

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2011 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>			
A This return/report is for:	☐ a multiemployer plan;	☐ a multiple-employer plan; or	
	☒ a single-employer plan;	☐ a DFE (specify) ____	
B This return/report is:	☐ the first return/report;	☐ the final return/report;	
	☐ an amended return/report;	☐ a short plan year return/report (less than 12 months).	
C If the plan is a collectively-bargained plan, check here.	☐		
D Check box if filing under:	☒ Form 5558;	☐ automatic extension;	☐ the DFVC program;
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan <u>ST. LUKES EPISCOPAL HEALTH SYSTEM 403(B) PLAN</u>	1b Three-digit plan number (PN) ▶	<u>003</u>	
	1c Effective date of plan <u>08/01/1962</u>		
2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan) <u>ST. LUKES EPISCOPAL HEALTH SYSTEM</u> <u>6720 BERTNER, MAIL CODE 4-159</u> <u>HOUSTON, TX 77030</u>	2b Employer Identification Number (EIN) <u>76-0536232</u>	2c Sponsor's telephone number <u>832-355-4717</u>	
	2d Business code (see instructions) <u>622000</u>		

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	<u>10/10/2012</u>	<u>SUSAN BAILEY-NEWELL</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2011)
v.012611

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") ST. LUKES EPISCOPAL HEALTH SYSTEM 6720 BERTNER, MAIL CODE 4-159 HOUSTON, TX 77030	3b Administrator's EIN 76-0536232 3c Administrator's telephone number 832-355-4717
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4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
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5 Total number of participants at the beginning of the plan year	5	8976
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6 Number of participants as of the end of the plan year (welfare plans complete only lines 6a , 6b , 6c , and 6d).		
a Active participants.....	6a	6517
b Retired or separated participants receiving benefits.....	6b	0
c Other retired or separated participants entitled to future benefits.....	6c	3002
d Subtotal. Add lines 6a , 6b , and 6c	6d	9519
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e	0
f Total. Add lines 6d and 6e	6f	9519
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	6g	9337
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6h	0

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	
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8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:

2F 2G 2M 2R 2S 2T 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) ☒ Insurance	(1) ☒ Insurance
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts
(3) ☒ Trust	(3) ☒ Trust
(4) ☐ General assets of the sponsor	(4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
- (2)** ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)** ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☒ 1 **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☐ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

SCHEDULE A (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500. ► Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 <hr/> 2011 <hr/> This Form is Open to Public Inspection
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011		
A Name of plan ST. LUKES EPISCOPAL HEALTH SYSTEM 403(B) PLAN	B Three-digit plan number (PN) ►	003
C Plan sponsor's name as shown on line 2a of Form 5500 ST. LUKES EPISCOPAL HEALTH SYSTEM	D Employer Identification Number (EIN) 76-0536232	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier

VARIABLE ANNUITY LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
74-1625348	70238	63219	9339	01/01/2011	12/31/2011

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in item 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
0	0

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end **4** 73877804**5** Current value of plan's interest under this contract in separate accounts at year end **5****6** Contracts With Allocated Funds:**a** State the basis of premium rates ▶**b** Premiums paid to carrier **6b****c** Premiums due but unpaid at the end of the year **6c****d** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount **6d**

Specify nature of costs ▶

e Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity(3) ☐ other (specify) ▶**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee(3) ☐ guaranteed investment (4) ☐ other ▶**b** Balance at the end of the previous year **7b** 67965910**c** Additions: (1) Contributions deposited during the year **7c(1)** 6469317(2) Dividends and credits **7c(2)** 0(3) Interest credited during the year **7c(3)** 2324504(4) Transferred from separate account **7c(4)** 7476471(5) Other (specify below) **7c(5)** 0(6) Total additions **7c(6)** 16270292**d** Total of balance and additions (add **b** and **c(6)**) **7d** 84236202**e** Deductions:(1) Disbursed from fund to pay benefits or purchase annuities during year **7e(1)** 7685480(2) Administration charge made by carrier **7e(2)** 0(3) Transferred to separate account **7e(3)** 2632320(4) Other (specify below) **7e(4)** 40598▶ **CONTRACT SURRENDER CHARGES**(5) Total deductions **7e(5)** 10358398**f** Balance at the end of the current year (subtract **e(5)** from **d**) **7f** 73877804

