



**Saint
Luke**
INSTITUTE

November 24, 2010

REC'D BY: J. G. MURPHY
NOV 25 10 44 AM '10

Mr. Robert Murray
Executive Director
State of Maryland
Health Services Cost Review Commission
4160 Patterson Avenue
Baltimore, Md 21215

J. G. Murphy

**RE: Saint Luke Institute
Hospital Number: 2781
Fiscal Year Ending: June 30, 2010**

Dear Mr. Murray,

Attached are the following reports as part of the annual requirement:

1. 3 copies of the Audited Financial Statement
2. Statement of Revenue and Expenses
3. Supplement to FS and RE Schedules to Disclose Non Operating Expenses
4. Room and Board Information
5. Rates Information

In addition with the above, the institute treated 2 Maryland residents in our residential program in this fiscal year.

There were 13,201 patient days charged in the residential program at an average rate of \$395.00 per day. Payer classification is 70% private pay and 30% Commercial Insurance.

If you have any question or need additional information, please feel free to contact me at 301-422-5408.

Very truly yours,

Elizabeth Aco
Elizabeth Aco
Accounting Supervisor

REVISED
1/25/2011

STATEMENT OF REVENUE AND EXPENSES

RE

INSTITUTION NAME: _SAINT LUKE INSTITUTE, INC_____

BASE YEAR _____ 2010

INSTITUTION NUMBER : 2781_____

BUDGET YEAR _____

		COLUMN 1 REGULATED	COLUMN 2 UNREGULATED	COLUMN 3 TOTAL	
OPERATING REVENUES					
A	GROSS REV FROM DAILY HOSP SERVICES	5,753,023	0	5,753,023	A
B	GROSS REV FROM AMBULATORY SERVICES	0	0	-	B
C	GROSS REV FROM I/P ANCILLARY SERVICES	0	0	-	C
D	GROSS REV FROM O/P ANCILLARY SERVICES	313,064	0	313,064	D
E	GROSS PATIENT REVENUES	6,066,087	0	6,066,087	E

DEDUCTIONS FROM REVENUES					
F	PROVISION FOR BAD DEBTS	2,620	0	2,620	F
G	CHARITY/UNCOMPENSATED CARE	576,819		576,819	G
H	CONTRACTUAL ADJUSTMENTS	0	0	-	H
H1	UNCOMPENSATED CARE FUND PAYMENTS	0	0	-	H1
H2	DENIALS	0	0	-	H2
I	OTHER DEDUCTIONS FROM REVENUES				I
J	TOTAL DEDUCTIONS FROM REVENUES	-	0	-	J
J1	UNCOMPENSATED CARE FUND RECEIPTS	0	0	-	J1
K	NET PATIENT REVENUES	5,486,648	0	5,486,648	K
L	OTHER OPERATING REVENUES	57,729	0	57,729	L
M	NET OPERATING REVENUES	5,544,376		5,544,376	M

OPERATING EXPENSES					
N	SALARIES,WAGES AND EMPLOYEE BENEFITS	4,615,104	0	4,615,104	N
O	PROFESSIONAL FEES	976,159	0	976,159	O
P	SUPPLIES	101,137	0	101,137	P
Q	DEPRECIATION/AMORT.,LEASES/RENTALS	522,920	0	522,920	Q
R	OTHER EXPENSES	860,487	0	860,487	R
S	TOTAL OPERATING EXPENSES	7,075,807	0	7,075,807	S
T	EXCESS (DEFICIT) OPR. REV. OVER OPR. EXP.	(1,531,416)	0	(1,531,416)	T
U	NON-OPR.REVENUES	XXXXXX			U
V	NON-OPR. EXPENSES	XXXXXX			V
W	EXCESS (DEFICIT) REVENUES OVER EXPENSES	(197,545)			W
X	OPERATING EXPENSES PER EIPD		XXXXXX	XXXXXX	X
Y	OPERATING EXPENSES PER EIPA		XXXXXX	XXXXXX	Y
Z	WORKING CAPITAL RATIO=CURRENT ASSETS/CURRENT LIABILITIES		XXXXXX	XXXXXX	Z

AA	ADMISSIONS	68	0	68.00	AA
BB	EIPA's	72	0	72.00	BB

Supplement to FS and RE Schedules to Disclose Non-Operating Revenue and Expense

Income Statement

RE Line T	Excess (Deficit) Operating Rev. over Operating Expenses	XXXXX	-1531417
RE Line U	Detailed Non-Operating:- Income/(Expense)		
U1	Contributions (Unrestricted) and Restricted	571490.2	XXXXX
U2	Interest & Investment Income	296881.61	XXXXX
U3	Investment - Gains/Losses - Realized		XXXXX
U4	Investment - Gains/Losses - Unrealized	738317.7	XXXXX
U5	Swap Agreements - Gains/(losses) - Realized		XXXXX
V	Marketing Expenses	272818.13	XXXXX
RE Line W	Excess Profit/(Loss)	XXXXX	197,545 348898.64

Supplemental Schedule - FS and RE Schedules
Other Significant Financial Information

CC	Swap Agreements - Gains/(Losses) - Unrealized		XXXXX
DD	Collateral Received/(Posted) - Swap Agreements		XXXXX
EE	Retirement of Debt - Gains/(Losses)		XXXXX
FF	Pension Adjustments - Defined Benefit Plans		XXXXX
GG	Other (Specify)		XXXXX
HH	Total	XXXXX	0

HSCRC Financial Disclosure Report

Hospital Name: Saint Luke Institute, Inc.Hospital Number: 2781Fiscal Year Ending: June 30, 2010**FOR REGULATED FACILITY**

