

**Annual Return/Report of Employee Benefit Plan**

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

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

**Part I Annual Report Identification Information**

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

**A** This return/report is for:  a multiemployer plan;  a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or  a single-employer plan;  a DFE (specify) \_\_\_\_\_

**B** This return/report is:  the first return/report;  the final return/report;  an amended return/report;  a short plan year return/report (less than 12 months).

**C** If the plan is a collectively-bargained plan, check here. . . . .

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

**Part II Basic Plan Information**—enter all requested information

<b>1a</b> Name of plan THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC. EMPLOYEES' PENSION PLAN	<b>1b</b> Three-digit plan number (PN) ▶ 006
	<b>1c</b> Effective date of plan 09/14/1996
<b>2a</b> Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) THOMAS JEFFERSON UNIVERSITY  833 CHESTNUT STREET SUITE 900 PHILADELPHIA, PA 19107	<b>2b</b> Employer Identification Number (EIN) 23-1352651
	<b>2c</b> Plan Sponsor's telephone number 215-503-1866
	<b>2d</b> Business code (see instructions) 622000

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

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

SIGN HERE	Filed with authorized/valid electronic signature.	10/17/2016	JOANN PIECHOWSKI
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

<b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	<b>3b</b> Administrator's EIN
	<b>3c</b> Administrator's telephone number

<b>4</b> If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: <b>a</b> Sponsor's name	<b>4b</b> EIN
	<b>4c</b> PN

<b>5</b> Total number of participants at the beginning of the plan year	<b>5</b>	5492
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<b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).		
<b>a(1)</b> Total number of active participants at the beginning of the plan year.....	<b>6a(1)</b>	2160
<b>a(2)</b> Total number of active participants at the end of the plan year .....	<b>6a(2)</b>	0
<b>b</b> Retired or separated participants receiving benefits.....	<b>6b</b>	0
<b>c</b> Other retired or separated participants entitled to future benefits.....	<b>6c</b>	0
<b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> .....	<b>6d</b>	0
<b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	<b>6e</b>	0
<b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....	<b>6f</b>	0
<b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....	<b>6g</b>	
<b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested.....	<b>6h</b>	0

<b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) .....	<b>7</b>
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**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:  
1A 1F 3H

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

<p><b>9a</b> Plan funding arrangement (check all that apply)</p> <p>(1) <input type="checkbox"/> Insurance</p> <p>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts</p> <p>(3) <input checked="" type="checkbox"/> Trust</p> <p>(4) <input type="checkbox"/> General assets of the sponsor</p>	<p><b>9b</b> Plan benefit arrangement (check all that apply)</p> <p>(1) <input type="checkbox"/> Insurance</p> <p>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts</p> <p>(3) <input checked="" type="checkbox"/> Trust</p> <p>(4) <input type="checkbox"/> General assets of the sponsor</p>
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**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

<p><b>a Pension Schedules</b></p> <p>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)</p> <p>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary</p> <p>(3) <input checked="" type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary</p>	<p><b>b General Schedules</b></p> <p>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)</p> <p>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)</p> <p>(3) <input type="checkbox"/> <u>0</u> <b>A</b> (Insurance Information)</p> <p>(4) <input type="checkbox"/> <b>C</b> (Service Provider Information)</p> <p>(5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)</p> <p>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules)</p>
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<b>Part III</b>	<b>Form M-1 Compliance Information (to be completed by welfare benefit plans)</b>
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**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) .....  Yes  No

If "Yes" is checked, complete lines 11b and 11c.

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**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) .....  Yes  No

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**11c** Enter the Receipt Confirmation Code for the 2015 Form M-1 annual report. If the plan was not required to file the 2015 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code \_\_\_\_\_

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**SCHEDULE SB  
(Form 5500)**

Department of the Treasury  
Internal Revenue Service

Department of Labor  
Employee Benefits Security Administration  
Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan  
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

**2015**

**This Form is Open to Public Inspection**

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

<b>A</b> Name of plan <u>THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC. EMPLOYEES' PENSION PLAN</u>		<b>B</b> Three-digit plan number (PN) ▶ <u>006</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>THOMAS JEFFERSON UNIVERSITY</u>		<b>D</b> Employer Identification Number (EIN) <u>23-1352651</u>
<b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B		<b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500

**Part I Basic Information**

<b>1</b> Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2015</u>			
<b>2</b> Assets:			
<b>a</b> Market value .....	<b>2a</b>	<u>321665106</u>	
<b>b</b> Actuarial value .....	<b>2b</b>	<u>316558490</u>	
<b>3</b> Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
<b>a</b> For retired participants and beneficiaries receiving payment .....	<u>1179</u>	<u>101579878</u>	<u>101579878</u>
<b>b</b> For terminated vested participants .....	<u>2157</u>	<u>55064181</u>	<u>55064181</u>
<b>c</b> For active participants .....	<u>2160</u>	<u>129771800</u>	<u>130336498</u>
<b>d</b> Total .....	<u>5496</u>	<u>286415859</u>	<u>286980557</u>
<b>4</b> If the plan is in at-risk status, check the box and complete lines (a) and (b) .....	<input type="checkbox"/>		
<b>a</b> Funding target disregarding prescribed at-risk assumptions .....	<b>4a</b>		
<b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor .....	<b>4b</b>		
<b>5</b> Effective interest rate .....	<b>5</b>	<u>6.31 %</u>	
<b>6</b> Target normal cost .....	<b>6</b>	<u>5372680</u>	

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

<b>SIGN HERE</b>		<u>10/12/2016</u>
	Signature of actuary	Date
<u>CHRISTOPHER E. FLOHR</u>	Type or print name of actuary	<u>14-06359</u>
<u>HEWITT ASSOCIATES LLC</u>	Firm name	Most recent enrollment number
<u>500 EAST PRATT STREET, SUITE 700 BALTIMORE, MD 21202</u>	Address of the firm	<u>410-547-2800</u>
		Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

<b>Part II Beginning of Year Carryover and Prefunding Balances</b>		(a) Carryover balance	(b) Prefunding balance
<b>7</b>	Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....		
<b>8</b>	Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....		
<b>9</b>	Amount remaining (line 7 minus line 8) .....		
<b>10</b>	Interest on line 9 using prior year's actual return of _____% .....		
<b>11</b>	Prior year's excess contributions to be added to prefunding balance:		
	<b>a</b> Present value of excess contributions (line 38a from prior year) .....		
	<b>b(1)</b> Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.51</u> % .....		
	<b>b(2)</b> Interest on line 38b from prior year Schedule SB, using prior year's actual return .....		
	<b>c</b> Total available at beginning of current plan year to add to prefunding balance .....		
	<b>d</b> Portion of (c) to be added to prefunding balance .....		
<b>12</b>	Other reductions in balances due to elections or deemed elections .....		
<b>13</b>	Balance at beginning of current year (line 9 + line 10 + line 11d - line 12) .....		

<b>Part III Funding Percentages</b>			
<b>14</b>	Funding target attainment percentage .....	<b>14</b>	110.30 %
<b>15</b>	Adjusted funding target attainment percentage .....	<b>15</b>	%
<b>16</b>	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement .....	<b>16</b>	%
<b>17</b>	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage .....	<b>17</b>	%

<b>Part IV Contributions and Liquidity Shortfalls</b>					
<b>18</b> Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
10/01/2015	5000000				
			<b>Totals ▶</b>	<b>18(b)</b>	<b>18(c)</b>
				5000000	

<b>19</b>	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
	<b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years .....	<b>19a</b>
	<b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....	<b>19b</b>
	<b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date .....	<b>19c</b>
<b>20</b>	Quarterly contributions and liquidity shortfalls:	
	<b>a</b> Did the plan have a "funding shortfall" for the prior year? .....	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	<b>b</b> If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? .....	<input type="checkbox"/> Yes <input type="checkbox"/> No
	<b>c</b> If line 20a is "Yes," see instructions and complete the following table as applicable:	

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

**Part V Assumptions Used to Determine Funding Target and Target Normal Cost**

**21** Discount rate:

**a** Segment rates:

1st segment: 4.72 %	2nd segment: 6.11 %	3rd segment: 6.81 %	<input type="checkbox"/> N/A, full yield curve used
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**b** Applicable month (enter code)..... **21b** 1

**22** Weighted average retirement age ..... **22** 64

**23** Mortality table(s) (see instructions)  Prescribed - combined  Prescribed - separate  Substitute

**Part VI Miscellaneous Items**

**24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ....  Yes  No

**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ....  Yes  No

**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....  Yes  No

**27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment..... **27** 8

**Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years**

**28** Unpaid minimum required contributions for all prior years ..... **28**

**29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)..... **29**

**30** Remaining amount of unpaid minimum required contributions (line 28 minus line 29) ..... **30**

**Part VIII Minimum Required Contribution For Current Year**

**31** Target normal cost and excess assets (see instructions):

**a** Target normal cost (line 6) ..... **31a**

**b** Excess assets, if applicable, but not greater than line 31a ..... **31b**

**32** Amortization installments:

	Outstanding Balance	Installment
<b>a</b> Net shortfall amortization installment .....		
<b>b</b> Waiver amortization installment .....		

