

Form **990**

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2004

Department of the Treasury
Internal Revenue Service

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

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

Open to Public Inspection

A For the 2004 calendar year, or tax year beginning **JUL 1, 2004** and ending **JUN 30, 2005**

- Address change
- Name change
- Initial return
- Final return
- Amended return
- Application pending

B Please use IRS label or print or type See Specific Instructions

C Name of organization
CHRISTUS SPOHN HEALTH SYSTEM CORPORATION

D Employer identification number
74-1109836

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

City or town, state or country, and ZIP + 4
CORPUS CHRISTI, TX 78404

E Telephone number
(361) 881-3364

F Accounting method: Cash Accrual
 Other (specify) ▶

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and **I** are not applicable to section 527 organizations.

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

H(b) If "Yes," enter number of affiliates ▶

H(c) Are all affiliates included? **N/A** Yes No (If "No," attach a list)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number ▶ **0928**

G Website: ▶ **N/A**

J Organization type (check only one) 501(c)(3) (insert no) 4947(a)(1) or 527

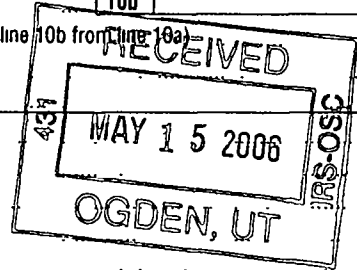
K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **594,902,588.**

M Check if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue	1 Contributions, gifts, grants, and similar amounts received				
	a Direct public support	1a	3,617,175.		
	b Indirect public support	1b			
	c Government contributions (grants)	1c	1,054,491.		
	d Total (add lines 1a through 1c) (cash \$ 4,671,666. noncash \$)			1d	4,671,666.
	2 Program service revenue including government fees and contracts (from Part VII, line 93)			2	584,732,097.
	3 Membership dues and assessments			3	
	4 Interest on savings and temporary cash investments			4	37,604.
	5 Dividends and interest from securities			5	799.
	6 a Gross rents SEE STATEMENT 1	6a	76,274.		
	b Less rental expenses SEE STATEMENT 2	6b	206,244.		
	c Net rental income or (loss) (subtract line 6b from line 6a)			6c	<129,970.>
7 Other investment income (describe ▶)			7		
8 a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
		8a	18,605.		
	Less cost or other basis and sales expenses	8b	67,563.		
	Gain or (loss) (attach schedule)	8c	<48,958.>		
d Net gain or (loss) (combine line 8c, columns (A) and (B))		STMT 6	8d	<48,958.>	
9 Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>	a Gross revenue (not including \$ of contributions reported on line 1a)	9a			
	b Less direct expenses other than fundraising expenses	9b			
	c Net income or (loss) from special events (subtract line 9b from line 9a)			9c	
10 a Gross sales of inventory, less returns and allowances		10a			
	b Less cost of goods sold	10b			
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)			10c	
11 Other revenue (from Part VII, line 103)			11	5,365,543.	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12	594,628,781.	
Expenses	13 Program services (from line 44, column (B))			13	448,582,435.
	14 Management and general (from line 44, column (C))			14	97,897,999.
	15 Fundraising (from line 44, column (D))			15	
	16 Payments to affiliates (attach schedule)			16	
	17 Total expenses (add lines 16 and 44, column (A))			17	546,480,434.
18 Excess or (deficit) for the year (subtract line 17 from line 12)			18	48,148,347.	
19 Net assets or fund balances at beginning of year (from line 73, column (A))			19	514,171,278.	
20 Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 8			20	<1,957,376.>	
21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)			21	560,362,249.	



SCANNED JUL 05 2006

1613

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ 108435 . noncash \$)	108,435.	108,435.	STATEMENT 9	
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc	3,032,229.	0.	3,032,229.	0.
26	Other salaries and wages	200,101,352.	173,825,998.	26,275,354.	
27	Pension plan contributions	5,790,843.	4,877,765.	913,078.	
28	Other employee benefits	29,748,429.	24,771,320.	4,977,109.	
29	Payroll taxes	3,832,599.	3,381,581.	451,018.	
30	Professional fundraising fees				
31	Accounting fees				
32	Legal fees	523,069.		523,069.	
33	Supplies	111,900,392.	106,896,669.	5,003,723.	
34	Telephone	394,084.	96,698.	297,386.	
35	Postage and shipping	426,127.	424,729.	1,398.	
36	Occupancy	4,890,537.	4,691,375.	199,162.	
37	Equipment rental and maintenance	4,752,320.	4,216,870.	535,450.	
38	Printing and publications	144,334.	141,510.	2,824.	
39	Travel	396,402.	315,493.	80,909.	
40	Conferences, conventions, and meetings				
41	Interest	8,685,594.	8,428,340.	257,254.	
42	Depreciation, depletion, etc (attach schedule)	23,277,759.	22,944,270.	333,489.	
43	Other expenses not covered above (itemize)				
a	STMT 11	148,475,929.	93,461,382.	55,014,547.	
b					
c					
d					
e					
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	546,480,434.	448,582,435.	97,897,999.	0.

Joint Costs. Check if you are following SOP 98-2
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services \$ _____,
 (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? STATEMENT 2	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others)
a STATEMENT 2	
(Grants and allocations \$ 0.)	448,582,435.
b	
(Grants and allocations \$)	
c	
(Grants and allocations \$)	
d	
(Grants and allocations \$)	
e Other program services (attach schedule)	(Grants and allocations \$)
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	448,582,435.

Part IV Balance Sheets

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year	
Assets	45 Cash - non-interest-bearing	<10,702,588.>	45	<10,138,369.>	
	46 Savings and temporary cash investments	294,324,439.	46	277,553,561.	
	47 a Accounts receivable	47a 201,580,844.			
	b Less allowance for doubtful accounts	47b 112,806,533.	71,027,056.	47c 88,774,311.	
	48 a Pledges receivable	48a			
	b Less allowance for doubtful accounts	48b		48c	
	49 Grants receivable			49	
	50 Receivables from officers, directors, trustees, and key employees			50	
	51 a Other notes and loans receivable	51a 128,861,062.			
	b Less allowance for doubtful accounts STMT 12	51b 4,776,639.	86,264,421.	51c 124,084,423.	
	52 Inventories for sale or use		15,757,921.	52 18,840,785.	
	53 Prepaid expenses and deferred charges		5,033,642.	53 1,024,031.	
	54 Investments - securities	<input type="checkbox"/> Cost <input type="checkbox"/> FMV		54	
	55 a Investments - land, buildings, and equipment, basis	55a			
	b Less accumulated depreciation	55b		55c	
56 Investments - other		0.	56 184,046.		
57 a Land, buildings, and equipment basis	57a 575,613,635.				
b Less accumulated depreciation	57b 296,267,867.	261,492,626.	57c 279,345,768.		
58 Other assets (describe ▶ STMT 12)		57,972,228.	58 56,060,837.		
59 Total assets (add lines 45 through 58) (must equal line 74)		781,169,745.	59	835,729,393.	
Liabilities	60 Accounts payable and accrued expenses	27,579,816.	60	40,897,059.	
	61 Grants payable		61		
	62 Deferred revenue		62		
	63 Loans from officers, directors, trustees, and key employees		63		
	64 a Tax-exempt bond liabilities	152,647,064.	64a	154,680,093.	
	b Mortgages and other notes payable STMT 12	84,443,483.	64b	77,037,672.	
	65 Other liabilities (describe ▶ STMT 12)	2,328,104.	65	2,752,320.	
66 Total liabilities (add lines 60 through 65)		266,998,467.	66	275,367,144.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74				
	67 Unrestricted	513,182,159.	67	560,149,711.	
	68 Temporarily restricted	989,119.	68	212,538.	
	69 Permanently restricted		69		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74				
	70 Capital stock, trust principal, or current funds		70		
	71 Paid-in or capital surplus, or land, building, and equipment fund		71		
	72 Retained earnings, endowment, accumulated income, or other funds		72		
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)		514,171,278.	73	560,362,249.
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)		781,169,745.	74	835,729,393.

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part VI Other Information

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes		X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	X	
b	If "Yes," has it filed a tax return on Form 990-T for this year?	X	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	X	
b	If "Yes," enter the name of the organization STATEMENT 1 and check whether it is <input checked="" type="checkbox"/> exempt or <input checked="" type="checkbox"/> nonexempt		
81 a	Enter direct or indirect political expenditures See line 81 instructions 81a 0.		
b	Did the organization file Form 1120-POL for this year?		X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III) 82b N/A		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A		
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? N/A		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? N/A		
	If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year		
c	Dues, assessments, and similar amounts from members 85c N/A		
d	Section 162(e) lobbying and political expenditures 85d N/A		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e N/A		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f N/A		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? N/A		
86	501(c)(7) organizations. Enter a Initiation fees and capital contributions included on line 12 86a N/A		
b	Gross receipts, included on line 12, for public use of club facilities 86b N/A		
87	501(c)(12) organizations. Enter a Gross income from members or shareholders 87a N/A		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) 87b N/A		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	X	
89 a	501(c)(3) organizations. Enter Amount of tax imposed on the organization during the year under section 4911 0. , section 4912 0. ; section 4955 0.		
b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 0.		
d	Enter Amount of tax on line 89c, above, reimbursed by the organization 0.		
90 a	List the states with which a copy of this return is filed NONE		
b	Number of employees employed in the pay period that includes March 12, 2004 90b 4779		
91	The books are in care of RICK VILLARREAL Telephone no 361-881-3364		

Located at **600 ELIZABETH STREET, CORPUS CHRISTI, TX**

ZIP + 4 **78404**

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here
and enter the amount of tax-exempt interest received or accrued during the tax year **92** N/A

Part VII Analysis of Income-Producing Activities (See page 33 of the instructions)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue					
a STATEMENT 13					584,732,097.
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	37,604.	
96 Dividends and interest from securities			14	799.	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property			16	<129,970.>	
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	<48,958.>	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a STATEMENT 13		145,483.		5,220,060.	
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		145,483.		5,079,535.	584,732,097.
105 Total (add line 104, columns (B), (D), and (E))					589,957,115.

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 34 of the instructions)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
93A	ALL INCOME IS GENERATED FROM ACTIVITIES ENGAGED IN TO PROVIDE HEALTH CARE TO PATIENTS, OR SERVICES PROVIDED FOR THEIR CONVENIENCE, OR THE CONVENIENCE OF THE HOSPITAL'S EMPLOYEES.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
STATEMENT 16	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

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

Signature of officer: *Melinda M. Grady* Date: 5/10/06 Type or print name and title: *Melinda M. Grady, CEO*

Paid Preparer's Use Only: Preparer's signature: *Melinda M. Grady* Date: 5-9-06 Check if self-employed: Preparer's SSN or PTIN: Firm's name (or yours if self-employed), address, and ZIP + 4: DELOITTE TAX LLP, 333 CLAY STREET, SUITE 2300, HOUSTON, TX 77002-4196 EIN: Phone no: 713-982-2000

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information-(See separate instructions.)
▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No 1545-0047

2004

Name of the organization **CHRISTUS SPOHN HEALTH SYSTEM CORPORATION** Employer identification number **74 1109836**

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions List each one If there are none, enter "None")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
STATEMENT 4		972,060.	43,455.	0.
Total number of other employees paid over \$50,000 ▶	1494			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions List each one (whether individuals or firms) If there are none, enter "None")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
STATEMENT 15		19,213,505.
Total number of others receiving over \$50,000 for professional services ▶	78	

Part III Statements About Activities (See page 2 of the instructions)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ \$ <u>5,783.</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B) VI-B, LINE I Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.	X	
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V, FORM 990	X	
e Transfer of any part of its income or assets?		X
3 a Do you make grants for scholarships, fellowships, student loans, etc? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments)	X	
b Do you have a section 403(b) annuity plan for your employees?	X	
4 a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X
b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		X

STMT 5

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions)

- The organization is not a private foundation because it is (Please check only ONE applicable box)
- 5 A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
 - 6 A school Section 170(b)(1)(A)(ii) (Also complete Part V)
 - 7 A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
 - 8 A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
 - 9 A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state **▶** _____
 - 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)
 - 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
 - 11b A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
 - 12 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A)
 - 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3))

Provide the following information about the supported organizations (See page 5 of the instructions)

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14 An organization organized and operated to test for public safety Section 509(a)(4) (See page 5 of the instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting. N/A
 Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)					
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					
23 Total of lines 15 through 22	0.	0.	0.	0.	0.
24 Line 23 minus line 17					
25 Enter 1% of line 23					

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24	26a	N/A
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2000 through 2003 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts	26b	N/A
c Total support for section 509(a)(1) test. Enter line 24, column (e)	26c	N/A
d Add Amounts from column (e) for lines 18 _____ 19 _____ 22 _____ 26b _____	26d	N/A
e Public support (line 26c minus line 26d total)	26e	N/A
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))	26f	N/A %

27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year	(2003)	(2002)	(2001)	(2000)
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year	(2003)	(2002)	(2001)	(2000)
c Add Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____	27c	N/A		
d Add Line 27a total _____ and line 27b total _____	27d	N/A		
e Public support (line 27c total minus line 27d total)	27e	N/A		
f Total support for section 509(a)(2) test. Enter amount on line 23, column (e)	27f	N/A		
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))	27g	N/A %		
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))	27h	N/A %		

