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).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2012

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] 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. . . . . ▶ [X]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
HARRISON RETIREMENT AND SAVINGS PROGRAM

1b Three-digit plan number (PN) ▶ 003

1c Effective date of plan 03/01/2005

2a Plan sponsor's name and address; include room or suite number (employer, if for a single-employer plan)

HARRISON MEDICAL CENTER

2520 CHERRY AVENUE
BREMERTON, WA 98310-4229

2b Employer Identification Number (EIN)
91-0565546

2c Sponsor's telephone number
360-744-6504

2d Business code (see instructions)
622000

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.	10/08/2013	MARIE LAMARCHE
	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

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)

Preparer's telephone number (optional)

3a Plan administrator's name and address [X] Same as Plan Sponsor Name [ ] Same as Plan Sponsor Address	**3b** Administrator's EIN	
	3c Administrator's telephone number	
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:	**4b** EIN	
a Sponsor's name	**4c** PN	
5 Total number of participants at the beginning of the plan year	**5**	2765
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**	2627
b Retired or separated participants receiving benefits	**6b**	3
c Other retired or separated participants entitled to future benefits	**6c**	240
d Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	2870
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	2
f Total. Add lines **6d** and **6e**	**6f**	2872
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	2271
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	58
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
2L 2M

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

9a Plan funding arrangement (check all that apply)

(1)	[X]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(4)	[ ]	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	[X]	Insurance
(2)	[ ]	Code section 412(e)(3) insurance contracts
(3)	[X]	Trust
(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)	[X]	**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)	[X]		**H** (Financial Information)
(2)	[ ]		**I** (Financial Information – Small Plan)
(3)	[X]	1	**A** (Insurance Information)
(4)	[X]		**C** (Service Provider Information)
(5)	[ ]		**D** (DFE/Participating Plan Information)
(6)	[ ]		**G** (Financial Transaction Schedules)

SCHEDULE A (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

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

2012

This Form is Open to Public Inspection

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
HARRISON RETIREMENT AND SAVINGS PROGRAM

B Three-digit plan number (PN) ▶ 003

C Plan sponsor's name as shown on line 2a of Form 5500
HARRISON MEDICAL CENTER

D Employer Identification Number (EIN)
91-0565546

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.

1 Coverage Information:

(a) Name of insurance carrier

LINCOLN NATIONAL 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
35-0472300	65676	893412-007	339	01/01/2012	12/31/2012

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 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	

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(b) Amount of sales and base commissions paid	Fees and other commissions paid		**(e)** Organization code
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	(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	
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 ▶ STABLE VALUE

b	Balance at the end of the previous year			7b	9766127
c	Additions: (1) Contributions deposited during the year	7c(1)	1750572		
	(2) Dividends and credits	7c(2)			
	(3) Interest credited during the year	7c(3)	182822		
	(4) Transferred from separate account	7c(4)	1341277		
	(5) Other (specify below)	7c(5)	477830		
	▶ MAY INCLUDE LOAN REPAYMENTS, FORFEITURES, TAKEOVERS AND/OR ADJUSTMENTS				
	(6) Total additions			7c(6)	3752501
d	Total of balance and additions (add lines **7b** and **7c(6)**).			7d	13518628
e	Deductions:				
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	1644651		
	(2) Administration charge made by carrier	7e(2)	4214		
	(3) Transferred to separate account	7e(3)	847758		
	(4) Other (specify below)	7e(4)	431191		
	▶ MAY INCLUDE LOANS ISSUED, FORFEITURES, FEES, CORRECTIVES AND/OR ADJUSTMENTS				
	(5) Total deductions			7e(5)	2927814
f	Balance at the end of the current year (subtract line **7e(5)** from line **7d**)			7f	10590814

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 line **9c(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, line 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)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	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.**	**2012** **This Form is Open to Public Inspection.**

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
HARRISON RETIREMENT AND SAVINGS PROGRAM

