

Form **990**
Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
Do not enter social security numbers on this form as it may be made public
Information about Form 990 and its instructions is at www.irs.gov/form990

OMB No 1545-0047
2016
Open to Public Inspection

A For the 2016 calendar year, or tax year beginning 07-01-2016, and ending 06-30-2017

- B** Check if applicable
 Address change
 Name change
 Initial return
 Final
 Return/terminated
 Amended return
 Application pending

C Name of organization
ST LUKE'S PHYSICIAN GROUP INC
% THOMAS P LICHTENWALNER
Doing business as

Number and street (or P O box if mail is not delivered to street address) Room/suite
801 OSTRUM STREET

City or town, state or province, country, and ZIP or foreign postal code
BETHLEHEM, PA 18015

D Employer identification number
23-2380812

E Telephone number
(484) 526-4000

G Gross receipts \$ 364,135,767

F Name and address of principal officer
THOMAS P LICHTENWALNER
801 OSTRUM STREET
BETHLEHEM, PA 18015

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

H(b) Are all subordinates included? Yes No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status 501(c)(3) 501(c) () ◀ (insert no) 4947(a)(1) or 527

J Website: ▶ WWW.SLHN.ORG

K Form of organization Corporation Trust Association Other ▶

L Year of formation 1985

M State of legal domicile PA

Part I Summary

1 Briefly describe the organization's mission or most significant activities
TO PROVIDE COMPASSIONATE, EXCELLENT QUALITY AND COST EFFECTIVE HEALTHCARE TO THE RESIDENTS OF THE COMMUNITIES WE SERVE IN A NON-DISCRIMINATORY MANNER

2 Check this box 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)	16
4 Number of independent voting members of the governing body (Part VI, line 1b)	13
5 Total number of individuals employed in calendar year 2016 (Part V, line 2a)	2,709
6 Total number of volunteers (estimate if necessary)	7
7a Total unrelated business revenue from Part VIII, column (C), line 12	0
7b Net unrelated business taxable income from Form 990-T, line 34	

	Prior Year	Current Year
8 Contributions and grants (Part VIII, line 1h)	0	12,167
9 Program service revenue (Part VIII, line 2g)	277,968,261	364,090,282
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0	0
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	66,819	33,318
12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	278,035,080	364,135,767
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	3,509	2,369
14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	240,272,438	278,047,184
16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b Total fundraising expenses (Part IX, column (D), line 25) ▶ 0		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	64,611,908	79,852,927
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	304,887,855	357,902,480
19 Revenue less expenses Subtract line 18 from line 12	-26,852,775	6,233,287

	Beginning of Current Year	End of Year
20 Total assets (Part X, line 16)	58,417,568	57,394,802
21 Total liabilities (Part X, line 26)	196,418,762	195,395,996
22 Net assets or fund balances Subtract line 21 from line 20	-138,001,194	-138,001,194

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: 2018-05-09
THOMAS P LICHTENWALNER SVP FINANCE/CFO
Type or print name and title

Paid Preparer Use Only
Print/Type preparer's name: Scott J Mariani Preparer's signature: Scott J Mariani Date: 2018-05-09
Check if self-employed PTIN: P00642486
Firm's name: WithumSmithBrown PC Firm's EIN: _____
Firm's address: 200 Jefferson Park Suite 400 Whippany, NJ 079811070 Phone no: (973) 898-9494

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission

THE MISSION OF THE ORGANIZATION IS TO PROVIDE COMPASSIONATE, EXCELLENT QUALITY AND COST EFFECTIVE HEALTHCARE TO THE RESIDENTS OF THE COMMUNITIES WE SERVE REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN OR ABILITY TO PAY THE ORGANIZATION IS AN AFFILIATE WITHIN ST LUKE'S UNIVERSITY HEALTH NETWORK ("NETWORK"), A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY NETWORK ST LUKE'S HEALTH NETWORK, INC IS THE TAX-EXEMPT PARENT ENTITY OF THE NETWORK THE NETWORK HAS AN UNWAVERING COMMITMENT TO EXCELLENCE AS WE CARE FOR THE SICK AND INJURED, EDUCATE PHYSICIANS, NURSES AND OTHER HEALTHCARE PROVIDERS, AND IMPROVE ACCESS TO CARE IN THE COMMUNITIES WE SERVE

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes," describe these new services on Schedule O

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

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses \$ 85,079,859 including grants of \$ 0) (Revenue \$ 62,093,354)
See Additional Data

4b (Code) (Expenses \$ 44,762,383 including grants of \$ 0) (Revenue \$ 29,720,303)
See Additional Data

4c (Code) (Expenses \$ 39,970,713 including grants of \$ 0) (Revenue \$ 21,905,326)
See Additional Data

4d Other program services (Describe in Schedule O)
(Expenses \$ 152,299,514 including grants of \$ 2,369) (Revenue \$ 250,371,299)

4e Total program service expenses ▶ 322,112,469

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	Yes	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III		No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V		No
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	Yes	
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII		No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII		No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX		No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	Yes	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X		No
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII		No
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional	Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		No
14a Did the organization maintain an office, employees, or agents outside of the United States?		No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV		No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV		No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV		No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)		No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		No

Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		No
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>	Yes	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		No
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
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?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) 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>		No
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		No
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>		No
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		No
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		No
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		No
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>		No
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		No
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>		No
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		No
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>		No
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		No
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	Yes	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		No
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
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>		No
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		No
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V [X]

Table with columns for question ID, question text, and Yes/No response boxes. Includes sections for backup withholding, employee reporting, foreign accounts, prohibited transactions, charitable contributions, and 501(c)(7), (12), and (29) organizations.

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

Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a (16), 1b (13), 2, 3, 4, 5, 6, 7a, 7b, 8a, 8b, 9.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a, 10b, 11a, 11b, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, 16b.

Section C. Disclosure

Table with 3 columns: Question, Yes, No. Rows include: 17, 18, 19, 20.

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) SAMUEL R GIAMBER MD CHAIRMAN - DIRECTOR	55 00	X		X			181,731	0	11,453	
(2) JOHN M DALY MD VICE CHAIRMAN - DIRECTOR	1 00	X		X			0	0	0	
(3) DAVID M LOBACH JR VICE CHAIRMAN - DIRECTOR	1 00	X		X			0	0	0	
(4) RICHARD A ANDERSON DIRECTOR - PRESIDENT/CEO SLUHN	55 00	X		X			0	2,156,617	318,921	
(5) FAUST E CAPOBIANO DIRECTOR	1 00	X					0	0	0	
(6) ROBERT S GAYNER MD DIRECTOR	1 00	X					0	0	0	
(7) ROBERT J GREY DIRECTOR	1 00	X					0	0	0	
(8) KOSTAS KALOGEROPOULOS DIRECTOR	1 00	X					0	0	0	
(9) DAVID MUETHING DIRECTOR	1 00	X					0	0	0	
(10) ROBERT A OSTER DIRECTOR	1 00	X					0	0	0	
(11) DANIEL P PETROZZO DIRECTOR	1 00	X					0	0	0	
(12) ROBERT D RUMFIELD DIRECTOR	1 00	X					0	0	0	
(13) CHARLES D SAUNDERS MD DIRECTOR	1 00	X					0	0	0	
(14) LUANNE B STAUFFER DIRECTOR	1 00	X					0	0	0	
(15) KRISTINA W WARNER DIRECTOR	1 00	X					0	0	0	
(16) DAVID M YEN MD DIRECTOR	1 00	X					0	0	0	
(17) THOMAS P LICHTENWALNER SVP FINANCE & CFO	55 00			X			0	950,801	211,434	