	<u>2010</u>	<u>2009</u>
A. Occupancy Percentage (Based on Licensed Beds)	<u>79.00%</u>	<u>76.95%</u>
B. Total Gross Patient Revenue *	<u>6,066,087</u>	<u>5,707,394</u>
C. Gross Inpatient Revenue **	<u>5,753,023</u>	<u>5,404,759</u>
D. Other Operating Income	<u>57,729</u>	<u>110,458</u>
E. Third Party Contractual Allowances & Discounts	<u>0</u>	<u>0</u>
F. Provision for Bad Debts	<u>2,620</u>	<u>78,923</u>
G. Charity Care	<u>576,819</u>	<u>361,578</u>
H. Total Operating Expenses	<u>7,075,793</u>	<u>7,117,979</u>
I. Inpatient Admissions ***	<u>68</u>	<u>70</u>
J. Equivalent Inpatient Admissions (EIPA's)	<u>72</u>	<u>74</u>
K. Inpatient Days	<u>13,552</u>	<u>13,201</u>
L. Equivalent Inpatient Days (EIPD's)	<u>14,289</u>	<u>13,940</u>
M. Operating Profit / (Loss)	<u>(1,531,417)</u>	<u>(1,721,705)</u>
N. Non-Operating Income/ (Expense)	<u>1,333,871</u>	<u>(1,197,018)</u>
O. Net Income / (Loss)	<u>(197,545)</u>	<u>(2,918,723)</u>
P. Working Capital Ratio (Current assets/current liabilities)	<u>3.43</u>	<u>3.49</u>

* For the purpose of this schedule Gross Patient Revenue is total billed charges, i.e. Net Patient Revenue per the Audited Financial Statements, plus Charity Care and Third Party Contractual Allowances and Discounts.

** If this data is not available the percentage that Inpatient Net Revenue is to Total Net Revenue.

*** For the purpose of this schedule Total Operating Expenses are Total Operating Expenses, per

the Audited Financial Statements, less Provision for Bad Debts.

Saint Luke Institute, Inc
8901 New Hampshire Avenue
Silver Spring, Md 20903

<u>Inpatient Services</u>	<u>Effective</u> <u>5/1/2009</u>
Men	400.00
Women	250.00

Evaluation Services

Men	\$ 2,970.00 per week(4 days)
Women	\$ 1,585.00 per week(4 days)

Halfway House

Men	\$144.00 (\$75 of that for Room and Board)
Women	144.00 (\$75.00 of that for Room and Board)

Re-entry Workshop

Men	\$ 720.00 per workshop
Women	\$ 720.00 per workshop

Continuing Care Workshop Fees

Men	\$ 1,250.00 per workshop
Women	\$ 625.00 per workshop

Outpatient Consulting Services

PH D Therapist	\$ 115.00 per hour of Therapy
Non PH.D Therapist	\$ 95.00 per hour of Therapy

Saint Luke Institute, Inc
 Patient Days
 June 30, 2010

	Patient Days	In Patient	Percentage	Average Daily Rate	Weighted Average
Halfway House	2866				
Men's Continuing Care	711				
Men's Evaluation	8355				
Mens Inpatient		8321 men	63%	284	179
Mens LOA Days	13				
Women's Continuing Care	94				
Women's Evaluation	109				
Women's Inpatient	5197	4880 women	37%	111	41
Women's LOA	0				
Total		13201	100%	395	220

SAINT LUKE INSTITUTE, INC., AND AFFILIATE

SILVER SPRING, MARYLAND

**CONSOLIDATED FINANCIAL STATEMENTS
AND SUPPLEMENTARY CONSOLIDATING INFORMATION**

FOR THE YEAR ENDED JUNE 30, 2010



Independent Auditors' Report

The Board of Directors
Saint Luke Institute, Inc., and Affiliate
Silver Spring, Maryland

We have audited the accompanying consolidated statement of financial position of Saint Luke Institute, Inc., and Affiliate (the "Organizations") as of June 30, 2010, and the related consolidated statements of activities and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Organizations' management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. The prior year summarized comparative information has been derived from Saint Luke Institute, Inc.'s 2009 financial statements and, in our report dated January 26, 2010, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Saint Luke Institute, Inc., and Affiliate, as of June 30, 2010, and the changes in their net assets and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The accompanying supplementary consolidating information presented on pages 19 and 20 is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, changes in net assets, and cash flows of the individual organizations. Such information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic consolidated financial statements taken as a whole.

Councilor, Buchanan + Mitchell, P.C.

Bethesda, Maryland
October 25, 2010

Certified Public Accountants

Saint Luke Institute, Inc., and Affiliate
Consolidated Statement of Financial Position
June 30, 2010
(With Comparative Totals as of June 30, 2009)

	2010	2009
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 530,924	\$ 830,940
Patient Accounts Receivable - Net	1,328,652	1,317,186
Unconditional Promises to Give	346,375	561,637
Prepaid Expenses and Other Receivables	87,347	88,089
Total Current Assets	2,293,298	2,797,852
Investments - HSD	6,799,802	6,819,073
Property and Equipment		
Leasehold Improvements	2,933,925	2,924,837
Furniture and Fixtures	182,230	178,950
Equipment	491,790	423,287
Vehicles	143,449	143,449
	3,751,394	3,670,523
Less Accumulated Depreciation	(2,479,194)	(2,272,324)
Property and Equipment - Net	1,272,200	1,398,199
Noncurrent Assets		
Unconditional Promises to Give	548,125	916,122
Total Assets	\$ 10,913,425	\$ 11,931,246
Liabilities and Net Assets		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 174,136	\$ 141,483
Accrued Salaries, Wages, and Vacation	330,237	419,017
Patient Refunds Payable	26,072	241,530
Deferred Revenue	24,800	14,245
Total Current Liabilities	555,245	816,275
Other Liabilities		
Underfunded Pension Obligation	161,692	715,123
Deferred Rent Payable	303,284	309,094
Total Liabilities	1,020,221	1,840,492
Net Assets		
Unrestricted	8,958,704	8,571,325
Temporarily Restricted	934,500	1,519,429
Total Net Assets	9,893,204	10,090,754
Total Liabilities and Net Assets	\$ 10,913,425	\$ 11,931,246

See accompanying Notes to Consolidated Financial Statements.