B Three-digit plan number (PN) ▶ 003

C Plan sponsor's name as shown on line 2a of Form 5500
HARRISON MEDICAL CENTER

D Employer Identification Number (EIN)
91-0565546

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

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

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)

LINCOLN NATIONAL LIFE INSURANCE CO

35-1140070

(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?
13	SERVICE PROVIDER	77394	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [X]

(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 [ ]

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)

(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 ☐

(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

(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

(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

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(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

2012

This Form is Open to Public Inspection

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
HARRISON RETIREMENT AND SAVINGS PROGRAM

B Three-digit plan number (PN) ▶ 003

C Plan sponsor's name as shown on line 2a of Form 5500
HARRISON MEDICAL CENTER

D Employer Identification Number (EIN)
91-0565546

Part I Asset and Liability Statement

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)	27062	
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	36648	9402
(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)	1106478	1152376
(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)	51434488	69581629
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	9766127	10590814
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(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	62370803	81334221
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j	28640	
k	Total liabilities (add all amounts in lines 1g through1j)	1k	28640	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	62342163	81334221

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)	6217179	
	(B) Participants	2a(1)(B)	8017300	
	(C) Others (including rollovers)	2a(1)(C)	873843	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		15108322
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	1	
	(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)	50397	
	(F) Other	2b(1)(F)	182822	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		233220
	(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)	1712332	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		1712332
	(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
	(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

		(a) Amount	(b) Total
(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)		6653960
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		23707834
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	4536539	
(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)		4536539
f Corrective distributions (see instructions)	2f		1997
g Certain deemed distributions of participant loans (see instructions)	2g		99846
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	77394	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		77394
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		4715776
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		18992058
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)** [X] Disclaimer **(4)** [ ] Adverse

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

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

(1) Name: CLARK NUBER **(2)** EIN: 91-1194016

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 lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 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.)	4a		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.)	4b		X	

			Yes	No	Amount
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.)	4c		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.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		2000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		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?	4g		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?	4h		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.)	4i	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.)	4j		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?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		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.	4n			

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)

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

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

2012

This Form is Open to Public Inspection.

For calendar plan year 2012 or fiscal plan year beginning 01/01/2012 and ending 12/31/2012

A Name of plan
HARRISON RETIREMENT AND SAVINGS PROGRAM

B Three-digit plan number (PN) ▶ 003

C Plan sponsor's name as shown on line 2a of Form 5500
HARRISON MEDICAL CENTER

D Employer Identification Number (EIN)
91-0565546

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** 0

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): 51-6502293 04-3157927

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** 264

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 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

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**

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.

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**

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 lines 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 lines 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 lines 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 lines 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 lines 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 lines 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 line 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 lines (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 line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

HARRISON RETIREMENT AND SAVINGS PROGRAM

Financial Statements

For the Year Ended December 31, 2012

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CLARK NUBER

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Bellevue WA 98004
tel 425 454 4919
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800 504 8747
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Certified Public
Accountants
and Consultants

Independent Auditors' Report

To the Plan Administrator
Harrison Retirement and Savings Program
Bremerton, Washington

REPORT ON THE FINANCIAL STATEMENTS

We were engaged to audit the accompanying financial statements of Harrison Retirement and Savings Program (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2012 and 2011, and the related statement of changes in net assets available for benefits for the year ended December 31, 2012, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) 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 information summarized in Note 8, which was certified by Wilmington Trust, the custodian of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of December 31, 2012 and 2011, and for the year ended December 31, 2012, that the information provided to the plan administrator by the custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

We were engaged for the purpose of forming an opinion on the financial statements as a whole. The supplementary information, as listed in the accompanying table of contents, is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplementary information.