**33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_) and the waived amount ..... **33**

**34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) .. **34**

	Carryover balance	Prefunding balance	Total balance
<b>35</b> Balances elected for use to offset funding requirement.....			
<b>36</b> Additional cash requirement (line 34 minus line 35).....			<b>36</b>
<b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....			<b>37</b>
<b>38</b> Present value of excess contributions for current year (see instructions)			
<b>a</b> Total (excess, if any, of line 37 over line 36) .....			<b>38a</b>
<b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....			<b>38b</b>
<b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37).....			<b>39</b>
<b>40</b> Unpaid minimum required contributions for all years.....			<b>40</b>

**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)**

**41** If an election was made to use PRA 2010 funding relief for this plan:

**a** Schedule elected .....  2 plus 7 years  15 years

**b** Eligible plan year(s) for which the election in line 41a was made .....  2008  2009  2010  2011

**42** Amount of acceleration adjustment ..... **42**

**43** Excess installment acceleration amount to be carried over to future plan years ..... **43**

**SCHEDULE D  
(Form 5500)**

Department of the Treasury  
Internal Revenue Service

Department of Labor  
Employee Benefits Security Administration

**DFE/Participating Plan Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2015**

**This Form is Open to Public Inspection.**

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

<b>A</b> Name of plan THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC. EMPLOYEES' PENSION PLAN	<b>B</b> Three-digit plan number (PN) ▶	006
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<b>C</b> Plan or DFE sponsor's name as shown on line 2a of Form 5500 THOMAS JEFFERSON UNIVERSITY	<b>D</b> Employer Identification Number (EIN) 23-1352651
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**Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**  
(Complete as many entries as needed to report all interests in DFEs)

**a** Name of MTIA, CCT, PSA, or 103-12 IE: THOMAS JEFFERSON UNIVERSITY PEN PLN

**b** Name of sponsor of entity listed in (a): THOMAS JEFFERSON UNIVERSITY

<b>c</b> EIN-PN 04-3234801-001	<b>d</b> Entity code M	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 310874934
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**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

<b>c</b> EIN-PN	<b>d</b> Entity code	<b>e</b> Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity code**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)





**SCHEDULE H  
(Form 5500)**

Department of the Treasury  
Internal Revenue Service

Department of Labor  
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Financial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

**2015**

**This Form is Open to Public Inspection**

For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

<b>A</b> Name of plan <u>THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC. EMPLOYEES' PENSION PLAN</u>	<b>B</b> Three-digit plan number (PN) ▶ <u>006</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <u>THOMAS JEFFERSON UNIVERSITY</u>	<b>D</b> Employer Identification Number (EIN) <u>23-1352651</u>

**Part I Asset and Liability Statement**

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

Assets	(a) Beginning of Year	(b) End of Year
<b>a</b> Total noninterest-bearing cash .....	<b>1a</b>	
<b>b</b> Receivables (less allowance for doubtful accounts):		
<b>(1)</b> Employer contributions .....	<b>1b(1)</b>	25188376
<b>(2)</b> Participant contributions .....	<b>1b(2)</b>	0
<b>(3)</b> Other.....	<b>1b(3)</b>	
<b>c</b> General investments:		
<b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....	<b>1c(1)</b>	553945
<b>(2)</b> U.S. Government securities.....	<b>1c(2)</b>	554001
<b>(3)</b> Corporate debt instruments (other than employer securities):		
<b>(A)</b> Preferred .....	<b>1c(3)(A)</b>	
<b>(B)</b> All other.....	<b>1c(3)(B)</b>	
<b>(4)</b> Corporate stocks (other than employer securities):		
<b>(A)</b> Preferred .....	<b>1c(4)(A)</b>	
<b>(B)</b> Common .....	<b>1c(4)(B)</b>	
<b>(5)</b> Partnership/joint venture interests .....	<b>1c(5)</b>	
<b>(6)</b> Real estate (other than employer real property) .....	<b>1c(6)</b>	
<b>(7)</b> Loans (other than to participants) .....	<b>1c(7)</b>	
<b>(8)</b> Participant loans .....	<b>1c(8)</b>	
<b>(9)</b> Value of interest in common/collective trusts.....	<b>1c(9)</b>	
<b>(10)</b> Value of interest in pooled separate accounts.....	<b>1c(10)</b>	
<b>(11)</b> Value of interest in master trust investment accounts .....	<b>1c(11)</b>	296968781
<b>(12)</b> Value of interest in 103-12 investment entities .....	<b>1c(12)</b>	310874934
<b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....	<b>1c(13)</b>	
<b>(14)</b> Value of funds held in insurance company general account (unallocated contracts).....	<b>1c(14)</b>	
<b>(15)</b> Other .....	<b>1c(15)</b>	

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities .....	1d(1)		
(2) Employer real property .....	1d(2)		
e Buildings and other property used in plan operation.....	1e		
f Total assets (add all amounts in lines 1a through 1e) .....	1f	322711102	311428935
<b>Liabilities</b>			
g Benefit claims payable .....	1g		
h Operating payables .....	1h		
i Acquisition indebtedness .....	1i		
j Other liabilities.....	1j	0	311428935
k Total liabilities (add all amounts in lines 1g through 1j) .....	1k	0	311428935
<b>Net Assets</b>			
l Net assets (subtract line 1k from line 1f).....	1l	322711102	0

**Part II Income and Expense Statement**

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

Income		(a) Amount	(b) Total
<b>a Contributions:</b>			
(1) Received or receivable in cash from: (A) Employers.....	2a(1)(A)	5000000	
(B) Participants .....	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions .....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2) .....	2a(3)		5000000
<b>b Earnings on investments:</b>			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	2522	
(B) U.S. Government securities .....	2b(1)(B)		
(C) Corporate debt instruments .....	2b(1)(C)		
(D) Loans (other than to participants) .....	2b(1)(D)		
(E) Participant loans .....	2b(1)(E)		
(F) Other .....	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F) .....	2b(1)(G)		
(2) Dividends: (A) Preferred stock.....			
(B) Common stock .....	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A), (B), and (C) .....	2b(2)(D)		
(3) Rents.....	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds .....			
(B) Aggregate carrying amount (see instructions) .....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result .....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate.....			
(B) Other .....	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B).....	2b(5)(C)		

	(a) Amount	(b) Total
<b>(6)</b> Net investment gain (loss) from common/collective trusts .....	<b>2b(6)</b>	
<b>(7)</b> Net investment gain (loss) from pooled separate accounts .....	<b>2b(7)</b>	
<b>(8)</b> Net investment gain (loss) from master trust investment accounts .....	<b>2b(8)</b>	-5382649
<b>(9)</b> Net investment gain (loss) from 103-12 investment entities .....	<b>2b(9)</b>	
<b>(10)</b> Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	<b>2b(10)</b>	
<b>c</b> Other income.....	<b>2c</b>	
<b>d</b> Total income. Add all <b>income</b> amounts in column (b) and enter total.....	<b>2d</b>	-380127

**Expenses**

<b>e</b> Benefit payment and payments to provide benefits:		
<b>(1)</b> Directly to participants or beneficiaries, including direct rollovers.....	<b>2e(1)</b>	10902040
<b>(2)</b> To insurance carriers for the provision of benefits .....	<b>2e(2)</b>	
<b>(3)</b> Other .....	<b>2e(3)</b>	
<b>(4)</b> Total benefit payments. Add lines <b>2e(1)</b> through <b>(3)</b> .....	<b>2e(4)</b>	10902040
<b>f</b> Corrective distributions (see instructions) .....	<b>2f</b>	
<b>g</b> Certain deemed distributions of participant loans (see instructions).....	<b>2g</b>	
<b>h</b> Interest expense.....	<b>2h</b>	
<b>i</b> Administrative expenses: <b>(1)</b> Professional fees .....	<b>2i(1)</b>	
<b>(2)</b> Contract administrator fees.....	<b>2i(2)</b>	
<b>(3)</b> Investment advisory and management fees .....	<b>2i(3)</b>	
<b>(4)</b> Other .....	<b>2i(4)</b>	
<b>(5)</b> Total administrative expenses. Add lines <b>2i(1)</b> through <b>(4)</b> .....	<b>2i(5)</b>	0
<b>j</b> Total expenses. Add all <b>expense</b> amounts in column (b) and enter total.....	<b>2j</b>	10902040

**Net Income and Reconciliation**

<b>k</b> Net income (loss). Subtract line <b>2j</b> from line <b>2d</b> .....	<b>2k</b>	-11282167
<b>l</b> Transfers of assets:		
<b>(1)</b> To this plan.....	<b>2l(1)</b>	
<b>(2)</b> From this plan .....	<b>2l(2)</b>	311428935

**Part III Accountant's Opinion**

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

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

**(1)**  Unqualified **(2)**  Qualified **(3)**  Disclaimer **(4)**  Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

Yes  No

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

**(1)** Name: CITRIN COOPERMAN & COMPANY, LLP

**(2)** EIN: 22-2428965

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

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

**Part IV Compliance Questions**

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

During the plan year:

	Yes	No	N/A	Amount
<b>a</b> Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) .....		X		
<b>b</b> Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.).....		X		

	Yes	No	N/A	Amount
<b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X		
<b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X		
<b>e</b> Was this plan covered by a fidelity bond?	X			15000000
<b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X		
<b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
<b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
<b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X			
<b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X		
<b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	X			
<b>l</b> Has the plan failed to provide any benefit when due under the plan?		X		
<b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)				
<b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.				
<b>o</b> Did the plan trust incur unrelated business taxable income?				
<b>p</b> Were in-service distributions made during the plan year?				

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?  
 If "Yes," enter the amount of any plan assets that reverted to the employer this year.  Yes  No Amount:

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

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
THOMAS JEFFERSON UNIVERSITY EMPLOYEES PENSION PLAN	23-1352651	001

**5c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)?  Yes  No  Not determined

**Part V Trust Information**

<b>6a</b> Name of trust	<b>6b</b> Trust's EIN
<b>6c</b> Name of trustee or custodian	<b>6d</b> Trustee's or custodian's telephone number

<b>SCHEDULE R</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Retirement Plan Information</b>  This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).  <b>▶ File as an attachment to Form 5500.</b>	<small>OMB No. 1210-0110</small>  <b>2015</b>  <b>This Form is Open to Public Inspection.</b>
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

<b>A</b> Name of plan <u>THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC. EMPLOYEES' PENSION PLAN</u>	<b>B</b> Three-digit plan number (PN) ▶	<u>006</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 <u>THOMAS JEFFERSON UNIVERSITY</u>	<b>D</b> Employer Identification Number (EIN) <u>23-1352651</u>	

<b>Part I</b>	<b>Distributions</b>
---------------	----------------------

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

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions..... 

1	0
---	---

**2** Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):  
 EIN(s): 04-3234801

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year..... 