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2000 through 2003, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See page 7 of the instructions)

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement)		
<hr/> <hr/> <hr/>			
32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement)	32d	
<hr/> <hr/> <hr/>			
33	Does the organization discriminate by race in any way with respect to		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)	33h	
<hr/> <hr/> <hr/>			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement	34b	
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions) N/A
 (To be completed ONLY by an eligible organization that filed Form 5768)

Check a if the organization belongs to an affiliated group Check b if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
		N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount Enter the amount from the following table -			
If the amount on line 40 is -	The lobbying nontaxable amount is -		
Not over \$500,000	20% of the amount on line 40		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	41	
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000	\$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44		

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below See the instructions for lines 45 through 50 on page 11 of the instructions)

Calendar year (or fiscal year beginning in)	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B Lobbying Activity by Nonelecting Public Charities
 (For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
a Volunteers		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h.)		X	
c Media advertisements		X	
d Mailings to members, legislators, or the public	X		5,783.
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (Add lines c through h.)			5,783.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

STMT 17

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 11 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting organization to a noncharitable exempt organization of

(i) Cash

(ii) Other assets

b Other transactions

(i) Sales or exchanges of assets with a noncharitable exempt organization

(ii) Purchases of assets from a noncharitable exempt organization

(iii) Rental of facilities, equipment, or other assets

(iv) Reimbursement arrangements

(v) Loans or loan guarantees

(vi) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

	Yes	No
51a(i)		X
a(ii)		X
b(i)		X
b(ii)		X
b(iii)		X
b(iv)		X
b(v)		X
b(vi)		X
c		X

N/A

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

52 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

Yes No

b If "Yes," complete the following schedule

N/A

(a) Name of organization	(b) Type of organization	(c) Description of relationship

CHRISTUS Spohn Health System Corporation
FORM 990, PART VI, LINE 80b - RELATED ORGANIZATIONS
FOR YEAR ENDED JUNE 30, 2005

74-1109836

Related Entity Name	Tax Status
Advanced Health Information Network, L L C (interest sold 10/14/04)	For Profit / Taxable
Advantage Health Plan, Inc (dissolved 3/10/05)	For Profit / Taxable
Arkansas Integrated Community Health Network, Inc	For Profit / Taxable
Ark-La-Tex Health Network	Non Profit / Taxable
Baptist/St. Anthony's Health System	Non Profit / Tax Exempt
Bay Area Health Network (dissolved 2/23/05)	Non Profit / Taxable
Bossier Specialty Hospital, L L C	For Profit / Taxable
C. H. Wilkinson Physician Network	Non Profit / Tax Exempt
Cenla Health Services	Non Profit / Tax Exempt
Central Louisiana Health Alliance, Inc	Non Profit / Taxable
Children's Regional Heart Network (Dissolved 4/28/03)	Non Profit / Taxable
CHRISTUS HEALTH	Non Profit / Tax Exempt
CHRISTUS Health Ark-La-Tex	Non Profit / Tax Exempt
CHRISTUS Health Cash Balance Plan	Non Profit / Tax Exempt
CHRISTUS Health Central Louisiana	Non Profit / Tax Exempt
CHRISTUS Health Gulf Coast	Non Profit / Tax Exempt
CHRISTUS Health Liability Retention Trust	Non Profit / Tax Exempt
CHRISTUS Health Monroe (merged into CHRISTUS Health Central Louisiana 7/1/04)	Non Profit / Tax Exempt
CHRISTUS Health Northern Louisiana	Non Profit / Tax Exempt
CHRISTUS Health Southeast Texas	Non Profit / Tax Exempt
CHRISTUS Health Southwestern Louisiana	Non Profit / Tax Exempt
CHRISTUS Health Utah	Non Profit / Tax Exempt
CHRISTUS Health Waco	Non Profit / Tax Exempt
CHRISTUS Health West Central Louisiana (merged into CHRISTUS Health Central Louisiana 12/31/04)	Non Profit / Tax Exempt
CHRISTUS HomeCare (name changed from CHRISTUS Santa Rosa Home Care 11/17/04)	Non Profit / Tax Exempt
CHRISTUS Muguerza, S A de C V	For Profit / Taxable
CHRISTUS Santa Rosa Cancer Center, LLP (formed 12/3/04)	For Profit / Taxable
CHRISTUS Santa Rosa Health Care Corporation	Non Profit / Tax Exempt
CHRISTUS Santa Rosa Surgery Center, L L P	For Profit / Taxable
CHRISTUS Schumpert Health System Foundation (CHRISTUS Health Northern Louisiana became sole corporate member and changed name from Schumpert Foundation 09/01/05)	Non Profit / Tax Exempt
CHRISTUS Spohn Health System Corporation	Non Profit / Tax Exempt
CHRISTUS Spohn Health System Development Foundation	Non Profit / Tax Exempt
CHRISTUS St Mary Hospital Foundation of Port Arthur (name changed to CHRISTUS Health Foundation of Southeast Texas 8/22/05)	Non Profit / Tax Exempt
CHRISTUS St. Joseph's Health System	Non Profit / Tax Exempt
CHRISTUS St. Patrick HomeCare (dissolved 3/7/05)	Non Profit / Tax Exempt
CHRISTUS/USP General Partners, L L C	For Profit / Taxable
CHRISTUS/USP Surgery Centers, L.P.	For Profit / Taxable
Coastal Bend P.E T Scan LTD	For Profit / Taxable
Consolidated Catholic Casualty Risk Retention Group, Inc	For Profit / Taxable
Corpus Christi Cardiovascular Center, L L.P	For Profit / Taxable
Covenant Behavioral Health, L.L.P. (Texas registration expired 1/24/05)	For Profit / Taxable
DeQueen Outpatient Rehab & Occupational Medicine Center, L L.C (dissolved 4/20/05)	For Profit / Taxable
Dubuis Health System, Inc.	Non Profit / Tax Exempt
Emerald Assurance Cayman, LTD	For Profit / Taxable
Friends of Santa Rosa Foundation	Non Profit / Tax Exempt
Green Clinic Surgical Hospital, L L C	For Profit / Taxable
Gulf Coast Medical Clinic	Non Profit / Taxable
Health Texas Medical Group of San Antonio (name changed to CSR Medical Group effective 9/1/05)	Non Profit / Taxable
Health Ventures of Southeast Texas, Inc	For Profit / Taxable
Healthcare Partners of East Texas, Inc.	Non Profit / Tax Exempt

CHRISTUS Spohn Health System Corporation
 FORM 990, PART VI, LINE 80b - RELATED ORGANIZATIONS
 FOR YEAR ENDED JUNE 30, 2005

74-1109836

Related Entity Name	Tax Status
Heart Center of Central Louisiana, L.P	For Profit / Taxable
Hospital Laundry Cooperative Association	Non Profit / Taxable
Houston Metropolitan Health Network	Non Profit / Taxable
Katy St Catherine Surgery Center, L.P.	For Profit / Taxable
La Clinica de las Hermanas (dissolved 3/4/05)	Non Profit / Tax Exempt
Lake Charles Imaging Center, L L C (dissolved 7/6/04)	For Profit / Taxable
Louisiana Athletic Club, L L C	For Profit / Taxable
Louisiana Integrated Community Health Network, L L C	For Profit / Taxable
Mental Health Services, Inc	For Profit / Taxable
Nassau Bay ASC Management, L L C	For Profit / Taxable
Nassau Bay Surgery Center, L P	For Profit / Taxable
North East Health Solutions L L C	For Profit / Taxable
Northeast Texas Surgery Center, L P	For Profit / Taxable
Northeast Texas Surgical Center Management, L L C.	For Profit / Taxable
Northeast Texas Surgical Center, Inc (dissolved 10/20/05)	For Profit / Taxable
Northern Louisiana Physician Hospital Organization, Inc	Non Profit / Taxable
Occupational Health Services, Inc	For Profit / Taxable
Paris Primary Care Group	Non Profit / Taxable
Port Arthur Day Surgery Center, Ltd	For Profit / Taxable
Practice Concepts, L L C	For Profit / Taxable
Preferred Professional Insurance Company	For Profit / Taxable
Primary CareNet of Texas, L L C	For Profit / Taxable
Red River Valley Surgical Center, Inc (dissolved 3/4/05)	Non Profit / Tax Exempt
Santa Rosa Children's Hospital Foundation	Non Profit / Tax Exempt
Santa Rosa Children's Hospital Foundation Ivy Cottage, Inc	For Profit / Taxable
Santa Rosa Family Health Center	Non Profit / Tax Exempt
Santa Rosa Management Services, Inc	For Profit / Taxable
SCH Management Solutions, Inc	For Profit / Taxable
South Ryan Development Corporation	Non Profit / Taxable
South Ryan MRI, L L C	For Profit / Taxable
South Texas Health Alliance	Non Profit / Taxable
South Texas Behavioral Health (Dissolved 4/28/03)	Non Profit / Tax Exempt
Southeast Texas Cancer Centers, L P	For Profit / Taxable
Southeastern Oklahoma Outpatient Rehabilitation Center, L L C	For Profit / Taxable
Southwest Health Link, L L C	For Profit / Taxable
Southwestern Louisiana Physician Hospital Organization, Inc	Non Profit / Taxable
Spohn Health Network	Non Profit / Taxable
Spohn HealthGroup	Non Profit / Taxable
Spohn Investment Corporation	For Profit / Taxable
Spohn Physical Therapy and Rehabilitations, L L P	For Profit / Taxable
St Catherine Management, L L C	For Profit / Taxable
St Elizabeth Physician Hospital Organization	Non Profit / Taxable
St Frances Cabrini Hospital Auxiliary, Inc	Non Profit / Tax Exempt
St Frances Cabrini Hospital Foundation of Alexandria	Non Profit / Tax Exempt
St John Ventures, Inc (dissolved 11/16/05)	For Profit / Taxable
St Joseph Hospital Foundation	Non Profit / Tax Exempt
St Joseph's Community Foundation	Non Profit / Tax Exempt
St Joseph's Foundation of Paris, Texas (dissolved 1/20/05)	Non Profit / Tax Exempt
St Mary Physician Hospital Organization	Non Profit / Taxable
Summit Health Group, L L C	For Profit / Taxable
Texarkana P E.T Imaging Institute, L P	For Profit / Taxable
Texarkana Partners Limited	For Profit / Taxable

**PART III – STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS:
(STATEMENT OF SOCIAL ACCOUNTABILITY)**

I. GENERAL INFORMATION

CHRISTUS Health was formed in 1999 to strengthen the 130-year-old, faith-based health care ministries of the Congregations of the Sisters of Charity of the Incarnate Word of Houston and San Antonio. Founded on the mission “to extend the healing ministry of Jesus Christ,” CHRISTUS is challenged to reach out to and beyond, the more than 60 communities it serves to help those in need.

Faithful to that founding mission, CHRISTUS HEALTH pursues a vision to:

- Strengthen current ministries and expand into new locations and services.
- Implement innovative approaches to caring for the whole person.
- Increase access to health care for the poor and underserved through advocacy and other initiatives.
- Make significant contributions to creating healthy communities.
- Create a work environment filled with hope, dignity and mutual respect.

CHRISTUS Health responds to the health care needs through services provided at more than 40 hospitals and long-term care facilities, as well as dozens of health care clinics, physicians' offices, outpatient services, and community-based programs in Texas, Louisiana, Arkansas, Utah, Oklahoma, and Mexico. Although programs may differ from facility to facility, each of the health care entities has the same objective -- which is to lead the way to a healthier community.

For almost a century, CHRISTUS Spohn Health System has been responding to the needs of the communities we serve by reaching beyond the walls of our hospitals to provide care and services particularly for those who are most disadvantaged and vulnerable. Originally founded as a small wooden-- structured sanitarium (Spohn Hospital) in 1905, CHRISTUS Spohn has grown into a network of six hospitals and 8 family health centers - located in a 13-county area in South Texas. Strengthening our role as a major provider of comprehensive, accessible health care services, CHRISTUS Spohn collaborates with communities, businesses, churches and other health care organizations. The health care system has a rich tradition of meeting the medical and health education needs of South Texas communities through services of high quality, offered in a warm, holistic and compassionate manner. Our core values: dignity of the person, excellence, compassion, integrity and stewardship identify what

we believe in and strengthen our commitment to respect the worth of every person with special concern for the poor and underserved.

Touching the lives of the people around us is what makes CHRISTUS Health stand apart. Allowing others to touch us gives CHRISTUS Health a vision for the medically needy in each of the communities we serve. Whether it is the life of a child expecting a future filled with miracles, the life of a man in need of a critical heart surgery, or the life of a woman about to give birth to her first child, CHRISTUS Health's hospitals and various other health care services work to provide the best care possible regardless of an individual's ability to pay.