Saint Luke Institute, Inc., and Affiliate

**Consolidated Statement of Activities
For the Year Ended June 30, 2010
(With Comparative Totals for the Year Ended June 30, 2009)**

	2010			2009
	Unrestricted	Temporarily Restricted	Total	Total
Patient Service Revenues				
Room and Board	\$ 3,472,242	\$ -	\$ 3,472,242	\$ 3,199,976
Ancillary Services	2,017,041	-	2,017,041	2,145,999
Total Patient Service Revenues	5,489,283	-	5,489,283	5,345,975
Operating Revenues				
Other Operating Revenue	64,009	-	64,009	134,843
Net Assets Released from Restrictions	659,733	(659,733)	-	-
Total Revenues	6,213,025	(659,733)	5,553,292	5,480,818
Operating Expenses				
Program Services				
Psychological and Medical Services	3,029,065	-	3,029,065	3,273,563
Patient Support Services	2,291,819	-	2,291,819	2,272,909
Total Program Services	5,320,884	-	5,320,884	5,546,472
General and Administrative	1,762,434	-	1,762,434	1,611,921
Total Operating Expenses	7,083,318	-	7,083,318	7,158,393
Changes in Net Assets from Operations Before Other Revenues (Expenses)	(870,293)	(659,733)	(1,530,026)	(1,677,575)
Other Revenues (Expenses)				
General Donations	496,686	-	496,686	935,078
Net Realized Gain (Loss), Interest, and Dividends	296,881	-	296,881	(1,077,063)
Fund-Raising	(267,930)	-	(267,930)	(271,552)
Net Other Revenues (Expenses)	525,637	-	525,637	(413,537)
Changes in Net Assets from Operations	(344,656)	(659,733)	(1,004,389)	(2,091,112)
Other Changes				
General Donations	-	74,804	74,804	668,596
Change in Underfunded Pension Obligation	553,431	-	553,431	(1,017,797)
Net Unrealized Gain (Loss) on Investments	178,604	-	178,604	(478,408)
Total Other Changes	732,035	74,804	806,839	(827,609)
Changes in Net Assets	387,379	(584,929)	(197,550)	(2,918,721)
Net Assets, Beginning of Year	8,571,325	1,519,429	10,090,754	13,009,475
Net Assets, End of Year	\$ 8,958,704	\$ 934,500	\$ 9,893,204	\$ 10,090,754

See accompanying Notes to Consolidated Financial Statements.

Saint Luke Institute, Inc., and Affiliate

Consolidated Statement of Cash Flows

For the Year Ended June 30, 2010

(With Comparative Totals for the Year Ended June 30, 2009)

	2010	2009
Cash Flows from Operating Activities		
Change in Net Assets	\$ (197,550)	\$ (2,918,721)
Adjustments to Reconcile Change in Net Assets to Net Cash Used in Operating Activities		
Depreciation	206,869	203,636
Unrealized (Gain) Loss on Investments	(178,604)	478,408
Increase (Decrease) in Underfunded Pension Obligation	(553,431)	1,017,797
Donated Securities	(28,034)	-
<u>(Increase) Decrease in Assets</u>		
Patient Accounts Receivable - Net	(11,466)	347,669
Unconditional Promises to Give	583,259	152,743
Prepaid Expenses and Other Receivables	742	(1,913)
<u>Increase (Decrease) in Liabilities</u>		
Accounts Payable and Accrued Expenses	32,653	18,560
Accrued Salaries, Wages, and Vacation	(88,780)	(366)
Patient Refunds Payable	(215,458)	90,222
Deferred Revenue	10,555	(105,353)
Deferred Rent Payable	(5,810)	(472)
Net Cash Used in Operating Activities	(445,055)	(717,790)
Cash Flows from Investing Activities		
Net Sales of Investments	225,910	707,173
Acquisitions of Property and Equipment	(80,871)	(92,005)
Net Cash Provided by Investing Activities	145,039	615,168
Net Decrease in Cash and Cash Equivalents	(300,016)	(102,622)
Cash and Cash Equivalents at Beginning of Year	830,940	933,562
Cash and Cash Equivalents at End of Year	\$ 530,924	\$ 830,940

See accompanying Notes to Consolidated Financial Statements.

Saint Luke Institute, Inc., and Affiliate

**Notes to Consolidated Financial Statements
June 30, 2010**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organizations and Principles of Consolidation

Saint Luke Institute, Inc., (the "Institute") located in Silver Spring, Maryland, is a licensed private residential facility and institute for research and education specializing in promoting the health and well-being of religious women and men, clergy, and others involved in church ministry. The services and treatment provided are a means of responding to the mandate of Jesus Christ to participate in the ministry of salvation through the mysteries of teaching and healing. The Institute is affiliated with Ascension Health System (AHS).

Saint Luke Institute Foundation, Inc., (the "Foundation," together with the Institute, the "Organizations") was formed in 2008 as a supporting organization. During the year ended June 30, 2009, the Institute transferred \$3,726,407 in capital campaign net assets (including cash, unconditional promises to give, and investments) to the Foundation. Additionally, the Institute allocated another \$500,000 to the Foundation. The purpose of these transfers was to fund the Foundation as a supporting organization to the Institute, absent donor-imposed restrictions on the assets that were transferred. The purpose of the Foundation is to provide financial support to the Institute to carry out the Institute's programs in promoting the health and well-being of religious women and men, clergy, and others involved in church ministry.

The bylaws of the Foundation provide that the directors of the Institute shall appoint the members of the board of directors of the Foundation. As a result, the Institute is deemed to have both an economic interest in and control of the Foundation and consolidated financial statements are required to be presented by accounting principles generally accepted in the United States of America.

The consolidated financial statements include the accounts of the Institute and the Foundation. All significant interorganization accounts and transactions have been eliminated in consolidation.

Basis of Accounting

The Organizations prepare their consolidated financial statements on the accrual basis of accounting. Consequently, revenues are recognized when earned and expenses are recognized when the obligations are incurred.

Saint Luke Institute, Inc., and Affiliate

**Notes to Consolidated Financial Statements
June 30, 2010**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash Equivalents

Investments in highly liquid instruments with an original maturity of three months or less are considered to be cash equivalents.

Accounts Receivable

Accounts receivable are reported at their outstanding balances, reduced by an allowance for doubtful accounts.

Management periodically evaluates the adequacy of the allowance for doubtful accounts by considering the Organizations' past receivables loss experience, known and inherent risks in the accounts receivable population, adverse situations that may affect a client's ability to pay, and current economic conditions.

The allowance for doubtful accounts is increased by charges to bad debts expense and decreased by charge offs of the accounts receivable balances. Accounts receivable are considered past due based on management's determination. Accounts receivable are charged off based on management's case-by-case determination that they are uncollectible.