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received.....	9a(1)		
(2) Increase (decrease) in amount due but unpaid.....	9a(2)		
(3) Increase (decrease) in unearned premium reserve.....	9a(3)		
(4) Earned ((1) + (2) - (3)).....		9a(4)	
b Benefit charges (1) Claims paid.....	9b(1)		
(2) Increase (decrease) in claim reserves.....	9b(2)		
(3) Incurred claims (add (1) and (2)).....		9b(3)	
(4) Claims charged.....		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions.....	9c(1)(A)		
(B) Administrative service or other fees.....	9c(1)(B)		
(C) Other specific acquisition costs.....	9c(1)(C)		
(D) Other expenses.....	9c(1)(D)		
(E) Taxes.....	9c(1)(E)		
(F) Charges for risks or other contingencies.....	9c(1)(F)		
(G) Other retention charges.....	9c(1)(G)		
(H) Total retention.....		9c(1)(H)	
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.).....		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement.....		9d(1)	
(2) Claim reserves.....		9d(2)	
(3) Other reserves.....		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in c(2).).....		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier.....	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, item 2 above, report amount.	10b	

Specify nature of costs ▶

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2011
		This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>ST. LUKES EPISCOPAL HEALTH SYSTEM 403(B) PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ST. LUKES EPISCOPAL HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>76-0536232</u>

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
VALIC RETIREMENT SERVICES COMPANY

51-0396365

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
CHARLES SCHWAB & CO., INC.

94-1737782

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
CHARLES SCHWAB INVESTMENT MGMT

94-3106735

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FLEXIBLE PLAN INVESTMENTS LTD

38-2340348

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

VALIC RETIREMENT SERVICES COMPANY

51-0396365

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 57 58 19 28 29 33 49 52 59 60 61 63 64 72 99	NO RELATIONSHIP	140832	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

CHARLES SCHWAB & CO., INC.

94-1737782

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
62 33 59 65	NO RELATIONSHIP	2004	Yes ☒ No ☐	Yes ☒ No ☐	269	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

CHARLES SCHWAB INVESTMENT MGMT

94-3106735

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NO RELATIONSHIP	0	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

FLEXIBLE PLAN INVESTMENTS LTD

38-2340348

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
26	NO RELATIONSHIP	474	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2011
		This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning <u>01/01/2011</u> and ending <u>12/31/2011</u>		
A Name of plan <u>ST. LUKES EPISCOPAL HEALTH SYSTEM 403(B) PLAN</u>	B Three-digit plan number (PN) <u>003</u>	
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ST. LUKES EPISCOPAL HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>76-0536232</u>	

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities.....	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	<u>17087729</u>	<u>18714381</u>
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts.....	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	<u>176350129</u>	<u>185030921</u>
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	<u>67965910</u>	<u>73877804</u>
(15) Other	1c(15)	<u>3116541</u>	<u>3925681</u>

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	264520309	281548787

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	264520309	281548787
---	-----------	-----------	-----------

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	9037337	
(B) Participants	2a(1)(B)	25415515	
(C) Others (including rollovers)	2a(1)(C)	4304244	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		38757096
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)	736626	
(F) Other	2b(1)(F)	2324504	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		3061130
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	6257308	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		6257308
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b (5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		-8316190
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		39759344

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	22586503	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		22586503
f Corrective distributions (see instructions)	2f		3531
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	140824	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	8	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		140832
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		22730866

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d.....	2k		17028478
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: ERNST & YOUNG (2) EIN: 34-6565596

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

- 4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
e Was this plan covered by a fidelity bond?.....	X		10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.).....	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.).....		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?.....		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	

- 5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?

If "Yes," enter the amount of any plan assets that reverted to the employer this year..... ☐ Yes ☐ No Amount:

- 5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)

5b(2) EIN(s)	5b(3) PN(s)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2011 This Form is Open to Public Inspection.
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For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan <u>ST. LUKES EPISCOPAL HEALTH SYSTEM 403(B) PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ST. LUKES EPISCOPAL HEALTH SYSTEM</u>	D Employer Identification Number (EIN) <u>76-0536232</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>76-0519990</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?.....	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?.....	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?.....	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.).....	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2011
v.012611

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. Complete as many entries as needed to report all applicable employers.