Part VIII Statement of Revenue

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

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e	12,167			
	f All other contributions, gifts, grants, and similar amounts not included above	1f				
	g Noncash contributions included in lines 1a-1f \$ _____					
	h Total. Add lines 1a-1f		12,167			
Program Service Revenue		Business Code				
	2a NET PATIENT SERVICE REVENUE	541900	220,317,649	220,317,649		
	b PHYSICIAN PRACTICE SUPPORT REVENUE	541900	137,415,684	137,415,684		
	c MANAGEMENT SERVICE REVENUE	541900	4,064,410	4,064,410		
	d OTHER HEALTHCARE RELATED REVENUE	541900	2,292,539	2,292,539		
	e _____					
	f All other program service revenue					
g Total. Add lines 2a-2f		364,090,282				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		0			
	4 Income from investment of tax-exempt bond proceeds		0			
	5 Royalties		0			
	6a Gross rents	(i) Real				
		(ii) Personal				
		33,318				
		b Less rental expenses				
	c Rental income or (loss)	33,318	0			
	d Net rental income or (loss)		33,318		33,318	
	7a Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
		b Less cost or other basis and sales expenses				
		c Gain or (loss)				
	d Net gain or (loss)		0			
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a		0		
b Less direct expenses		b	0			
c Net income or (loss) from fundraising events			0			
9a Gross income from gaming activities See Part IV, line 19	a		0			
	b Less direct expenses	b	0			
	c Net income or (loss) from gaming activities		0			
10a Gross sales of inventory, less returns and allowances	a		0			
	b Less cost of goods sold	b	0			
	c Net income or (loss) from sales of inventory		0			
Miscellaneous Revenue	Business Code					
11a						
b						
c						
d All other revenue						
e Total. Add lines 11a-11d		0				
12 Total revenue. See Instructions		364,135,767	364,090,282		33,318	

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments See Part IV, line 21	2,369	2,369		
2 Grants and other assistance to domestic individuals See Part IV, line 22	0			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, line 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	193,184	173,866	19,318	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	242,605,455	218,344,910	24,260,545	
8 Pension plan accruals and contributions (include section 401 (k) and 403(b) employer contributions)	5,090,802	4,581,722	509,080	
9 Other employee benefits	17,808,177	16,027,359	1,780,818	
10 Payroll taxes	12,349,566	11,114,609	1,234,957	
11 Fees for services (non-employees)				
a Management	0			
b Legal	0			
c Accounting	0			
d Lobbying	0			
e Professional fundraising services See Part IV, line 17	0			
f Investment management fees	0			
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	1,930,628	1,737,565	193,063	
12 Advertising and promotion	100,007	90,006	10,001	
13 Office expenses	5,594,341	5,034,907	559,434	
14 Information technology	3,549,199	3,194,279	354,920	
15 Royalties	0			
16 Occupancy	14,117,373	12,705,636	1,411,737	
17 Travel	379,709	341,738	37,971	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	935,249	841,724	93,525	
20 Interest	0			
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	5,885,739	5,297,165	588,574	
23 Insurance	8,315,321	7,483,789	831,532	
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 PURCHASED SERVICES	23,602,043	21,241,839	2,360,204	
b MEDICAL SUPPLIES	10,751,336	9,676,202	1,075,134	
c REPAIRS & MAINTENANCE	1,229,549	1,106,594	122,955	
d DUES, LICENSE & SUBSCRIPTIONS	1,085,534	976,981	108,553	
e All other expenses	2,376,899	2,139,209	237,690	
25 Total functional expenses. Add lines 1 through 24e	357,902,480	322,112,469	35,790,011	0
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

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

		(A) Beginning of year		(B) End of year	
Assets	1 Cash—non-interest-bearing	12,390	1	13,123	
	2 Savings and temporary cash investments	0	2	0	
	3 Pledges and grants receivable, net	0	3	0	
	4 Accounts receivable, net	20,004,554	4	23,050,956	
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L	0	5	0	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L	0	6	0	
	7 Notes and loans receivable, net	0	7	0	
	8 Inventories for sale or use	0	8	0	
	9 Prepaid expenses and deferred charges	2,264,303	9	2,344,932	
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 65,882,308			
	b Less accumulated depreciation	10b 35,734,767	28,725,736	10c	30,147,541
	11 Investments—publicly traded securities	0	11	0	
	12 Investments—other securities See Part IV, line 11	0	12	0	
	13 Investments—program-related See Part IV, line 11	0	13	0	
	14 Intangible assets	5,910,936	14	0	
	15 Other assets See Part IV, line 11	1,499,649	15	1,838,250	
16 Total assets. Add lines 1 through 15 (must equal line 34)	58,417,568	16	57,394,802		
Liabilities	17 Accounts payable and accrued expenses	39,164,184	17	49,008,415	
	18 Grants payable	0	18	0	
	19 Deferred revenue	0	19	8,062	
	20 Tax-exempt bond liabilities	0	20	0	
	21 Escrow or custodial account liability Complete Part IV of Schedule D	0	21	0	
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L	0	22	0	
	23 Secured mortgages and notes payable to unrelated third parties	0	23	0	
	24 Unsecured notes and loans payable to unrelated third parties	0	24	0	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D	157,254,578	25	146,379,519	
	26 Total liabilities. Add lines 17 through 25	196,418,762	26	195,395,996	
Net Assets or Fund Balances	27 Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34. Unrestricted net assets	-138,001,194	27	-138,001,194	
	28 Temporarily restricted net assets	0	28	0	
	29 Permanently restricted net assets	0	29	0	
	30 Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34. 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	-138,001,194	33	-138,001,194	
	34 Total liabilities and net assets/fund balances	58,417,568	34	57,394,802	

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	364,135,767
2	Total expenses (must equal Part IX, column (A), line 25)	2	357,902,480
3	Revenue less expenses Subtract line 2 from line 1	3	6,233,287
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-138,001,194
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-6,233,287
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	-138,001,194

Part XII Financial Statements and Reporting

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

		Yes	No
<p>1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____</p> <p>If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O</p>			
<p>2a Were the organization's financial statements compiled or reviewed by an independent accountant?</p> <p>If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both</p> <p><input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis</p>	2a		No
<p>b Were the organization's financial statements audited by an independent accountant?</p> <p>If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both</p> <p><input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis</p>	2b	Yes	
<p>c If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?</p> <p>If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O</p>	2c	Yes	
<p>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?</p>	3a	Yes	
<p>b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits</p>	3b	Yes	

Additional Data

Software ID:

Software Version:

EIN: 23-2380812

Name: ST LUKE'S PHYSICIAN GROUP INC

Form 990 (2016)

Form 990, Part III, Line 4a:

PRIMARY CARE MEDICAL SERVICES IS COMPRISED OF EMPLOYED PRIMARY CARE PHYSICIANS, AS WELL AS VARIOUS CRNPS AND PACS, PROVIDING SERVICES AT MORE THAN 90 PRACTICE SITES THROUGHOUT THE REGION SERVED BY THE NETWORK CARE IS PROVIDED FOR ALL AGE GROUPS FROM NEWBORNS TO GERIATRIC PATIENTS EMPHASIS IS PLACED ON DISEASE PREVENTION AND EFFECTIVE DISEASE MANAGEMENT ALL PRACTICES ACCEPT MEDICARE AND MEDICAID PATIENTS THROUGHOUT FY 2017, 525,120 PATIENTS RECEIVED PRIMARY CARE SERVICES

Form 990, Part III, Line 4b:

WOMEN/CHILDREN'S CARE IS COMPRISED OF EMPLOYED OBSTETRICAL AND GYNECOLOGIC PHYSICIANS, AS WELL AS VARIOUS CRNPS AND PACS, PROVIDING SERVICES AT MORE THAN 18 PRACTICE SITES THROUGHOUT THE REGION SERVED BY THE NETWORK, AS WELL AS IN VARIOUS WOMEN'S HEALTH CLINICS THESE INCLUDE FELLOWSHIP-TRAINED, BOARD CERTIFIED NEONATOLOGISTS AND PERINATOLOGISTS THERE ARE ALSO EMPLOYED PEDIATRICIANS WHO PROVIDE CARE IN THE NETWORK'S EXTENSIVE PEDIATRIC CLINIC SYSTEM ALL PRACTICES ACCEPT MEDICARE AND MEDICAID PATIENTS THROUGHOUT FY 2017, 220,861 PATIENTS RECEIVED OBSTETRIC AND GYNECOLOGICAL SERVICES

Form 990, Part III, Line 4c:

CARDIOVASCULAR MEDICINE IS COMPRISED OF EMPLOYED CARDIOLOGISTS, ALL BOARD CERTIFIED, SUPPORTING OVER 30 PRACTICE SITE LOCATIONS, INCLUDING THE NETWORK'S 11 HOSPITAL SITES THE PRACTICE INCLUDES ELECTROPHYSIOLOGISTS, INTERVENTIONALISTS, A HEART FAILURE AND LIPID SPECIALIST AND A CARDIOLOGIST WITH A FELLOWSHIP IN CARDIAC MRI THE VASCULAR CENTER PROVIDES A COMPREHENSIVE APPROACH TO VASCULAR CARE ALL PRACTICES ACCEPT MEDICARE AND MEDICAID PATIENTS THROUGHOUT FY 2017, 97,869 PATIENTS RECEIVED CARDIOVASCULAR SERVICES

SCHEDULE A
(Form 990 or 990EZ)

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.

2016

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

Name of the organization
ST LUKE'S PHYSICIAN GROUP INC

Employer identification number
23-2380812

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 12, 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 (Form 990 or 990-EZ))
- 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 agricultural research organization described in **170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land grant college of agriculture See instructions Enter the name, city, and state of the college or university _____
- 10 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)
- 11 An organization organized and operated exclusively to test for public safety See **section 509(a)(4)**.
- 12 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 in lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization
 - f Enter the number of supported organizations 1
 - g Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A) ST LUKE'S HOSPITAL OF BETHLEHEM PA	231352213	3	Yes		0	0
Total	1				0	0

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, 8, or 9 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)2012	(b)2013	(c)2014	(d)2015	(e)2016	(f)Total
1	Gifts, grants, contributions, and membership fees received (Do not include any "unusual grant.")						
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)2012	(b)2013	(c)2014	(d)2015	(e)2016	(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 VI))						
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 2016 (line 6, column (f) divided by line 11, column (f))	14	
15	Public support percentage for 2015 Schedule A, Part II, line 14	15	
16a	33 1/3% support test—2016. 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—2015. 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—2016. 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 VI 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—2015. 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 VI 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 10 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)2012	(b)2013	(c)2014	(d)2015	(e)2016	(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)2012	(b)2013	(c)2014	(d)2015	(e)2016	(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 VI)						
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 ► <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15	Public support percentage for 2016 (line 8, column (f) divided by line 13, column (f))	15	
16	Public support percentage from 2015 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17	Investment income percentage for 2016 (line 10c, column (f) divided by line 13, column (f))	17	
18	Investment income percentage from 2015 Schedule A, Part III, line 17	18	
19a	33 1/3% support tests—2016. 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 ► <input type="checkbox"/>		
b	33 1/3% support tests—2015. 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 ► <input type="checkbox"/>		
20	Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ► <input type="checkbox"/>		

Part IV Supporting Organizations

(Complete only if you checked a box on line 12 of Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

		Yes	No
1	Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		
1		Yes	
2	Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).		No
2			No
3a	Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		No
3a			No
b	Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.		
3b			
c	Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.		
3c			
4a	Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes" and if you checked 12a or 12b in Part I, answer (b) and (c) below.		No
4a			No
b	Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
4b			
c	Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.		
4c			
5a	Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI , including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).		No
5a			No
b	Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
5b			
c	Substitutions only. Was the substitution the result of an event beyond the organization's control?		
5c			
6	Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI .		No
6			No
7	Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		No
7			No
8	Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).		No
8			No
9a	Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI .		No
9a			No
b	Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI .		No
9b			No
c	Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI .		No
9c			No
10a	Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer line 10b below.		No
10a			No
b	Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)		
10b			

Part IV Supporting Organizations (continued)

		Yes	No
11	Has the organization accepted a gift or contribution from any of the following persons?		
a	A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
b	A family member of a person described in (a) above?		
c	A 35% controlled entity of a person described in (a) or (b) above? <i>If "Yes" to a, b, or c, provide detail in Part VI</i>		
		11a	No
		11b	No
		11c	No

Section B. Type I Supporting Organizations

		Yes	No
1	Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? <i>If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i>		
2	Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization.</i>		
		1	Yes
		2	No

Section C. Type II Supporting Organizations

		Yes	No
1	Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i>		
		1	

Section D. All Type III Supporting Organizations

		Yes	No
1	Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
2	Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization (s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>		
3	By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>		
		1	
		2	
		3	

Section E. Type III Functionally-Integrated Supporting Organizations

1	Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions)		
a	<input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b	<input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c	<input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).		
2	Activities Test Answer (a) and (b) below.		
a	Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i>		
b	Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>		
3	Parent of Supported Organizations Answer (a) and (b) below.		
a	Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>Provide details in Part VI.</i>		
b	Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>		
		2a	
		2b	
		3a	
		3b	

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

- 1** Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970. **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income

	(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1	
2 Recoveries of prior-year distributions	2	
3 Other gross income (see instructions)	3	
4 Add lines 1 through 3	4	
5 Depreciation and depletion	5	
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7 Other expenses (see instructions)	7	
8 Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8	

Section B - Minimum Asset Amount

	(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)	1	
a Average monthly value of securities	1a	
b Average monthly cash balances	1b	
c Fair market value of other non-exempt-use assets	1c	
d Total (add lines 1a, 1b, and 1c)	1d	
e Discount claimed for blockage or other factors (explain in detail in Part VI)		
2 Acquisition indebtedness applicable to non-exempt use assets	2	
3 Subtract line 2 from line 1d	3	
4 Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6 Multiply line 5 by .035	6	
7 Recoveries of prior-year distributions	7	
8 Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount

		Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2 Enter 85% of line 1	2	
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4 Enter greater of line 2 or line 3	4	
5 Income tax imposed in prior year	5	
6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	
7 <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI) See instructions	
7 Total annual distributions. Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
9 Distributable amount for 2016 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2016	(iii) Distributable Amount for 2016
1 Distributable amount for 2016 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2016 (reasonable cause required--see instructions)			
3 Excess distributions carryover, if any, to 2016			
a			
b			
c From 2013.			
d From 2014.			
e From 2015.			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2016 distributable amount			
i Carryover from 2011 not applied (see instructions)			
j Remainder Subtract lines 3g, 3h, and 3i from 3f			
4 Distributions for 2016 from Section D, line 7			
a Applied to underdistributions of prior years			
b Applied to 2016 distributable amount			
c Remainder Subtract lines 4a and 4b from 4			
5 Remaining underdistributions for years prior to 2016, if any Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)			
6 Remaining underdistributions for 2016 Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions)			
7 Excess distributions carryover to 2017. Add lines 3j and 4c			
8 Breakdown of line 7			
a			
b Excess from 2013.			
c Excess from 2014.			
d Excess from 2015.			
e Excess from 2016.			

Part VI Supplemental Information.

Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

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 on 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?		No	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
c Media advertisements?		No	
d Mailings to members, legislators, or the public?		No	
e Publications, or published or broadcast statements?		No	
f Grants to other organizations for lobbying purposes?		No	
g Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?	Yes		
i Other activities?		No	
j Total Add lines 1c through 1i			
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV Supplemental Information

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

Return Reference	Explanation
SCHEDULE C, PART II-B, QUESTION 1	THE ORGANIZATION IS AN AFFILIATE WITHIN ST LUKE'S UNIVERSITY HEALTH NETWORK ("NETWORK"), A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY NETWORK ST LUKE'S HOSPITAL OF BETHLEHEM, PENNSYLVANIA, a RELATED INTERNAL REVENUE CODE SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION, PAYS ALL LOBBYING EXPENDITURES ON BEHALF OF ALL AFFILIATES WITHIN THE NETWORK AND ALLOCATES A PERCENTAGE OF THESE EXPENDITURES TO VARIOUS AFFILIATES THESE LOBBYING EXPENDITURES INCLUDE (1) PAYMENT TO AN OUTSIDE INDEPENDENT FIRM, (2) AN ALLOCATED PORTION OF THE DUES PAID TO THE HOSPITAL AND HEALTHSYSTEM ASSOCIATION OF PENNSYLVANIA AND (3) A PERCENTAGE OF TOTAL COMPENSATION OF TWO ST LUKE'S UNIVERSITY HEALTH NETWORK SENIOR MANAGEMENT PERSONNEL THE AMOUNT ALLOCATED TO THIS ORGANIZATION ATTRIBUTABLE TO LOBBYING ACTIVITY FOR THE YEAR ENDED JUNE 30, 2017 IS \$11,953

SCHEDULE D
(Form 990)

Supplemental Financial Statements

OMB No 1545-0047
2016
Open to Public Inspection

▶ Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990.

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

Department of the Treasury
Internal Revenue Service

Name of the organization
ST LUKE'S PHYSICIAN GROUP INC

Employer identification number
23-2380812

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.
Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? Yes No

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

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

1 Purpose(s) of conservation easements held by the organization (check all that apply)

Preservation of land for public use (e g , recreation or education) Preservation of an historically important land area

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

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

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

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

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

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

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

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

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

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

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

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

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

(i) Revenue included on 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 Revenue included on 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 XIII
- 5** During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements.

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

- 1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b** If "Yes," explain the arrangement in Part XIII and complete the following table
- | | Amount |
|--|--------|
| c Beginning balance | |
| d Additions during the year | |
| e Distributions during the year | |
| f Ending balance | |
- 2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b** If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII

Part V Endowment Funds. Complete if the organization answered "Yes" on 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					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as
- a** Board designated or quasi-endowment ▶
 - b** Permanent endowment ▶
 - c** Temporarily restricted endowment ▶
- The percentages on lines 2a, 2b, and 2c should equal 100%
- 3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by
- | | | |
|--|---------------|----|
| | Yes | No |
| (i) unrelated organizations | 3a(i) | |
| (ii) related organizations | 3a(ii) | |
| b If "Yes" on 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |
- 4** Describe in Part XIII the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		587,577		587,577
b Buildings		9,145,619	4,466,610	4,679,009
c Leasehold improvements		4,138,589	2,629,353	1,509,236
d Equipment		46,689,623	28,638,804	18,050,819
e Other		5,320,900		5,320,900
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)) . . . ▶				30,147,541

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

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

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

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 13)		

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

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

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

(a) Description of liability	(b) Book value
(1) Federal income taxes	0
DUE TO AFFILIATES	146,379,519
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25)	146,379,519

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

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

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

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

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

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

Part XIII Supplemental Information

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

Return Reference	Explanation	
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Part XIII **Supplemental Information (continued)**

Return Reference	Explanation
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Schedule J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

OMB No 1545-0047

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
 ▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 23.**
 ▶ **Attach to Form 990.**

2015
Open to Public Inspection

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

Name of the organization ST LUKE'S PHYSICIAN GROUP INC	Employer identification number 23-2380812
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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 on 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 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 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 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 in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain.</p>	1b	Yes								
<p>2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?</p>	2	Yes								
<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, but explain in Part III.</p> <table border="0"> <tr> <td><input type="checkbox"/> Compensation committee</td> <td><input type="checkbox"/> Written employment contract</td> </tr> <tr> <td><input type="checkbox"/> Independent compensation consultant</td> <td><input type="checkbox"/> Compensation survey or study</td> </tr> <tr> <td><input type="checkbox"/> Form 990 of other organizations</td> <td><input type="checkbox"/> Approval by the board or compensation committee</td> </tr> </table>	<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract	<input type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study	<input type="checkbox"/> Form 990 of other organizations	<input type="checkbox"/> Approval by the board or compensation committee				
<input type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract									
<input type="checkbox"/> Independent compensation consultant	<input type="checkbox"/> Compensation survey or study									
<input type="checkbox"/> Form 990 of other organizations	<input type="checkbox"/> Approval by the board or compensation committee									
<p>4 During the year, did any person listed on 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>	4a	No								
<p>b Participate in, or receive payment from, a supplemental nonqualified retirement plan?</p>	4b	Yes								
<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>	4c	No								
<p>Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.</p>										
<p>5 For persons listed on 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>	5a	No								
<p>b Any related organization?</p> <p>If "Yes," on line 5a or 5b, describe in Part III.</p>	5b	No								
<p>6 For persons listed on 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>	6a	Yes								
<p>b Any related organization?</p> <p>If "Yes," on line 6a or 6b, describe in Part III.</p>	6b	Yes								
<p>7 For persons listed on 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>	7	Yes								
<p>8 Were any amounts reported on 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>	8	No								
<p>9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?</p>	9									

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column(B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 SAMUEL R GIAMBER MD CHAIRMAN - DIRECTOR	(i)	163,731	0	18,000	10,005	1,448	193,184	0
	(ii)	0	0	0	0	0	0	0
2 RICHARD A ANDERSON DIRECTOR - PRESIDENT/CEO SLUHN	(i)	0	0	0	0	0	0	0
	(ii)	1,072,889	527,678	556,050	305,205	13,716	2,475,538	249,135
3 THOMAS P LICHTENWALNER SVP FINANCE & CFO	(i)	0	0	0	0	0	0	0
	(ii)	485,423	192,335	273,043	203,703	7,731	1,162,235	167,870
4 DEAN W EVANS PRESIDENT SLPG	(i)	0	0	0	0	0	0	0
	(ii)	315,219	128,237	77,387	102,589	1,797	625,229	0
5 WILLIAM G DELONG MD CHIEF ORTHOPEDIC SURGERY	(i)	1,084,846	6,282	48,454	10,600	0	1,150,182	0
	(ii)	0	0	0	0	0	0	0
6 PATRICK J BROGLE MD ORTHOPEDIC SURGEON	(i)	732,497	250,637	13,625	10,600	23,025	1,030,384	0
	(ii)	0	0	0	0	0	0	0
7 STEVEN M FALOWSKI MD NEUROSURGEON	(i)	529,401	298,292	14,125	6,625	17,119	865,562	0
	(ii)	0	0	0	0	0	0	0
8 NICHOLAS J AVALLONE MD ORTHOPEDIC SURGEON	(i)	692,005	128,119	17,285	6,625	18,092	862,126	0
	(ii)	0	0	0	0	0	0	0
9 DANG HAI ZHANG MD NEUROSURGEON	(i)	545,310	266,281	285	6,625	26,324	844,825	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

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

Return Reference	Explanation
See Additional Data	

Additional Data

Software ID:
Software Version:
EIN: 23-2380812
Name: ST LUKE'S PHYSICIAN GROUP INC

Part III, Supplemental Information

Return Reference	Explanation
CORE FORM, PART VII AND SCHEDULE J	TAXABLE COMPENSATION REPORTED HEREIN IS DERIVED FROM 2016 FORMS W-2