By collaborating with multiple groups in each community, CHRISTUS Health's various entities have strengthened their roles as major providers of comprehensive, accessible health care services. These partnerships with the community have been a blessing by helping CHRISTUS respond to those in need. Investment in community services would not be possible without dedicated associates and volunteers. They help to build strong relationships between the hospitals and other health care ministries and the communities, nurturing CHRISTUS' mission to meet the needs and make a difference in the lives of others by bringing the healing love of Christ to them. Our associates work both inside and outside the walls of our health care facilities and are committed to reaching beyond the traditional healthcare setting to help our communities maintain good health.

II. PATIENT CARE PROGRAM SERVICES

CHRISTUS Spohn Health System provides a full range of inpatient, outpatient and diagnostic services. All patients, including the most disadvantaged, benefit from CHRISTUS Spohn's quality health services, including highly specialized areas such as the Cancer Network, the Heart Network and the Driscoll Children's Hospital neonatal intensive care unit located at CHRISTUS Spohn Hospital South. CHRISTUS Spohn supports the community with a wide array of community health and education activities such as wellness seminars on healthy living, diabetes screening, screening for heart healthy behavior, breast care awareness and other health initiatives for seniors, for women of child-bearing age and for those who might not otherwise have access to these services.

PROVISION OF HEALTHCARE TO INPATIENTS AND OUTPATIENTS

During fiscal year 2005, CHRISTUS Spohn Health System served 50,922 inpatients, 396,527 outpatients and 149,164 emergency department visits.

TOTAL PATIENT CARE SERVICES

\$345,959,321

III. SOCIAL ACCOUNTABILITY REPORTING

The most important aspect of CHRISTUS Spohn's mission as a non-profit, faith-based organization is the provision of healthcare services to those persons who are unable to pay. These individuals fall into one of two categories: Charity Care or Unreimbursed Government Sponsored Indigent Care."

A. CHARITY CARE

In keeping with the Mission, Values, and Vision of CHRISTUS Spohn Health System, CHRISTUS Spohn provides Charity Care services in a manner that respects the dignity of the patients and their families regardless of their ability to pay. Charity care is the most tangible expression of CHRISTUS Spohn's charitable purpose. To the limits of its resources, CHRISTUS Health is an institution of purely public charity.

➤ **INPATIENT AND OUTPATIENT CHARITY CARE** **\$ 46,098,568**

Charity care is service provided without charge or at a charge that is less than the usual charge for such services. The decision as to the amount to be charged, if any, is made according to a patient's ability to pay as determined by the established eligibility criteria. For patients whose economic circumstances place them at or under 200% of the federal poverty guidelines, services are provided without any expectation of payment.

No patient is refused necessary medical care on the basis of his/her ability to pay.

➤ **UNREIMBURSED GOVERNMENT SPONSORED INDIGENT CARE** **\$ 2,627,716**

CHRISTUS Spohn Health System is an active participant in the State of Texas Medicaid Program. That program seeks to provide payment for health care services to individuals who meet certain financial and other requirements. Financial requirements include evaluation of both assets and income.

CHRISTUS Spohn Health System is also an active participant in the Nueces Aid program, an indigent healthcare program sponsored by the Nueces County Hospital District. The program seeks to provide payment for healthcare services to individuals who meet certain financial and other requirements. Financial requirements include evaluation of both assets and income. Based on the results of this evaluation, the Nueces Aid program will provide the patient with

between 50% and 100% coverage. The difference between the patient's percentage of coverage and 100% is the expected patient co-pay. CHRISTUS Spohn Health System effectively provides all Nueces Aid patients with 100% coverage by not billing the patient for services. The expected patient co-pay is treated as Charity Care.

TOTAL CHARITY CARE **\$ 48,726,284**

B. COMMUNITY SERVICES

➤ **COMMUNITY BENEFITS FOR THE BROADER COMMUNITY** **\$ 3,934,916**

Clinical Pastoral Education/Spiritual Care Services - The Clinical Pastoral Education Program at CHRISTUS Spohn Hospital Memorial furthers CHRISTUS Spohn's commitment to meet the spiritual needs of people in south Texas. The program prepares people to serve not only in hospitals, but also in their respective churches and organizations as pastoral/spiritual caregivers, focused on providing care with dignity. The year-round program, sponsored by the Spiritual Care Department, provides the opportunity to integrate theology and behavioral sciences into real life situations of crisis intervention, spiritual care and peer group support. Students are taught in a health care environment that affords them optimum opportunities to serve patients in critical conditions and their families. Memorial is a Level III regional trauma center and includes a burn unit, psychiatric services for adults and adolescents and a family practice residency program. Because of the trauma designation, there is a chaplain in the hospital 24 hours a day, 7 days a week. (At the other CHRISTUS Spohn facilities a chaplain is on call at all times to respond to needs). Through a grant from the CHRISTUS Education Fund, the Clinical Pastoral Education program continued a pilot project involving preparation of chaplains to work in the outpatient clinics connected to the hospital. The final evaluation of the second part of this experience was provided in December, 2004 by the chaplain implementing this program. It was a very positive experience for the clinic patients and for the chaplain. When new funding is available, serious consideration will be given to continuation of this program.

Memorial services are provided on a regular basis for family members of loved ones who have died. This type of service is available at several of the hospitals in the system. Special assistance is provided to families experiencing the death of infants. This includes special bereavement groups, providing caskets and burial space and other types of help. Hospice offers hosts several bereavement groups each year including some specifically for adolescents and/or children. These groups are available to everyone, not just to family members of persons who were part of the Hospice program and there is no charge to participate.

Health Fairs and Screenings - Throughout the year CHRISTUS Spohn sponsors numerous health fairs in collaboration with service groups, cities, etc. Free screenings for blood pressure, cholesterol and other diseases are always offered at these events. In addition, presentations and materials are made available. Special attention is given to

diseases with high incidence in the service area including diabetes, cancer and heart disease. These services are offered to provide education on prevention and also early detection. During FY 2005, CHRISTUS Spohn offered an additional service at numerous health fairs. That service was information about advance directives and end-of-life issues. There is a great need for dissemination of this kind of information in our area.

Diabetes screenings are provided regularly through the various outreach programs. Numerous special events were scheduled during the months of November and March the months designated by the American Diabetes Association as a special time to screen for the presence of diabetes and to assist persons already diagnosed. The programs in November 2004 were offered in Corpus Christi, Kingsville, Alice and Beeville. During March of 2005 persons were screened in Corpus Christi, Alice, Kingsville and Beeville. The location of such screenings is determined in collaboration with other healthcare providers so that it can be geared to providing access to service to high risk and/or special needs populations while avoiding duplication.

Several health fairs were directed to the members of the seniors' program-HealthWise VIP. These programs were offered in our outlying areas as well as in Corpus Christi. HealthWise VIP continues to serve persons who have been members for several years but is also more readily available to seniors in areas where persons are from a less privileged economic bracket. In addition to educational programs, HealthWise VIP offers weekly exercise and yoga programs. In addition, craft classes, monthly social activities and occasional travel opportunities are available and popular. Another popular service is the annual flu shot clinic. In FY 2005, 1161 flu shots were provided to HealthWise VIP members. Last but not least is the annual "Senior Prom."

CHRISTUS Spohn participates in national days dedicated to cancer screening. On the first Monday of May, several dermatologists joined other volunteer staff in screening 142 persons. An extraordinary number of participants (forty-six percent) were referred to physicians for needed follow-up care. In September 2004, 114 men in Corpus Christi took advantage of the Prostate Cancer Screening offered during National Prostate Awareness week. Due to the high incidence of prostate cancer in the CHRISTUS Spohn service area (particularly in the Hispanic and African American population), ongoing screenings and PSA testing are being offered in conjunction with health fairs, the Heart Study, etc.

The CHRISTUS Spohn Heart Study was founded in 1992. It is a cardiovascular risk-screening program providing education and on-site screenings in various work places in south Texas. The study has screened and counseled over 45,000 south Texans on ways to reduce their risk of coronary heart disease and the importance of establishing a relationship with a physician. The Heart Study team of healthcare professionals assesses the primary risk factors for heart disease: cholesterol, blood glucose, blood pressure, lipid panel screening, body composition analysis and smoking. In FY 2005 4,636 persons were screened (final count will be substantially higher) and a percentage of the screenings were provided free of charge. Several companies have contracted with the Heart Study for successive years. This continuity has enabled the Heart Study

to do some outcomes' measurements with large groups of participants employed by the Corpus Christi Army Depot, the city of Corpus Christi, the Corpus Christi Independent School District, employees of surrounding counties as well as many other companies.

In addition, several monthly community education programs are free and open to the public. They feature physicians and other health care professionals who share information on common or new health issues and treatments. A partial listing of topics offered during the recently completed fiscal year are: Colon Cancer, Attitudes of Joy, Female Incontinence, Stress Management, The Benefits of Rehab for People Over 50, Balance and Falls, Getting in Touch With Life: Hope in Grief, All Stressed Up and Nowhere to Go, Financial Security, etc.

A Weight Watchers At Work program was launched by Wellness Services in FY 2005 and the collective weight loss of participants over the first six months was 2220.7 pounds. In addition programs are being offered to train persons to be Smoking Cessation Program facilitators in Corpus Christi, Beeville, Kingsville, Ingleside and Laredo.

The Wellness Services Department has assumed full responsibility for the Lifeline program that provides a device which when activated, notifies identified persons that the wearer of the device needs assistance. With Lifeline, many persons are able to continue living safely in their own homes, in spite of health problems they may have. Nearly 200 persons in the service area are currently part of the Lifeline program and that number is growing monthly. Grant monies are pursued annually to subsidize the monthly fee for persons who need but cannot afford Lifeline.

➤ **COMMUNITY BENEFITS FOCUSED ON THOSE IN NEED \$ 4,491,098**

Rooted in the mission and tradition of the Sisters of Charity of the Incarnate Word and those who co-minister or serve with them, CHRISTUS Spohn seeks new and innovative ways of delivering quality health care that is both affordable and accessible to all. Today, more than ever, we must think in terms of improving the total health status of the community through programs that place our services where they are needed most, with special attention and preference given to programs that support and benefit the health and welfare of the poor and underserved.

CHRISTUS Spohn's investment in community services - particularly those that serve the most disadvantaged and vulnerable - helps build a healthier community and a happier future for all of South Texas.

Mobile Clinic - The CHRISTUS Spohn Mobile Clinic is a graphic example of an investment and commitment to providing access to care. The Mobile Clinic was initiated in 1993 in response to the identified needs in the area - especially teen pregnancy and lack of access to prenatal care. The Mobile Clinic's primary service is to provide prenatal care in outlying areas for uninsured or undocumented patients who would have difficulty in receiving care. The clinic travels each week to rural San Patricio and Aransas counties in order to serve those who do not have access to reliable transportation or who

cannot afford health care. Approximately 80% of the patients who come to the mobile clinic are helped to become enrolled in Medicaid and/or other appropriate forms of assistance. Others who are not eligible for such programs are nonetheless cared for. They are often linked with important services such as WIC. The Clinic offers consistent care and helps to transition the patients to a physician for continued care. The services provided on the van are offered free of charge

Other services, some specifically for women, such as gynecological examinations, pap smears, etc. are provided. In addition, there are screenings and basic examinations provided for men and women. Approximately 350 patients received regular care at the Mobile Clinic in fiscal year 2005.

Community Development Initiative - Meetings with representatives of the city, the Nueces County Action Agency, the Diocese, the CDC sponsored by a group of bankers, representatives of CHRISTUS and CHRISTUS Spohn have led to building affordable homes in various locations in Corpus Christi. The group has developed a collaborative initiative to increase utilization of available funds and to provide education and credit counseling. The goal is to increase the availability and accessibility of affordable housing. On an annual average, 25 new homes are constructed under the lead of the Nueces County Action Agency (in collaboration with the other members). The taxation monies designated for affordable housing were made available to the CDI since the infrastructure and action plans were already in place. Some initial contacts have been made with officials in the city of Alice regarding the possibility of an affordable housing collaboration there. CHRISTUS staff serves on the Corpus Christi Development Board, and have worked with the city and Accion Texas to start up the microlending program in Corpus Christi.

Family Health Centers - Four family health centers (Northside, Padre Island, Westside and Robstown) have increased availability and access of health care services. Studies done collaboratively with community advisory groups, the Nueces County Hospital District and City and County Health Department identified that these areas had limited services and access. These four locations had 40,386 patient visits in FY2005. The percentage of patients who were Nueces Aid or charity patients ranged from 48% to 64% of those treated in the centers. Each Center has a certified family practice physician and a team of health care professionals who provide a wide range of medical services, including primary care, diabetes screenings, heart disease screening, well and sick baby care, health education and immunizations.

At the CHRISTUS Spohn Memorial Specialty Clinic that is adjacent to the CHRISTUS Memorial facility, 114,570 patient visits were recorded, 67% of which were either Nueces Aid or Charity patients. Among the many clinics the ones with the largest patient volumes are the gynecology clinic, the orthopedics clinic and the surgical clinic. The cardiology clinic, the podiatry clinic, and the neurology clinics also serve a significant number of patients. A reorganization of the Diabetes Center and a focus on its becoming a Center of Excellence has been pursued in FY 2005. CHRISTUS Spohn is the only provider who offers classes and support groups in Spanish.