REPORT ON FORM AND CONTENT IN COMPLIANCE WITH DOL RULES AND REGULATIONS

The form and content of the information included in the financial statements and supplementary information, other than that derived from the information certified by the custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Clark Nuber PS

Certified Public Accountants
September 30, 2013

HARRISON RETIREMENT AND SAVINGS PROGRAM

Statements of Net Assets Available for Benefits
December 31, 2012 and 2011

	2012	*2011*
Assets:		
Investments, at fair value-		
Mutual funds	$ 69,581,629	$ 51,434,488
Guaranteed interest account	10,590,814	9,766,127
Interest-bearing cash	9,402	36,648
Total investments, at fair value	80,181,845	61,237,263
Receivables-		
Employee contributions		49
Employer contributions	4,566,217	4,472,431
Notes receivable from participants	1,152,376	1,106,478
Accrued interest and dividends		27,062
Total receivables	5,718,593	5,606,020
Total Assets	**85,900,438**	**66,843,283**
Liabilities:		
Pending purchases		28,640
Total Liabilities		**28,640**
Net Assets Available for Benefits	**$ 85,900,438**	**$ 66,814,643**

See accompanying notes.

HARRISON RETIREMENT AND SAVINGS PROGRAM

Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2012

Additions to Net Assets:	
Contributions-	
Employee	$ 8,017,251
Employer	6,310,965
Employee rollover	873,843
Total contributions	15,202,059
Investment income-	
Net appreciation in fair value of investments	6,649,299
Interest and dividends	1,717,712
Guaranteed interest account income	182,104
Interest on notes receivable from participants	50,397
Total investment income	8,599,512
Total Additions to Net Assets	**23,801,571**
Deductions from Net Assets:	
Benefit payments	4,638,382
Administrative and other expenses	77,394
Total Deductions from Net Assets	**4,715,776**
Net Increase in Net Assets Available for Benefits	**19,085,795**
Net Assets Available for Benefits:	
Beginning of period	66,814,643
End of Period	**$ 85,900,438**

See accompanying notes.

Note 1 - Description of the Plan

The following description of Harrison Retirement and Savings Program (the Plan) provides only general information. Participants should refer to the plan document for a more complete description of the Plan's provisions.

General - The Plan is a defined contribution plan, established by Harrison Medical Center (the Employer) under the provisions of Section 403(b) of the Internal Revenue Code (IRC). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Plan Administration - Lincoln Financial Group (Lincoln) is the trustee and recordkeeper of the Plan. Wilmington Trust Company (Wilmington) is the custodian of the Plan.

Eligibility - All employees other than leased employees and nonresident aliens may participate in the deferral portion of the Plan. There are no age or service requirements to participate in the deferral portion of the Plan. All employees other than leased employees, nonresident aliens, employees covered by a collective bargaining agreement, employees accruing a benefit under the Harrison Medical Center Retirement Plan, per diem employees, on-call employees, interns, and individuals who become employees as a result of an asset or stock acquisition, merger, or other similar transaction are eligible to participate in the employer matching and employer nonelective portion of the Plan. There are no age or service requirements to participate in the employer matching portion of the Plan. Employees are eligible to receive an employer nonelective contribution after completing 1,000 hours of service in a 12 consecutive month period. Eligible employees must complete 1,000 hours of service during the plan year and be employed on the last day of the plan year to be eligible to receive the employer nonelective contribution.

Contributions - Eligible employees may elect to defer up to 100% of their compensation as pre-tax contributions. Participants who have attained age 50 before the end of the plan year and participants completing 15 years of service with the Employer are eligible to make catch-up contributions to the Plan. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollover).

The Employer matches 50% of a participant's contribution not to exceed 4% of eligible compensation. On an annual basis, the Employer may make an additional discretionary nonelective contribution based on each participant's years of eligible service. For the year ended December 31, 2012, the employer nonelective contribution allocated to participant accounts was 3% of eligible compensation for employees with 0 to 4 credited years of service for the Employer and 5% of eligible compensation for employees with 5 or more credited years of service for the Employer. The employer nonelective contribution was $4,704,149 for the year ended December 31, 2012. The amount was funded subsequent to year-end. Contributions are subject to certain Internal Revenue Service (IRS) limitations.

Participant Accounts - Participants are allowed to direct the investment of all contributions into various investment options that offer a diversity of investment risk and return. Each participant's account is credited with any contributions made to the account as well as increases or decreases in the market value of investments. Allocations are based on participant earnings or 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.