Part III, Supplemental Information

Return Reference	Explanation
SCHEDULE J, PART I, QUESTION 1A AND 1B	THIS ORGANIZATION PROVIDED FOR WORK PURPOSES ONLY, A CAR AND DRIVER SERVICE FOR AN EMPLOYED PHYSICIAN. THE ORGANIZATION HAS INCLUDED THE COST OF THIS SERVICE IN THE INDIVIDUAL'S FORM W-2, TAXABLE WAGES

Part III, Supplemental Information

Return Reference	Explanation
SCHEDULE J, PART I, QUESTION 3	COMPENSATION REVIEW ----- EXECUTIVE COMPENSATION FOR THE HEALTH NETWORK CONSISTS OF FIXED SALARY, AT-RISK COMPENSATION AND OTHER DEFERRED COMPENSATION ARRANGEMENTS TOTAL COMPENSATION FOR NETWORK EXECUTIVES IS APPROVED ANNUALLY BY THE NETWORK'S BOARD OF DIRECTORS THE RECOMMENDED COMPENSATION IS ESTABLISHED THROUGH A MULTI-FACETED APPROACH INCLUDING USE OF AN INDEPENDENT CONSULTANT ENGAGED ON AN ONGOING BASIS BY THE BOARD OF DIRECTORS AND WHO WORKS DIRECTLY WITH THE EXECUTIVE COMPENSATION COMMITTEE OF THE BOARD ALSO INCLUDED IS THE REVIEW OF FORMS 990 AND COMPENSATION SURVEYS OF OTHER COMPARABLE HEALTHCARE ORGANIZATIONS BONUS/INCENTIVE ----- THE AT-RISK COMPENSATION IS APPROVED BY THE EXECUTIVE COMPENSATION COMMITTEE OF THE BOARD AND IS BASED ON SEVERAL QUALITATIVE AND QUANTITATIVE COMPONENTS, INCLUDING JOINT COMMISSION, PENNSYLVANIA DEPARTMENT OF HEALTH AND PENNSYLVANIA TRAUMA SYSTEMS FOUNDATION ACCREDITATIONS, EVIDENCE-BASED HOSPITAL PROCESS OF CARE MEASURES, OUTCOME MEASURES, SUCH AS PATIENT SATISFACTION, MORTALITY RATE, AND LENGTH OF STAY, EFFICIENCY MEASURES AS DEMONSTRATED BY COST-PER-ADJUSTED DISCHARGE AND NET INCOME OTHER REPORTABLE COMPENSATION ----- OTHER BENEFITS INCLUDE DEFERRED COMPENSATION BENEFITS THAT HAD ACCUMULATED OVER YEARS OF SERVICE AND WAS REPORTED AND DISTRIBUTED IN ACCORDANCE WITH VESTING REQUIREMENTS AND INTERNAL REVENUE SERVICE RULES AND REGULATIONS DEFERRED COMPENSATION ----- - DEFERRED COMPENSATION REPRESENTS RETIREMENT BENEFITS EARNED DURING THE REPORTING PERIOD, NOT RECOGNIZED AS COMPENSATION ON THE EMPLOYEE'S 2016 FORM W-2 NONTAXABLE BENEFITS ----- NONTAXABLE BENEFITS REPRESENTS HEALTH AND WELFARE BENEFITS RECEIVED DURING THE REPORTING PERIOD, NOT RECOGNIZED AS COMPENSATION ON THE EMPLOYEE'S 2016 FORM W-2 COMPENSATION REPORTED ON PRIOR 990 ----- ----- TOTAL COMPENSATION REPORTED ON PRIOR FORMS 990 REPRESENTS RECOGNITION OF DEFERRED COMPENSATION BENEFITS THAT HAD ACCUMULATED OVER YEARS OF SERVICE AND WAS REPORTED AND DISTRIBUTED IN ACCORDANCE WITH VESTING REQUIREMENTS AND INTERNAL REVENUE SERVICE RULES AND REGULATIONS THESE AMOUNTS WERE PREVIOUSLY REPORTED IN SCHEDULE J, COLUMN B(III) - OTHER COMPENSATION

Part III, Supplemental Information

Return Reference	Explanation
SCHEDULE J, PART I, QUESTION 4B	THE AMOUNT REFLECTED IN SCHEDULE J, PART II, COLUMN B(III) FOR THE FOLLOWING INDIVIDUALS INCLUDES PARTICIPATION IN A SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ("SERP") THESE INDIVIDUALS HAVE SATISFIED BOTH THE AGE AND THE YEARS OF SERVICE REQUIREMENTS SPECIFIED BY THE SERP THE AMOUNTS OUTLINED HEREIN WERE INCLUDED IN EACH INDIVIDUAL'S 2016 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES RICHARD A ANDERSON, \$249,135 AND THOMAS P LICHTENWALNER, \$167,870 ADDITIONALLY, THE AMOUNT REFLECTED IN SCHEDULE J, PART II, COLUMN B (III) FOR THE FOLLOWING INDIVIDUALS INCLUDES AMOUNTS RELATED TO VESTED CAPITAL ACCUMULATION FOR POST-RETIREMENT DEATH BENEFITS THE AMOUNTS OUTLINED HEREIN WERE INCLUDED IN EACH INDIVIDUAL'S 2016 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES RICHARD A ANDERSON, \$255,331, THOMAS P LICHTENWALNER, \$86,040 AND DEAN W EVANS, \$57,752 THE DEFERRED COMPENSATION AMOUNTS REFLECTED IN SCHEDULE J, PART II, COLUMN C FOR THE FOLLOWING INDIVIDUALS INCLUDES UNVESTED BENEFITS IN A SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ("SERP") WHICH ARE SUBJECT TO A SUBSTANTIAL RISK OF COMPLETE FORFEITURE ACCORDINGLY, THE INDIVIDUALS MAY NEVER ACTUALLY RECEIVE THIS UNVESTED BENEFIT AMOUNT THE AMOUNTS OUTLINED HEREIN WERE NOT INCLUDED IN EACH INDIVIDUAL'S 2016 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES RICHARD A ANDERSON, \$286,655, THOMAS P LICHTENWALNER, \$185,153 AND DEAN W EVANS, \$84,039

Part III, Supplemental Information

Return Reference	Explanation
SCHEDULE J, PART I, QUESTIONS 6A AND 6B	THE EXECUTIVE COMPENSATION PACKAGE FOR THE HEALTH NETWORK CONSISTS OF BOTH A FIXED SALARY AND ADDITIONAL AT-RISK COMPENSATION THAT IS BASED ON SEVERAL QUALITATIVE AND QUANTITATIVE COMPONENTS THE COMPONENTS OF THE AT-RISK COMPENSATION PLAN INCLUDES JCAHO, DEPARTMENT OF HEALTH AND TRAUMA CENTER ACCREDITATIONS, EVIDENCE BASED HOSPITAL PROCESS OF CARE MEASURES, OUTCOME MEASURES SUCH AS PATIENT SATISFACTION, MORTALITY RATE, LENGTH OF STAY, EFFICIENCY MEASURES AS DEMONSTRATED BY COST PER ADJUSTED DISCHARGE AND FINALLY NET INCOME

Part III, Supplemental Information

Return Reference	Explanation
SCHEDULE J, PART I, QUESTION 7	CERTAIN INDIVIDUALS INCLUDED IN SCHEDULE J, PART II RECEIVED AT-RISK COMPENSATION DURING CALENDAR YEAR 2016 WHICH AMOUNTS WERE INCLUDED IN SCHEDULE J, PART II, COLUMN B(II) HEREIN AND IN EACH INDIVIDUAL'S 2016 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES PLEASE REFER TO THIS SECTION OF THE FORM 990, SCHEDULE J FOR THIS INFORMATION BY PERSON BY AMOUNT