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

FINANCIAL STATEMENTS AND
SUPPLEMENTAL SCHEDULE

St. Luke's Episcopal Health System 403(b) Plan
December 31, 2011 and 2010,
and Year Ended December 31, 2011
With Report of Independent Auditors

Ernst & Young LLP

 **ERNST & YOUNG**

St. Luke’s Episcopal Health System 403(b) Plan

Financial Statements and Supplemental Schedule

December 31, 2011 and 2010, and Year Ended December 31, 2011

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Report of Independent Auditors

The Board of Directors
St. Luke's Episcopal Health System

We were engaged to audit the accompanying statements of net assets available for benefits of St. Luke's Episcopal Health System 403(b) Plan as of December 31, 2011 and 2010, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011, and the supplemental schedule of assets (held at end of year) as of December 31, 2011. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in Note 3, which was certified by AIG Federal Savings Bank, the trustee of the Plan, and The Variable Annuity Life Insurance Company, the custodian of certain assets of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee and custodian hold the Plan's investment assets and execute investment transactions. The plan administrator has obtained a certification from the trustee and custodian as of December 31, 2011 and 2010, and for the year ended December 31, 2011, that the information provided to the plan administrator by the trustee and custodian is complete and accurate.

Additionally, the Plan has not maintained sufficient accounting records and supporting documents relating to annuity contracts and custodial accounts issued to current and former employees prior to January 1, 2009. Accordingly, we were unable to apply auditing procedures sufficient to determine the extent to which the accompanying financial statements and supplemental schedule may have been affected by these conditions.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on these accompanying financial statements and supplemental schedule taken as a whole.

Ernst & Young LLP

July 31, 2012

St. Luke's Episcopal Health System 403(b) Plan

Statements of Net Assets Available for Benefits

	December 31	
	2011	2010
Assets		
Investments, at fair value	\$ 266,901,768	\$ 247,919,158
Notes receivable from participants	18,714,381	17,087,729
Net assets reflecting all investments at fair value	285,616,149	265,006,887
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(4,067,362)	(486,578)
Net assets available for benefits	\$ 281,548,787	\$ 264,520,309

See accompanying notes.

St. Luke's Episcopal Health System 403(b) Plan

Statement of Changes in Net Assets Available for Benefits

Year Ended December 31, 2011

Additions

Investment income:

Interest and dividends	\$ 8,581,812
	<u>8,581,812</u>

Interest income on notes receivable from participants	736,626
---	---------

Contributions:

Participants	25,415,515
Rollover	4,304,244
Employer	<u>9,037,337</u>
	<u>38,757,096</u>

Total additions	48,075,534
-----------------	------------

Deductions

Benefit payments	22,585,417
Net depreciation in fair value of mutual funds	8,316,190
Administrative expenses	<u>145,449</u>
Total deductions	<u>31,047,056</u>

Net increase	17,028,478
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Net assets available for benefits:

Beginning of year	264,520,309
End of year	<u><u>\$ 281,548,787</u></u>

See accompanying notes.

St. Luke's Episcopal Health System 403(b) Plan

Notes to Financial Statements

December 31, 2011

1. Description of Plan

The following description of the St. Luke's Episcopal Health System 403(b) Plan (the Plan) provides general information about the Plan's provisions. St. Luke's Episcopal Health System (the System) is the Plan Sponsor. Participants should refer to the plan document and summary plan description for a more complete description of the Plan's provisions, copies of which may be obtained from the Plan Sponsor.

General

The Plan is a defined contribution plan covering certain employees of the System and adopting employers. A Committee appointed by the Plan Sponsor administers the Plan. AIG Federal Savings Bank is the trustee of the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Eligibility

Employees of an employer that has adopted the Plan are eligible to participate in the Plan beginning on the first date the employee completes one hour of employment. "Employee" generally means all common-law employees of each adopting employer. However, employees classified by the Committee as residents, Fellows, or ICU House Physicians are not eligible to participate in the Plan for purposes of matching contributions.

Contributions

Participants automatically have 3% of their pretax annual compensation contributed to the Plan as a salary deferral contribution, unless the participant elects not to contribute or to contribute an alternate amount, subject to Internal Revenue Service (IRS) limitations. Participants may also contribute rollover amounts representing distributions from other qualified plans.

Each payroll period, participants receive an employer match of an amount equal to 50% of the participant's pretax contribution made during the plan year, not to exceed 6% of such participant's compensation for the plan year.

Participants may direct the investment of their account balances into one or more of the investment options offered by the Plan.

St. Luke's Episcopal Health System 403(b) Plan

Notes to Financial Statements (continued)

1. Description of Plan (continued)

Annual Contributions

Certain employers make an annual contribution to the Plan. A participant qualifies for the annual contribution if they have been continuously employed by these employers between October 1 of the prior year and September 30 of the current year and if they have accumulated at least 1,000 hours of employment during that period. The employer's contribution is based on annual base pay and years of active service for purposes of vesting as of September 30 of each calendar year. The contribution percentage is based on the following table.