Congregational Health Ministry - The CHRISTUS Spohn congregational health ministry (often referred to as parish nursing) has been in operation for five years. This program focuses on holistic care, with attention to physical, psychological and spiritual needs of persons. A full-time coordinator of the program who is a well-qualified RN with several years of experience and who has also completed a certification program specifically provided for congregational health/parish nurses heads it. Much time continues to be devoted to contacts with local congregations and development of brochures, educational materials and policies. When a church expresses interest in initiating this program, the next step is seeking volunteer nurses and other professionals to serve two to eight hours a month in the program. A needs assessment is done in each congregation to determine the focus of services. The work then begins. The congregational health ministry is fully operational in twenty+ churches and plans are well underway to continue its expansion. Though the program is available to any congregation, there has a special outreach to churches whose members might have more difficulty in accessing care. Member churches hold health fairs, blood drives, screenings, and ongoing education programs on topics requested by church members and other activities. Several congregations have requested and held safety fairs during FY 2005 as well as health fairs, screenings (blood pressure, blood sugar, Lifeline Vascular Screenings, Stroke Scan Vascular Screenings) and flu shot clinics. A Medication Assistance Program to assist persons with limited access to prescription drugs has been set up in one congregation. In FY 2005 approximately 670 medications were provided for 396 persons and the savings which the program provided was \$170,850. This service is available to persons whether or not they are members of the sponsoring congregation. Representatives from two other congregations have participated in educational programs to assist them in setting up similar programs.

Healthy Communities - The Healthy Communities Initiative, a program initiated by the World Health Organization and now present in more than fifty countries, relates to the vision of CHRISTUS Health with its commitment to be involved in creating healthier communities wherever we serve. During FY 2005 there has been continued focus on the efforts to decrease the prevalence of domestic violence and to mandate counseling and other means to make positive changes. CHRISTUS Fund grants have enabled the continued employment of a part-time attorney to bring domestic violence cases to court and a part-time counselor at the Counseling Center to provide anger management courses and individual counseling. A new collaborative endeavor has been formed between the Alice Counseling Center and Texas A&M-Kingsville. It is a wellness program directed to the diabetic population in the area. Services have been expanded to include behavior modification and education to groups of diabetics in San Diego, a nearby small town. The local community has asked for assistance with childhood diabetes and a program has been developed to start responding to this need.

Initial efforts to collaborate with the Community Action Agency who provide care in clinics in Jim Wells and adjacent counties has come to fruition. A Mobile Clinic no longer in use by CHRISTUS Spohn was donated to the agency who uses it to visit three sites. In addition, the agency has its offices and clinic in the former hospital building.

CHRISTUS Spohn Hospital Beeville participates in numerous community wellness activities including health fairs, collaboration with the local FQHC and physical fitness programs.

CHRISTUS Spohn Hospital Kleberg in collaboration with HEB grocers developed an education program for persons with diabetes. Classes and support groups continue to be provided on a regular basis.

In Nueces County, CHRISTUS Spohn has served as the convener of a group of representatives from community groups as diverse as the City/County Health Department, the Coastal Bend Health Education Coalition, the Latino Education Program, the American Diabetes Association, the diocese of Corpus Christi, the CAPWELL project, all of the health care providers, etc. The Community Diabetes Coalition (as the group identifies itself) has experienced several changes in membership which has slowed the development and implementation of programs. However, the group has reconvened and has some new initiatives which are being considered for Nueces County.

Community Health Worker Program

A Community Health Worker Program has been initiated at CHRISTUS Spohn Hospital Corpus Christi-Memorial. The goals of the program are to reduce unnecessary ED visits, direct patients to medical "homes" where they can receive continuity of care in appropriate settings and to establish contact with 2000 patients monthly to provide them with education and support in appropriate access to care. The program has only been in place for seven months but there has already been a decline in ED visits by enrollees in the Nueces County Health District Aid program.

CHRISTUS Spohn Kieschnick Guest House - The CHRISTUS Spohn Kieschnick Guest House was built in 1985 as a caring, peaceful sanctuary for people with family members in a CHRISTUS Spohn hospital. The Kieschnick House provides spiritual support and close proximity to patients while offering low-cost accommodations for family members. In keeping with CHRISTUS Spohn's mission and core values, family members who can't afford the \$25 daily fee stay at no charge. In FY 2005, 1603 hospitality visits were recorded by the Kieschnick Guest House.

CHRISTUS Spohn Hospice - Since 1983 CHRISTUS Spohn Hospice has been helping dying patients, their families and caregivers by providing care and comfort during the remaining months and days of their lives. A team of health care professionals provides 24-hour, on-call service to terminally ill patients and their loved ones. The interdisciplinary team creates an environment in which life is always affirmed but death is never denied. Care includes respite care and ongoing bereavement counseling after the death of the patient. It is an environment that helps both the terminally ill patients and their families come to terms with the transition from life to death. Many patients cannot afford hospice care or their insurance will not cover all expenses. CHRISTUS Spohn responds by assisting with necessary care, medicine and equipment. During FY 2005 CHRISTUS Spohn Hospice served 311 patients and their families, 31 of whom were courtesy (charity) patients. Patients ranged in age from 13 years old to 100 years old.

Bereavement service and other contacts are maintained for a full year after the death of the patient. These services are also made available to persons who need the help but who were not part of the hospice program. A special day-long program for children and adolescents who had lost loved ones was offered in the spring. Seven children ranging in age from 5 to 13 participated in group discussions, activities and fun. The environment at the Corpus Christi Botanical Gardens was a perfect location for this experience which will be offered again.

A counselor with the CHRISTUS Spohn Hospice also serves the city and local industries in times of crisis such as explosions at a refinery, major accidents, etc. This service is provided free of cost.

First Friday Program - CHRISTUS Spohn is engaged in many collaborative endeavors in the community. As a medical partner with First Friday, a group of Corpus Christi women working to increase awareness about early detection of breast cancer, funds are raised to provide free mammograms and encourage breast health through the CHRISTUS Spohn Breast Care Program. Committed to educating the community about the need for early detection, CHRISTUS Spohn has been a sponsor each year since its inception in 1995. Fundraising events have featured celebrity speakers who have survived breast cancer, fashion shows, etc. An annual walk and a prayer breakfast are also held. In fiscal year 2005, 903 free mammograms were given. The \$100 cost of the mammogram is absorbed by the CHRISTUS Spohn Health System and the \$50 cost for reading the exam is provided by the First Friday group. Some women needed important follow-up care. In addition a weekly support group facilitated by a licensed counselor is provided. This collaborative effort is indicative of the values held by CHRISTUS Spohn - respond to health care needs in a creative, compassionate, action-oriented way. In addition, 138 persons received pre and post mammogram teaching and counseling by the staff of the Cancer Care unit at CHRISTUS Spohn Hospital Corpus Christi-Shoreline.

Community Service - Community service is at the core of CHRISTUS Spohn's mission and associates and volunteers donate thousands of hours to support community projects. Daily donations of food are provided to the Good Samaritan Mission and several associates dedicate time to Loaves and Fishes enabling these programs to feed needy people.

CHRISTUS Spohn associates assist in providing support groups for persons who have received or are awaiting organ transplants as well as cancer and diabetes support groups and programs for persons who have experienced significant loss in their lives. A recommitment celebration was held early in 2005 noting a 14 year collaboration between CHRISTUS Spohn Shoreline and the Muscular Dystrophy Organization. CHRISTUS Spohn provides space and supplementary staff for a monthly clinic and support group meeting.

Associates also participate actively in programs such as the Relay for Life and events sponsored by the American Heart Association, the American Diabetes Association and the March of Dimes.

FY 2005 marked the fourth year of a collaboration between CHRISTUS Spohn and Foy H. Moody High School from the Corpus Christi Independent School District. Students who express an interest in health care careers and who meet stringent requirements are provided with educational materials, hands on experience in health care, certain employment opportunities and much support and mentoring. The program motivates students to achieve academic excellence, pursue their dreams and develop skills which will lead to employment in and service to their community. The majority of the students have made the grade to stay in the program and the first group graduated in May, 2005 of the 71 students who completed the four year program, 66 are enrolled in colleges and universities. 51 are actually enrolled in science or health care as a major field of study. A total of \$1.8 million dollars in scholarships were awarded to the students pursuing health/science studies. Two of the students were chosen from 120 applicants for the Baylor College of Medicine BS/MD Honors Program. There are currently 314 students between Grades 9-12 enrolled in the program. Over 1/2 of the students enrolled in the program are from economically disadvantaged families. The preponderance of students are Hispanic. More than 1/3 would be first generation college students.

In addition to reaching out to the wider community, associates are actively in responding to the needs of co-workers. The Helping Hands Fund, initiated and funded by associates makes it possible to offer immediate assistance to associates who are experiencing crises caused by emergencies. Associates also sponsor SOS (Supply Our Students) collections, Christmas baskets and other efforts to assist co-workers who need some extra help.

➤ **CHRISTUS Fund**

CHRISTUS Health established the CHRISTUS Fund to provide resources to not-for-profit agencies and groups whose vision, mission and goals are consistent with CHRISTUS Health's mission, values and philosophy of a healthy community. We believe that by working together, we can make a profound difference in the quality of peoples' lives and create sustainable health in our communities. CHRISTUS Health awarded grants to the following agencies in the Christus Spohn Health System service area. The cost of these grants is not included in the Program Service Expenses for Christus Spohn Health System.

<p>YWCA Families and Their Future Program 4601 Corona Dr., Corpus Christi, TX 78411 <i>Program support to reduce high school drop out and teen pregnancy rates by developing problem solving, decision-making, and life skills</i></p>	<p>Award - \$10,000 Distributed -\$10,000</p>
---	---

CHRISTUS Spohn Health System Corporation
FORM 990 PART III
FOR YEAR ENDED JUNE 30, 2005

EIN: 74-1109836

<p>CHRISTUS Spohn Health Care Worker Program 2606 Hospital Blvd., Corpus Christi, TX 78405 <i>Support costs related to the development of the CHW model and training of new CHWs</i></p>	<p>Award - \$93,600 Distributed-\$93,600</p>
<p>YMCA of Corpus Christi-Youth Outreach & After School Activities 417 S. Upper Broadway, Corpus Christi, TX 78401 <i>After school program, mentoring program, youth sports, summer day camps, and summer swim program</i></p>	<p>Award – \$10,000 Distributed –\$10,000</p>
<p>Good Samaritan Rescue Mission 210 S. Alameda St., Corpus Christi, TX 78403 Program support of 203-bed homeless shelter to provide comprehensive services to its low-income and homeless clients</p>	<p>Award - \$25,000 Distributed-\$25,000</p>
<p>First United Methodist Pharmaceutical Assistance Program 900 S. Shoreline, Corpus Christi, TX 78403 <i>Pharmaceutical Assistance program support to access medications for chronic illness using the PAP model</i></p>	<p>Award - \$13,000 Distributed-\$13,000</p>
<p>The Beeville Vineyard 210 N. Monroe, Beeville, TX 78102 <i>Support for program to provide MHMR for recovering hospital patients, prescription assistance, eyeglasses, diabetic supplies, and other assistance</i></p>	<p>Award – \$15,000 Distributed –\$15,000</p>
<p>Family Outreach Corpus Christi 1444 Baldwin Blvd., Corpus Christi, TX 78404 <i>Support for Case Manager and crisis counseling for families at risk for child abuse and neglect</i></p>	<p>Award - \$15,000 Distributed -\$15,000</p>
<p>Catholic Charities Rural Outreach Program 1322 Comanche, Corpus Christi, TX 78401 <i>Support for 9 remote sites to implement program to address family management, economic deprivation, parental involvement, and problem behavior</i></p>	<p>Award - \$50,000 Distributed-\$50,000</p>
<p>Family Counseling Service 3833 S. Staples, S203, Corpus Christi, TX 78411 <i>To maintain current program to provide mental health counseling for persons without resources</i></p>	<p>Award - \$20,000 Distributed –\$20,000</p>
<p>Women’s Shelter of South Texas Family Visitation Services Program P.O. Box 3368, Corpus Christi, TX 78463-3368 <i>Coordination and observation of court-ordered supervised visitation and facilitated exchange for families</i></p>	<p>Award - \$25,000 Distributed-\$25,000</p>

<p>Alice Counseling Center Diabetes Management Project 63 South Wright, Alice TX 78333 <i>Expansion of diabetes behavioral change and management program to include four additional counties</i></p>	<p>Award - \$35,000 Distributed -\$35,000</p>
<p>Alice Counseling Center At Risk Youth Counseling Project 63 South Wright, Alice TX 78333 <i>Expansion of current counseling services to include youth at risk for truancy, substance abuse, and criminal activity</i></p>	<p>Award \$50,000 Distributed -\$50,000</p>
<p>The Gabbard Health Room 1919 Leopard St., Corpus Christi, TX 78469 <i>To provide services for uninsured and homeless patients of primary care health center</i></p>	<p>Award - \$20,000 Distributed -\$20,000</p>
<p>ACCESS 802 E. Main St., Rockport, TX 78382 <i>Mental health counseling provided on a sliding scale for uninsured persons</i></p>	<p>Award - \$10,000 Distributed -\$10,000</p>
<p>CHRISTUS Spohn Kleberg Community Health Worker 1311 General Cavazos Blvd., Kingsville, TX 78363 <i>Start-up support for Community Health Worker Program to proactively manage care of patients in Kingsville and surrounding areas</i></p>	<p>Award - \$50,000 To Be Distributed FY2006</p>

➤ **CHRISTUS Community Direct Investment Fund (CDI) Fund:**

CHRISTUS Health created the CDI Fund to provide a source of very low cost finance to the low and moderate-income communities we serve. We have accomplished this through low interest loans to and deposits that generate an income stream for an approved community development organization. This conduit of low cost funds helps make affordable housing and economic development opportunities in the disadvantaged areas of our Regions, a possibility. In FY2005, the following CHRISTUS Health committed the following investments in the CHRISTUS Health Spohn Region. *The cost of the investments is not included in the Program Service Expenses for CHRISTUS Health Spohn.*

ACCION Texas is dedicated to helping people work their way out of poverty by providing technical assistance, business micro loans and using the Individual Development Account to foster the wealth building. They are now the largest microlender in the USA. Our direct investment of \$200,000 will help them meet some of the demand for conventional financing in our Spohn Region. This loan has been matched by a grant from the City to set up operations in the Corpus Christi market.