3	49
---	----

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

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? .....  Yes  No  N/A  
**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_  
**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

<b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....	<b>6a</b>	
<b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....	<b>6b</b>	
<b>c</b> Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	<b>6c</b>	

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline? .....  Yes  No  N/A

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? .....  Yes  No  N/A

<b>Part III</b>	<b>Amendments</b>
-----------------	-------------------

**9** If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....  Increase  Decrease  Both  No

<b>Part IV</b>	<b>ESOPs</b> (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? .....  Yes  No

**11 a** Does the ESOP hold any preferred stock? .....  Yes  No

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) .....  Yes  No

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? .....  Yes  No

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

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

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

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

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

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure:  Hourly  Weekly  Unit of production  Other (specify): \_\_\_\_\_

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

<b>a</b> The current year .....	<b>14a</b>	
<b>b</b> The plan year immediately preceding the current plan year.....	<b>14b</b>	
<b>c</b> The second preceding plan year .....	<b>14c</b>	

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

<b>a</b> The corresponding number for the plan year immediately preceding the current plan year .....	<b>15a</b>	
<b>b</b> The corresponding number for the second preceding plan year .....	<b>15b</b>	

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

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

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

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

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

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

**a** Enter the percentage of plan assets held as:  
 Stock: 59.0% Investment-Grade Debt: 27.0% High-Yield Debt: 0.0% Real Estate: 0.0% Other: 14.0%

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

**c** What duration measure was used to calculate line 19(b)?  
 Effective duration  Macaulay duration  Modified duration  Other (specify):

**Part VII IRS Compliance Questions**

**20a** Is the plan a 401(k) plan?.....  Yes  No

**20b** If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?.....  Design-based safe harbor method  ADP/ACP test

**20c** If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))? .....  Yes  No

**21a** Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b): .....  Ratio percentage test  Average benefit test

**21b** Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? .....  Yes  No

**22a** Has the plan been timely amended for all required tax law changes?.....  Yes  No  N/A

**22b** Date the last plan amendment/restatement for the required tax law changes was adopted \_\_\_\_/\_\_\_\_/\_\_\_\_. Enter the applicable code \_\_\_\_\_. (See instructions for tax law changes and codes).

**22c** If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter \_\_\_\_/\_\_\_\_/\_\_\_\_ and the letter's serial number \_\_\_\_\_.

**22d** If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter \_\_\_\_/\_\_\_\_/\_\_\_\_.

**23** Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)? .....  Yes  No



**THOMAS JEFFERSON UNIVERSITY  
HOSPITALS, INC. EMPLOYEES' PENSION PLAN  
FINANCIAL STATEMENTS  
AND SUPPLEMENTAL SCHEDULE  
YEAR ENDED DECEMBER 31, 2015 AND  
SIX MONTHS ENDED DECEMBER 31, 2014**

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
**FOR THE YEAR ENDED DECEMBER 31, 2015 AND**  
**SIX MONTHS ENDED DECEMBER 31, 2014**

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## INDEPENDENT AUDITOR'S REPORT

To the Administrator and Participants  
Thomas Jefferson University Hospitals, Inc. Employees' Pension Plan

### **Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of the Thomas Jefferson University Hospitals, Inc. Employees' Pension Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014, and the related statements of changes in net assets available for benefits for the year ended December 31, 2015 and six months ended December 31, 2014, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

### ***Basis for Disclaimer of Opinion***

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by The Bank of New York Mellon/BNY Mellon, N.A., the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of December 31, 2015 and December 31, 2014, and for the year ended December 31, 2015 and six months ended December 31, 2014, that the information provided to the Plan administrator by the trustee is complete and accurate.

***Disclaimer of Opinion***

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

***Other Matter***

The supplemental schedule H, line 4i - assets (held at end of year) as of December 31, 2015, is required by the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

**Report on Form and Content in Compliance With DOL Rules and Regulations**

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

Philadelphia, Pennsylvania  
October 13, 2016

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.  
EMPLOYEES' PENSION PLAN  
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS  
DECEMBER 31, 2015 AND DECEMBER 31, 2014**

	<u>2015</u>	<u>2014</u>
Assets:		
Investment, at fair value:		
Plan interest in master trust	\$ 310,874,934	\$ 296,968,781
Receivable:		
Employer contributions	-	25,188,376
Cash and cash equivalents	<u>554,001</u>	<u>553,945</u>
Total assets	311,428,935	322,711,102
Liabilities:		
Due to Thomas Jefferson University Employees' Pension Plan	<u>311,428,935</u>	<u>-</u>
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>	<b><u>\$ -</u></b>	<b><u>\$ 322,711,102</u></b>

See accompanying notes to financial statements.

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015 AND SIX MONTHS ENDED**  
**DECEMBER 31, 2014**

	<b>Year Ended December 31, 2015</b>	<b>Six Months Ended December 31, 2014</b>
Additions to (subtractions from) net assets attributed to:		
Investment income (loss):		
Plan interest in master trust investment gain (loss)	\$ (4,846,279)	\$ 7,191,984
Interest income	<u>2,522</u>	<u>27</u>
Total investment income (loss)	(4,843,757)	7,192,011
Employer contributions	<u>5,000,000</u>	<u>15,125,584</u>
Total additions	<u>156,243</u>	<u>22,317,595</u>
Deductions from net assets attributed to:		
Benefit payments	10,902,040	4,954,274
Administrative expenses	<u>536,370</u>	<u>89,635</u>
Total deductions	<u>11,438,410</u>	<u>5,043,909</u>
Net increase (decrease) in net assets available for benefits	(11,282,167)	17,273,686
Net assets available for benefits - beginning	322,711,102	305,437,416
Transfer to Thomas Jefferson University Employees' Pension Plan	<u>(311,428,935)</u>	<u>-</u>
<b>NET ASSETS AVAILABLE FOR BENEFITS - ENDING</b>	<b>\$ <u>-</u></b>	<b>\$ <u>322,711,102</u></b>

See accompanying notes to financial statements.

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015 AND DECEMBER 31, 2014**

**NOTE 1. DESCRIPTION OF PLAN**

The following description of Thomas Jefferson University Hospitals, Inc. Employees' Pension Plan (the "Plan") provides only general information. For a more complete description of the Plan's provisions, refer to the agreement governing the Plan (the "Plan Agreement").

General

The Plan is a noncontributory, defined benefit plan that covers substantially all of the employees of Thomas Jefferson University Hospitals, Inc. (the "Hospital") who were hired prior to July 1, 2004. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). The Plan was amended and restated on July 1, 2008.

The Plan participates in the Thomas Jefferson University Master Trust ("Master Trust") with the Thomas Jefferson University Employees' Pension Plan (the "University Plan") on a unit basis.

On June 30, 2014, Thomas Jefferson University became the sole corporate member of the Hospital. As a result of this merger, Thomas Jefferson University became the Plan Sponsor.

The Plan was merged with and into the Thomas Jefferson University Employees' Pension Plan effective as of the close of business on December 31, 2015.

Pension benefits

Employees hired before July 1, 2004, with one or more years of service in which they complete 1,000 hours of service with the Hospital and are over 21 years of age, are entitled to annual pension benefits beginning at normal retirement age (65). Employees may elect to receive their pension benefits in the form of a single life annuity, a joint and survivor annuity, or a minimum distribution option.

Death and disability benefits

If an active employee dies before retirement benefits begin, a death benefit equal to the value of the employee's accumulated pension benefits is paid to the employee's beneficiary. Active employees who become totally disabled receive annual disability benefits that are equal to the normal retirement benefits that have accumulated as of the time they become disabled.

Vesting

Employees are 100% vested after five years of credited service. There is no partial vesting.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of accounting

The accompanying financial statements were prepared on the accrual basis of accounting.

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015 AND DECEMBER 31, 2014**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements, and changes therein. Actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents consist of a money market account that is readily convertible into cash and purchased with an original maturity of three months or less.

Investment valuation and income recognition

The Plan's investment in the Master Trust is reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's valuation policies are determined utilizing information provided by its investment advisers, trustee, and insurance company. See Note 7 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Interest and dividend income and net appreciation (depreciation) in fair value of Master Trust investments are allocated to each participating plan based upon its participating interest in the Master Trust and are reflected in the statements of changes in net assets available for benefits.

Payment of benefits

Benefit payments to participants are recorded upon distribution.

Administrative expenses

Administrative expenses of the Plan are generally paid by the Plan. Trustee fees are allocated to the Plan based upon its relative interest in the Master Trust, and Plan-specific expenses are allocated to the Plan directly and paid from Plan assets.

Actuarial present value of accumulated plan benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service that employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' credited service and accrued benefits to the time of retirement. The accumulated plan benefits for active employees are based on their service rendered and the benefit rate in effect on July 1, 2014. Benefits payable under all circumstances – retirement, death and termination of employment – are included, to the extent they are deemed attributable to the employee service rendered to the valuation date.



**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Actuarial present value of accumulated plan benefits (continued)

The actuarial present value of accumulated plan benefits is determined by the Plan's actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment. The mortality, discount rate, salary increase, and retirement rate assumptions were changed at July 1, 2014, to better reflect the anticipated experience.

The more significant methods and assumptions underlying the actuarial valuation are as follows:

Mortality Basis	2015 static mortality table for annuitants and non-annuitants per § 1.430(h)(3)-1(e)
Retirement Age	A sliding scale with rates varying by age
Investment Return	7%

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Recently adopted accounting pronouncements

In May 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share*. The new guidance removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. Investments that are measured at net asset value per share (or its equivalent) but for which the practical expedient is not applied will continue to be included in the fair value hierarchy along with related required disclosures. The update also eliminates the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. The Plan elected to early adopt ASU 2015-07 as of December 31, 2015, as permitted, and has applied ASU 2015-07 retrospectively, as required. The Plan presents the investment disclosures required by ASU 2015-07 for 2015 and 2014 in Notes 8 and 9. There were no other impacts on the statements of net assets available for benefits as of December 31, 2015 and 2014, and the statements of changes in net assets available for benefits for the year ended December 31, 2015 and six months ended December 31, 2014.

In July 2015, the FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, and (Part III) Measurement Date Practical Expedient*, which simplifies the required disclosures related to employee benefit plans. Part I eliminated the requirement to measure and disclose the fair value of fully benefit-responsive contracts, including common collective trust assets and pooled separate accounts. Contract value is the only required measure for fully benefit-responsive investment contracts. Part II eliminates the requirement to disclose individual investments that comprise 5% or more of total

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
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**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Recently adopted accounting pronouncements (continued)

net assets available for benefits, as well as the net appreciation or depreciation of fair values by type. Part II also requires plans to continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Furthermore, the disclosure of the information about fair value measurements shall be provided by general type of plan asset. Part III is not applicable to the Plan. ASU 2015-12 is effective for fiscal years beginning after December 31, 2015, with early adoption permitted. The Plan elected to early-adopt ASU 2015-12 as of December 31, 2015, and has applied the provisions retrospectively. The adoption of ASU 2015-12 resulted in the Plan eliminating its historical disclosure of individual investments that comprise 5% or more of total net assets available for benefits, as well as the net appreciation or depreciation of fair values by type. There were no other impacts on the statements of net assets available for benefits as of December 31, 2015 and 2014, and the statements of changes in net assets available for benefits for the year ended December 31, 2015 and six months ended December 31, 2014

Subsequent events

In accordance with FASB Accounting Standards Codification ("ASC") 855, *Subsequent Events*, the Plan Sponsor's management has evaluated subsequent events through October 13, 2016, the date on which these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

**NOTE 3. ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS**

The actuarial present value of accumulated benefits at January 1, 2015, is presented below:

Vested benefits:	
Participants currently receiving benefits	\$ 100,812,033
Vested benefits for other participants	<u>181,448,473</u>
Total vested benefits	282,260,506
Nonvested benefit	<u>379,673</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 282,640,179</u>

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
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**NOTE 3. ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS**  
**(CONTINUED)**

The changes in the actuarial present value of accumulated plan benefits for the six months ended January 1, 2015, are as follows:

Actuarial present value of accumulated plan benefits at July 1, 2014	\$ <u>251,404,302</u>
Increase (decrease) during the plan year attributable to:	
Increase for interest due to the decrease in the discount period	8,609,605
Other changes	(477,782)
Benefits paid	(2,387,399)
Assumption changes	<u>25,491,453</u>
Net increase	<u>31,235,877</u>
Total actuarial present value of accumulated plan benefits at January 1, 2015	\$ <u>282,640,179</u>

The mortality basis assumption used in the valuation of the accumulated benefits obligation was updated to reflect projected mortality improvement. In addition, the ERISA funding liability rate was decreased from 7.5% to 7.0%.