Note 1 - Continued

Plan Transfers - At the direction of the Employer, for a class of employees who are participants or beneficiaries in another plan under Code Section 403(b), the Employer may permit a transfer of assets into the Plan. Plan transfers are recorded with employee rollover contributions on the statement of changes in net assets available for benefits.

Payment of Benefits - Upon termination of service, death, disability, retirement, or attainment of age 59 ½, a participant may elect to receive a distribution of his or her vested account balance. The distribution may be in the form of a lump-sum payment. The Plan also provides for hardship withdrawals in accordance with provisions specified in the plan document.

Vesting - Participants are immediately vested in their contributions and employer matching contributions plus earnings. Employer discretionary contributions vest ratably over five years.

Forfeitures - Forfeitures of the nonvested portion of terminated participants' accounts are to be used first to pay plan expenses and then to reduce future employer contributions. There was $145,104 in forfeitures used for the year ended December 31, 2012. At December 31, 2012 and 2011, there were $107,017 and $112,370, respectively, in unapplied forfeitures available for the Employer to use as described above.

Notes Receivable from Participants - A participant may borrow the lesser of $50,000 or 50% of his or her vested account balance, with a minimum loan amount of $1,000. Loans are available from participant pre-tax deferrals, and amounts transferred in from other qualified plans (rollover and transfer in account). Loans are payable through payroll deductions over periods ranging from one to five years, unless the loan is used to acquire a principal residence, in which case the limitation is 15 years. The interest rate applied to new loans is based on prime plus 1%.

Note 2 - Significant Accounting Policies

Basis of Accounting - The financial statements of the Plan have been prepared on the accrual basis of accounting. Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan 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 Plan's guaranteed interest account is recorded at contract value. Reporting the guaranteed interest account at fair value would not have a material effect on the Plan's financial statements as interest rates are periodically adjusted to market. Accordingly, contract value, which represents net contributions plus interest at the contract rate, approximates fair value.

Use of Estimates - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Note 2 - Continued

Investment Valuation and Income Recognition - The Plan's investments are reported at fair value. Fair value is 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. See Note 3 for discussion of fair value measurements.

Purchases and sales are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. The net appreciation in the fair value of investments represents the change in fair value from one period to the next and includes realized gains and losses on investments.

Notes Receivable from Participants - Notes receivable from participants are measured at their unpaid principal balance. Accrued but unpaid interest, if any, would not have a material impact on the Plan's financial statements. If a participant ceases to make loan repayments and the plan administrator deems the participant loan to be in default, the participant loan balance is reduced and a benefit payment is recorded.

Payment of Benefits - Benefits are recorded when paid.

Investment and Administrative Expenses - The Plan's investment options are subject to management fees based on a percentage of invested assets. All such fees are charged directly against the investment performance and, therefore, are not separately disclosed in the accompanying financial statements. Investments, loans and distributions are subject to service fees paid by plan participants. All other administrative expenses related to the Plan are paid by the Employer.

Subsequent Events - Plan management has evaluated subsequent events through September 30, 2013, the date on which the Plan's financial statements were available to be issued.

Note 3 - Fair Value Measurements

U.S. GAAP provides the framework for measuring fair value. That framework provides a fair value hierarchy that 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 or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy are described as follows:

Level 1 - Unadjusted quoted prices available in active markets for identical assets or liabilities;

Level 2 - Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; or

Level 3 - Unobservable inputs that are significant to the fair value measurement.

Note 3 - Continued

A financial instrument's level within the fair value hierarchy is based upon the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2012 and 2011.