TOTAL COMMUNITY SERVICES **\$ 8,426,014**

C. OTHER GOVERNMENT SPONSORED PROGRAMS **\$ 45,470,816**

In addition to the provision of care without expectation of payment (charity care) or the provision of care to Medicaid eligible persons at rates substantially under government sponsored programs, including Medicare, DOD and CHAMPUS. The unreimbursed costs of these services are reported in the accompanying financial report.

CHRISTUS Spohn Health System provides services to persons covered under the federal Medicare Program and in fact this is the largest single payor classification of patients served by this health system. The payment rate for inpatient services is on a per case rate, calculated based on the diagnostic-related group into which the patient is categorized. Outpatient services are reimbursed by Medicare based on costs incurred or a blend of charges and costs incurred.

CHRISTUS Health provides the uniform medical benefit for 17,100 military family members under contract with the Department of Defense. Full medical services are provided to active duty military families, and to retirees and their families in all age categories including those over age 65. CHRISTUS Health also participates in the TRICARE standard program, and contracts with the Managed Care Support Contractor for Region VI to provide services under the provision of TRICARE Prime. Additionally, CHRISTUS Health provides medical care for active duty servicemen and women.

TOTAL PROGRAM SERVICE EXPENSES (GRANTS \$108,435) **\$448,582,435**

STATEMENT 3

Part V - Officers, Directors and Trustees at June 30, 2005

Leadership of the organization is provided by the directors and officers of the corporation. In addition, local governing board members serve on the boards of the various operating entities which make up the organization.

Directors and ex-officio directors provide their services as members of the board without compensation or benefits. Compensation and benefits are shown for officers of the organization. Sisters compensation is paid to the Religious Congregation and not the individual. Board members and local governing board members spend time as needed for board meetings and functions. Officers are full-time employees.

No directors, officers or employees receive an expense allowance other than reimbursement of expenses incurred in performing their duties.

NAME	TITLE/ AVG HOURS PER WEEK***	COMPENSATION	CONTRIBUTION TO BENEFIT PLAN	EXP ACCT/ ALLOWANCES
<i>Directors:</i>				
Raymond Acebo MD	Director-COS	None	None	None
Rosalinda Sosa Bonilla	Director	None	None	None
Sr. Mary Margaret Bright	Directdor	None	None	None
Patricia Canales-Bell	Director	None	None	None
Gus Canales	Director	None	None	None
Lawrence Cornelius	Director	None	None	None
James Dinn	Director	None	None	None
David Engel	Chairperson and Director	None	None	None
George Finley III	Director	None	None	None
Ariel Garcia	Director	None	None	None
Terry Groff MD	Director	None	None	None
Martin Edward Hanisch MD	Director	None	None	None
Paul Heath MD	Director	None	None	None
Sister Rosita Hyland	Director	None	None	None
Clayton Hoover	Director	None	None	None
Harold Charles Kaffie	Director	None	None	None
Willy Kuehn	Director	None	None	None
Colleen McHugh	Director	None	None	None
Patricia Mueller	Director	None	None	None
Sister Hannah O'Donogue	Director	None	None	None
Elizabeth Chu Richter	Director	None	None	None
Josefina Torres MD	Director	None	None	None
Kirkby Townsend	Director	None	None	None

STATEMENT 3
Part V - Officers, Directors and Trustees at June 30, 2005

Officers:				
Kathryn McDonagh	President, Chief Executive Officer & Director /40	519,879	115,586	
Ferdinand Gaenzel	Executive Vice President/Treasurer/Chief Financial Officer /40	212,958	43,676	
Peter Banko	Vice President - Administrator Christus Spohn Memorial Hospital/40	239,184	58,902	
Ernesto Flores	Vice President-Administrator Christus Spohn Hospital Kleberg /40	215,700	44,892	
Nora G Frasier	Vice President-Nursing Administration and Compliance /40	198,129	43,593	
R David Frum - Effective 7/12/04	Vice President-Strategic Planning/Business Development/Compliance Officer/40	171,103	25,820	
Margot Rios	Vice President-Administrator Christus Spohn Alice Hospital/40	152,927	31,542	
Michael Johnson	Vice President -Administrator Spohn Hospital South/40	181,630	28,960	
Richard C Davis MD	Vice President of Medical Affairs /40	247,827	47,966	
Sr Carol Ann Jokerst*	Vice President of Mission Effectiveness /40	146,961	24,983	
Paul Trevino	Sr Vice President - Administrator Christus Spohn Hospital Shoreline/40	304,048	64,347	
David Wagner	Vice President-Administrator Christus Spohn Hospital Beeville/40	176,370	24,972	
Debbie Wood	Vice President/Human Resource & Public Relations/40	206,454	32,856	
Jennifer Cochran	Corporate Secretary /40	17,696	3,258	
Debra Hamilton	Corporate Secretary /40	41,363	4,097	
Totals		3,032,229	595,449	0

All officers and directors can be contacted at Christus Spohn Health System, 600 Elizabeth, Corpus Christi, Texas 78404

* Compensation for the services of Sisters is paid directly to the Congregation rather than to the individual

**Payments include amounts associated with retirement, reorganization and/or discontinued employment

***Directors average one hour or less per week

Contribution to Benefit Plan column includes employer contribution to Health and Welfare Cafeteria Plan, Car Allowance, Executive Deferred Income Account, Employer Contribution to 403 (b) Matched Savings Plan and estimated Pension Benefits under CHRISTUS Health Cash Balance Plan Estimated Pension Benefits were calculated based on the provisions of the current Cash Balance Plan at 6% of pensionable earnings Some associates are also grandfathered under an earlier pension plan but due to the complexity of calculating an accurate benefit, the benefits under the Cash Balance Plan have been reported

STATEMENT 4

Schedule A, Part I -

Compensation of the five highest paid employees other than Officers, Directors, and Trustees

NAME	TITLE/ AVG HOURS PER WEEK	COMPENSATION	CONTRIBUTION TO BENEFIT PLAN	EXP ACCT/ ALLOWANCES
Jane A Bakos**	Former VP Human Resources and Public Relations	217,324	10,217	0
Jake J Henry, Jr **	Former President & Chief Executive Officer	205,412	-	-
Daniel Doucet	Associate Admin/40	189,210	8,839	
Patricia Oates	Executive Director Revenue Cycle/40	181,894	10,736	
Alvin R Bingham	RN/53	178,220	13,663	
Total		972,060	43,455	-
Total number of other employees paid over \$50,000				1,494
Number of employees employed in pay period March 12, 2004				4,779

All employees can be reached at Christus Spohn Health System, 600 Elizabeth, Corpus Chrsti, Tx 78404

**Payments include amounts associated with retirement, reorganization and/or discontinued employment

Contribution to Benefit Plan column includes employer contribution to Health and Welfare Cafeteria Plan, Car Allowance, Executive Deferred Income Account, Employer Contribution to 403 (b) Matched Savings Plan and estimated Pension Benefits under CHRISTUS Health Cash Balance Plan. Estimated Pension Benefits were calculated based on the provisions of the current Cash Balance Plan at 6% of pensionable earnings. Some associates are also grandfathered under an earlier pension plan but due to the complexity of calculating an accurate benefit, the benefits under the Cash Balance Plan have been reported

Facility:

CHRISTUS Spohn Health System Corporation

EIN:

74-1109836

SCHEDULE A, PART III, QUESTION 3

In December 2001, the CHRISTUS Spohn Health System Grow Your Own Health Career Program was established to foster growth of students in pursuit of health care careers and to further promote the quality of health care in the CHRISTUS Health System and South Texas.

Student Eligibility:

The applicant desiring educational assistance within identified hard-to-fill job codes, who is pursuing a major in health care as a full-time student in an accredited vocational or institution of higher learning, shall complete and submit the attached application for the CHRISTUS Spohn Health System Grow Your Own Health Career Program.

The criteria for the applicant receiving a scholarship is based on the applicant's scholastic ability, program status, commitment to health care services in the CHRISTUS Spohn Health System and CHRISTUS Spohn Health System's need for personnel with specific health care skills and training

Student must continue to make measurable progress toward completion of program to maintain eligibility.

Scholarships shall be available to applicants without regard to race, color, religion, sex, national origin, age or disabilities.

The associate will meet all prerequisites for admissions to a professional healthcare program on his/her own.

The associate will provide an application for Grow Your Own Health Career Program and include proof of admission, program curriculum, and semester schedule as a full time student to the Grow Your Own Selection Committee for review.

CHRISTUS Spohn Health System Corporation

EIN: 74-1109836

STATEMENT 6-INDEX
PART I, LINE 8(B) - GAIN/LOSS ON SALE OF ASSETS OTHER THAN INVENTORY

INDICATE IF STMT IS APPLICABLE & ATTACHED (X)	REF	HOSPITAL	PROCEEDS FROM SALES	BOOK VALUE	GAIN (LOSS)
X	6-<1>	CHRISTUS SPOHN HOSPITAL ALICE	6,649	26,128	(19,479)
X	6-<2>	CHRISTUS SPOHN BEE COUNTY HOSPITAL	-	-	-
X	6-<3>	CHRISTUS SPOHN KLEBERG MEMORIAL HOSPITAL	4,915	5,646	(731)
X	6-<4>	CHRISTUS SPOHN HOSPITAL MEMORIAL	986	13,498	(12,512)
X	6-<5>	CHRISTUS SPOHN SHARED SERVICES & PAYROLL	600	6,030	(5,430)
X	6-<6>	CHRISTUS SPOHN HOSPITAL SHORELINE	1,155	9,412	(8,257)
X	6-<7>	CHRISTUS SPOHN HOSPITAL SOUTH	4,300	6,849	(2,549)
		TOTAL	18,605	67,563	(48,958)
		NET GAIN (LOSS)			(48,958)

Facility:

CHRISTUS Spohn Alice Hospital

EIN

74-1109836

FORM 990, PART I, LINE 8 (B) - GAIN/LOSS ON SALE OF ASSETS OTHER THAN INVENTORY

CATEGORY OF ASSET	7/1/04 TO 6/30/05				
	(A) COST OR OTHER BASIS	(B) ACCUMULATED DEPRECIATION	(C) NET BOOK VALUE	(D) PROCEEDS FROM SALES	(E) GAIN/(LOSS)
Investment Properties					
A Securities			-		-
B Land			-		-
C Land Improvements			-		-
D Buildings			-		-
E Other (please describe)			-		-
			-		-
			-		-
			-		-
Total Investment Properties	-	-	-	-	-
Non-Investment Properties					
A Land			-		-
B Land Improvements			-		-
C Buildings	104,504	78,980	25,524	6,649	(18,875)
D Leasehold Improvements			-		-
E Fixed Equipment			-		-
F Major Movable Equipment	45,289	44,685	604		(604)
G Automotive			-		-
H Construction in Progress			-		-
I Other (please describe)			-		-
			-		-
			-		-
			-		-
Total Non-Investment Properties	149,793	123,665	26,128	6,649	(19,479)
Total Net Gain (Loss) from Sale or Exchange of Properties	149,793	123,665	26,128	6,649	(19,479)

CHRISTUS SPOHN ALICE HOSPITAL

EIN 74-1109836

GAIN/LOSS INFORMATION WORKSHEET SUPPLEMENT TO STATEMENT 6

7/1/2004 to 6/30/2005

Name of Purchaser Address City, State, Zip	Description	Date Acquired	How Acquired? Purchase or Donation	Date Sold	Cost	Depreciation	Proceeds Amount
Community Action Corp of South Texas	Office Equipment		Purchased	4/4/2005			2,120.00
P O Drawer 1820							
Alice, TX 78333							
Alice OB/GYN Specialty Clinic P A							
2510 E Main, Ste 106							
Alice, TX 78333	Office Equipment		Purchased	6/13/2005	104,504.00	78,980.00	4,529.38
Other Retirements-Buildings							
Other Retirements-Equipment							
					45,289.00	44,685.00	
					149,793.00	123,665.00	6,649.38

Facility:

CHRISTUS Spohn Hospital Beeville

EIN

74-1109836

FORM 990, PART I, LINE 8 (B) - GAIN/LOSS ON SALE OF ASSETS OTHER THAN INVENTORY

CATEGORY OF ASSET	7/1/04 TO 6/30/05				
	(A) COST OR OTHER BASIS	(B) ACCUMULATED DEPRECIATION	(C) NET BOOK VALUE	(D) PROCEEDS FROM SALES	(E) GAIN/(LOSS)
Investment Properties					
A Securities			-		-
B Land			-		-
C Land Improvements			-		-
D Buildings			-		-
E Other (please describe)			-		-
			-		-
			-		-
			-		-
Total Investment Properties			-		-
Non-Investment Properties					
A Land			-		-
B Land Improvements			-		-
C Buildings			-		-
D Leasehold Improvements			-		-
E Fixed Equipment			-		-
F Major Movable Equipment	151,423	151,423	-		-
G Automotive			-		-
H Construction in Progress			-		-
I Other (please describe)			-		-
			-		-
			-		-
			-		-
Total Non-Investment Properties	151,423	151,423	-		-
Total Net Gain (Loss) from Sale or Exchange of Properties					
					-

CHRISTUS SPOHN HOSPITAL BEEVILLE

EIN 74-1109836

GAIN/LOSS INFORMATION WORKSHEET SUPPLEMENT TO STATEMENT 6

7/1/2004 to 6/30/2005

Name of Purchaser Address City, State, Zip	Description	Date Acquired	How Acquired? Purchase or Donation	Date Sold	Cost	Depreciation	Proceeds Amount
Retirements					151,423	151,423	
					151,422 68	151,422 68	-

Facility.