Part III, Supplemental Information

Return Reference	Explanation
SCHEDULE J, PART II, COLUMN F	THE AMOUNTS REPORTED IN SCHEDULE J, PART II, COLUMN F FOR THE FOLLOWING INDIVIDUALS INCLUDE VESTED BENEFITS IN A SUPPLEMENTAL EXECUTIVE RETIREMENT PLAN ("SERP") AS THESE AMOUNTS WERE NO LONGER SUBJECT TO A SUBSTANTIAL RISK OF COMPLETE FORFEITURE THESE AMOUNTS WERE REPORTED IN SCHEDULE J, PART II, COLUMN C AS RETIREMENT AND OTHER DEFERRED COMPENSATION ON PRIOR YEAR FORMS 990 THESE AMOUNTS WERE TREATED AS TAXABLE INCOME AND REPORTED ON EACH INDIVIDUAL'S 2016 FORM W-2, BOX 5, AS TAXABLE MEDICARE WAGES RICHARD A ANDERSON, \$249,135 AND THOMAS P LICHTENWALNER, \$167,870

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 SAMUEL R GIAMBER MD CHAIRMAN - DIRECTOR	(i)	163,731	0	18,000	10,005	1,448	193,184	0
	(ii)	0	0	0	0	0	0	0
1 RICHARD A ANDERSON DIRECTOR - PRESIDENT/CEO SLUHN	(i)	0	0	0	0	0	0	0
	(ii)	1,072,889	527,678	556,050	305,205	13,716	2,475,538	249,135
2 THOMAS P LICHTENWALNER SVP FINANCE & CFO	(i)	0	0	0	0	0	0	0
	(ii)	485,423	192,335	273,043	203,703	7,731	1,162,235	167,870
3 DEAN W EVANS PRESIDENT SLPG	(i)	0	0	0	0	0	0	0
	(ii)	315,219	128,237	77,387	102,589	1,797	625,229	0
4 WILLIAM G DELONG MD CHIEF ORTHOPEDIC SURGERY	(i)	1,084,846	6,282	48,454	10,600	0	1,150,182	0
	(ii)	0	0	0	0	0	0	0
5 PATRICK J BROGLE MD ORTHOPEDIC SURGEON	(i)	732,497	250,637	13,625	10,600	23,025	1,030,384	0
	(ii)	0	0	0	0	0	0	0
6 STEVEN M FALOWSKI MD NEUROSURGEON	(i)	529,401	298,292	14,125	6,625	17,119	865,562	0
	(ii)	0	0	0	0	0	0	0
7 NICHOLAS J AVALLONE MD ORTHOPEDIC SURGEON	(i)	692,005	128,119	17,285	6,625	18,092	862,126	0
	(ii)	0	0	0	0	0	0	0
8 DANG HAI ZHANG MD NEUROSURGEON	(i)	545,310	266,281	285	6,625	26,324	844,825	0
	(ii)	0	0	0	0	0	0	0

SCHEDULE O
(Form 990 or 990-EZ)Department of the Treasury
Internal Revenue ServiceName of the organization
ST LUKE'S PHYSICIAN GROUP INC**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.

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

OMB No 1545-0047

2016**Open to Public Inspection**

Employer identification number

23-2380812

990 Schedule O, Supplemental Information

Return Reference	Explanation
CORE FORM, PART III, QUESTION 4D	EXPENSES INCURRED IN PROVIDING VARIOUS OTHER MEDICALLY NECESSARY HEALTHCARE SERVICES TO ALL INDIVIDUALS IN A NON-DISCRIMINATORY MANNER REGARDLESS OF RACE, COLOR, CREED, SEX, NATIONAL ORIGIN OR ABILITY TO PAY

990 Schedule O, Supplemental Information

Return Reference	Explanation
CORE FORM, PART V, QUESTION 1A & CORE FORM, PART VII, SECTION B	THE ORGANIZATION IS AN AFFILIATE WITHIN ST LUKE'S UNIVERSITY HEALTH NETWORK ("NETWORK"), A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY NETWORK THE ORGANIZATION'S FORM 990 REFLECTS NO TOP FIVE INDEPENDENT CONTRACTORS FOR SERVICES AND REPORTS THAT NO FORMS 1099 WERE FILED WITH THE INTERNAL REVENUE SERVICE ("IRS") ST LUKE'S HOSPITAL OF BETHLEHEM, PENNSYLVANIA , A RELATED INTERNAL REVENUE CODE SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION PAYS ALL OUTSTANDING ACCOUNTS PAYABLE INVOICES ON BEHALF OF THIS ORGANIZATION IN CONJUNCTION WITH THIS SERVICE, ST LUKE'S HOSPITAL OF BETHLEHEM, PENNSYLVANIA ALSO PREPARES AND ISSUES FORMS 1099 TO THESE VENDORS RECEIVING PAYMENTS WHERE APPLICABLE AND FILES THESE FORMS 1099 WITH THE IRS ST LUKE'S HOSPITAL OF BETHLEHEM, PENNSYLVANIA ALLOCATES THESE PAYMENTS TO THE ORGANIZATION VIA AN INTERCOMPANY ACCOUNT

990 Schedule O, Supplemental Information

Return Reference	Explanation
CORE FORM, PART VI, SECTION A, QUESTIONS 6 & 7	ST LUKE'S HEALTH NETWORK, INC IS THE SOLE MEMBER OF THIS ORGANIZATION ST LUKE'S HEALTH NETWORK, INC HAS THE RIGHT TO ELECT THE MEMBERS OF THIS ORGANIZATION'S BOARD OF DIRECTORS AND HAS CERTAIN RESERVED POWERS AS DEFINED IN THIS ORGANIZATION'S BYLAWS

990 Schedule O, Supplemental Information

Return Reference	Explanation
CORE FORM, PART VI, SECTION B, QUESTION 11B	<p>THE ORGANIZATION IS AN AFFILIATE WITHIN ST LUKE'S UNIVERSITY HEALTH NETWORK ("NETWORK"), A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY NETWORK ST LUKE'S HEALTH NETWORK, INC IS THE TAX-EXEMPT PARENT ENTITY OF THE NETWORK THE ORGANIZATION'S FEDERAL FORM 990 WAS PROVIDED TO EACH VOTING MEMBER OF THE ORGANIZATION'S GOVERNING BODY (ITS BOARD OF DIRECTORS) PRIOR TO THE FILING WITH THE INTERNAL REVENUE SERVICE ("IRS") IN ADDITION, THE ST LUKE'S UNIVERSITY HEALTH NETWORK FINANCE COMMITTEE WAS UPDATED AS TO THIS ORGANIZATION'S CURRENT YEAR FORM 990 PRIOR TO FILING ST LUKE'S HEALTH NETWORK, INC BOARD OF DIRECTORS HAS DELEGATED TO THE FINANCE COMMITTEE THE RESPONSIBILITY TO OVERSEE AND COORDINATE THE FEDERAL FORM 990 PREPARATION AND FILING PROCESS FOR THE TAX-EXEMPT AFFILIATES OF THE NETWORK AS PART OF THE ORGANIZATION'S FEDERAL FORM 990 TAX RETURN PREPARATION PROCESS THE ORGANIZATION HIRED A PROFESSIONAL CERTIFIED PUBLIC ACCOUNTING ("CPA") FIRM WITH EXPERIENCE AND EXPERTISE IN BOTH HEALTHCARE AND NOT-FOR-PROFIT TAX RETURN PREPARATION TO PREPARE THE FEDERAL FORM 990 THE CPA FIRM'S TAX PROFESSIONALS WORKED CLOSELY WITH THE NETWORK'S FINANCE PERSONNEL, INCLUDING ITS SENIOR VICE PRESIDENT OF FINANCE, VICE PRESIDENT OF FINANCE, DIRECTOR OF ACCOUNTING AND VARIOUS OTHER NETWORK INDIVIDUALS ("INTERNAL WORKING GROUP") TO OBTAIN THE INFORMATION NEEDED IN ORDER TO PREPARE A COMPLETE AND ACCURATE TAX RETURN THE CPA FIRM PREPARED A DRAFT FEDERAL FORM 990 AND FURNISHED IT TO THE NETWORK'S INTERNAL WORKING GROUP FOR THEIR REVIEW THE NETWORK'S INTERNAL WORKING GROUP REVIEWED THE DRAFT FEDERAL FORM 990 AND DISCUSSED QUESTIONS AND COMMENTS WITH THE CPA FIRM REVISIONS WERE MADE TO THE DRAFT FEDERAL FORM 990 WHERE NECESSARY AND A FINAL DRAFT WAS FURNISHED BY THE CPA FIRM TO THE NETWORK'S INTERNAL WORKING GROUP FOR FINAL REVIEW AND APPROVAL PRIOR TO PRESENTATION OF THE FEDERAL FORM 990 TO THE MEMBERS OF THE ST LUKE'S HEALTH NETWORK, INC FINANCE COMMITTEE THEREAFTER, THE FINAL FEDERAL FORM 990 WAS PROVIDED TO EACH VOTING MEMBER OF THE ORGANIZATION'S GOVERNING BODY PRIOR TO FILING WITH THE IRS</p>