Mutual Funds - Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Guaranteed Interest Account - The Lincoln Guaranteed Interest Account are guaranteed investment contracts reported at contract value. Contract value is the aggregation of contributions, plus interest, less any withdrawals. Contract value approximates a discounted cash flow value calculated using an appropriate risk-adjusted market discount rate which correlates with Lincoln's historical crediting rates. Fair value is determined annually for financial statement reporting purposes since participants normally transact at contract value. In determining the reasonableness of the methodology, the Plan's management evaluates a variety of factors including review of existing contracts, historical returns, market conditions, and overall credit ratings. Certain unobservable inputs are substantiated utilizing available market data (for example, Treasury yields).

Interest-Bearing Cash - Valued at cost plus accrued interest, which approximates fair value.

The valuation methodologies used by the Plan may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan's management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Note 3 - Continued

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31:

	Fair Value Measurements as of December 31, 2012			
	Level 1	*Level 2*	*Level 3*	*Total*
Mutual funds-				
Targeted retirement	$ 40,327,238	$ -	$ -	$ 40,327,238
Equity blend	3,752,002			3,752,002
Balanced	3,489,241			3,489,241
Fixed income	7,853,286			7,853,286
Equity growth	2,697,356			2,697,356
Equity small/mid-cap	4,027,273			4,027,273
International equity	4,528,027			4,528,027
Equity value	2,907,206			2,907,206
Total mutual funds	69,581,629			69,581,629
Interest-bearing cash	9,402			9,402
Guaranteed interest account			10,590,814	10,590,814
	$ 69,591,031	**$ -**	**$ 10,590,814**	**$ 80,181,845**

	Fair Value Measurements as of December 31, 2011			
	Level 1	*Level 2*	*Level 3*	*Total*
Mutual funds-				
Targeted retirement	$ 28,883,253	$ -	$ -	$ 28,883,253
Equity blend	2,891,692			2,891,692
Balanced	2,640,387			2,640,387
Fixed income	5,628,071			5,628,071
Equity growth	2,095,706			2,095,706
Equity small/mid-cap	3,176,941			3,176,941
International equity	3,630,857			3,630,857
Equity value	2,487,581			2,487,581
Total mutual funds	51,434,488			51,434,488
Interest-bearing cash	36,648			36,648
Guaranteed interest account			9,766,127	9,766,127
	$ 51,471,136	**$ -**	**$ 9,766,127**	**$ 61,237,263**

Note 3 - Continued

A reconciliation of the beginning and ending balances for fair value measurements made using significant unobservable inputs (Level 3) is as follows for the year ended December 31, 2012:

	Guaranteed Interest Account (C41)	*Guaranteed Interest Account (J76)*
Balance as of January 1, 2012	$ 9,766,127	$ -
Interest income	42,783	139,321
Purchases	391,868	12,046,041
Sales	(10,200,778)	(1,594,548)
Balance as of December 31, 2012	**$ -**	**$ 10,590,814**

The following table represents the Plan's Level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the ranges of values for those inputs.

	Fair Value	*Valuation Technique*	*Unobservable Inputs*	*Range (Average)*
Lincoln Financial Group Guaranteed Interest Account (J76)	$ 10,590,814	Discounted cash flow	Risk-adjusted discount rate applied	1.82% - 4.77% (3.33%)

Note 4 - Investments

The following table presents the fair values of investments at December 31 that represent 5% or more of total plan assets:

	2012	*2011*
T. Rowe Price Retirement 2020 Fund	$ 14,785,044	$ 10,842,583
T. Rowe Price Retirement 2030 Fund	11,642,414	8,363,299
Lincoln Financial Group Guaranteed Interest Account (J76)	10,590,814	*
T. Rowe Price Retirement 2040 Fund	8,946,405	6,070,083
Lincoln Financial Group Guaranteed Interest Account (C41)	*	9,766,127

* *Did not comprise 5% or more of net assets at December 31.*

Note 5 - Investment in Guaranteed Interest Account

Participants may choose to invest in the Lincoln Financial Group Guaranteed Interest Account (J76), which is fully benefit responsive. Participants may ordinarily direct the withdrawal or transfers of all or a portion of their account balance at contract value within reasonable timeframes. The account is credited with participant contributions plus earnings and charged for participant withdrawals and administrative expenses. The issuer is contractually obligated to repay the principal at a specified interest rate that is guaranteed to the Plan.