Investments - HSD

The Health System Depository (HSD) is an investment pool of funds originating from AHS member institutions. Net earnings of the HSD are allocated to investing participants on a pro rata basis. The investments are in a long-term HSD account, which consists primarily of U.S. Government obligations, corporate obligations, marketable equity securities, loans to member institutions, and other alternative investments. The Organizations report their investment balance with HSD at fair value as reported by HSD.

Saint Luke Institute, Inc., and Affiliate

Notes to Consolidated Financial Statements

June 30, 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments – HSD (Continued)

Because the Organizations' investments are pooled with the investments of other member institutions, HSD is unable to disclose certain information pertaining to the Organizations' investments. This information includes the percentage breakdown by investment type, purchases, sales, realized gains and losses, dividends, interest, the fair value of each class of plan assets, the level within the fair value hierarchy in which the fair value measurements fall, segregating fair value measurements using Level 1 inputs, Level 2 inputs, and Level 3 inputs, the valuation techniques and inputs used in measuring fair value, a discussion of any changes in valuation techniques and inputs during the period, and total gains or losses for the period for investments using fair value measurements based on Level 3 inputs included in changes in net assets due to the change in unrealized gains or losses that relate to assets held at the reporting date. These consolidated financial statements contain the highest possible level of disclosure, given the information provided by HSD.

Property and Equipment

Property and equipment are carried at cost or fair value at date of gift. Provision for depreciation is made on a straight-line basis over the estimated useful lives of the assets ranging from 3 to 20 years.

Temporarily Restricted Net Assets

The Organizations account for donations received as temporarily restricted if the donors have specified times or purposes for which the donations are to be used. Additionally, promises to give received as part of a fund-raising drive that had a particular purpose are considered temporarily restricted for that purpose. Temporarily restricted donations are released from their temporary restrictions once the restrictive time periods have expired or purposes have been met.

Changes in Net Assets from Operations

The consolidated statement of activities includes "Changes in Net Assets from Operations." Changes in net assets that are excluded from changes in net assets from operations consistent with industry practice, include unrealized gains and losses on investments, restricted general donations, and changes in pension funded status.

Saint Luke Institute, Inc., and Affiliate

**Notes to Consolidated Financial Statements
June 30, 2010**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Charity Care

The Institute provides care without charge or at amounts less than its established rates to patients who meet certain criteria under its charity care policy. Because the Institute does not pursue collection of amounts determined to qualify as charity care, such amounts are not reported as revenue. Charges foregone in connection with charity care provided in 2010 amounted to approximately \$560,000.

Income Taxes

The Institute is a tax-exempt organization operated for religious, scientific, and charitable purposes under the provisions of Section 501(c)(3) of the Internal Revenue Code.

The Foundation is a tax-exempt organization under the provisions of Section 501(c)(3) of the Internal Revenue Code and is a Type 1 supporting organization.

Summarized Comparative Information

The consolidated financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the Organizations' consolidated financial statements for the year ended June 30, 2009, from which the summarized information was derived.

2. CONCENTRATION OF CREDIT RISK

The Organizations maintain their cash accounts in banks that are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The Organizations' funds held by these banks as of June 30, 2010, did not exceed the FDIC limit. At June 30, 2010, the Organizations had additional amounts that were invested in repurchase agreements of approximately \$490,000 that were not covered by insurance. The Organizations have a security interest in all securities purchased under the repurchase agreements.

3. PATIENT ACCOUNTS RECEIVABLE

Patient accounts receivable as of June 30, 2010, are as follows:

Patient Accounts Receivable	\$ 1,375,496
Less Allowance for Doubtful Accounts	<u>(46,844)</u>
Net Patient Accounts Receivable	<u>\$ 1,328,652</u>

Saint Luke Institute, Inc., and Affiliate

**Notes to Consolidated Financial Statements
June 30, 2010**

4. UNCONDITIONAL PROMISES TO GIVE

Unconditional promises to give as of June 30, 2010, are as follows:

Unconditional Promises to Give Before	
Unamortized Discount	\$ 1,048,424
Less Unamortized Discount	<u>(153,924)</u>
Net Unconditional Promises to Give	<u>\$ 894,500</u>

Amounts of unconditional promises to give due in future years are as follows:

Less Than One Year	\$ 346,375
One to Five Years	<u>548,125</u>
Total	<u>\$ 894,500</u>

The discount rate as of June 30, 2010, was 3.98%.

5. INVESTMENTS AND FAIR VALUE MEASUREMENTS

As of June 30, 2010, the fair value of investments in HSD was \$6,799,802 compared to the cost of \$7,011,736.

The components of total investment return for 2010 are reflected below:

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Net Realized Gains, Interest, and Dividends	\$ 296,881	\$ -	\$ 296,881
Net Unrealized Gains	<u>178,604</u>	<u>-</u>	<u>178,604</u>
Total Investment Return	<u>\$ 475,485</u>	<u>\$ -</u>	<u>\$ 475,485</u>
Investment Return Designated for Current Operations	\$ 296,881	\$ -	\$ 296,881
Investment Return Greater Than Amounts Designated for Current Operations	<u>178,604</u>	<u>-</u>	<u>178,604</u>
Total Investment Return	<u>\$ 475,485</u>	<u>\$ -</u>	<u>\$ 475,485</u>

Saint Luke Institute, Inc., and Affiliate

**Notes to Consolidated Financial Statements
June 30, 2010**

5. INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

As of June 30, 2010, the HSD long-term target asset allocation was:

Equity Securities	45%
Fixed Income Securities	35%
Alternative Investments	<u>20%</u>
	<u>100%</u>

Investments were the Organizations' only assets or liabilities measured at fair value on a recurring basis at June 30, 2010, and were as follows:

	<u>Fair Value</u>	<u>Level 3 Inputs</u>
Investments - HSD	<u>\$ 6,799,802</u>	<u>\$ 6,799,802</u>

Financial assets measured using Level 1 inputs, if any, are based on unadjusted quoted market prices in active markets for identical assets.

Level 2 inputs, if any, include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable, and inputs derived from observable market data.

Financial assets valued using Level 3 inputs are valued using unobservable inputs to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. The fair value measurement objective is to determine an exit price from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs reflect the Organizations' own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances, which might include the Organizations' own data.