Years of Credited Service	Annual Contribution
1 to 4 yrs.	2.50%
5 to 9 yrs.	3.50
10 to 14 yrs.	4.50
15 to 19 yrs.	5.50
20 + yrs.	6.50

In 2011, the Plan was amended and no employer annual contribution will be earned after September 30, 2011.

Participant Accounts

Each participant's account is credited with the participant's contributions and the System's matching contributions and allocations of plan earnings, and is charged with an allocation of administrative expenses. Plan earnings are allocated based on the participant's share of net earnings or losses of their respective elected investment options. Allocations of administrative expenses are based on the participant's account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the System's matching contributions is based on years of continuous service. A participant is 100% vested after three years of service.

St. Luke's Episcopal Health System 403(b) Plan

Notes to Financial Statements (continued)

1. Description of Plan (continued)

Forfeitures

Upon termination of employment, participants forfeit their nonvested balances. If a participant is rehired within a five-year period, the forfeited contributions are reinstated. Forfeited balances of terminated participants' nonvested accounts are used to reduce future System contributions. Unallocated forfeitures balances as of December 31, 2011 and 2010 were approximately \$1,874 and \$3,794, respectively, and forfeitures used to reduce System contributions for 2011 were approximately \$344,501.

Participant Loans

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000 or 50% of their vested account balance. Loan terms range from 1 to 5 years or up to 15 years for the purchase of a primary residence. The \$50,000 limit is reduced by the participant's highest outstanding loan balance during the preceding 12-month period. A participant may not have more than two loans outstanding at any point in time. The loans are secured by the balance in the participant's account and bear a reasonable rate of interest which will be established by the Committee. Principal and interest is paid ratably through monthly payroll deductions. If a participant terminates employment with the System, they may continue to make loan payments through a pre-authorized check agreement. If the loan is not repaid, it will automatically be treated as a distribution to the participant after three months.

Payment of Benefits

Upon separation from service with the System due to death, disability, retirement, or termination, a participant may elect to receive either a lump-sum amount or monthly installment payments equal to the vested value of their account.

In-service withdrawals are available in certain limited circumstances, as defined by the Plan. Hardship withdrawals are allowed for participants incurring an immediate and heavy financial need, as defined by the Plan. Hardship withdrawals are strictly regulated by the IRS and a participant must exhaust all available loan options and available distributions prior to requesting a hardship withdrawal.

St. Luke's Episcopal Health System 403(b) Plan

Notes to Financial Statements (continued)

1. Description of Plan (continued)

Administrative Expenses

Certain administrative expenses of the Plan are paid by the System, as provided by the Plan's provisions.

Plan Termination

Although it has not expressed any intent to do so, the System has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event the Plan terminates, participants will become 100% vested in their accounts.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting, in accordance with accounting principles generally accepted in the United States. Benefit payments to participants are recorded when paid.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates that affect the amounts reported in the financial statements, accompanying notes, and supplemental schedule. Actual results could differ from those estimates.

Notes Receivable From Participants

Notes receivable from participants represent participant loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Interest income on notes receivable from participants is recorded when it is earned. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses has been recorded as of December 31, 2011 or 2010. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be a distribution, the participant loan balance is reduced and a benefit payment is recorded.

St. Luke's Episcopal Health System 403(b) Plan

Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

Investment Valuation and Income Recognition

Investments held by the Plan are stated at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). See Note 4 for further discussion and disclosures related to fair value measurements.

The Plan entered into a group unallocated fixed annuity contract with The Variable Annuity Life Insurance Company (VALIC). The investment contract is recorded at fair value (see Note 4); however, since this contract is fully benefit-responsive, an adjustment is reflected in the statements of net assets available for benefits to present these investments at contract value. Contract value is the relevant measurement attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The contract value of the fully benefit-responsive investment contracts represents contributions plus earnings, less participant withdrawals and administrative expenses.

In accordance with Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, assets and liabilities measured at fair value are categorized into the following fair value hierarchy:

Level 1 – Fair value is based on unadjusted quoted prices for identical assets or liabilities in an active market that the Plan has the ability to access at the measurement date.

Level 2 – Fair value is based on quoted prices in markets that are not active, quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Fair value is based on prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable. These inputs reflect management's judgment about the assumptions that a market participant would use in pricing the investment and are based on the best available information, some of which may be internally developed.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded as earned. Dividends are recorded on the ex-dividend date. Net depreciation includes the Plan's gains and losses on investments bought, sold, and held during the year.