The Guaranteed Interest Account is recorded at contract value and, based on the nature of the account, generally approximates fair value. Contract value represents contributions, earnings at guaranteed crediting rates, less withdrawals and fees. Because the participants transact at contract value, fair value is determined annually for financial statement reporting purposes only. In determining the reasonable of the methodology, the plan sponsor evaluates a variety of factors including review of existing contracts, economic conditions, industry and market developments and overall credit ratings. Certain unobservable inputs are assessed through review of contract terms (for example, duration or payout date) while others are substantiated utilizing available market data.

Certain events may limit the ability of the Plan to transact at contract value with the issuer. Such events may include contract discontinuation in which a market value adjustment may apply. The plan sponsor does not believe that any events which would limit the Plan's ability to transact at contract value with participants are probable of occurring.

Effective April 2, 2012, the plan sponsor eliminated the C41 fund and replaced it with the J76 fund.

The average yield for the combined funds was approximately 1.81% for 2012. The crediting interest rate for the guaranteed interest account was 1.75% at December 31, 2012 and 2011.

Note 6 - Federal Income Taxes

The Employer adopted a prototype plan document which has been designed to qualify under Section 403(b) of the IRC. On April 29, 2013, the IRS established a 403(b) pre-approved plan program for such plans. Upon meeting certain conditions, an employer which adopts an IRS approved prototype or volume submitter 403(b) plan will have assurance that the written form of its plan satisfies IRC Section 403(b) and the regulations thereunder. The IRS began accepting applications for opinion and advisory letters on June 28, 2013. As of the date of the auditors' report, the prototype plan document has not received an opinion from the IRS as to the provider's plan, as adopted by the Employer.

In addition to complying in form with IRC Section 403(b) and the regulations thereunder, to obtain the tax benefits of these provisions, the Plan is required to operate in conformity therewith. An IRS opinion or advisory letter provides no assurance that the Plan is being operated in compliance with IRC Section 403(b) and the regulations thereunder.

The Plan is subject to audits by the IRS for certain tax periods based on applicable laws and regulations; however, there are currently no audits for any tax periods in progress.

Note 7 - Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the statements of net assets available for benefits and the statement of changes in net assets available for benefits.

Note 8 - Information Certified by Custodian

The Employer elected the method of compliance permitted by Section 2520.103-8 for the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Under this provision of ERISA, certain information certified by Wilmington need not be subjected to independent audit.

The Employer has obtained a certification from Wilmington that the following information provided by Wilmington and included in the Plan's financial statements and supplementary information is complete and accurate:

- Fair value of investments as of December 31, 2012 and 2011;
- Investment income earned for the year ended December 31, 2012; and
- Investment transactions for the year ended December 31, 2012.

Note 9 - Party-In-Interest

Plan investments include a guaranteed interest account offered by Lincoln. Accordingly, these transactions are considered party-in-interest transactions. Fees paid by the Plan to Lincoln totaled $77,394.

Note 10 - Plan Termination

Although it has not expressed any intent to do so, the Employer has the right under the Plan to discontinue its contributions at any time and terminate the Plan subject to the provisions of ERISA.

Note 11 - Reconciliation of Financial Statements to Form 5500

Following is a reconciliation of net assets available for benefits per the financial statements at December 31 to the Form 5500:

	2012	*2011*
Net assets available for benefits per the financial statements	$ 85,900,438	$ 66,814,643
Less employee contributions receivable		(49)
Less employer contributions receivable	(4,566,217)	(4,472,431)
Net Assets per the Form 5500	**$ 81,334,221**	**$ 62,342,163**

Following is a reconciliation of the change in net assets available for benefits per the financial statements for the year ended December 31, 2012, to the Form 5500:

Increase in net assets available for benefits per the financial statements	$ 19,085,795
Less current year contributions receivable	(4,566,217)
Add prior year contributions receivable	4,472,480
Net Income per the Form 5500	**$ 18,992,058**