Saint Luke Institute, Inc., and Affiliate

**Notes to Consolidated Financial Statements
June 30, 2010**

5. INVESTMENTS AND FAIR VALUE MEASUREMENTS (CONTINUED)

Assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) - Investments - HSD:

	<u>Level 3 Inputs</u>
July 1, 2009	\$ 6,819,073
Total Net Gain (Realized/Unrealized) Included in	
Changes in Net Assets, Including Interest and Dividends	475,485
Net Purchases, Sales, Issuances, and Settlements	(494,756)
Transfers in and/or out of Level 3	-
June 30, 2010	<u>\$ 6,799,802</u>

Gains and losses (realized and unrealized) included in changes in net assets for the year ended June 30, 2010, are reported as follows:

	Other Revenues (Expenses)
	<u>Net Realized Gain (Loss), Interest, and Dividends</u>
Total Net Realized Gain Included in Changes in Net Assets, Including Interest and Dividends	<u>\$ 296,881</u>
	Other Changes
	Net Unrealized Gain (Loss) on <u>Investments</u>
Total Net Unrealized Gain Included in Changes in Net Assets	<u>\$ 178,604</u>

Saint Luke Institute, Inc., and Affiliate

**Notes to Consolidated Financial Statements
June 30, 2010**

6. RETIREMENT PLAN

The Organizations participate in the Ascension Health Pension Plan (the "Retirement Plan"), which is a multiple employer, noncontributory, defined benefit pension plan covering all eligible employees of certain AHS entities and affiliates. The Retirement Plan assets are invested in a master trust (the "Trust") consisting of cash and cash equivalents, equity and fixed income funds, and alternative investments.

The Retirement Plan covers all eligible employees of participating tax-exempt AHS organizations who were employed by an AHS organization for at least one year and worked at least 1,000 hours in that year or a calendar year thereafter. The Retirement Plan benefits are based on each participant's years of service, compensation, and age. Certain Retirement Plan provisions vary by location, depending upon the benefit formula and match level selected by the local AHS organization. Contributions to the Retirement Plan are based on actuarially determined amounts sufficient to meet the benefits to be paid to Retirement Plan participants. Amounts are allocated by AHS to the Organizations and other participating entities. Contributions are intended to provide not only for benefits attributed to service to date but also for those expected to be earned in the future. Expected contributions in 2011 are \$280,000 for the Organizations.

Additional information regarding the eligibility, vesting, benefit procedures, and contributions is published in the Retirement Plan's plan document and other sources.

The assets of the Retirement Plan are available to pay the benefits of eligible employees for all participating entities. In the event entities participating in the Retirement Plan are unable to fulfill their financial obligations under the Retirement Plan, the other participating entities are obligated to do so. As of June 30, 2010, the Retirement Plan had a net unfunded liability of \$649,817,652.

Saint Luke Institute, Inc., and Affiliate

**Notes to Consolidated Financial Statements
June 30, 2010**

6. RETIREMENT PLAN (CONTINUED)

The Organizations' allocated share of the Retirement Plan was not fully funded at June 30, 2010. A \$161,692 underfunded pension obligation has been recorded in the consolidated statement of financial position as a noncurrent liability.

The following tables set forth further information about the Organizations' participation in the Retirement Plan, as allocated by AHS where applicable, using the measurement date as of June 30, 2010:

Funded Status	
Benefit Obligation	\$ 5,287,825
Plan Assets at Fair Value	5,126,133
Contributions Made After the Measurement Date	N/A
Unrecognized Net Actuarial Loss	N/A
Unrecognized Prior Service Cost Allocation Adjustment	N/A
	<u>-</u>
Net Funded Status	<u>\$ (161,692)</u>
Additional Information	
Accumulated Benefit Obligation	\$ 4,985,489
Employer Contributions	256,033
Plan Participant Contributions	-
Benefits Paid	138,647

The amount recognized in the consolidated statement of financial position consisted of:

Noncurrent Liability	<u>\$ 161,692</u>
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Saint Luke Institute, Inc., and Affiliate

**Notes to Consolidated Financial Statements
June 30, 2010**

6. RETIREMENT PLAN (CONTINUED)

Amounts recognized in unrestricted net assets consisted of:

Net Actuarial Loss	\$ (1,406,993)
Prior Service Credit	131,417
Allocation Adjustment from AHS	<u>1,214,732</u>
Net Total	<u>\$ (60,844)</u>
Components of Net Periodic Benefit Cost	
Service Cost	\$ 201,524
Interest Cost	341,014
Expected Return on Assets	(341,184)
Amortization of Prior Service Credit	(17,300)
Amortization of Actuarial Loss	<u>204,260</u>
Net Periodic Benefit Cost	388,314
Allocation Adjustment from AHS	<u>(132,281)</u>
Total Net Periodic Benefit Cost	<u>\$ 256,033</u>

Net periodic benefit cost of \$256,033 was allocated to the Organizations based on actuarial calculations. The service cost component of net periodic benefit cost charged to the Organizations is actuarially determined while all other components are allocated based on the Organizations' pro rata share of AHS's overall projected benefit obligation.

Other changes in plan assets and benefit obligation recognized in unrestricted net assets during the year ended June 30, 2010, include:

Current Year Actuarial Loss	\$ (728,686)
Amortization of Actuarial Loss	204,260
Current Year Prior Service (Credit) Cost	-
Amortization of Prior Service Credit	(17,300)
Current Year Allocation Adjustment*	-
Amortization of Allocation Adjustment*	-
Eliminating Entry - Early Measurement Date - Actuarial Loss	-
Eliminating Entry - Early Measurement Date - Prior Service Credit	-
Current Year Allocation Adjustment	1,214,733
Amortization of Allocation Adjustment	<u>(119,576)</u>
Net	<u>\$ 553,431</u>

* Allocation by AHS

Saint Luke Institute, Inc., and Affiliate

**Notes to Consolidated Financial Statements
June 30, 2010**

6. RETIREMENT PLAN (CONTINUED)

Amounts in unrestricted net assets and expected to be recognized as components of net periodic benefit cost over the next fiscal year are as follows:

Net Actuarial Loss	\$ 250,000
Prior Service Credit	(20,000)
Allocation Adjustment	<u>(150,000)</u>
Total	<u>\$ 80,000</u>

The following assumptions are used in accounting for the Retirement Plan for the year ended June 30, 2010:

Weighted-Average Assumptions Used to Determine Benefit Obligation	
Discount Rate	5.5%
Rate of Compensation Increase	4.0
Weighted-Average Assumptions Used to Determine Net Periodic Benefit Cost	
Discount Rate	5.5%
Rate of Compensation Increase	4.0
Expected Return on Plan Assets	8.5

No Retirement Plan assets are expected to be returned to AHS or the Organizations during the fiscal year ending June 30, 2011.