St. Luke's Episcopal Health System 403(b) Plan

Notes to Financial Statements (continued)

2. Summary of Significant Accounting Policies (continued)

New Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2010-06, *Improving Disclosures about Fair Value Measurements*. ASU 2010-06 amended ASC 820 to clarify certain existing fair value disclosures and require a number of additional disclosures. The requirement to present changes in Level 3 measurements on a gross basis is effective for reporting periods beginning after December 15, 2010. Since ASU 2010-06 only affects fair value measurement disclosures, adoption of ASU 2010-06 did not have an effect on the Plan's net assets available for benefits or its changes in net assets available for benefits.

In May 2011, the FASB issued ASU 2011-04, *Amendments to Achieve Common Fair Value Measurements and Disclosure Requirements in U.S. GAAP and IFRSs*. ASU 2011-04 amended ASC 820 to converge the fair value measurement guidance in U.S. generally accepted accounting principles (GAAP) and International Financial Reporting Standards (IFRS). Some of the amendments clarify the application of existing fair value measurement requirements, while other amendments change a particular principle in ASC 820. In addition, ASU 2011-04 requires additional fair value disclosures (although certain of these new disclosures will not be required for nonpublic entities). The amendments are to be applied prospectively and are effective for annual periods beginning after December 15, 2011. Plan management is currently evaluating the effect that the provisions of ASU 2011-04 will have on the Plan's financial statements.

Subsequent Events

Management evaluated subsequent events for the Plan through July 31, 2012, the date the accompanying financial statements were available to be issued.

St. Luke's Episcopal Health System 403(b) Plan

Notes to Financial Statements (continued)

3. Investments

Individual investments that represent 5% or more of the Plan's net assets available for benefits are as follows:

	December 31	
	2011	2010
American Funds EuroPacific	\$ 23,101,835	\$ 27,088,415
Neuberger Ber Genesis Trust	32,321,011	33,629,687
Oppenheimer Capital AP A	(a)	16,720,434
PIMCO Total Ret Institutional	15,177,561	(a)
Variable Annuity Life Insurance Company (stated at contract value)	73,877,805	67,965,910
Wells Fargo Advantage Intrinsic Value 1	18,265,795	18,870,006

^(a) Investment is less than 5%

All investment information disclosed in the accompanying financial statements, notes, and supplemental schedule including investments held, notes receivable from participants and the adjustment from fair value to contract value for fully benefit-responsive investment contracts at December 31, 2011 and 2010, and net depreciation in fair value of mutual funds, and interest, dividends, and interest income on notes receivable from participants for the year ended December 31, 2011, was obtained or derived from information provided to the plan administrator and certified as complete and accurate by AIG Federal Savings Bank, the trustee of the Plan, and VALIC, the custodian of the VALIC Fixed-Interest Fund.

4. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., an exit price). The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible to the reporting entity at the measurement date for identical assets and liabilities.

St. Luke's Episcopal Health System 403(b) Plan

Notes to Financial Statements (continued)

4. Fair Value Measurements (continued)

Level 2 – Inputs other than quoted prices in active markets for identical assets and liabilities that are observable, either directly or indirectly, for substantially the full term of the asset or liability. Level 2 inputs include the following:

- Quoted prices for similar assets and liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in markets that are not active
- Observable inputs other than quoted prices that are used in the valuation of the asset or liability (e.g., interest rate and yield curve quotes at commonly quoted intervals)

Inputs that are derived principally from or corroborated by observable market data, by correlation or other means Level 3 – Unobservable inputs for the asset or liability (i.e., supported by little or no market activity). Level 3 inputs include management's own assumption about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).

The level in the fair value hierarchy within which the fair value measurement is classified is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Following is a description of the valuation techniques and inputs used for major categories of assets measured at fair value by the Plan:

Mutual funds: Valued at the net asset values of shares held by the Plan at year-end, based on quoted market prices.

Group annuity investment contract: See Note 5.