**NOTE 4. FUNDING POLICY**

The Hospital contributes to the Plan such amounts as are necessary on an actuarial basis to provide the Plan with assets sufficient to meet the benefits to be paid to Plan participants. The Hospital has met ERISA's minimum funding requirements.

Although it has not expressed any intention to do so, the Hospital has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA.

**NOTE 5. PLAN TERMINATION**

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

1. Benefits attributable to employee contributions, taking into account those paid out before termination.
2. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
3. Other vested benefits insured by the Pension Benefit Guaranty Corporation ("PBGC") (a U.S. government agency) up to the applicable limitations (discussed subsequently).

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
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**NOTE 5. PLAN TERMINATION (CONTINUED)**

4. All other vested benefits (that is, vested benefits not insured by the PBGC).
5. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, a statutory ceiling exists, which is adjusted annually, on the amount of an individual's monthly benefit that the PBGC guarantees. The maximum guaranteed amount is based, in part, on the participant's age on the termination date or, if the participant is not in pay status on that date, the date on which the participant would begin receiving benefits from the PBGC.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan Sponsor and the level of benefits guaranteed by the PBGC.

**NOTE 6. INFORMATION CERTIFIED BY THE TRUSTEE**

The Plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan's administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the information certified by The Bank of New York Mellon/BNY Mellon, N.A. (the "trustee"), except for comparing such information certified by the trustee to information included in the Plan's financial statements. The trustee has certified that the investment information, including investments in the Master Trust and allocated investment income from the Master Trust, in the accompanying financial statements is complete and accurate.

The Hospital entered into a pension trust agreement with the trustee. Under the terms of the agreement, the trustee will hold, invest and reinvest the pension funds. The Hospital has no right, title or interest in or to the pension trust funds maintained under the agreement.

**NOTE 7. FAIR VALUE MEASUREMENTS**

FASB ASC 820, *Fair Value Measurement*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

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**EMPLOYEES' PENSION PLAN**  
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**NOTE 7. FAIR VALUE MEASUREMENTS (CONTINUED)**

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input this is significant to the fair value measurement. Valuation techniques maximize the use of unobservable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets of the investment in the Master Trust (see Note 8) reported at fair value. There have been no changes in the methodologies used at December 31, 2015 and 2014.

*Cash equivalents* - Valued at cost, which approximates fair value.

*Preferred stocks* - Valued at the closing price reported in the active market in which the individual securities are traded or using pricing models maximizing the use of observable inputs for similar securities.

*Fixed income securities* - Valued at the closing price reported in the active market in which the individual securities are traded or using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

*Mutual funds* - Valued at the net asset value ("NAV") of the shares held by the Master Trust at year-end.

*Alternative investments* - Valued at estimated fair values based upon the quoted market prices or estimated by the respective external investment managers if market values are not readily ascertainable.

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
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**NOTE 7. FAIR VALUE MEASUREMENTS (CONTINUED)**

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

**NOTE 8. INTEREST IN MASTER TRUST**

The Plan's assets are invested in the Master Trust, which was established for the investment of assets of the Plan and the University Plan. Each participating retirement plan has an undivided interest in the Master Trust. At December 31, 2015, the Plan's interest in the net assets of the Master Trust was approximately 69%.

The value of the Plan's interest in the Master Trust is based on the beginning of period value of the Plan's interest in the trust, plus actual contributions, less actual distributions and allocated investment gain (loss) and administrative expenses.

The following presents the assets, including investments, and liabilities of the Master Trust at fair value as of December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Cash equivalents	\$ 9,335,383	\$ 8,200,342
Preferred stocks	99,955	107,894
Fixed income securities	70,389,645	73,257,066
Mutual funds	317,957,086	316,843,629
Alternative investments	<u>57,855,996</u>	<u>52,882,924</u>
	455,638,065	451,291,855
Other assets and liabilities, net	<u>(6,856,251)</u>	<u>(8,157,354)</u>
	<u>\$ 448,781,814</u>	<u>\$ 443,134,501</u>
Plan interest in Master Trust	<u>\$ 310,874,934</u>	<u>\$ 296,968,781</u>

Investment gain (loss) for the Master Trust for the year ended December 31, 2015 and six months ended December 31, 2014, is summarized as follows:

	<u>2015</u>	<u>2014</u>
Net appreciation (depreciation) in fair value of investments	\$ (8,881,571)	\$ 11,326,987
Other investment income	889,372	56,316
Interest and dividends	3,059,616	1,468,592
Investment fees	<u>(2,416,199)</u>	<u>(1,201,677)</u>
Investment gain (loss)	<u>\$ (7,348,782)</u>	<u>\$ 11,650,218</u>

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
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**NOTE 8. INTEREST IN MASTER TRUST (CONTINUED)**

The following table summarizes the Master Trust's assets at fair value, on a recurring basis, categorized by GAAP's valuation hierarchy as of December 31, 2015:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:				
Cash equivalents	\$ 9,335,383	\$ 7,575,234	\$ 1,760,149	\$ -
Preferred stocks:				
Insurance	<u>99,955</u>	<u>-</u>	<u>99,955</u>	<u>-</u>
Fixed income securities:				
U.S. gov't & agency bonds	742,415	742,415	-	-
U.S. corporate bonds	50,116,317	-	50,116,317	-
U.S. municipal bonds	5,622,761	-	5,622,761	-
U.S. Treasury forward contracts	4,185	4,185	-	-
Foreign gov't bonds	1,685,467	-	1,685,467	-
Foreign corporate bonds	<u>12,218,501</u>	<u>-</u>	<u>12,218,501</u>	<u>-</u>
Total fixed income securities	<u>70,389,646</u>	<u>746,600</u>	<u>69,643,046</u>	<u>-</u>
Mutual funds:				
Global equity	241,496,101	-	241,496,101	-
Fixed income	<u>76,460,984</u>	<u>-</u>	<u>76,460,984</u>	<u>-</u>
Total mutual funds	<u>317,957,085</u>	<u>-</u>	<u>317,957,085</u>	<u>-</u>
Total assets in fair value hierarchy	397,782,069	<u>\$ 8,321,834</u>	<u>\$ 389,460,235</u>	<u>\$ -</u>
Investments measured at net asset value (Note 9)	<u>57,855,996</u>			
Total investments of Master Trust at fair value	<u>\$ 455,638,065</u>			

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
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**NOTE 8. INTEREST IN MASTER TRUST (CONTINUED)**

The following table summarizes the Master Trust's assets at fair value, on a recurring basis, categorized by GAAP's valuation hierarchy as of December 31, 2014:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:				
Cash equivalents	\$ <u>8,200,342</u>	\$ <u>3,768,874</u>	\$ <u>4,431,468</u>	\$ <u>-</u>
Preferred stocks:				
Insurance	<u>107,894</u>	<u>55,726</u>	<u>52,168</u>	<u>-</u>
Fixed income securities:				
U.S. gov't & agency bonds	5,387,534	5,528,564	(141,030)	-
U.S. corporate bonds	48,635,174	-	48,635,174	-
U.S. municipal bonds	5,531,388	-	5,531,388	-
U.S. Treasury forward contracts	2,103,564	2,103,564	-	-
Foreign gov't bonds	2,503,408	-	2,503,408	-
Foreign corporate bonds	<u>9,095,998</u>	<u>-</u>	<u>9,095,998</u>	<u>-</u>
Total fixed income securities	<u>73,257,066</u>	<u>7,632,128</u>	<u>65,624,938</u>	<u>-</u>
Mutual funds:				
Global equity	240,736,870	-	240,736,870	-
Fixed income	<u>76,106,759</u>	<u>-</u>	<u>76,106,759</u>	<u>-</u>
Total mutual funds	<u>316,843,629</u>	<u>-</u>	<u>316,843,629</u>	<u>-</u>
Total assets in fair value hierarchy	398,408,931	\$ <u>11,456,728</u>	\$ <u>386,952,203</u>	\$ <u>-</u>
Investments measured at net asset value (Note 9)	<u>52,882,924</u>			
Total investments of Master Trust at fair value	\$ <u>451,291,855</u>			

There were no transfers between levels of the fair value hierarchy during the year ended December 31, 2015 and six months ended December 31, 2014.



