counsel and, if necessary, consultants and accountants to assure that the arrangement does not, in any manner, compromise the organization's exempt status and mission.

Form 990, Part VII, Line 1a

132212
01-23-12

Schedule O (Form 990 or 990-EZ) (2011)

Name of the organization Lehigh Valley Hospital	Employer identification number 23-1689692
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Compensation of Officers, Directors, Trustees, Key Employees, etc.

Hours worked by these individuals reflect the combined hours spent as a Board Officer and an Employee of the organization. All compensation, benefits, etc. reported are for work as a member of senior management of the organization. The remainder of the officers, trustees, listed above are volunteers and receive no compensation.

Related Organizations and Unrelated Partnerships
▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization **Lehigh Valley Hospital** Employer identification number **23-1689692**

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to 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	No
Lehigh Valley Health Network - 22-2458317 1200 S. Cedar Crest Blvd. Allentown, PA 18103	Parent Company	Pennsylvania	501(c)(3)	509(a)(3) III-FI	N/A		X
Lehigh Valley Hospital - Muhlenberg - 23-2367707, 1200 S. Cedar Crest Blvd., Allentown, PA 18103	Health Care Organization	Pennsylvania	501(c)(3)	170(b)(1) (A)(iii)	Lehigh Valley Health Network		X
Lehigh Valley Physician Group - 23-2700908 1200 S. Cedar Crest Blvd. Allentown, PA 18103	Physician Practice Organization	Pennsylvania	501(c)(3)	Line 9	Lehigh Valley Health Network		X
Muhlenberg Realty Corporation - 23-2245513 1200 S. Cedar Crest Blvd. Allentown, PA 18103	Real Estate Rentals	Pennsylvania	501(c)(3)	509(a)(3) III-FI	Lehigh Valley Health Network		X

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to 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) Disproportion- ate 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	
LVHN Reciprocal Risk Retention Group - 20-0037118, 151 Meeting Street, Ste. 301, Charleston,	Insurance	PA	Lehigh Valley Health Network	Related	0.	1,464,566.			X	N/A		X
Health Network Laboratories, LLC - 23-2932802, 2024 Lehigh Street, Allentown, PA 18103	Laboratory Services	PA	Lehigh Valley Hospital	Related	0.	828,750.			X	N/A		X
Health Network Laboratories, LP - 23-2948774, 2024 Lehigh Street, Allentown, PA 18103	Laboratory Services	PA	Lehigh Valley Hospital	Related	14,172,643.	96,089,525.			X	N/A		X
Lehigh Magnetic Imaging Center - 23-2429077, 1230 S. Cedar Crest Blvd., Allentown, PA 18103	Imaging Center	PA	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" to 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
Lehigh Valley Health Services, Inc. - 23-2263665 2100 Mack Blvd. Allentown, PA 18103-5622	Health Care Related Services	PA	N/A	C CORP	N/A	N/A	N/A
Lehigh Valley Anesthesia Services, P.C. - 23-3096124 2100 Mack Blvd. Allentown, PA 18103-5622	Anesthesia Services	PA	N/A	C CORP	N/A	N/A	N/A
Westgate Professional Center, Inc. - 23-1657333 2100 Mack Blvd. Allentown, PA 18103-5622	Real Estate Rentals	PA	N/A	C CORP	N/A	N/A	N/A
Lehigh Valley Physician Hospital Organization, Inc. - 23-2750430, 2100 Mack Blvd., Allentown, PA 18103-5622	Health Care Related Services	PA	N/A	C CORP	N/A	N/A	N/A

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

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

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

	Yes	No
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to related organization(s)		X
c Gift, grant, or capital contribution from related organization(s)		X
d Loans or loan guarantees to or for related organization(s)	X	
e Loans or loan guarantees by related organization(s)	X	
f Sale of assets to related organization(s)		X
g Purchase of assets from related organization(s)	X	
h Exchange of assets with related organization(s)		X
i Lease of facilities, equipment, or other assets to related organization(s)	X	
j Lease of facilities, equipment, or other assets from related organization(s)	X	
k Performance of services or membership or fundraising solicitations for related organization(s)	X	
l Performance of services or membership or fundraising solicitations by related organization(s)	X	
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	X	
n Sharing of paid employees with related organization(s)	X	
o Reimbursement paid to related organization(s) for expenses	X	
p Reimbursement paid by related organization(s) for expenses	X	
q Other transfer of cash or property to related organization(s)		X
r Other transfer of cash or property from related organization(s)		X

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

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(1)			
(2)			
(3)			
(4)			
(5)			
(6)			

Part VII Supplemental Information

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

Part III, Identification of Related Organizations Taxable as Partnership:

Name, Address, and EIN of Related Organization:

LVHN Reciprocal Risk Retention Group

EIN: 20-0037118

151 Meeting Street, Ste. 301

Charleston, SC 29401