St. Luke's Episcopal Health System 403(b) Plan

Notes to Financial Statements (continued)

4. Fair Value Measurements (continued)

The following tables set forth, by level within the fair value hierarchy, the Plan's assets carried at fair value:

Assets at Fair Value as of December 31, 2011				
	Level 1	Level 2	Level 3	Total
Mutual funds:				
U.S. equities	\$ 123,402,227	\$ —	\$ —	\$ 123,402,227
International equities	23,101,835	—	—	23,101,835
Lifecycle funds	42,452,539	—	—	42,452,539
Group annuity investment contract	—	—	77,945,167	77,945,167
Total assets at fair value	\$ 188,956,601	\$ —	\$ 77,945,167	\$ 266,901,768

Assets at Fair Value as of December 31, 2010				
	Level 1	Level 2	Level 3	Total
Mutual funds:				
U.S. equities	\$ 117,631,228	\$ —	\$ —	\$ 117,631,228
International equities	27,088,415	—	—	27,088,415
Lifecycle funds	34,747,027	—	—	34,747,027
Group annuity investment contract	—	—	68,452,488	68,452,488
Total assets at fair value	\$ 179,466,670	\$ —	\$ 68,452,488	\$ 247,919,158

Level 3 Gains and Losses

The table below sets forth a summary of changes in the fair value of the Plan's Level 3 assets for the year ended December 31, 2011:

	Group Annuity Investment Contract
Balance, beginning of year	\$ 68,452,488
Unrealized gains relating to instruments still held at the reporting date	3,580,784
Purchases	13,637,971
Sales	(7,726,076)
Balance, end of year	\$ 77,945,167

St. Luke's Episcopal Health System 403(b) Plan

Notes to Financial Statements (continued)

5. Investment Contract With Insurance System

The Plan invests in a fully benefit-responsive investment account, the VALIC Fixed-Interest Fund, through the group unallocated fixed annuity contract with VALIC. The account is supported by the VALIC general account and has no maturity date. The account is recorded at fair value, then adjusted to contract value. Contract value, as reported to the Plan by VALIC, represents contributions made under the contract plus earnings, less participant withdrawals. If all participants were eligible for a distribution of their full accounts from the Plan on the reporting date, the amount payable on demand on the reporting date would be the contract value.

The fair value was determined by VALIC using the cash flow due to the Plan under the surrender provisions of the contract, considering current crediting rates and benefit-eligible events, and discounting according to risk-adjusted market rates. There are no reserves against contract value for the credit risk of VALIC.

The crediting interest rate for the VALIC Fixed-Interest Fund will be set in advance of the period to which it relates and will be at least 2% per year. The crediting interest rate is declared periodically, but not less than annually, and may apply to the entire contract value, or separately to amounts accumulated in separate time periods. Crediting rates are set in response to several factors: (1) the totality of investments previously made by participants, (2) their anticipated payout timing requirements, (3) the current investment climate, (4) contractual minimum interest rate guarantees, (5) competitive requirements, and (6) required return on invested capital supporting the product. The average yield earned by the Plan was approximately 2.84% and 3.72% at December 31, 2011 and 2010, respectively. This is the same average yield credited to participants.

The group unallocated fixed annuity contract does not specify any events that would limit the ability of the Plan to transact at contract value with the issuer or any events that would allow the issuer to terminate the contract and settle for an amount different from contract value. The contract provides payment options of the contract value for surrendering the contract; however, the Plan Sponsor does not intend to surrender the contract.

6. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market volatility, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of

St. Luke's Episcopal Health System 403(b) Plan

Notes to Financial Statements (continued)

6. Risks and Uncertainties (continued)

investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

7. Related-Party Transactions

Certain investments of the Plan are managed by AIG Federal Savings Bank, the trustee of the Plan, and VALIC, the custodian of certain assets of the Plan, and therefore, these transactions qualify as party-in-interest transactions. All of these transactions are exempt from the prohibited transactions rules.

8. Tax Status

The Plan has been designed to qualify under Section 403(b) of the Internal Revenue Code (the Code) and therefore, it is not currently eligible to receive a determination letter from the IRS. The terms of the Plan have been prepared to conform to the sample language provided by the IRS in Revenue Procedure 2007-71. The plan administrator intends to apply for a determination letter on the Plan once the IRS opens such a program. The Plan is required to operate in conformity with the Code to maintain the tax-exempt status for plan participants under Section 403(b). The plan administrator believes that the Plan is currently designed and operating in accordance with the applicable requirements of Section 403(b) of the Code and, therefore, believes the Plan is qualified and the related custodial accounts are tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States require plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2011, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2008.