The Retirement Plan's asset allocation and investment strategies are designed to earn superior returns on the Retirement Plan assets consistent with a reasonable and prudent level of risk. Investments are diversified across classes, sectors, and manager style to minimize the risk of large losses. Derivatives may be used to bridge specific exposure, reduce transaction costs, or modify the portfolio's duration or yield. AHS uses investment managers specializing in each asset category and, where appropriate, provides the investment manager with specific guidelines, which include allowable and/or prohibited investment types. AHS regularly monitors manager performance and compliance with investment guidelines.

Saint Luke Institute, Inc., and Affiliate

Notes to Consolidated Financial Statements

June 30, 2010

6. RETIREMENT PLAN (CONTINUED)

The weighted average asset allocation for the Retirement Plan at June 30, 2010, (the measurement date) and the target allocation for fiscal 2011, by asset category, are as follows:

<u>Asset Category</u>	<u>Target Allocation</u>	<u>Percentage of Plan Assets at Year-End</u>
	<u>2011</u>	<u>2010</u>
Equity Securities	40%	40%
Fixed Income Securities	30%	30%
Alternative Investments	<u>30%</u>	<u>30%</u>
Total	<u>100%</u>	<u>100%</u>

The Trust has entered into a series of interest rate swap agreements with a notional amount of approximately \$1.4 billion. The combined targeted duration of these swaps and the Trust's fixed income investments approximates the duration of the liabilities of the Trust. Currently, 50% of the dollar duration of the liability is subject to this economic hedge. The purpose of this strategy is to economically hedge the change in the net funded status for a significant portion of the liability that can occur due to changes in interest rates.

The expected long-term rate of return on the Retirement Plan assets is based on historical and projected rates of return for current and planned asset categories in the Retirement Plan's investment portfolio. Assumed projected rates of return for each asset category were selected after analyzing historical experience and future expectations of the returns and volatility for assets of that category using benchmark rates. Based on the target asset allocation among the asset categories, the overall expected rate of return for the portfolio was developed and adjusted for historical and expected experience of active portfolio management results compared to benchmark returns and for the effect of expenses paid from the Retirement Plan assets.

The following benefits are expected to be paid from the Retirement Plan in future fiscal years:

For the Years Ending June 30,

2011	\$ 500,000
2012	560,000
2013	580,000
2014	630,000
2015	670,000
2016-2020	4,030,000

Saint Luke Institute, Inc., and Affiliate

Notes to Consolidated Financial Statements

June 30, 2010

6. RETIREMENT PLAN (CONTINUED)

Additionally, \$33,992 in pension costs were paid on behalf of eligible employees, affiliated with religious orders, directly to their religious orders for the year ended June 30, 2010. The eligibility of employees and calculation of benefits payable to the respective religious orders were determined by the Retirement Plan's administrator in accordance with the Retirement Plan guidelines.

7. TEMPORARILY RESTRICTED NET ASSETS

For the year ended June 30, 2010, temporarily restricted net assets of \$659,733 were released from restrictions, primarily as a result of collection of unconditional promises to give resulting from the capital campaign.

The remaining temporarily restricted net assets are restricted for the following purposes:

Capital Campaign	\$ 894,500
Charity Care	20,000
Outpatient Program	<u>20,000</u>
Total	<u>\$ 934,500</u>

8. RELATED PARTY TRANSACTIONS

The Institute has a management services arrangement with Saint Luke Center (SLC), a similar treatment facility in England. The Institute's board of directors serves as the board of members of SLC. During the year ended June 30, 2010, the Institute provided approximately \$41,300 of managerial and other administrative services in connection with the operations in England.

The Institute loaned \$50,000 to one of its executives to be repaid in five annual installments. Interest accrues at a variable rate based on the annual midterm rate as determined by the Internal Revenue Service. The loan is unsecured. The first repayment is due February 2011. The balance of this loan is included with prepaid expenses and other receivables on the consolidated statement of financial position.

Saint Luke Institute, Inc., and Affiliate

Notes to Consolidated Financial Statements

June 30, 2010

9. LEASE COMMITMENTS

The Institute leases its facility under a 20-year lease, which began in 1996. During 2009, the Institute modified its lease to lower the monthly lease payment by approximately 25% extending into 2010. The original rent was \$406,000 per year, increasing every five years by 10%. Rental expense for the year ended June 30, 2010, was \$406,000, which reflects the average minimum annual lease commitment on a straight-line basis.

Future minimum rentals are as follows:

For the Years Ending June 30,

2011	\$ 444,675
2012	465,850
2013	465,850
2014	465,850
2015	465,850
Thereafter	<u>232,925</u>
Total	<u>\$ 2,541,000</u>

10. CONTINGENCIES - UNEMPLOYMENT CLAIMS

The Organizations self-insure unemployment claims under the reimbursement of trust fund method. This method provides that the Organizations remit payment to the State of Maryland, as benefit claims are approved by the Maryland Department of Human Resources. In management's opinion, no consolidated financial statement accruals for unasserted claims are necessary.

11. SUBSEQUENT EVENTS

The Organizations have evaluated subsequent events through October 25, 2010, which is the date that the consolidated financial statements were available to be issued.