990 Schedule O, Supplemental Information

Return Reference	Explanation
CORE FORM, PART VI, SECTION B, QUESTION 12	THE ORGANIZATION IS AN AFFILIATE WITHIN ST LUKE'S UNIVERSITY HEALTH NETWORK ("NETWORK"), A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY NETWORK ST LUKE'S HEALTH NETWORK, INC IS THE TAX-EXEMPT PARENT ENTITY OF THE NETWORK THE NETWORK HAS A WRITTEN CONFLICT OF INTEREST POLICY AND REGULARLY MONITORS AND ENFORCES COMPLIANCE WITH THAT POLICY THE POLICY REQUIRES THAT A CONFLICT OF INTEREST DISCLOSURE FORM CONSISTENT WITH BEST GOVERNANCE PRACTICES AND INTERNAL REVENUE SERVICE GUIDELINES BE CIRCULATED TO OFFICERS, DIRECTORS, BOARD COMMITTEE MEMBERS AND SENIOR MANAGERS ANNUALLY THE NETWORK'S COMPLIANCE DEPARTMENT, INCLUDING ITS CORPORATE COMPLIANCE OFFICER AND SENIOR VICE PRESIDENT/GENERAL COUNSEL, ASSUME RESPONSIBILITY FOR THE COMPLETION OF THE CONFLICT OF INTEREST QUESTIONNAIRES AND ENFORCEMENT WITH THE POLICY IF A DIRECTOR DISCLOSES AN INTEREST THAT COULD GIVE RISE TO A CONFLICT, THE DIRECTOR'S POTENTIAL CONFLICT MAY BE DISCLOSED TO THE ORGANIZATION'S GOVERNING BODY, WHICH EVALUATES THE CONFLICT AND ITS POTENTIAL IMPACT ON THE DIRECTOR'S PARTICIPATION ON THE BOARD AFTER CONSULTATION AND DISCUSSION THE BOARD OF DIRECTORS MAY TAKE ACTION, IF APPROPRIATE AND NECESSARY, TO ADDRESS ANY SUCH CONFLICT IN A MANNER CONSISTENT WITH THE NETWORK'S CONFLICT OF INTEREST POLICY

990 Schedule O, Supplemental Information

Return Reference	Explanation
CORE FORM, PART VI, SECTION B, QUESTION 15	THE ORGANIZATION IS AN AFFILIATE WITHIN ST LUKE'S UNIVERSITY HEALTH NETWORK ("NETWORK"), A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY NETWORK ST LUKE'S HEALTH NETWORK, INC IS THE TAX-EXEMPT PARENT ENTITY OF THE NETWORK COMPENSATION REVIEW EXECUTIVE COMPENSATION FOR THE NETWORK CONSISTS OF FIXED SALARY, AT-RISK COMPENSATION AND OTHER DEFERRED COMPENSATION ARRANGEMENTS TOTAL COMPENSATION FOR NETWORK EXECUTIVES IS APPROVED ANNUALLY BY THE NETWORK'S BOARD OF DIRECTORS THE RECOMMENDED COMPENSATION IS ESTABLISHED THROUGH A MULTI-FACETED APPROACH INCLUDING USE OF AN INDEPENDENT CONSULTANT ENGAGED ON AN ONGOING BASIS BY THE BOARD OF DIRECTORS AND WHO WORKS DIRECTLY WITH THE EXECUTIVE COMPENSATION COMMITTEE OF THE BOARD ALSO INCLUDED IS THE REVIEW OF FORMS 990 AND COMPENSATION SURVEYS OF OTHER COMPARABLE HEALTHCARE ORGANIZATIONS PLEASE REFER TO THE SCHEDULE J, PART III RESPONSE TO SCHEDULE J, PART I, QUESTION 3 FOR ADDITIONAL INFORMATION

990 Schedule O, Supplemental Information

Return Reference	Explanation
CORE FORM, PART VI, SECTION C, QUESTION 19	THE ORGANIZATION'S FILED CERTIFICATE OF INCORPORATION AND ANY AMENDMENTS CAN BE OBTAINED AND REVIEWED THROUGH THE COMMONWEALTH OF PENNSYLVANIA

990 Schedule O, Supplemental Information

Return Reference	Explanation
CORE FORM, PART VII AND SCHEDULE J	CORE FORM, PART VII AND SCHEDULE J REFLECT CERTAIN BOARD MEMBERS AND OFFICERS RECEIVING COMPENSATION AND BENEFITS FROM A RELATED ORGANIZATION PLEASE NOTE THIS REMUNERATION WAS FOR SERVICES RENDERED AS FULL-TIME EMPLOYEES OF THIS ORGANIZATION OR A RELATED ORGANIZATION AND NOT FOR SERVICES RENDERED AS A VOTING MEMBER OR OFFICER OF THIS ORGANIZATION'S BOARD OF DIRECTORS

990 Schedule O, Supplemental Information

Return Reference	Explanation
CORE FORM, PART VII, SECTION A, COLUMN B	THE ORGANIZATION IS AN AFFILIATE WITHIN ST LUKE'S UNIVERSITY HEALTH NETWORK ("NETWORK"), A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY NETWORK THE NETWORK INCLUDES BOTH FOR-PROFIT AND NOT FOR-PROFIT ORGANIZATIONS CERTAIN BOARD OF DIRECTOR MEMBERS AND OFFICERS LISTED ON CORE FORM, PART VII AND SCHEDULE J OF THIS FORM 990 MAY HOLD SIMILAR POSITIONS WITH BOTH THIS ORGANIZATION AND OTHER AFFILIATES WITHIN THE NETWORK THE HOURS SHOWN ON THIS FORM 990 FOR BOARD MEMBERS WHO RECEIVE NO COMPENSATION FOR SERVICES RENDERED IN A NON-BOARD CAPACITY, REPRESENTS THE ESTIMATED HOURS DEVOTED PER WEEK FOR THIS ORGANIZATION TO THE EXTENT THESE INDIVIDUALS SERVE AS A MEMBER OF THE BOARD OF DIRECTORS OF OTHER RELATED ORGANIZATIONS WITHIN THE NETWORK, THEIR RESPECTIVE HOURS PER WEEK PER ORGANIZATION ARE APPROXIMATELY THE SAME AS REFLECTED ON CORE FORM, PART VII OF THIS FORM 990 THE HOURS REFLECTED ON CORE FORM, PART VII OF THIS FORM 990, FOR BOARD MEMBERS WHO RECEIVE COMPENSATION FOR SERVICES RENDERED IN A NON-BOARD CAPACITY, PAID OFFICERS, REFLECT TOTAL HOURS WORKED PER WEEK ON BE HALF OF THE NETWORK, NOT SOLELY THIS ORGANIZATION