Supplemental Schedule

St. Luke's Episcopal Health System 403(b) Plan

Plan No. 003 EIN: 76-0536232

Schedule H, Line 4i – Schedule of Assets (Held at End of Year)

December 31, 2011

Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Current Value
* Variable Annuity Life Insurance		
Company	VALIC Fixed-Interest Fund	\$ 73,877,805
American Funds EuroPacific	Mutual fund	23,101,835
Calvert Equity Portfolio A	Mutual fund	4,738,510
Century Sm-Cap Sel Instl	Mutual fund	10,386,961
Nueberger Ber Genesis Trust	Mutual fund	32,321,011
Oppenheimer Capital AP A	Mutual fund	13,691,656
PIMCO Total Ret Inst	Mutual fund	15,177,561
Schwab	Self-directed brokerage accounts	3,925,681
Van TTL Bond Mkt Index Signal	Mutual fund	6,901,355
Van TTL Mkt Index Signal	Mutual fund	5,858,139
Vanguard 500 Index Signal	Mutual fund	12,135,558
Vanguard TGT RTMT 2005	Mutual fund	151,165
Vanguard TGT RTMT 2010	Mutual fund	1,067,104
Vanguard TGT RTMT 2015	Mutual fund	1,445,720
Vanguard TGT RTMT 2020	Mutual fund	5,202,826
Vanguard TGT RTMT 2025	Mutual fund	4,304,796
Vanguard TGT RTMT 2030	Mutual fund	5,092,924
Vanguard TGT RTMT 2035	Mutual fund	5,048,896
Vanguard TGT RTMT 2040	Mutual fund	8,295,978
Vanguard TGT RTMT 2045	Mutual fund	4,782,973
Vanguard TGT RTMT 2050	Mutual fund	6,215,807
Vanguard TGT RTMT Inc.	Mutual fund	844,350
Wells Fargo Advantage Intrinsic Value 1	Mutual fund	18,265,795
* Loan to participants	Interest rates ranging from 4.25% to 9.25%, with various maturity dates	18,714,381
		<u>\$ 281,548,787</u>