CHRISTUS Spohn Hospital Kleberg

EIN

74-1109836

FORM 990, PART I, LINE 8 (B) - GAIN/LOSS ON SALE OF ASSETS OTHER THAN INVENTORY

CATEGORY OF ASSET	7/1/04 TO 6/30/05				
	(A) COST OR OTHER BASIS	(B) ACCUMULATED DEPRECIATION	(C) NET BOOK VALUE	(D) PROCEEDS FROM SALES	(E) GAIN/(LOSS)
Investment Properties					
A Securities			-		-
B Land			-		-
C Land Improvements			-		-
D Buildings			-		-
E Other (please describe)			-		-
			-		-
			-		-
			-		-
Total Investment Properties	-	-	-	-	-
Non-Investment Properties					
A Land			-		-
B Land Improvements			-		-
C Buildings			-		-
D Leasehold Improvements			-		-
E Fixed Equipment			-		-
F Major Movable Equipment	511,943	506,296	5,647	4,915	(732)
G Automotive			-		-
H Construction in Progress			-		-
I Other (please describe)			-		-
Mobile Trailer	-		-		-
			-		-
			-		-
Total Non-Investment Properties	511,943	506,296	5,647	4,915	(732)
Total Net Gain (Loss) from Sale or Exchange of Properties					(732)

Facility:

CHRISTUS Spohn Hospital Memorial

EIN

74-1109836

FORM 990, PART I, LINE 8 (B) - GAIN/LOSS ON SALE OF ASSETS OTHER THAN INVENTORY

CATEGORY OF ASSET	7/1/04 TO 6/30/05				
	(A) COST OR OTHER BASIS	(B) ACCUMULATED DEPRECIATION	(C) NET BOOK VALUE	(D) PROCEEDS FROM SALES	(E) GAIN/(LOSS)
Investment Properties					
A Securities			-		-
B Land			-		-
C Land Improvements			-		-
D Buildings			-		-
E Other (please describe)			-		-
			-		-
			-		-
			-		-
Total Investment Properties	-	-	-	-	-
Non-Investment Properties					
A Land			-		-
B Land Improvements			-		-
C Buildings			-		-
D Leasehold Improvements			-		-
E Fixed Equipment			-		-
F Major Movable Equipment	62,773	49,274	13,499	986	(12,513)
G Automotive			-		-
H Construction in Progress			-		-
I Other (please describe)			-		-
			-		-
			-		-
			-		-
Total Non-Investment Properties	62,773	49,274	13,499	986	(12,513)
Total Net Gain (Loss) from Sale or Exchange of Properties					(12,513)

CHRISTUS SPOHN HOSPITAL CORPUS CHRISTI - MEMORIAL

EIN 74-1109836

GAIN/LOSS INFORMATION WORKSHEET SUPPLEMENT TO STATEMENT 6

7/1/2004 to 6/30/2005

Name of Purchaser Address City, State, Zip	Description	Date Acquired	How Acquired? Purchase or Donation	Date Sold	Cost	Depreciation	Proceeds Amount
Intellamed Inc 3608 E 29th, Ste 109 Bryan, TX 77802	VOICE WRITER	3/30/1998	Purchase	10/1/2004	6791	6791	986 25
Retirements					55,981 80	42,483 45	
					62,772 80	49,274 45	986 25

Facility:

CHRISTUS SPOHN HEALTH SYSTEM - PAYROLL & SHARED SERVICES

EIN

74-1109836

FORM 990, PART I, LINE 8 (B) - GAIN/LOSS ON SALE OF ASSETS OTHER THAN INVENTORY

CATEGORY OF ASSET	7/1/04 TO 6/30/05				
	(A) COST OR OTHER BASIS	(B) ACCUMULATED DEPRECIATION	(C) NET BOOK VALUE	(D) PROCEEDS FROM SALES	(E) GAIN/(LOSS)
Investment Properties					
A Securities			-		-
B Land			-		-
C Land Improvements			-		-
D Buildings			-		-
E Other (please describe)			-		-
Total Investment Properties	-	-	-	-	-
Non-Investment Properties					
A Land			-		-
B Land Improvements			-		-
C Buildings			-		-
D Leasehold Improvements			-		-
E Fixed Equipment			-		-
F Major Movable Equipment	682,470	676,440	6,030	600	(5,430)
G Automotive			-		-
H Construction in Progress			-		-
I Other (please describe)			-		-
Total Non-Investment Properties	682,470	676,440	6,030	600	(5,430)
Total Net Gain (Loss) from Sale or Exchange of Properties					(6,430)

Facility:

CHRISTUS Spohn Hospital Shoreline

EIN

74-1109836

FORM 990, PART I, LINE 8 (B) - GAIN/LOSS ON SALE OF ASSETS OTHER THAN INVENTORY

CATEGORY OF ASSET	7/1/04 TO 6/30/05				
	(A) COST OR OTHER BASIS	(B) ACCUMULATED DEPRECIATION	(C) NET BOOK VALUE	(D) PROCEEDS FROM SALES	(E) GAIN/(LOSS)
Investment Properties					
A Securities			-		-
B Land			-		-
C Land Improvements			-		-
D Buildings			-		-
E Other (please describe)			-		-
			-		-
			-		-
			-		-
Total Investment Properties	-	-	-	-	-
Non-Investment Properties					
A Land			-		-
B Land Improvements			-		-
C Buildings			-		-
D Leasehold Improvements			-		-
E Fixed Equipment			-		-
F Major Movable Equipment	1,882,124	1,872,712	9,412	1,155	(8,257)
G Automotive			-		-
H Construction in Progress			-		-
I Other (please describe)- OLD ASSET NOT ON BOOKS	-	-	-		-
			-		-
			-		-
			-		-
Total Non-Investment Properties	1,882,124	1,872,712	9,412	1,155	(8,257)
Total Net Gain (Loss) from Sale or Exchange of Properties					(8,257)

CHRISTUS SPOHN HOSPITAL SHORELIN

EIN 74-1109826

7/1/2004 to 6/30/2005

GAIN/LOSS INFORMATION WORKSHEET SUPPLEMENT TO STATEMENT 6

Name of Purchaser Address City, State, Zip	Description	Date Acquired	How Acquired? Purchase or Donation	Date Sold	Cost	Depreciation	Proceeds Amount
Unknown	Table 30"x72" Brown Formica	11/1/1984	purchase	7/2/2004	1,100.00	1,100.00	10.00
Histopath, Inc PO Box 3758 Corpus Christi, Tx 78463	Miles Labs Cryostat	4/1/1988	purchase	7/15/2004	5,671.00	5,671.00	500.00
Shirley Gallagher 141 Sea Breeze Aransas Pass, Tx 78336	Rattan Sofa	11/1/1984	purchase	8/4/2004	1,278.00	1,278.00	25.00
Luis Gonzales 2225 Nogales Corpus Christi, Tx 78416	Shredder	4/1/1988	purchase	8/12/2004	700.00	700.00	5.00
Frank Tamariz 5757 Woolridge Rd Corpus Christi, Tx 78414	Floral picture	5/1/1998	purchase	10/8/2004	150.00	150.00	15.00
Unknown	Vinyl Recliner	8/1/1992	purchase	1/24/2005	575.00	575.00	10.00
Ern Hazlewood 5242 Fulwell Corpus Christi, Tx 78413	cabinet, book case, end table, side chairs	1/1/1992	purchase	3/15/2005	3,100.00	3,100.00	125.00
Intellamed Inc 3608 E. 29th St Bryan, Tx 77802	vanous beds, carts	2/1/1982	purchase	2/15/2005	9,027.00	9,027.00	465.00
Retirements - Equipment					1,860,522.00	1,851,110.00	
					1,892,124.00	1,872,712.00	1,155.00

Facility:

CHRISTUS Spohn Hospital South

EIN

74-1109836

FORM 990, PART I, LINE 8 (B) - GAIN/LOSS ON SALE OF ASSETS OTHER THAN INVENTORY

CATEGORY OF ASSET	7/1/04 TO 6/30/05				
	(A) COST OR OTHER BASIS	(B) ACCUMULATED DEPRECIATION	(C) NET BOOK VALUE	(D) PROCEEDS FROM SALES	(E) GAIN/(LOSS)
Investment Properties					
A Securities			-		-
B Land			-		-
C Land Improvements			-		-
D Buildings			-		-
E Other (please describe)			-		-
			-		-
			-		-
			-		-
Total Investment Properties	-	-	-	-	-
Non-Investment Properties					
A Land			-		-
B Land Improvements			-		-
C Buildings			-		-
D Leasehold Improvements			-		-
E Fixed Equipment			-		-
F Major Movable Equipment	437,335	430,486	6,849	4,300	(2,549)
G Automotive			-		-
H Construction in Progress			-		-
I Other (please describe)			-		-
			-		-
			-		-
			-		-
Total Non-Investment Properties	437,335	430,486	6,849	4,300	(2,549)
Total Net Gain (Loss) from Sale or Exchange of Properties					(2,549)

Facility:

CHRISTUS Spohn Health System Corporation

EIN:

74-1109836

STATEMENT 7 NOT USED

CHRISTUS Spohn Health System Corporation

EIN: 74-1109836

Form 990, Part I, Line 20, Other Changes in Net Assets

	<u>6/30/2005</u>
NET PENSION LIABILITY / FUNDING ADJUSTMENT	(1,545,177)
CONTRIBUTED CAPITAL	284,948
TRANSFERS BETWEEN CHRISTUS ENTITIES	<u>(697,147)</u>
Total	<u><u>(1,957,376)</u></u>

CHRISTUS Spohn Health System Corporation

EIN: 74-1109836

STATEMENT 10-INDEX
PROPERTY, PLANT AND EQUIPMENT ROLLFORWARD

INDICATE IF STMT IS APPLICABLE & ATTACHED (X)	REF	HOSPITAL	COST	ACCUMULATED DEPRECIATION	TOTAL	DEPRECIATION EXPENSE (CURRENT YEAR)
X	10<1>	CHRISTUS SPOHN HOSPITAL ALICE	45,879,884	10,407,121	35,472,763	2,383,521
X	10<2>	CHRISTUS SPOHN BEE COUNTY HOSPITAL	23,545,114	9,895,300	13,649,814	1,301,143
X	10<3>	CHRISTUS SPOHN KLEBERG MEMORIAL HOSPITAL	38,721,213	24,389,758	14,331,455	2,082,796
X	10<4>	CHRISTUS SPOHN HOSPITAL MEMORIAL	66,260,839	41,967,086	24,293,753	4,245,732
X	10<5>	CHRISTUS SPOHN SHARED SERVICES & PAYROLL	55,156,110	39,559,388	15,596,722	3,224,274
X	10<6>	CHRISTUS SPOHN HOSPITAL SHORELINE	258,605,235	130,123,893	128,481,342	8,554,822
X	10<7>	CHRISTUS SPOHN HOSPITAL SOUTH	87,445,240	39,925,321	47,519,919	4,786,082
		TOTAL PER STATEMENT 10	575,613,635	296,267,867	279,345,768	26,578,371
		LESS RENTAL PROPERTY DEPRECIATION EXPENSES INCLUDED IN RENTAL EXPENSES REPORTED ON FORM 990, PART I, LINE 6B				(76,338)
		LESS DEPRECIATION EXPENSES INCLUDED IN ALLOCATED DEPRECIATION ACCT REPORTED ON FORM 990 PART II, LINE 43				(3,224,274)
		DEPRECIATION EXPENSES REPORTED ON FORM 990, PART II, LINE 42				23,277,759