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**NOTE 9. NET ASSET VALUE PER SHARE**

The following tables set forth a summary of the Master Trust's investments with a reported NAV per share at December 31, 2015:

Fair Value Estimated Using Net Asset Value per Share December 31, 2015					
Investment	Fair Value*	Unfunded Commitments	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
Alternative investments - hedge funds (a)	\$ 54,251,316	\$ -	Quarterly/ Annually	None	90 days
Alternative investments - private equity (b)	2,317,908	98,512	-	None	-
Alternative investments - Real estate (b)	<u>1,286,772</u>	<u>408,905</u>	-	None	-
Total	<u>\$ 57,855,996</u>	<u>\$ 507,417</u>			

Fair Value Estimated Using Net Asset Value per Share December 31, 2014					
Investment	Fair Value*	Unfunded Commitments	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
Alternative investments - hedge funds (a)	\$ 49,005,797	\$ -	Quarterly/ Annually	None	90 days
Alternative investments - private equity (b)	2,712,921	98,512	-	None	-
Alternative investments - Real estate (b)	<u>1,164,206</u>	<u>80,941</u>	-	None	-
Total	<u>\$ 52,882,924</u>	<u>\$ 179,453</u>			

\* The fair values of the investments have been estimated using the NAV of the investments:

- (a) This class includes investments in hedge funds which are generally open-end funds as they typically offer subscription and redemption options to investors. The funds invest in a variety of investment classes (equities, fixed income, commodities) and are primarily long/short strategies. The frequency of such subscriptions or redemptions is dictated by the fund's governing documents. The fair value of an investment at the measurement date is determined by using the reported NAV.
- (b) This class includes investments in private equity and real estate investments which are structured as closed-ended, commitment-based investment funds where there is a responsibility to fund a specified amount of capital upon inception of the fund (i.e., committed capital) which is then drawn down over a specified period of the fund's life. Such funds generally do not provide redemption options for investors and, subsequent to final closing, do not permit subscriptions by new or existing investors. The fair value of an investment at the measurement date is determined by using the reported NAV adjusted for known contributions and distributions.

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015 AND DECEMBER 31, 2014**

**NOTE 10. TAX STATUS**

The Internal Revenue Service has determined and informed the Hospital by a letter dated December 3, 2012, that the Plan is designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter. However, the Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2015 and 2014, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. With few exceptions, the Plan administrator believes it is no longer subject to income tax examinations for years prior to 2012.

**NOTE 11. RISKS AND UNCERTAINTIES**

The Master Trust invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near-term, and such changes could materially affect the Plan's investment in the Master Trust.

Plan contributions and the actuarial present value of accumulated benefits are prepared based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near-term would be material to the financial statements.

**SUPPLEMENTAL SCHEDULE**

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2015

**Schedule SB, Line 26—Schedule of Active Participant Data  
 As of January 1, 2015**

**Thomas Jefferson University Hospitals, Inc.  
 Employee's Pension Plan**

**EIN: 23-1352651 PN: 006**

Number of Participants, Average Compensation and Average Annual Frozen Benefit<sup>1</sup>

Attained Age	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25										
25-29										
30-34	11	23 \$50,309 \$473								
35-39	24 \$71,654 \$591	154 \$62,154 \$1,088	30 \$54,574 \$1,999	1						
40-44	17	114 \$62,334 \$1,200	112 \$70,060 \$2,910	28 \$58,769 \$5,305	1					
45-49	23 \$52,606 \$1,676	91 \$63,996 \$1,377	84 \$68,452 \$3,042	70 \$78,298 \$5,894	15	28 \$77,040 \$457	23 \$74,407 \$0			
50-54	17	107 \$62,721 \$1,753	88 \$71,840 \$3,706	66 \$69,152 \$4,751	15	46 \$76,332 \$2,234	66 \$69,709 \$402	10		
55-59	23 \$56,519 \$2,896	88 \$67,013 \$1,992	71 \$66,165 \$3,425	68 \$78,096 \$5,033	29 \$74,928 \$3,201	48 \$83,664 \$1,463	77 \$70,957 \$1,109	49 \$82,848 \$823	17	2
60-64	5	23 \$56,925 \$1,346	24 \$71,515 \$2,189	61 \$62,958 \$1,277	41 \$70,179 \$808	37 \$64,686 \$1,044	46 \$79,176 \$391	40 \$80,614 \$1,030	28 \$85,073 \$0	10
65-69	4	8	12	13	12	11	7	9	7	7
70+		1		2	2	2	3	4	2	3

<sup>1</sup> Average frozen benefit does not apply to all participants. For ongoing participants, zero frozen benefits are included in the average.

N-2160

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Schedule SB, Part V—Statement of Actuarial Assumptions/Methods

Interest Rates	
ERISA Funding	7.00%
Current Liability	6.81% (PPA 3 <sup>rd</sup> segment rate for September 2014, as limited by the MAP-21 interest rate corridor.)
Salary Increases	3.00%.
Social Security Wage Base Increases	Future wage indices are based on a national wage increase of 2.50% per year.
Optional Payment Form Election Percentage	65% life annuity. 22% joint and 75% survivor annuity. 13% 10-year certain and life.
Retirement Age	
Active Participants	See Table 1.
Terminated Vested Participants	Age 63.
Mortality Rates	
ERISA Funding	2015 static mortality table for annuitants and non-annuitants Per §1.430(h)(3)-1(e).
Current Liability	2015 static mortality table for annuitants and non-annuitants Per §1.430(h)(3)-1(e).
Withdrawal Rates	See Tables 2-3.
Disability Rates	None. Any disabled employees accruing benefit service are included in the active employee population.
Surviving Spouse Benefit	It is assumed that 80% of males and 80% of females have an eligible spouse, and that males are three years older than their spouses.
Valuation Compensation	Annual pay rate on the valuation date for TJUH employees. Prior year earnings rolled forward one year with the salary increase assumption for Methodist employees.
Benefit and Compensation Limits	Projected benefits and compensation are limited by the current IRC section 415 maximum benefit of \$215,000 and the 401(a)(17) compensation limit of \$260,000.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

Valuation of Plan Assets

Each plan year an expected market value of assets is determined by assuming a yield equal to the assumed investment return on the previous market value of assets and on contributions to and payments from the fund. The difference between the expected market value of assets and the actual market value of assets for the current year is the gain or loss from the prior year. The actuarial value of assets is the market value of plan assets, with gains and losses subtracted/added at the rate described as follows:

- (i) 80% of the prior year's gain/loss
- (ii) 60% of the second preceding year's gain/loss
- (iii) 40% of the third preceding year's gain/loss
- (iv) 20% of the fourth preceding year's gain/loss

The actuarial asset value is held to a minimum of 80% and a maximum of 120% of market value.

Actuarial Method

Projected Unit Credit Cost Method.

Valuation Date

January 1, 2015.

Changes in ERISA Methods/Assumptions Since the Prior Year

**Method Changes**

The plan year beginning date has been changed from July 1 to January 1.

**Assumption Changes**

The ERISA funding valuation reflects the following assumption changes to better reflect anticipated experience:

- A change in the mortality assumption from the 2014 static mortality table for annuitants and non-annuitants per section 1.430(h)(3)-1(e) to the 2015 static mortality table for annuitants and non-annuitants per section 1.430(h)(3)-1(e).
- A change in the ERISA funding liability interest rate from 7.50% to 7.00%.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 1  
**Retirement Rates**

<b>Age</b>	<b>TJUH Rate</b>	<b>Methodist Rate</b>
55	5.00%	4.00%
56	5.00%	4.00%
57	5.00%	4.00%
58	5.00%	4.00%
59	5.00%	4.00%
60	5.00%	4.00%
61	5.00%	7.00%
62	15.00%	7.00%
63	15.00%	7.00%
64	15.00%	4.00%
65	30.00%	20.00%
66	30.00%	40.00%
67	30.00%	20.00%
68	20.00%	20.00%
69	20.00%	20.00%
70+	100.00%	100.00%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 2  
**Termination Rates – Methodist Employees**

<b>Age</b>	<b>Rate</b>	<b>Age</b>	<b>Rate</b>
15	17.20%	45	5.20%
16	17.20%	46	4.94%
17	17.20%	47	4.68%
18	17.20%	48	4.42%
19	17.20%	49	4.16%
20	17.20%	50	3.90%
21	16.40%	51	3.52%
22	15.60%	52	3.14%
23	14.80%	53	2.76%
24	14.00%	54	2.38%
25	13.20%	55	2.00%
26	12.64%	56	1.60%
27	12.08%	57	1.20%
28	11.52%	58	0.80%
29	10.96%	59	0.40%
30	10.40%	60+	0.00%
31	9.94%		
32	9.48%		
33	9.02%		
34	8.56%		
35	8.10%		
36	7.74%		
37	7.38%		
38	7.02%		
39	6.66%		
40	6.30%		
41	6.08%		
42	5.86%		
43	5.64%		
44	5.42%		



Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 1 of 8  
 Termination Rates – Hospital Employees - Male

Age	Years of Service					
	0	1	2	3	4-5	6
15	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
16	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
17	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
18	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
19	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
20	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
21	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
22	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
23	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
24	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
25	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
26	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
27	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
28	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
29	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
30	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
31	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
32	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
33	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
34	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
35	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
36	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
37	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
38	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
39	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
40	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
41	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
42	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
43	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
44	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 2 of 8

Termination Rates – Hospital Employees - Male

Age	Years of Service					
	0	1	2	3	4-5	6
45	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
46	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
47	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
48	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
49	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
50	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
51	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
52	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
53	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
54	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
55	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
56	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
57	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
58	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
59	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
60	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
61	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
62	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
63+	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 3 of 8  
**Termination Rates – Hospital Employees - Male**

Age	Years of Service		
	7	8-9	10+
15	12.0000%	10.0000%	0.0000%
16	12.0000%	10.0000%	0.0000%
17	12.0000%	10.0000%	0.0000%
18	12.0000%	10.0000%	0.0000%
19	12.0000%	10.0000%	0.0000%
20	12.0000%	10.0000%	7.9510%
21	12.0000%	10.0000%	7.9120%
22	12.0000%	10.0000%	7.8723%
23	12.0000%	10.0000%	7.8311%
24	12.0000%	10.0000%	7.7871%
25	12.0000%	10.0000%	7.7397%
26	12.0000%	10.0000%	7.6863%
27	12.0000%	10.0000%	7.6803%
28	12.0000%	10.0000%	7.5071%
29	12.0000%	10.0000%	7.3845%
30	12.0000%	10.0000%	7.2422%
31	12.0000%	10.0000%	7.0819%
32	12.0000%	10.0000%	6.9059%
33	12.0000%	10.0000%	6.7162%
34	12.0000%	10.0000%	6.5150%
35	12.0000%	10.0000%	6.3045%
36	12.0000%	10.0000%	6.0874%
37	12.0000%	10.0000%	5.8657%
38	12.0000%	10.0000%	5.6416%
39	12.0000%	10.0000%	5.4164%
40	12.0000%	10.0000%	5.1913%
41	12.0000%	10.0000%	4.9655%
42	12.0000%	10.0000%	4.7382%
43	12.0000%	10.0000%	4.5100%
44	12.0000%	10.0000%	4.2803%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 4 of 8  
**Termination Rates – Hospital Employees - Male**