990 Schedule O, Supplemental Information

Return Reference	Explanation
CORE FORM, PART XI, QUESTION 9	OTHER CHANGES IN NET ASSETS OR FUND BALANCES INCLUDE - GOODWILL IMPAIRMENT (\$6,233,287)

990 Schedule O, Supplemental Information

Return Reference	Explanation
CORE FORM, PART XII, QUESTION 2	THE ORGANIZATION IS AN AFFILIATE WITHIN ST LUKE'S UNIVERSITY HEALTH NETWORK ("NETWORK"), A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY NETWORK ST LUKE'S HEALTH NETWORK, INC IS THE TAX-EXEMPT PARENT ENTITY OF THE NETWORK AN INDEPENDENT CPA FIRM AUDITED THE CONSOLIDATED FINANCIAL STATEMENTS OF THE NETWORK AND ITS CONTROLLED AFFILIATES FOR THE YEARS ENDED JUNE 30, 2017 AND JUNE 30, 2016, RESPECTIVELY, AND ISSUED A CONSOLIDATED FINANCIAL STATEMENT WITH CONSOLIDATING SCHEDULES BY ENTITY AN UNQUALIFIED OPINION WAS ISSUED EACH YEAR BY THE INDEPENDENT CPA FIRM THE NETWORK'S FINANCE COMMITTEE ASSUMES RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT OF THE NETWORK'S CONSOLIDATED FINANCIAL STATEMENTS AND THE SELECTION OF AN INDEPENDENT AUDITOR

990 Schedule O, Supplemental Information

Return Reference	Explanation
CORE FORM, PART XII, QUESTION 3	THE ORGANIZATION IS AN AFFILIATE WITHIN ST LUKE'S UNIVERSITY HEALTH NETWORK ("NETWORK"), A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY NETWORK THE NETWORK'S FINANCE COMMITTEE ENGAGED AN INDEPENDENT ACCOUNTING FIRM TO PREPARE AND ISSUE A NETWORK WIDE CONSOLIDATED AUDIT UNDER THE SINGLE AUDIT ACT AND OMB CIRCULAR A-133

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2016

Open to Public Inspection

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

▶ Attach to Form 990.

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

Department of the Treasury
Internal Revenue Service

Name of the organization
ST LUKE'S PHYSICIAN GROUP INC

Employer identification number

23-2380812

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

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

Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

See Additional Data Table

(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

Part III Identification of Related Organizations Taxable as a Partnership Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate 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	

Part IV Identification of Related Organizations Taxable as a Corporation or Trust Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512(b) (13) controlled entity?	
								Yes	No
(1) ST LUKE'S HEALTH NETWORK INSURANCE COMP 801 OSTRUM STREET BETHLEHEM, PA 18015 75-2993150	FINANCIAL VEHICLE	VT	NA	C CORP					No
(2) ST LUKE'S PHYSICIAN HOSPITAL ORG INC 801 OSTRUM STREET BETHLEHEM, PA 18015 23-2786818	HEALTHCARE SVCS	PA	NA	C CORP					No
(3) HILLCREST EMERGENCY SERVICES PC 185 ROSEBERRY STREET PHILLIPSBURG, NJ 08865 20-4429976	HEALTHCARE SVCS	NJ	NA	C CORP					No
(4) TWO RIVERS ENTERPRISES INC 185 ROSEBERRY STREET PHILLIPSBURG, NJ 08865 52-1552606	REAL ESTATE	NJ	NA	C CORP					No
(5) ST LUKE'S WARREN PHYSICIAN GROUP PC 185 ROSEBERRY STREET PHILLIPSBURG, NJ 08865 22-3837316	HEALTHCARE SVCS	NJ	NA	C CORP					No
(6) ST LUKE'S EIGHTH & EATON HOLDINGS INC 801 OSTRUM STREET BETHLEHEM, PA 18015 23-7192801	INACTIVE	PA	NA	C CORP					No

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

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

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

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

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

Part VII Supplemental Information

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

Return Reference	Explanation
SCHEDULE R, PART V	THE ORGANIZATION IS AN AFFILIATE WITHIN ST LUKE'S UNIVERSITY HEALTH NETWORK ("NETWORK"), A TAX-EXEMPT INTEGRATED HEALTHCARE DELIVERY NETWORK ST LUKE'S HEALTH NETWORK, INC IS THE TAX-EXEMPT PARENT ENTITY OF THE NETWORK IN THE ORDINARY COURSE OF BUSINESS ST LUKE'S HOSPITAL OF BETHLEHEM PA, A RELATED INTERNAL REVENUE CODE SECTION 501(C)(3) TAX-EXEMPT ORGANIZATION, ROUTINELY PAYS EXPENSES FOR VARIOUS AFFILIATES WITHIN THE NETWORK, INCLUDING THIS ORGANIZATION THESE RELATED PARTY TRANSACTIONS ARE RECORDED ON THE REVENUE/EXPENSE AND BALANCE SHEET STATEMENTS OF THIS ORGANIZATION AND ITS AFFILIATES THESE ENTITIES WORK TOGETHER TO DELIVER HIGH QUALITY HEALTHCARE AND WELLNESS SERVICES TO THE COMMUNITIES IN WHICH THEY ARE SITUATED

Schedule Form 2016

Additional Data

Software ID:
Software Version:
EIN: 23-2380812
Name: ST LUKE'S PHYSICIAN GROUP INC

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

(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
(1) 801 OSTRUM STREET BETHLEHEM, PA 18015 23-2384282	HEALTH SVCS	PA	501(c)(3)	509(A)(3)	NA		No
(1) 801 OSTRUM STREET BETHLEHEM, PA 18015 23-1352213	HEALTH SVCS	PA	501(c)(3)	HOSPITAL	SLHN INC		No
(2) 801 OSTRUM STREET BETHLEHEM, PA 18015 23-1352203	HEALTH SVCS	PA	501(c)(3)	HOSPITAL	SLHN INC		No
(3) 801 OSTRUM STREET BETHLEHEM, PA 18015 25-1550350	HEALTH SVCS	PA	501(c)(3)	HOSPITAL	SLHN INC		No
(4) 801 OSTRUM STREET BETHLEHEM, PA 18015 23-2543924	INACTIVE	PA	501(c)(3)	170B1AIII	SLHN INC		No
(5) 801 OSTRUM STREET BETHLEHEM, PA 18015 23-2179542	HEALTH SVCS	PA	501(c)(3)	170B1AIII	SLHN INC		No
(6) 801 OSTRUM STREET BETHLEHEM, PA 18015 24-0795497	HEALTH SVCS	PA	501(c)(3)	509(A)(1)	BETHLEHEM		No
(7) 801 OSTRUM STREET BETHLEHEM, PA 18015 23-2418254	INACTIVE	PA	501(c)(3)	509(A)(2)	VNA		No
(8) 185 ROSEBERRY STREET PHILLIPSBURG, NJ 08865 22-1494454	HEALTH SVCS	NJ	501(c)(3)	HOSPITAL	SLHN INC		No
(9) 185 ROSEBERRY STREET PHILLIPSBURG, NJ 08865 22-2522476	INACTIVE	NJ	501(c)(3)	509(A)(1)	SLWH INC		No
(10) 801 OSTRUM STREET BETHLEHEM, PA 18015 45-4394739	HEALTH SVCS	PA	501(C)(3)	hospital	slhn inc		No
(11) 801 OSTRUM STREET BETHLEHEM, PA 18015 46-5143606	HEALTH SVCS	PA	501(C)(3)	HOSPITAL	SLHN INC		No