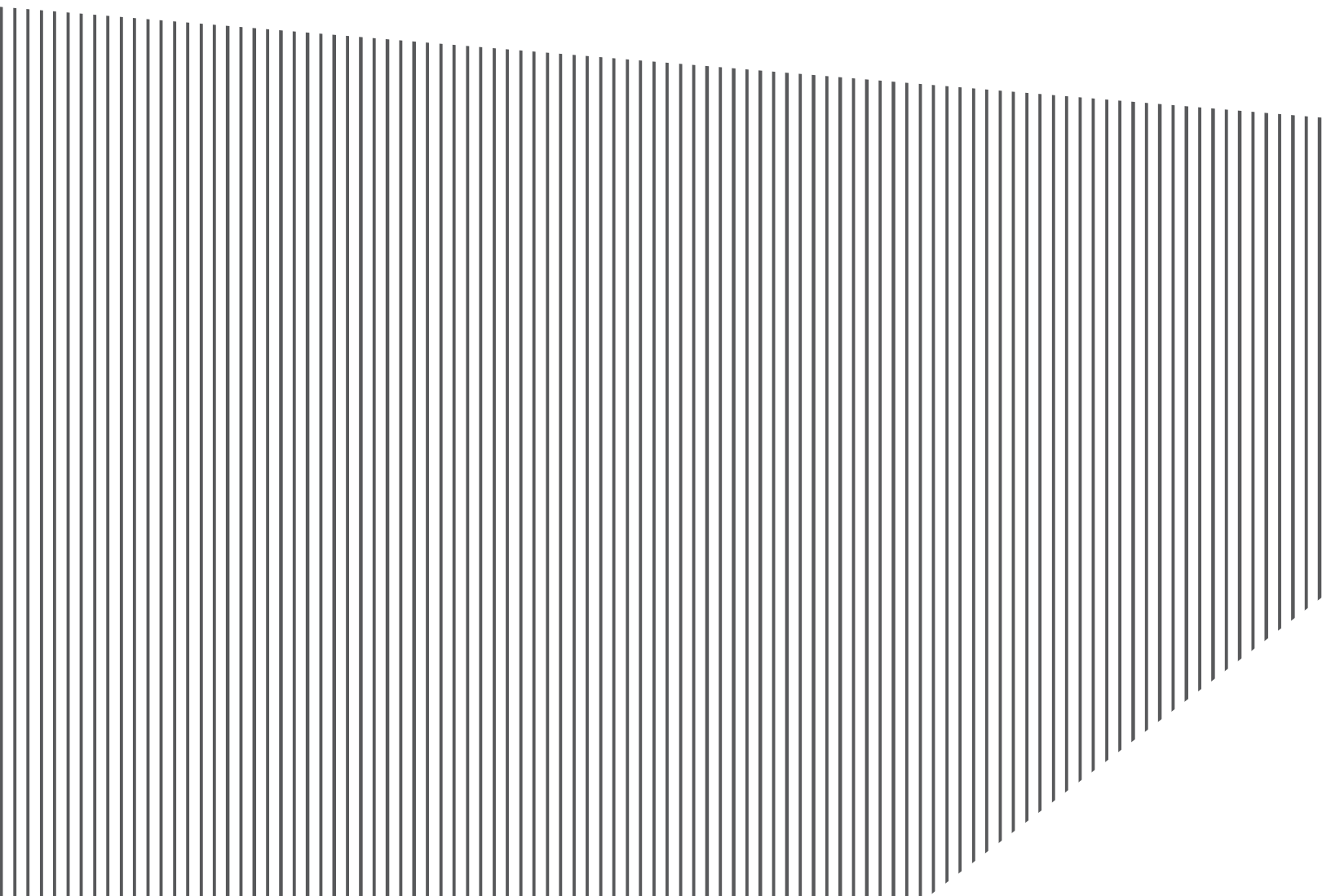
*Party-in-interest

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Form 5500

Attachment

Schedule H, line 4i--Schedule of Assets (Held at End of Year)

Name of plan ST. LUKE'S EPISCOPAL HEALTH SYSTEM 403(B) PLAN			Three-digit ERISA plan number 003	
Name of plan sponsor as shown on line 2a of Form 5500 ST. LUKE'S EPISCOPAL HEALTH SYSTEM			Employer Identification Number 76-0536232	
Contract Number: 63219 Plan Number: 002				
(a)	(b) Identity of Issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value	(d) Cost	(e) Current value
	VALIC FIXED-INTEREST	VALIC FIXED-INTEREST		73,877,804
	AMER FUNDS EUROPAC R4	MUTUAL FUND - AMER FUNDS EUROPAC R4		23,101,835
	CALVERT EQUITY PORTFOLIO A	MUTUAL FUND - CALVERT EQUITY PORTFOLIO A		4,738,510
	CENTURY SM-CP SEL INSTL	MUTUAL FUND - CENTURY SM-CP SEL INSTL		10,386,961
	NEUBERGER BER GENESIS TR	MUTUAL FUND - NEUBERGER BER GENESIS TR		32,321,011
	OPPENHEIMER CAPITAL AP A	MUTUAL FUND - OPPENHEIMER CAPITAL AP A		13,691,656
	PIMCO TOTAL RET INSTL	MUTUAL FUND - PIMCO TOTAL RET INSTL		15,177,561
	SCHWAB PCRA	MUTUAL FUND - SCHWAB PCRA		3,925,681
	VAN TTL BOND MKT INDEX SIGNAL	MUTUAL FUND - VAN TTL BOND MKT INDEX SIGNAL		6,901,355
	VAN TTL SCK MKT INDEX SIGNAL	MUTUAL FUND - VAN TTL SCK MKT INDEX SIGNAL		5,858,139
	VANGUARD 500 INDEX SIGNAL	MUTUAL FUND - VANGUARD 500 INDEX SIGNAL		12,135,558
	VANGUARD TGT RTMT 2005	MUTUAL FUND - VANGUARD TGT RTMT 2005		151,165
	VANGUARD TGT RTMT 2010	MUTUAL FUND - VANGUARD TGT RTMT 2010		1,067,104
	VANGUARD TGT RTMT 2015	MUTUAL FUND - VANGUARD TGT RTMT 2015		1,445,720
	VANGUARD TGT RTMT 2020	MUTUAL FUND - VANGUARD TGT RTMT 2020		5,202,826
	VANGUARD TGT RTMT 2025	MUTUAL FUND - VANGUARD TGT RTMT 2025		4,304,796
	VANGUARD TGT RTMT 2030	MUTUAL FUND - VANGUARD TGT RTMT 2030		5,092,924
	VANGUARD TGT RTMT 2035	MUTUAL FUND - VANGUARD TGT RTMT 2035		5,048,896
	VANGUARD TGT RTMT 2040	MUTUAL FUND - VANGUARD TGT RTMT 2040		8,295,978
	VANGUARD TGT RTMT 2045	MUTUAL FUND - VANGUARD TGT RTMT 2045		4,782,973
	VANGUARD TGT RTMT 2050	MUTUAL FUND - VANGUARD TGT RTMT 2050		6,215,807
	VANGUARD TGT RTMT INC	MUTUAL FUND - VANGUARD TGT RTMT INC		844,350
	WELLS FAR ADV INTRINSIC VAL I	MUTUAL FUND - WELLS FAR ADV INTRINSIC VAL I		18,265,795
*	PARTICIPANT LOANS	(4.25% - 9.25%)		18,714,382