Age	Years of Service		
	7	8-9	10+
45	12.0000%	10.0000%	4.0486%
46	12.0000%	10.0000%	3.8102%
47	12.0000%	10.0000%	3.5592%
48	12.0000%	10.0000%	3.2911%
49	12.0000%	10.0000%	3.0030%
50	12.0000%	10.0000%	2.6952%
51	12.0000%	10.0000%	2.3732%
52	12.0000%	10.0000%	2.0462%
53	12.0000%	10.0000%	1.7260%
54	12.0000%	10.0000%	1.4246%
55	12.0000%	10.0000%	1.1530%
56	12.0000%	10.0000%	0.9170%
57	12.0000%	10.0000%	0.7231%
58	12.0000%	10.0000%	0.5717%
59	12.0000%	10.0000%	0.4529%
60	12.0000%	10.0000%	0.3675%
61	12.0000%	10.0000%	0.3165%
62	12.0000%	10.0000%	0.2993%
63+	12.0000%	10.0000%	0.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 5 of 8  
 Termination Rates – Hospital Employees - Female

Age	Years of Service					
	0	1	2	3	4-5	6
15	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
16	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
17	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
18	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
19	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
20	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
21	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
22	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
23	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
24	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
25	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
26	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
27	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
28	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
29	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
30	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
31	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
32	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
33	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
34	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
35	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
36	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
37	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
38	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
39	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
40	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
41	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
42	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
43	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
44	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 6 of 8  
**Termination Rates – Hospital Employees - Female**

Age	Years of Service					
	0	1	2	3	4-5	6
45	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
46	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
47	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
48	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
49	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
50	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
51	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
52	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
53	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
54	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
55	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
56	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
57	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
58	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
59	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
60	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
61	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
62	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
63+	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 7 of 8  
**Termination Rates – Hospital Employees - Female**

Age	Years of Service		
	7	8-9	10+
15	12.0000%	10.0000%	0.0000%
16	12.0000%	10.0000%	0.0000%
17	12.0000%	10.0000%	0.0000%
18	12.0000%	10.0000%	0.0000%
19	12.0000%	10.0000%	0.0000%
20	12.0000%	10.0000%	7.9589%
21	12.0000%	10.0000%	7.9207%
22	12.0000%	10.0000%	7.8821%
23	12.0000%	10.0000%	7.8416%
24	12.0000%	10.0000%	7.7988%
25	12.0000%	10.0000%	7.7526%
26	12.0000%	10.0000%	7.7006%
27	12.0000%	10.0000%	7.6241%
28	12.0000%	10.0000%	7.5245%
29	12.0000%	10.0000%	7.4038%
30	12.0000%	10.0000%	7.2634%
31	12.0000%	10.0000%	7.1054%
32	12.0000%	10.0000%	6.9318%
33	12.0000%	10.0000%	6.7447%
34	12.0000%	10.0000%	6.5465%
35	12.0000%	10.0000%	6.3394%
36	12.0000%	10.0000%	6.1259%
37	12.0000%	10.0000%	5.9081%
38	12.0000%	10.0000%	5.6885%
39	12.0000%	10.0000%	5.4683%
40	12.0000%	10.0000%	5.2485%
41	12.0000%	10.0000%	5.0305%
42	12.0000%	10.0000%	4.8158%
43	12.0000%	10.0000%	4.6040%
44	12.0000%	10.0000%	4.3945%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 8 of 8  
**Termination Rates – Hospital Employees - Female**

Age	Years of Service		
	7	8-9	10+
45	12.0000%	10.0000%	4.1862%
46	12.0000%	10.0000%	3.9744%
47	12.0000%	10.0000%	3.7506%
48	12.0000%	10.0000%	3.5081%
49	12.0000%	10.0000%	3.2446%
50	12.0000%	10.0000%	2.9599%
51	12.0000%	10.0000%	2.6600%
52	12.0000%	10.0000%	2.3542%
53	12.0000%	10.0000%	2.0546%
54	12.0000%	10.0000%	1.7732%
55	12.0000%	10.0000%	1.5212%
56	12.0000%	10.0000%	1.3043%
57	12.0000%	10.0000%	1.1296%
58	12.0000%	10.0000%	1.0013%
59	12.0000%	10.0000%	0.9203%
60	12.0000%	10.0000%	0.8851%
61	12.0000%	10.0000%	0.8933%
62	12.0000%	10.0000%	0.9424%
63+	12.0000%	10.0000%	0.0000%



<b>SCHEDULE SB</b> <b>(Form 5500)</b>  Department of the Treasury Internal Revenue Service  Department of Labor Employee Benefits Security Administration  Pension Benefit Guaranty Corporation	<b>Single-Employer Defined Benefit Plan</b> <b>Actuarial Information</b>  This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).  <b>▶ File as an attachment to Form 5500 or 5500-SF.</b>	OMB No. 1210-0110  <b>2015</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2015 or fiscal plan year beginning 01/01/2015 and ending 12/31/2015

▶ **Round off amounts to nearest dollar.**  
 ▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

<b>A</b> Name of plan THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC. EMPLOYEES' PENSION PLAN	<b>B</b> Three-digit plan number (PN) ▶	006
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF  Thomas Jefferson University	<b>D</b> Employer Identification Number (EIN)  23-1352651	
<b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	<b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500	

<b>Part I Basic Information</b>			
<b>1</b> Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2015</u>			
<b>2</b> Assets:			
<b>a</b> Market value .....	<b>2a</b>	321,665,106	
<b>b</b> Actuarial value.....	<b>2b</b>	316,558,490	
<b>3</b> Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
<b>a</b> For retired participants and beneficiaries receiving payment.....	1,179	101,579,878	101,579,878
<b>b</b> For terminated vested participants.....	2,157	55,064,181	55,064,181
<b>c</b> For active participants.....	2,160	129,771,800	130,336,498
<b>d</b> Total.....	5,496	286,415,859	286,980,557
<b>4</b> If the plan is in at-risk status, check the box and complete lines (a) and (b) .....	<input type="checkbox"/>		
<b>a</b> Funding target disregarding prescribed at-risk assumptions .....	<b>4a</b>		
<b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor .....	<b>4b</b>		
<b>5</b> Effective interest rate.....	<b>5</b>	6.31%	
<b>6</b> Target normal cost.....	<b>6</b>	5,372,680	

**Statement by Enrolled Actuary**  
 To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

<b>SIGN HERE</b>	<u>CHRISTOPHER E. FLOHR CEF</u> Signature of actuary	<u>10/12/2016</u> Date
	<u>CHRISTOPHER E. FLOHR</u> Type or print name of actuary	<u>1406359</u> Most recent enrollment number
	<u>HEWITT ASSOCIATES LLC</u> Firm name	<u>410-547-2800</u> Telephone number (including area code)
	<u>500 EAST PRATT STREET, SUITE 700</u> <u>BALTIMORE MD 21202</u> Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

<b>Part II Beginning of Year Carryover and Prefunding Balances</b>		(a) Carryover balance	(b) Prefunding balance
<b>7</b>	Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....		
<b>8</b>	Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....		
<b>9</b>	Amount remaining (line 7 minus line 8) .....		
<b>10</b>	Interest on line 9 using prior year's actual return of _____ % .....		
<b>11</b>	Prior year's excess contributions to be added to prefunding balance:		
	<b>a</b> Present value of excess contributions (line 38a from prior year) .....		
	<b>b(1)</b> Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.51</u> % .....		
	<b>b(2)</b> Interest on line 38b from prior year Schedule SB, using prior year's actual return .....		
	<b>c</b> Total available at beginning of current plan year to add to prefunding balance .....		
	<b>d</b> Portion of (c) to be added to prefunding balance .....		
<b>12</b>	Other reductions in balances due to elections or deemed elections .....		
<b>13</b>	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....		

<b>Part III Funding Percentages</b>			
<b>14</b>	Funding target attainment percentage .....	<b>14</b>	110.30 %
<b>15</b>	Adjusted funding target attainment percentage .....	<b>15</b>	%
<b>16</b>	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement .....	<b>16</b>	%
<b>17</b>	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage. ....	<b>17</b>	%

<b>Part IV Contributions and Liquidity Shortfalls</b>		18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees		
10/01/2015	5,000,000						
<b>Totals ▶</b>			<b>18(b)</b>	5,000,000	<b>18(c)</b>		

**19** Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

<b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years .....	<b>19a</b>	
<b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....	<b>19b</b>	
<b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date .....	<b>19c</b>	

**20** Quarterly contributions and liquidity shortfalls:

**a** Did the plan have a "funding shortfall" for the prior year? .....  Yes  No

**b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? .....  Yes  No

**c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

**Part V Assumptions Used to Determine Funding Target and Target Normal Cost**

**21** Discount rate:

<b>a</b> Segment rates:	1st segment: 4.72%	2nd segment: 6.11%	3rd segment: 6.81%	<input type="checkbox"/> N/A, full yield curve used
<b>b</b> Applicable month (enter code) .....				<b>21b</b> 1

**22** Weighted average retirement age ..... **22** 64

**23** Mortality table(s) (see instructions)  Prescribed - combined  Prescribed - separate  Substitute

**Part VI Miscellaneous Items**

**24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment .....  Yes  No

**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment .....  Yes  No

**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment .....  Yes  No

**27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment ..... **27** 8

**Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years**

**28** Unpaid minimum required contributions for all prior years ..... **28**

**29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) ..... **29**

**30** Remaining amount of unpaid minimum required contributions (line 28 minus line 29) ..... **30**

**Part VIII Minimum Required Contribution For Current Year**

**31** Target normal cost and excess assets (see instructions):

<b>a</b> Target normal cost (line 6).....		<b>31a</b>
<b>b</b> Excess assets, if applicable, but not greater than line 31a .....		<b>31b</b>

**32** Amortization installments:

	Outstanding Balance	Installment
<b>a</b> Net shortfall amortization installment .....		
<b>b</b> Waiver amortization installment .....		

**33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_) and the waived amount ..... **33**

**34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) ... **34**

	Carryover balance	Prefunding balance		Total balance
<b>35</b> Balances elected for use to offset funding requirement.....				