Supplementary Information

Saint Luke Institute, Inc., and Affiliate

**Consolidating Schedule of Financial Position Information
June 30, 2010**

	Consolidating Information			Consolidated Total
	Institute	Foundation	Eliminations	
Assets				
Current Assets				
Cash and Cash Equivalents	\$ 466,610	\$ 64,314	\$ -	\$ 530,924
Due from Institute	-	15,482	(15,482)	-
Patient Accounts Receivable - Net	1,328,652	-	-	1,328,652
Unconditional Promises to Give	-	346,375	-	346,375
Prepaid Expenses and Other Receivables	87,347	-	-	87,347
Total Current Assets	1,882,609	426,171	(15,482)	2,293,298
Investments - HSD	2,981,598	3,818,204	-	6,799,802
Property and Equipment				
Leasehold Improvements	2,933,925	-	-	2,933,925
Furniture and Fixtures	182,230	-	-	182,230
Equipment	491,790	-	-	491,790
Vehicles	143,449	-	-	143,449
	3,751,394	-	-	3,751,394
Less Accumulated Depreciation	(2,479,194)	-	-	(2,479,194)
Property and Equipment - Net	1,272,200	-	-	1,272,200
Noncurrent Assets				
Unconditional Promises to Give	-	548,125	-	548,125
Total Assets	\$ 6,136,407	\$ 4,792,500	\$ (15,482)	\$ 10,913,425
Liabilities and Net Assets				
Current Liabilities				
Accounts Payable and Accrued Expenses	\$ 174,136	\$ -	\$ -	\$ 174,136
Due to Foundation	15,482	-	(15,482)	-
Accrued Salaries, Wages, and Vacation	330,237	-	-	330,237
Patient Refunds Payable	26,072	-	-	26,072
Deferred Revenue	24,800	-	-	24,800
Total Current Liabilities	570,727	-	(15,482)	555,245
Other Liabilities				
Underfunded Pension Obligation	161,692	-	-	161,692
Deferred Rent Payable	303,284	-	-	303,284
Total Liabilities	1,035,703	-	(15,482)	1,020,221
Net Assets				
Unrestricted	5,060,704	3,898,000	-	8,958,704
Temporarily Restricted	40,000	894,500	-	934,500
Total Net Assets	5,100,704	4,792,500	-	9,893,204
Total Liabilities and Net Assets	\$ 6,136,407	\$ 4,792,500	\$ (15,482)	\$ 10,913,425

Saint Luke Institute, Inc., and Affiliate

**Consolidating Schedule of Activities Information
For the Year Ended June 30, 2010**

	Consolidating Information		
	Institute		
	Unrestricted	Temporarily Restricted	Total
Patient Service Revenues			
Room and Board	\$ 3,472,242	\$ -	\$ 3,472,242
Ancillary Services	2,017,041	-	2,017,041
Total Patient Service Revenues	5,489,283	-	5,489,283
Operating Revenues			
Other Operating Revenue	64,009	-	64,009
Net Assets Released from Restrictions	95,170	(95,170)	-
Total Revenues	5,648,462	(95,170)	5,553,292
Operating Expenses			
Program Services			
Psychological and Medical Services	3,029,065	-	3,029,065
Patient Support Services	2,291,819	-	2,291,819
Total Program Services	5,320,884	-	5,320,884
General and Administrative	1,761,680	-	1,761,680
Total Operating Expenses	7,082,564	-	7,082,564
Changes in Net Assets from Operations Before Other Revenues (Expenses)	(1,434,102)	(95,170)	(1,529,272)
Other Revenues (Expenses)			
General Donations	496,686	-	496,686
Net Realized Gain (Loss), Interest, and Dividends	244,957	-	244,957
Fund-Raising	(267,930)	-	(267,930)
Net Other Revenues (Expenses)	473,713	-	473,713
Changes in Net Assets from Operations	(960,389)	(95,170)	(1,055,559)
Other Changes			
General Donations	-	43,500	43,500
Change in Underfunded Pension Obligation	553,431	-	553,431
Unrealized Gain (Loss) on Investments	241,140	-	241,140
Total Other Changes	794,571	43,500	838,071
Changes in Net Assets	(165,818)	(51,670)	(217,488)
Net Assets, Beginning of Year	5,226,522	91,670	5,318,192
Net Assets, End of Year	\$ 5,060,704	\$ 40,000	\$ 5,100,704

Consolidating Information

Foundation			Consolidated Total
Unrestricted	Temporarily Restricted	Total	
\$ -	\$ -	\$ -	\$ 3,472,242
-	-	-	2,017,041
-	-	-	5,489,283
-	-	-	64,009
564,563	(564,563)	-	-
564,563	(564,563)	-	5,553,292
-	-	-	3,029,065
-	-	-	2,291,819
-	-	-	5,320,884
754	-	754	1,762,434
754	-	754	7,083,318
563,809	(564,563)	(754)	(1,530,026)
-	-	-	496,686
51,924	-	51,924	296,881
-	-	-	(267,930)
51,924	-	51,924	525,637
615,733	(564,563)	51,170	(1,004,389)
-	31,304	31,304	74,804
-	-	-	553,431
(62,536)	-	(62,536)	178,604
(62,536)	31,304	(31,232)	806,839
553,197	(533,259)	19,938	(197,550)
3,344,803	1,427,759	4,772,562	10,090,754
<u>\$ 3,898,000</u>	<u>\$ 894,500</u>	<u>\$ 4,792,500</u>	<u>\$ 9,893,204</u>

STATEMENT OF REVENUE AND EXPENSES

RE

INSTITUTION NAME: SAINT LUKE INSTITUTE, INC

BASE YEAR _____ 2010

INSTITUTION NUMBER : 2781

BUDGET YEAR _____

		COLUMN 1 REGULATED	COLUMN 2 UNREGULATED	COLUMN 3 TOTAL	
OPERATING REVENUES					
A	GROSS REV FROM DAILY HOSP SERVICES	5,753,023	0	5,753,023	A
B	GROSS REV FROM AMBULATORY SERVICES	0	0	-	B
C	GROSS REV FROM I/P ANCILLARY SERVICES	0	0	-	C
D	GROSS REV FROM O/P ANCILLARY SERVICES	313,064	0	313,064	D
E	GROSS PATIENT REVENUES	6,066,087	0	6,066,087	E

DEDUCTIONS FROM REVENUES					
F	PROVISION FOR BAD DEBTS	2,620	0	2,620	F
G	CHARITY/UNCOMPENSATED CARE	576,819		576,819	G
H	CONTRACTUAL ADJUSTMENTS	0	0	-	H
H1	UNCOMPENSATED CARE FUND PAYMENTS	0	0	-	H1
H2	DENIALS	0	0	-	H2
I	OTHER DEDUCTIONS FROM REVENUES				I
J	TOTAL DEDUCTIONS FROM REVENUES	-	0	-	J
J1	UNCOMPENSATED CARE FUND RECEIPTS	0	0	-	J1
K	NET PATIENT REVENUES	5,486,648	0	5,486,648	K
L	OTHER OPERATING REVENUES	57,729	0	57,729	L
M	NET OPERATING REVENUES	5,544,376		5,544,376	M