Facility:

CHRISTUS Spohn Alice Hospital

EIN:

74-1109836

PROPERTY, PLANT AND EQUIPMENT ROLLFORWARD

ACCOUNT OR ASSET CATEGORY	PROPERTY, PLANT AND EQUIPMENT					7/1/2004 THROUGH 6/30/2005					ACCUMULATED DEPRECIATION				
	(A) BEGINNING BALANCE	(B) ADDITIONS	(C) SALES AND RETIREMENTS	(D) CIP TRANSFERS AND OTHER	(E) ENDING BALANCE	(F) BEGINNING BALANCE	(G) ADDITIONS	(H) SALES AND RETIREMENTS	(I) CIP TRANSFERS AND OTHER	(J) ENDING BALANCE					
A. LAND	2,907,078				2,907,078										
B. LAND IMPROVEMENTS	482,019	26,000			508,019		46,934			263,150					
C. BUILDING	28,049,107	336,525	(104,504)	691,348	28,972,476		899,161	(78,980)		2,875,671					
D. LEASEHOLD IMPROVEMENTS															
E. FIXED EQUIPMENT															
F. MAJOR MOVEABLE EQUIPMENT	11,923,748	1,588,534	(45,289)	25,318	13,492,311	5,889,258	1,437,426	(44,685)	(13,699)	7,268,300					
G. MINOR EQUIPMENT															
H. AUTOMOTIVE															
I. CONSTRUCTION IN PROGRESS		750,827		(750,827)											
SUBTOTAL	43,361,952	2,701,886	(149,793)	(34,161)	45,879,884	8,160,964	2,383,521	(123,665)	(13,699)	10,407,121					

Facility: CHRISTUS Spohn Hospital Beeville

EIN: 74-1109836

PROPERTY, PLANT AND EQUIPMENT ROLLFORWARD

ACCOUNT OR ASSET CATEGORY	PROPERTY, PLANT AND EQUIPMENT					ACCUMULATED DEPRECIATION				
	(A) BEGINNING BALANCE	(B) ADDITIONS	(C) SALES AND RETIREMENTS	(D) CIP TRANSFERS AND OTHER	(E) ENDING BALANCE	(F) BEGINNING BALANCE	(G) ADDITIONS	(H) SALES AND RETIREMENTS	(I) CIP TRANSFERS AND OTHER	(J) ENDING BALANCE
A. LAND					-					
B. LAND IMPROVEMENTS	38,525				38,525	20,630	4,128			24,758
C. BUILDING	15,020,664	194,394			15,215,058	2,815,461	640,995			3,456,456
D. LEASEHOLD IMPROVEMENTS					-					
E. FIXED EQUIPMENT	81,019				81,019	61,324	2,295			63,619
F. MAJOR MOVEABLE EQUIPMENT	8,186,258	181,277	(151,423)	(5,600)	8,210,512	5,853,579	653,725	(151,423)	(5,414)	6,350,467
G. MINOR EQUIPMENT					-					
H. AUTOMOTIVE					-					
I. CONSTRUCTION IN PROGRESS					-					
SUBTOTAL	23,326,466	375,671	(151,423)	(5,600)	23,545,114	8,750,994	1,301,143	(151,423)	(5,414)	9,895,300

Facility:

CHRISTUS Spohn Hospital Kleberg

EIN:

74-1109836

PROPERTY, PLANT AND EQUIPMENT ROLLFORWARD

ACCOUNT OR ASSET CATEGORY	PROPERTY, PLANT AND EQUIPMENT					7/1/2004 THROUGH 6/30/2005					ACCUMULATED DEPRECIATION			
	(A) BEGINNING BALANCE	(B) ADDITIONS	(C) SALES AND RETIREMENTS	(D) CIP TRANSFERS AND OTHER	(E) ENDING BALANCE	(F) BEGINNING BALANCE	(G) ADDITIONS	(H) SALES AND RETIREMENTS	(I) CIP TRANSFERS AND OTHER	(J) ENDING BALANCE				
A. LAND	200,000				200,000									
B. LAND IMPROVEMENTS	547,425	47,916			595,341	339,603	30,890			370,493				
C. BUILDING	10,615,998				10,615,998	4,470,617	259,642			4,730,259				
D. LEASEHOLD IMPROVEMENTS	5,760,389	291,826		316,608	6,368,823	2,974,370	365,430			3,339,800				
E. FIXED EQUIPMENT	2,690,521				2,690,521	2,678,662	2,235			2,680,897				
F. MAJOR MOVEABLE EQUIPMENT	16,353,604	116,238	(511,943)	204,479	16,162,378	10,986,576	1,311,733	(506,296)	208,697	12,000,710				
G. MINOR EQUIPMENT	2,061,129	27,023			2,088,152	1,154,733	112,866			1,267,599				
H. AUTOMOTIVE														
I. CONSTRUCTION IN PROGRESS	15,812	300,797		(316,609)										
SUBTOTAL	37,209,585	783,800	(511,943)	204,478	38,721,213	22,604,561	2,082,796	(506,296)	208,697	24,389,758				

Facility:

CHRISTUS Spohn Hospital Memorial

EIN:

74-1109836

PROPERTY, PLANT AND EQUIPMENT ROLLFORWARD

ACCOUNT OR ASSET CATEGORY	PROPERTY, PLANT AND EQUIPMENT					ACCUMULATED DEPRECIATION				
	(A) BEGINNING BALANCE	(B) ADDITIONS	(C) SALES AND RETIREMENTS	(D) CIP TRANSFERS AND OTHER	(E) ENDING BALANCE	(F) BEGINNING BALANCE	(G) ADDITIONS	(H) SALES AND RETIREMENTS	(I) CIP TRANSFERS AND OTHER	(J) ENDING BALANCE
A. LAND	2,827,206				2,827,206					
B. LAND IMPROVEMENTS	989,736	13,005			1,002,741	737,379	104,132			841,511
C. BUILDING	12,135,596				12,135,596	6,228,906	803,562			7,032,488
D. LEASEHOLD IMPROVEMENTS	3,960,080	394,547		164,240	4,518,867	1,659,781	416,651			2,076,432
E. FIXED EQUIPMENT	679,458				679,458	531,574	59,106			590,680
F. MAJOR MOVEABLE EQUIPMENT	28,340,221	2,859,985	(62,773)	(24,370)	31,113,063	20,595,202	1,738,815	(49,274)	(26,662)	22,258,081
G. MINOR EQUIPMENT	13,872,628	50,143		27,193	13,949,964	8,044,448	1,123,446			9,167,894
H. AUTOMOTIVE										
I. CONSTRUCTION IN PROGRESS		225,377		(191,433)	33,944					
SUBTOTAL	62,804,925	3,543,057	(62,773)	(24,370)	66,260,839	37,797,290	4,245,732	(49,274)	(26,662)	41,967,085

PROPERTY, PLANT AND EQUIPMENT ROLLFORWARD

ACCOUNT OR ASSET CATEGORY	PROPERTY, PLANT AND EQUIPMENT					ACCUMULATED DEPRECIATION				
	(A) BEGINNING BALANCE	(B) ADDITIONS	(C) SALES AND RETIREMENTS	(D) CIP TRANSFERS AND OTHER	(E) ENDING BALANCE	(F) BEGINNING BALANCE	(G) ADDITIONS	(H) SALES AND RETIREMENTS	(I) CIP TRANSFERS AND OTHER	(J) ENDING BALANCE
A. LAND		155,330			155,330					
B. LAND IMPROVEMENTS	502,287				502,287	248,592	50,476			299,068
C. BUILDING	3,500				3,500	875	175			1,050
D. LEASEHOLD IMPROVEMENTS	1,316,620	42,857			1,359,477	416,495	93,951			510,446
E. FIXED EQUIPMENT					-					-
F. MAJOR MOVEABLE EQUIPMENT	43,085,497	544,276	(682,470)	10,093,139	53,040,442	36,258,128	662,508	(676,440)	2,474,784	38,718,880
G. MINOR EQUIPMENT	95,074				95,074	23,183	6,661			29,844
H. AUTOMOTIVE					-					-
I. CONSTRUCTION IN PROGRESS					-					-
SUBTOTAL	45,002,978	742,463	(682,470)	10,093,139	55,156,110	36,947,273	813,771	(676,440)	2,474,784	39,559,388

Facility:

CHRISTUS Spohn Hospital Shoreline

EIN:

74-1109836

PROPERTY, PLANT AND EQUIPMENT ROLLFORWARD

ACCOUNT OR ASSET CATEGORY	PROPERTY, PLANT AND EQUIPMENT					7/1/2004 THROUGH 6/30/2005					ACCUMULATED DEPRECIATION				
	(A) BEGINNING BALANCE	(B) ADDITIONS	(C) SALES AND RETIREMENTS	(D) C/P TRANSFERS AND OTHER	(E) ENDING BALANCE	(F) BEGINNING BALANCE	(G) ADDITIONS	(H) SALES AND RETIREMENTS	(I) C/P TRANSFERS AND OTHER	(J) ENDING BALANCE	(F) BEGINNING BALANCE	(G) ADDITIONS	(H) SALES AND RETIREMENTS	(I) C/P TRANSFERS AND OTHER	(J) ENDING BALANCE
A. LAND	13,573,839				13,573,839										
B. LAND IMPROVEMENTS	3,453,492	85,642		2,353	3,541,487	2,254,177	128,173			2,254,177	128,173				2,382,350
C. BUILDING	58,380,482			484,274	58,864,756	26,281,068	1,478,675			26,281,068	1,478,675				27,759,743
D. LEASEHOLD IMPROVEMENTS	48,295,252	372,213		(824)	48,666,641	34,759,584	1,750,443			34,759,584	1,750,443				36,510,027
E. FIXED EQUIPMENT	1,672,113				1,672,113	1,501,749	42,921			1,501,749	42,921				1,544,670
F. MAJOR MOVEABLE EQUIPMENT	60,906,539	1,503,910	(1,882,124)	(337,784)	60,190,541	43,846,344	4,325,285	(1,872,712)	(225,474)	43,846,344	4,325,285	(1,872,712)	(225,474)		46,073,443
G. MINOR EQUIPMENT	22,665,535	1,307,913			23,973,448	15,024,335	829,325			15,024,335	829,325				15,853,660
H. AUTOMOTIVE															
I. CONSTRUCTION IN PROGRESS	28,215,276	20,347,666		(440,532)	48,122,410										
SUBTOTAL	237,162,528	23,617,344	(1,882,124)	(292,513)	258,605,235	123,667,257	8,554,822	(1,872,712)	(225,474)	123,667,257	8,554,822	(1,872,712)	(225,474)		130,123,893

Facility:

CHRISTUS Spohn Hospital South

EIN:

74-1109836

PROPERTY, PLANT AND EQUIPMENT ROLLFORWARD

ACCOUNT OR ASSET CATEGORY	PROPERTY, PLANT AND EQUIPMENT					ACCUMULATED DEPRECIATION				
	(A) BEGINNING BALANCE	(B) ADDITIONS	(C) SALES AND RETIREMENTS	(D) CIP TRANSFERS AND OTHER	(E) ENDING BALANCE	(F) BEGINNING BALANCE	(G) ADDITIONS	(H) SALES AND RETIREMENTS	(I) CIP TRANSFERS AND OTHER	(J) ENDING BALANCE
A. LAND	3,587,703				3,587,703					
B. LAND IMPROVEMENTS	2,868,217	21,000		5,595	2,894,812	1,196,792	117,412			1,314,204
C. BUILDING	35,775,813			1,068,779	36,844,592	9,804,050	1,100,819			10,904,869
D. LEASEHOLD IMPROVEMENTS	14,867,059	566,063		68,756	15,501,878	8,531,580	1,335,022			9,866,602
E. FIXED EQUIPMENT	588,368				588,368	459,082	38,270			497,352
F. MAJOR MOVEABLE EQUIPMENT	22,432,865	834,570	(437,335)	3,199	22,833,299	14,104,340	1,908,811	(430,486)	(12,932)	15,569,733
G. MINOR EQUIPMENT	4,979,869				4,979,869	1,486,814	285,748			1,772,561
H. AUTOMOTIVE										
I. CONSTRUCTION IN PROGRESS		214,719			214,719					
SUBTOTAL	85,099,894	1,636,352	(437,335)	1,146,329	87,445,240	35,582,658	4,786,082	(430,486)	(12,932)	39,925,321

Facility:

CHRISTUS SPOHN HEALTH SYSTEM CORPORATION

EIN: 74-1109836

Part II, Line 43 -Other Expenses:

Account or Description	Period:	7/1/2004 TO 6/30/2005		
	TOTAL (A) + (B) + (C)	PROGRAM SERVICES** (A)	MANAGEMENT & GENERAL (B)	FUNDRAISING (C)
Physician fees	19,116,077	19,072,591	43,486	-
Other Professional fees	15,509,637	7,784,835	7,724,802	-
Purchased services	58,510,565	40,423,691	18,086,874	-
Insurance	18,375,401	2,452,483	15,922,918	-
Bad Debt Expense	31,361,686	21,381,974	9,979,712	-
Amortization	1,091,626	559,363	532,263	-
Allocated Depreciation	3,224,274	734,108	2,490,166	-
Property Taxes	90,263	-	90,263	-
Building Repair & Maint	502,622	418,604	84,018	-
Rentals	643,005	600,119	42,886	-
Rentals-Interco	33,614	33,614	-	-
Business Entertainment	1,669	-	1,669	-
License & Permits	15,490	-	15,490	-
Other	-	-	-	-
	-	-	-	-
	-	-	-	-
Total Other Expenses:	148,475,929	93,461,382	55,014,547	-

Facility: CHRISTUS SPOHN HEALTH SYSTEM CORPORATION
 EIN: 74-1109836

Part IV, Line 51a - Other Notes and Loans Receivable:

	6/30/2004	6/30/2005
Notes and Loans Receivable	13,311,708	52,475,191
Bond Receivable	47,531,789	46,926,811
Receivables from Physicians	5,591,643	5,739,962
Intercompany Receivables	24,193,165	23,719,098
Allowance for Doubtful Accounts	(4,363,884)	(4,776,639)
Total Other Notes and Loans Receivable	<u>86,264,421</u>	<u>124,084,423</u>

Part IV, Line 58 - Other Assets:

Funded Depreciation	44,820,084	44,820,084
Net Goodwill	11,730,858	11,197,329
Specific Purpose Funds	989,119	16,279
Organizational Cost	399,621	0
Welch Fund	32,546	27,145
Total Other Assets	<u>57,972,228</u>	<u>56,060,837</u>

Part IV, Line 64a - Tax-exempt Bond Liabilities:

Due to Obligated Group	152,647,064	154,680,093
Total Other Liabilities	<u>152,647,064</u>	<u>154,680,093</u>

Part IV, Line 64b - Mortgage and Other Notes Payable:

Capitalized Lease	68,465,859	67,050,849
Third Party Payor Settlement	725,420	1,171,554
Intercompany Payable	15,252,204	8,815,269
Total Mortgage and Other Notes Payable	<u>84,443,483</u>	<u>77,037,672</u>

Part IV, Line 65 - Other Liabilities:

Unrestricted General Reserves	2,328,104	2,752,320
Total Other Liabilities	<u>2,328,104</u>	<u>2,752,320</u>

PART VII - Analysis of Income Producing Activities

Description of Revenue Generating Activity	(A) Business Code	(B) Amount	(C) Exclusion Code	(D) Amount	Spohn Alice Hosp	Spohn Bee County Hospital	Spohn Kieberg Memorial Hospital	Spohn Memorial Hospital	Spohn Shared Services	Spohn Shoreline Hospital	Spohn South Hosp	Spohn Alice Hosp	Spohn Bee County Hospital	Spohn Kieberg Memorial Hospital	Spohn Memorial Hospital	Spohn Shared Services & Payroll	Spohn Shoreline Hospital	Spohn South Hosp
Line 93, Program Service Revenue																		
Inpatient Revenues					1,188,707,951	102,192,113	82,163,517	296,623,799	57,740,998	49,339,348	238,021,440	524,527,741	82,163,517	296,623,799	49,339,348	238,021,440	524,527,741	82,163,517
Outpatient Revenues					723,452,470	78,978,440	47,358,420	238,021,440	47,358,420	238,021,440	10,384	723,452,470	47,358,420	238,021,440	238,021,440	10,384	723,452,470	47,358,420
Pastoral Care Grant Revenue					10,384							10,384						
Tertiary Medical Care Program Revenue																		
Brook Rural Health Clinic Revenue																		
Home Health Department Revenue																		
Medical Record Abstract																		
Residency Program Grant Revenue					24,893	4,823	3,255	7,784	1,923	3,255	7,784	24,893	4,823	3,255	7,784	1,923	3,255	7,784
Rental Income-Medical Office Building					500,000							500,000						
Rental Income from Driscoll Neonatal					4,775,986	319,445	272,242	665,751	70,178	272,242	665,751	4,775,986	319,445	272,242	665,751	70,178	272,242	665,751
Other Operating Revenues					29,850							29,850						
Misc. Patient Revenues					76,164							76,164						
Daycare Revenue					73,507,989							73,507,989						
Radiology Revenue					309,313							309,313						
Pastoral Care Revenue					78,444							78,444						
Physician Income Guarantee-Interest Revenue					18,620							18,620						
Physician Income Guarantee-Interest Revenue					35,143							35,143						
Subtotal of Revenue					(1,407,347,621)	(75,491,747)	(94,920,706)	(432,338,087)	(75,491,747)	(94,920,706)	(432,338,087)	(1,407,347,621)	(75,491,747)	(94,920,706)	(432,338,087)	(75,491,747)	(94,920,706)	(432,338,087)
Subtotal of Columns (B), (D), & (E)					584,732,097	51,741,706	29,679,772	35,887,794	29,679,772	35,887,794	177,878,701	584,732,097	29,679,772	35,887,794	177,878,701	29,679,772	35,887,794	177,878,701
Line 103, Other Revenues																		
Food Service					3,439,991	282,992	138,215	248,237	910,674	1,513,704	346,159	3,439,991	282,992	138,215	248,237	910,674	1,513,704	346,159
Gift Shop					82,160				82,160			82,160						
Other Miscellaneous Operating Revenues					695,474	52,147	20,377	24,926	153,033	543,804	63,806	695,474	52,147	20,377	24,926	153,033	543,804	63,806
Non-Contracted Depreciation					157,110				66,338			157,110						
Vendor Management					292,512				292,512			292,512						
Nucor Co. MHI/WR Joint Venture					3,043				1,005			3,043						
Pharmacy Revenue					(12,951)							(12,951)						
Accounting Fees					453,721				453,721			453,721						
Correctional Health Revenue																		
Emessa Center-UBI																		
Caterings-UBI																		
Subtotal of Columns (B), (D), & (E)					5,220,060	324,216	150,592	290,105	1,897,443	543,804	409,965	5,220,060	324,216	150,592	290,105	1,897,443	543,804	409,965
Subtotal of Columns (B), (D), & (E)					584,732,097	51,741,706	29,679,772	35,887,794	29,679,772	35,887,794	177,878,701	584,732,097	29,679,772	35,887,794	177,878,701	29,679,772	35,887,794	177,878,701

FORM 990, PART IV-A - OTHER REVENUE ON RETURN BUT NOT ON BOOKS

Line d(2)

Direct Contributions	935,299
Interest Income	799
Direct Rent Expense	(206,244)
Miscellaneous Adjustment	<u>(768,490)</u>
	<u><u>(38,636)</u></u>

FORM 990, PART IV-B - OTHER EXPENSES NOT ON RETURN BUT ON BOOKS

Line b(4)

Direct Rent Expense	<u><u>(206,244)</u></u>
---------------------	-------------------------

Facility: CHRISTUS SPOHN HEALTH SYSTEM CORPORATION
 EIN: 74-1109836

SCHEDULE A, PART II - COMPENSATION OF FIVE HIGHEST PAID INDEPENDENT CONTRACTORS FOR
 PROFESSIONAL SERVICES

(A) NAME AND ADDRESS	7/1/2004 TO 6/30/2005	
	(B) TYPE OF SERVICE	(C) COMPENSATION
CLINICAL PARTNERS, INC PO BOX 9188 LONGVIEW, TEXAS 75608-9188	ANESTHESIOLOGY	7,971,050
GULF SHORE ANESTHESIA 613 ELIZABETH STREET SUITE 605 CORPUS CHRISTI, TEXAS 78404	ANESTHESIOLOGY	5,705,109
TEXAS A&M HEALTH SCIENCE CENTER 102 JOE H REYNOLDS MEDICAL BLDG COLLEGE STATION, TX 77843-1114	FACULTY	2,915,742
BAY AREA DIALYSIS PO BOX 130758 TYLER, TEXAS 75713-0758	DIALYSIS SERVICES	1,684,720
HARBOR PERFUSION 5656 S STAPLES SUITE 250 CORPUS CHRISTI, TEXAS 78411	CARDIOPULMONARY PERFUSION	936,884
TOTALS		19,213,505
TOTAL NUMBER OF OTHER INDEPENDENT CONTRACTORS PAID OVER \$50,000:		78

Facility:

CHRISTUS SPOHN HEALTH SYSTEM CORPORATION

EIN 74-1109836

FORM 990, Part IX - Information on Taxable Subsidiaries

Name and address of each taxable subsidiary	EIN	Year End	7/1/2004 TO 6/30/2005		Total Income	Ending Assets
			Percentage of Ownership Interest	Nature of Business Activities		
SPOHN PHYSICAL THERAPY 1301 SANTA FE CORPUS CHRISTI, TEXAS 78404	74-2692014	FY 6/30/04	80 00%	PHYSICAL THERAPY CLINIC	1,157,728	4,540,136
SPOHN INVESTMENT CORPORATION 600 ELIZABETH STREET CORPUS CHRISTI, TEXAS 78404	74-2322574	FY 6/30/04	100 00%	RENTALS	0	23,445,791
SPOHN HEALTH GROUP 600 ELIZABETH STREET CORPUS CHRISTI, TEXAS 78404	74-2762787	FY 6/30/04	100 00%	MEDICAL SERVICES	(8)	223,213
SPOHN HEALTH NETWORK 1415 3rd Street Suite 505 Corpus Chnsti, Tx 78404	74-2616328	FY 6/30/04	100 00%	HEALTHCARE PROVIDER	(233,639)	473,159
TOTAL					924,081	28,682,299

**CHRISTUS SPOHN HEALTH SYSTEM
FOR YEAR ENDED JUNE 30, 2005**

EIN: 74-1109836

FORM 990, SCHEDULE A, PART VI-B - Lobbying Activity by Nonelecting Public Charities

STATEMENT 17

Type of Activity	Date	Expenses
Mailings to members, legislators, or the public		
Wrote letters and made telephone calls to federal elected officials and their staff to ask for support of the Medicare eligibility and reimbursement rates	July 2004 - June 2005	5,783
Subtotal		5,783
GRAND TOTAL		5,783

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
 - If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).
- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time - Only submit original (no copies needed)

Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Electronic Filing (e-file). Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile.

Type or print	Name of Exempt Organization CHRISTUS SPOHN HEALTH SYSTEM CORPORATION	Employer identification number 74-1109836
File by the due date for filing your return. See instructions	Number, street, and room or suite no. If a P.O. box, see instructions 600 ELIZABETH STREET	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. CORPUS CHRISTI, TX 78404	

Check type of return to be filed (file a separate application for each return):

- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

- The books are in the care of ▶ RICK VILLARREAL
 Telephone No. ▶ 361-881-3364 FAX No. ▶ _____
- If the organization does **not** have an office or place of business in the United States, check this box
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the **whole** group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until FEBRUARY 15, 2006 to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ▶ calendar year _____ or
 ▶ tax year beginning JUL 1, 2004, and ending JUN 30, 2005.

2 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ _____

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ _____

c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ N/A

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** and check this box **X**
- Note:** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

Part II Additional (not automatic) 3-Month Extension of Time - Must file Original and One Copy.		
Type or print. File by the extended due date for filing the return See instructions	Name of Exempt Organization CHRISTUS SPOHN HEALTH SYSTEM CORPORATION	Employer identification number 74-1109836
	Number, street, and room or suite no. If a P.O. box, see instructions. 600 ELIZABETH STREET	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. CORPUS CHRISTI, TX 78404	

Check type of return to be filed (File a separate application for each return):

- Form 990
 Form 990-EZ
 Form 990-T (sec. 401(a) or 408(a) trust)
 Form 1041-A
 Form 5227
 Form 8870
 Form 990-BL
 Form 990-PF
 Form 990-T (trust other than above)
 Form 4720
 Form 6069

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of **RICK VILLARREAL**
Telephone No. **361-881-3364** FAX No. _____
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the **whole group**, check this box . If it is for **part of the group**, check this box and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until **MAY 15, 2006**.

5 For calendar year _____, or other tax year beginning **JUL 1, 2004** and ending **JUN 30, 2005**.

6 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

7 State in detail why you need the extension
TAXPAYER RESPECTFULLY REQUESTS ADDITIONAL TIME TO GATHER INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE RETURN.

- 8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ _____
- b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$ _____
- c **Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ _____ **N/A**

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature Melinda M. Brady Title CPA Date 2/13/06

Notice to Applicant - To Be Completed by the IRS

- We have approved this application. Please attach this form to the organization's return.
- We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.
- We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
- We cannot consider this application because it was filed after the extended due date of the return for which an extension was requested.
- Other _____

Director _____ By _____ **EXTENSION APPROVED**

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above. **MAR 06 2006**

Type or print	Name DELOITTE TAX LLP C/O TAX COMPLIANCE	FIELD DIRECTOR
	Number and street (include suite, room, or apt. no.) or a P.O. box number 333 CLAY STREET, SUITE 2300	SUBMISSION PROCESSING, OGDEN
	City or town, province or state, and country (including postal or ZIP code) HOUSTON, TX 77002-4196	