**36** Additional cash requirement (line 34 minus line 35) ..... **36**

**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) ..... **37**

**38** Present value of excess contributions for current year (see instructions)

<b>a</b> Total (excess, if any, of line 37 over line 36) .....		<b>38a</b>
<b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....		<b>38b</b>

**39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)..... **39**

**40** Unpaid minimum required contributions for all years ..... **40**

**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)**

**41** If an election was made to use PRA 2010 funding relief for this plan:

**a** Schedule elected .....  2 plus 7 years  15 years

**b** Eligible plan year(s) for which the election in line 41a was made .....  2008  2009  2010  2011

**42** Amount of acceleration adjustment ..... **42**

**43** Excess installment acceleration amount to be carried over to future plan years ..... **43**

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Schedule SB, Part V—Statement of Actuarial Assumptions/Methods

Interest Rates	
ERISA Funding	7.00%
Current Liability	6.81% (PPA 3 <sup>rd</sup> segment rate for September 2014, as limited by the MAP-21 interest rate corridor.)
Salary Increases	3.00%.
Social Security Wage Base Increases	Future wage indices are based on a national wage increase of 2.50% per year.
Optional Payment Form Election Percentage	65% life annuity. 22% joint and 75% survivor annuity. 13% 10-year certain and life.
Retirement Age	
Active Participants	See Table 1.
Terminated Vested Participants	Age 63.
Mortality Rates	
ERISA Funding	2015 static mortality table for annuitants and non-annuitants Per §1.430(h)(3)-1(e).
Current Liability	2015 static mortality table for annuitants and non-annuitants Per §1.430(h)(3)-1(e).
Withdrawal Rates	See Tables 2-3.
Disability Rates	None. Any disabled employees accruing benefit service are included in the active employee population.
Surviving Spouse Benefit	It is assumed that 80% of males and 80% of females have an eligible spouse, and that males are three years older than their spouses.
Valuation Compensation	Annual pay rate on the valuation date for TJUH employees. Prior year earnings rolled forward one year with the salary increase assumption for Methodist employees.
Benefit and Compensation Limits	Projected benefits and compensation are limited by the current IRC section 415 maximum benefit of \$215,000 and the 401(a)(17) compensation limit of \$260,000.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

Valuation of Plan Assets

Each plan year an expected market value of assets is determined by assuming a yield equal to the assumed investment return on the previous market value of assets and on contributions to and payments from the fund. The difference between the expected market value of assets and the actual market value of assets for the current year is the gain or loss from the prior year. The actuarial value of assets is the market value of plan assets, with gains and losses subtracted/added at the rate described as follows:

- (i) 80% of the prior year's gain/loss
- (ii) 60% of the second preceding year's gain/loss
- (iii) 40% of the third preceding year's gain/loss
- (iv) 20% of the fourth preceding year's gain/loss

The actuarial asset value is held to a minimum of 80% and a maximum of 120% of market value.

Actuarial Method

Projected Unit Credit Cost Method.

Valuation Date

January 1, 2015.

Changes in ERISA Methods/Assumptions Since the Prior Year

**Method Changes**

The plan year beginning date has been changed from July 1 to January 1.

**Assumption Changes**

The ERISA funding valuation reflects the following assumption changes to better reflect anticipated experience:

- A change in the mortality assumption from the 2014 static mortality table for annuitants and non-annuitants per section 1.430(h)(3)-1(e) to the 2015 static mortality table for annuitants and non-annuitants per section 1.430(h)(3)-1(e).
- A change in the ERISA funding liability interest rate from 7.50% to 7.00%.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 1  
**Retirement Rates**

<b>Age</b>	<b>TJUH Rate</b>	<b>Methodist Rate</b>
55	5.00%	4.00%
56	5.00%	4.00%
57	5.00%	4.00%
58	5.00%	4.00%
59	5.00%	4.00%
60	5.00%	4.00%
61	5.00%	7.00%
62	15.00%	7.00%
63	15.00%	7.00%
64	15.00%	4.00%
65	30.00%	20.00%
66	30.00%	40.00%
67	30.00%	20.00%
68	20.00%	20.00%
69	20.00%	20.00%
70+	100.00%	100.00%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 2  
**Termination Rates – Methodist Employees**

<b>Age</b>	<b>Rate</b>	<b>Age</b>	<b>Rate</b>
15	17.20%	45	5.20%
16	17.20%	46	4.94%
17	17.20%	47	4.68%
18	17.20%	48	4.42%
19	17.20%	49	4.16%
20	17.20%	50	3.90%
21	16.40%	51	3.52%
22	15.60%	52	3.14%
23	14.80%	53	2.76%
24	14.00%	54	2.38%
25	13.20%	55	2.00%
26	12.64%	56	1.60%
27	12.08%	57	1.20%
28	11.52%	58	0.80%
29	10.96%	59	0.40%
30	10.40%	60+	0.00%
31	9.94%		
32	9.48%		
33	9.02%		
34	8.56%		
35	8.10%		
36	7.74%		
37	7.38%		
38	7.02%		
39	6.66%		
40	6.30%		
41	6.08%		
42	5.86%		
43	5.64%		
44	5.42%		



Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 1 of 8  
 Termination Rates – Hospital Employees - Male

Age	Years of Service					
	0	1	2	3	4-5	6
15	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
16	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
17	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
18	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
19	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
20	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
21	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
22	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
23	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
24	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
25	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
26	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
27	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
28	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
29	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
30	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
31	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
32	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
33	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
34	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
35	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
36	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
37	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
38	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
39	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
40	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
41	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
42	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
43	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
44	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%



Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 2 of 8

Termination Rates – Hospital Employees - Male

Age	Years of Service					
	0	1	2	3	4-5	6
45	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
46	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
47	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
48	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
49	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
50	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
51	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
52	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
53	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
54	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
55	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
56	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
57	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
58	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
59	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
60	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
61	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
62	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
63+	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 3 of 8  
**Termination Rates – Hospital Employees - Male**

Age	Years of Service		
	7	8-9	10+
15	12.0000%	10.0000%	0.0000%
16	12.0000%	10.0000%	0.0000%
17	12.0000%	10.0000%	0.0000%
18	12.0000%	10.0000%	0.0000%
19	12.0000%	10.0000%	0.0000%
20	12.0000%	10.0000%	7.9510%
21	12.0000%	10.0000%	7.9120%
22	12.0000%	10.0000%	7.8723%
23	12.0000%	10.0000%	7.8311%
24	12.0000%	10.0000%	7.7871%
25	12.0000%	10.0000%	7.7397%
26	12.0000%	10.0000%	7.6863%
27	12.0000%	10.0000%	7.6803%
28	12.0000%	10.0000%	7.5071%
29	12.0000%	10.0000%	7.3845%
30	12.0000%	10.0000%	7.2422%
31	12.0000%	10.0000%	7.0819%
32	12.0000%	10.0000%	6.9059%
33	12.0000%	10.0000%	6.7162%
34	12.0000%	10.0000%	6.5150%
35	12.0000%	10.0000%	6.3045%
36	12.0000%	10.0000%	6.0874%
37	12.0000%	10.0000%	5.8657%
38	12.0000%	10.0000%	5.6416%
39	12.0000%	10.0000%	5.4164%
40	12.0000%	10.0000%	5.1913%
41	12.0000%	10.0000%	4.9655%
42	12.0000%	10.0000%	4.7382%
43	12.0000%	10.0000%	4.5100%
44	12.0000%	10.0000%	4.2803%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 4 of 8  
**Termination Rates – Hospital Employees - Male**

Age	Years of Service		
	7	8-9	10+
45	12.0000%	10.0000%	4.0486%
46	12.0000%	10.0000%	3.8102%
47	12.0000%	10.0000%	3.5592%
48	12.0000%	10.0000%	3.2911%
49	12.0000%	10.0000%	3.0030%
50	12.0000%	10.0000%	2.6952%
51	12.0000%	10.0000%	2.3732%
52	12.0000%	10.0000%	2.0462%
53	12.0000%	10.0000%	1.7260%
54	12.0000%	10.0000%	1.4246%
55	12.0000%	10.0000%	1.1530%
56	12.0000%	10.0000%	0.9170%
57	12.0000%	10.0000%	0.7231%
58	12.0000%	10.0000%	0.5717%
59	12.0000%	10.0000%	0.4529%
60	12.0000%	10.0000%	0.3675%
61	12.0000%	10.0000%	0.3165%
62	12.0000%	10.0000%	0.2993%
63+	12.0000%	10.0000%	0.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 5 of 8  
 Termination Rates – Hospital Employees - Female

Age	Years of Service					
	0	1	2	3	4-5	6
15	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
16	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
17	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
18	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
19	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
20	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
21	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
22	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
23	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
24	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
25	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
26	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
27	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
28	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
29	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
30	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
31	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
32	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
33	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
34	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
35	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
36	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
37	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
38	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
39	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
40	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
41	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
42	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
43	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
44	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 6 of 8  
 Termination Rates – Hospital Employees - Female

Age	Years of Service					
	0	1	2	3	4-5	6
45	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
46	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
47	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
48	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
49	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
50	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
51	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
52	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
53	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
54	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
55	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
56	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
57	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
58	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
59	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
60	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
61	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
62	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
63+	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 7 of 8  
**Termination Rates – Hospital Employees - Female**

Age	Years of Service		
	7	8-9	10+
15	12.0000%	10.0000%	0.0000%
16	12.0000%	10.0000%	0.0000%
17	12.0000%	10.0000%	0.0000%
18	12.0000%	10.0000%	0.0000%
19	12.0000%	10.0000%	0.0000%
20	12.0000%	10.0000%	7.9589%
21	12.0000%	10.0000%	7.9207%
22	12.0000%	10.0000%	7.8821%
23	12.0000%	10.0000%	7.8416%
24	12.0000%	10.0000%	7.7988%
25	12.0000%	10.0000%	7.7526%
26	12.0000%	10.0000%	7.7006%
27	12.0000%	10.0000%	7.6241%
28	12.0000%	10.0000%	7.5245%
29	12.0000%	10.0000%	7.4038%
30	12.0000%	10.0000%	7.2634%
31	12.0000%	10.0000%	7.1054%
32	12.0000%	10.0000%	6.9318%
33	12.0000%	10.0000%	6.7447%
34	12.0000%	10.0000%	6.5465%
35	12.0000%	10.0000%	6.3394%
36	12.0000%	10.0000%	6.1259%
37	12.0000%	10.0000%	5.9081%
38	12.0000%	10.0000%	5.6885%
39	12.0000%	10.0000%	5.4683%
40	12.0000%	10.0000%	5.2485%
41	12.0000%	10.0000%	5.0305%
42	12.0000%	10.0000%	4.8158%
43	12.0000%	10.0000%	4.6040%
44	12.0000%	10.0000%	4.3945%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 8 of 8  
**Termination Rates – Hospital Employees - Female**