SUPPLEMENTARY INFORMATION

HARRISON RETIREMENT AND SAVINGS PROGRAM

Attachment to Form 5500, Schedule H, Line 4(i)
Schedule of Assets Held as of December 31, 2012

Employer: *Harrison Medical Center*
EIN: *91-0565546*
Plan No.: *003*

(a)	*(b) Identity of Issuer, 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*
	T. Rowe Price	Retirement 2020 Fund	**	$ 14,785,044
	T. Rowe Price	Retirement 2030 Fund	**	11,642,414
*	Lincoln Financial Group	Guaranteed Interest Account J76	**	10,590,814
	T. Rowe Price	Retirement 2040 Fund	**	8,946,405
	PIMCO	Real Return Fund	**	3,948,795
	T. Rowe Price	Retirement 2010 Fund	**	3,775,287
	Vanguard	500 Index Investor	**	3,752,002
	PIMCO	Total Return Admin Fund	**	3,615,527
	T. Rowe Price	Balanced Fund Income Common	**	3,489,241
	Rainier	Small/Mid Cap Equity Portfolio	**	3,376,833
	MFS	Value Fund R4	**	2,907,206
	American Funds	Growth Fund of America	**	2,697,356
	American Funds	Capital World Growth	**	2,413,818
	Neuberger Berman	International Large Cap	**	1,986,076
	T. Rowe Price	Retirement Income Fund	**	598,532
	Fidelity	Spartan Extended Market Index Fund	**	520,481
	T. Rowe Price	Retirement 2015 Fund	**	412,947
	Vanguard	Total Bond Market Index Signal	**	288,964
	T. Rowe Price	Retirement 2035 Fund	**	132,091
	Drefyus	Small Cap Equity Fund	**	129,959
	Vanguard	Total International Stock Index Signal	**	128,133
	T. Rowe Price	Retirement 2025 Fund	**	34,518
	Wilmington Trust	Interest-bearing cash	**	9,402
*	Participant Loans	Interest rates from 4.25% to 9.25%	- 0 -	1,152,376
	Total			**$ 81,334,221**

* *Party-in-interest as defined by section 3(14) of ERISA.*

** *Historical cost information omitted with respect to assets held for investment purposes on participant-directed individual account balances.*

See independent auditors' report.

HARRISON RETIREMENT AND SAVINGS PROGRAM

Attachment to Form 5500, Schedule H, Line 4(i)
Schedule of Assets Held as of December 31, 2012

Employer: *Harrison Medical Center*
EIN: *91-0565546*
Plan No.: *003*

	(a)	*(b) Identity of Issuer, 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*
		T. Rowe Price	Retirement 2020 Fund	**	$ 14,785,044
		T. Rowe Price	Retirement 2030 Fund	**	11,642,414
*		Lincoln Financial Group	Guaranteed Interest Account J76	**	10,590,814
		T. Rowe Price	Retirement 2040 Fund	**	8,946,405
		PIMCO	Real Return Fund	**	3,948,795
		T. Rowe Price	Retirement 2010 Fund	**	3,775,287
		Vanguard	500 Index Investor	**	3,752,002
		PIMCO	Total Return Admin Fund	**	3,615,527
		T. Rowe Price	Balanced Fund Income Common	**	3,489,241
		Rainier	Small/Mid Cap Equity Portfolio	**	3,376,833
		MFS	Value Fund R4	**	2,907,206
		American Funds	Growth Fund of America	**	2,697,356
		American Funds	Capital World Growth	**	2,413,818
		Neuberger Berman	International Large Cap	**	1,986,076
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		Wilmington Trust	Interest-bearing cash	**	9,402
*		Participant Loans	Interest rates from 4.25% to 9.25%	- 0 -	1,152,376
		Total			**$ 81,334,221**

* *Party-in-interest as defined by section 3(14) of ERISA.*

** *Historical cost information omitted with respect to assets held for investment purposes on participant-directed individual account balances.*

See independent auditors' report.