OPERATING EXPENSES					
N	SALARIES, WAGES AND EMPLOYEE BENEFITS	4,815,104	0	4,815,104	N
O	PROFESSIONAL FEES	976,159	0	976,159	O
P	SUPPLIES	101,137	0	101,137	P
Q	DEPRECIATION/AMORT., LEASES/RENTALS	522,920	0	522,920	Q
R	OTHER EXPENSES	860,487	0	860,487	R
S	TOTAL OPERATING EXPENSES	7,075,807	0	7,075,807	S
T	EXCESS (DEFICIT) OPR. REV. OVER OPR. EXP.	(1,531,416)	0	(1,531,416)	T
U	NON-OPR. REVENUES	XXXXXX			U
V	NON-OPR. EXPENSES	XXXXXX			V
W	EXCESS (DEFICIT) REVENUES OVER EXPENSES	(197,545)			W
X	OPERATING EXPENSES PER EIPD		XXXXXX	XXXXXX	X
Y	OPERATING EXPENSES PER EIPA		XXXXXX	XXXXXX	Y
Z	WORKING CAPITAL RATIO=CURRENT ASSETS/CURRENT LIABILITIES		XXXXXX	XXXXXX	Z

AA	ADMISSIONS				AA
BB	EIPA's				BB

Supplement to FS and RE Schedules to Disclose Non-Operating Revenue and Expense

Income Statement

RE Line T	Excess (Deficit) Operating Rev. over Operating Expenses	XXXXX	-1531417
RE Line U	Detailed Non-Operating:- Income/(Expense)		
U1	Contributions (Unrestricted) and Restricted	571490.2	XXXXX
U2	Interest & Investment Income	296881.61	XXXXX
U3	Investment - Gains/Losses - Realized		XXXXX
U4	Investment - Gains/Losses - Unrealized	738317.7	XXXXX
U5	Swap Agreements - Gains/(losses) - Realized		XXXXX
V	Marketing Expenses	-272818.13	XXXXX
RE Line W	Excess Profit/(Loss)	XXXXX	-197545.62

Supplemental Schedule - FS and RE Schedules
Other Significant Financial Information

CC	Swap Agreements - Gains/(Losses) - Unrealized		XXXXX
DD	Collateral Received/(Posted) - Swap Agreements		XXXXX
EE	Retirement of Debt - Gains/(Losses)		XXXXX
FF	Pension Adjustments - Defined Benefit Plans		XXXXX
GG	Other (Specify)		XXXXX
HH	Total	XXXXX	0

HSCRC Financial Disclosure Report

Hospital Name: Saint Luke Institute, Inc.Hospital Number: 2781Fiscal Year Ending: June 30, 2010FOR REGULATED FACILITY

	<u>2010</u>	<u>2009</u>
A. Occupancy Percentage (Based on Licensed Beds)	<u>79.00%</u>	<u>76.95%</u>
B. Total Gross Patient Revenue *	<u>6,066,087</u>	<u>5,707,394</u>
C. Gross Inpatient Revenue **	<u>5,753,023</u>	<u>5,404,759</u>
D. Other Operating Income	<u>57,729</u>	<u>110,458</u>
E. Third Party Contractual Allowances & Discounts	<u>0</u>	<u>0</u>
F. Provision for Bad Debts	<u>2,620</u>	<u>78,923</u>
G. Charity Care	<u>576,819</u>	<u>361,578</u>
H. Total Operating Expenses	<u>7,075,793</u>	<u>7,117,979</u>
I. Inpatient Admissions ***	<u>68</u>	<u>70</u>
J. Equivalent Inpatient Admissions (EIPA's)	<u>72</u>	<u>74</u>
K. Inpatient Days	<u>13,552</u>	<u>13,201</u>
L. Equivalent Inpatient Days (EIPD's)	<u>14,289</u>	<u>13,940</u>
M. Operating Profit / (Loss)	<u>(1,531,417)</u>	<u>(1,721,705)</u>
N. Non-Operating Income/ (Expense)	<u>1,333,871</u>	<u>(1,197,018)</u>
O. Net Income / (Loss)	<u>(197,545)</u>	<u>(2,918,723)</u>
P. Working Capital Ratio (Current assets/current liabilities)	<u>3.43</u>	<u>3.49</u>

* For the purpose of this schedule Gross Patient Revenue is total billed charges, i.e. Net Patient Revenue per the Audited Financial Statements, plus Charity Care and Third Party Contractual Allowances and Discounts.

** If this data is not available the percentage that Inpatient Net Revenue is to Total Net Revenue.

*** For the purpose of this schedule Total Operating Expenses are Total Operating Expenses, per

the Audited Financial Statements, less Provision for Bad Debts.

Saint Luke Institute, Inc
 Patient Days
 June 30, 2010

	Patient Days	In Patient	Percentage	Average Daily Rate	Weighted Average
Halfway House	2866				
Men's Continuing Care	711				
Men's Evaluation	8355				
Mens Inpatient		8321 men	63%	284	179
Mens LOA Days	13				
Women's Continuing Care	94				
Women's Evaluation	109				
Women's Inpatient	5197	4880 women	37%	111	41
Women's LOA	0				
Total		13201	100%	395	220

Saint Luke Institute, Inc
8901 New Hampshire Avenue
Silver Spring, Md 20903

	Effective <u>5/1/2009</u>
<u>Inpatient Services</u>	
Men	400.00
Women	250.00

<u>Evaluation Services</u>	
Men	\$ 2,970.00 per week(4 days)
Women	\$ 1,585.00 per week(4 days)

<u>Halfway House</u>	
Men	\$144.00 (\$75 of that for Room and Board)
Women	144.00 (\$75.00 of that for Room and Board)

<u>Re-entry Workshop</u>	
Men	\$ 720.00 per workshop
Women	\$ 720.00 per workshop

<u>Continuing Care Workshop Fees</u>	
Men	\$ 1,250.00 per workshop
Women	\$ 625.00 per workshop

<u>Outpatient Consulting Services</u>	
PH D Therapist	\$ 115.00 per hour of Therapy
Non PH.D Therapist	\$ 95.00 per hour of Therapy