Age	Years of Service		
	7	8-9	10+
45	12.0000%	10.0000%	4.1862%
46	12.0000%	10.0000%	3.9744%
47	12.0000%	10.0000%	3.7506%
48	12.0000%	10.0000%	3.5081%
49	12.0000%	10.0000%	3.2446%
50	12.0000%	10.0000%	2.9599%
51	12.0000%	10.0000%	2.6600%
52	12.0000%	10.0000%	2.3542%
53	12.0000%	10.0000%	2.0546%
54	12.0000%	10.0000%	1.7732%
55	12.0000%	10.0000%	1.5212%
56	12.0000%	10.0000%	1.3043%
57	12.0000%	10.0000%	1.1296%
58	12.0000%	10.0000%	1.0013%
59	12.0000%	10.0000%	0.9203%
60	12.0000%	10.0000%	0.8851%
61	12.0000%	10.0000%	0.8933%
62	12.0000%	10.0000%	0.9424%
63+	12.0000%	10.0000%	0.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

Schedule SB, Part V—Summary of Plan Provisions

Effective Date	January 1, 1968. As most recently restated July 1, 2008, reflecting June 2012 amendment.
Membership Requirements TJUH Employees' Plan	January 1 or July 1 next following attainment of age 21 and 1,000 hours of service in a 12-month period. No employees hired after June 30, 2004 can become a participant.
Methodist Plan	First day of month following attainment of age 21 and 1,000 hours of service in a plan year. No employees hired after June 30, 2004 can become a participant.
Definition of: Credited Service TJUH Employees' Plan	A fractional year of service is credited equal to the ratio of hours of service earned during the plan year to 1,800, but not greater than one.
Methodist Plan	A year of service is credited for each plan year in which 1,000 hours of service are earned. A fractional year is credited in year of hire and termination equal to one-twelfth a year for each completed month in which the employee works at least 83 hours.
Vesting Service	One year of vesting service is credited for each plan year in which 1,000 hours of service are earned.
Compensation TJUH Employees' Plan	The rate of base pay at the beginning of a plan year.
Methodist Plan	Compensation paid for a year excluding overtime pay, shift differential pay, bonuses, and commissions.
Average Final Compensation TJUH Employees' Plan	Highest average compensation during five consecutive complete plan years.
Methodist Plan	Highest average compensation during four consecutive complete plan years.
Actuarial Equivalent	Based on the 1984 Unisex Pensioners Mortality Table set back seven years and an interest rate of 6.00%.
Plan Year	January 1 to December 31.



Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Covered Compensation Average of the Social Security taxable wage base during the 35 year period ending at Social Security Retirement Age.

Social Security Retirement Age Age at which an unreduced Social Security benefit is payable. Varies by year of birth as shown below:

<u>Year of Birth</u>	<u>Social Security Retirement Age</u>
Before 1938	65
1938 through 1954	66
1955 and after	67

Normal Retirement

Eligibility

TJUH Employees' Plan

Age 65 and five years of Vesting Service.

Methodist Plan

Age 65 and five years of plan participation.

Benefit

TJUH Employees' Plan

Annual benefit is equal to 1.1% of Average Final Compensation below one-half of Covered Compensation, plus 1.3% of Average Final Compensation in excess of one-half of Covered Compensation, multiplied by years of Credited Service. There is a minimum benefit of \$15 per month multiplied by years of Credited Service.

Prior CRH Plan participants receive their frozen CRH Plan benefit as of December 31, 1995 plus Credited Service under the above formula for service after January 1, 1996.

Ford Road Campus employees receive Credited Service under the above formula for service after January 1, 1996.

Methodist Plan

Annual benefit is equal to 1.0% of Average Final Compensation below Covered Compensation, plus 1.5% of Average Final Compensation in excess of Covered Compensation, multiplied by years of Credited Service.

Participants in prior plan as of July 1, 1980 have a frozen minimum annual benefit equal to .75% of Average Final Compensation in excess of \$7,800 plus 1.25% of Average Final Compensation, multiplied by years of service. Average Final Earnings and years of service are

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

determined as of the earlier of termination or June 30, 1992.

Early Retirement

Eligibility

TJUH Employees' Plan

Age 55 and five years of Vesting Service.

Methodist Plan

Age 55 and ten years of Vesting Service.

Benefit

TJUH Employees' Plan

Immediate benefit equal to the accrued normal retirement pension reduced from age 65 by one-fifteenth for the first five years and one-thirtieth for the next five years.

Methodist Plan

Immediate benefit equal to the accrued normal retirement pension reduced from age 65 by 6% per year.

Vested Termination

Eligibility

Five years of Vesting Service.

Benefit

TJUH Employees' Plan

Benefit equal to the accrued normal retirement pension payable at age 65. The participant may commence the benefit beginning on or after age 55, reduced as for early retirement.

Methodist Plan

Benefit equal to the accrued normal retirement pension payable at age 65. A participant with ten years of Vesting Service may commence the benefit beginning on or after age 55, reduced as for early retirement.

Disability

Eligibility

TJUH Employees' Plan

Five years of Vesting Service.

Methodist Plan

Ten years of Vesting Service and eligible for employer's Long Term Disability Insurance Plan.

Benefit

Accrued benefit payable at Normal Retirement Date based on continued Credited Service and level compensation and Social Security Covered Compensation through period of disability.

Death Benefit

Eligibility

Death in active service or after termination, after completion of five years of Vesting Service.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

Benefit The survivor benefit is equal to the amount the survivor would have received had the participant terminated employment just prior to his death, lived to earliest retirement date, elected a joint and 50% Survivor Annuity, and died immediately thereafter. Payments begin in the month following the participant's death, or when the participant would have reached earliest retirement age, whichever is later.

Normal Form of Benefit

Single Life Annuity.

Married 50% Joint and Spouse Annuity. Actuarial equivalent of Life Annuity.

Optional Forms of Benefit

75% or 100% Joint and Survivor Annuity.

Five-, ten-, (fifteen-, or twenty- for TJUH Employees' Plan) year Certain and Life Annuity.

Life Annuity for married members.

All optional forms of benefit are the Actuarial Equivalent of a Life Annuity.

Employee Contributions  
TJUH Employees' Plan

Effective February 1, 1973, the plan was amended to remove the requirements of employee contributions. Contributions prior to the amendment are increased at an interest rate of (1) 5% per year prior to July 1, 1988, and (2) 120% of the Federal Mid-Term Rate after July 1, 1988.

Methodist Plan

None

Plan Transfers

Employees who elected to transfer to the new TJUH Employees' Defined Contribution Plan effective July 1, 2004, plus all employees less than age 50 and with less than 15 years of Vesting Service as of July 1, 2004, will have frozen accrued benefits as of June 30, 2004 under this plan.

Changes in Plan Provisions since the Prior Year

The January 1, 2015 funding valuation reflects the following plan changes:

- A change in the mortality and interest rates for determining minimum lump sum payments under IRC Section 417(e)(3) to the rates in effect for the current plan year.
- The plan year has been changed to January 1 through December 31.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2015

**Schedule SB, Line 26—Schedule of Active Participant Data  
 As of January 1, 2015**

**Thomas Jefferson University Hospitals, Inc.  
 Employee's Pension Plan**

**EIN: 23-1352651 PN: 006**

Number of Participants, Average Compensation and Average Annual Frozen Benefit<sup>1</sup>

Attained Age	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25										
25-29										
30-34	11	23 \$50,309 \$473								
35-39	24 \$71,654 \$591	154 \$62,154 \$1,088	30 \$54,574 \$1,999	1						
40-44	17	114 \$62,334 \$1,200	112 \$70,060 \$2,910	28 \$58,769 \$5,305	1					
45-49	23 \$52,606 \$1,676	91 \$63,996 \$1,377	84 \$68,452 \$3,042	70 \$78,298 \$5,894	15	28 \$77,040 \$457	23 \$74,407 \$0			
50-54	17	107 \$62,721 \$1,753	88 \$71,840 \$3,706	66 \$69,152 \$4,751	15	46 \$76,332 \$2,234	66 \$69,709 \$402	10		
55-59	23 \$56,519 \$2,896	88 \$67,013 \$1,992	71 \$66,165 \$3,425	68 \$78,096 \$5,033	29 \$74,928 \$3,201	48 \$83,664 \$1,463	77 \$70,957 \$1,109	49 \$82,848 \$823	17	2
60-64	5	23 \$56,925 \$1,346	24 \$71,515 \$2,189	61 \$62,958 \$1,277	41 \$70,179 \$808	37 \$64,686 \$1,044	46 \$79,176 \$391	40 \$80,614 \$1,030	28 \$85,073 \$0	10
65-69	4	8	12	13	12	11	7	9	7	7
70+		1		2	2	2	3	4	2	3

<sup>1</sup> Average frozen benefit does not apply to all participants. For ongoing participants, zero frozen benefits are included in the average.

N-2160

**SCHEDULE B  
(Form 5500)**

Department of the Treasury  
Internal Revenue Service  
Department of Labor  
Employee Benefits Security  
Administration

Pension Benefit Guaranty Corporation

**Actuarial Information**

This schedule is required to be filed under Section 104 of the Employee Retirement Income Security Act of 1974, referred to as ERISA, except when attached to Form 5500-EZ and, in all cases, under section 6059(a) of the Internal Revenue Code, referred to as the Code.

▶ **Attach to Form 5500 or 5500-EZ if applicable.**  
▶ **See separate instructions.**

Official Use Only

OMB No. 1210-0110

**2007**

**This Form is Open to Public Inspection (except when attached to Form 5500-EZ).**

For calendar plan year 2007 or fiscal plan year beginning 01/01/2015, and ending 12/31/2015,

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

<b>A</b> Name of plan THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC. EMPLOY		<b>B</b> Three-digit plan number ... ▶	006
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-EZ. THOMAS JEFFERSON UNIVERSITY HOSPITAL		<b>D</b> Employer Identification Number 23-1352651	
<b>E</b> Type of plan: (1) Multiemployer (2) <input checked="" type="checkbox"/> Single-employer (3) Multiple-employer	<b>F</b> 100 or fewer participants in prior plan year		

**Part I Basic Information** (To be completed by all plans)

**1a** Enter the actuarial valuation date: Month 01 Day 01 Year 2015

**b** Assets:

(1) Current value of assets .....	<b>b(1)</b>	322157157
(2) Actuarial value of assets for funding standard account .....	<b>b(2)</b>	321135166
<b>c</b> (1) Accrued liability for plans using immediate gain methods .....	<b>c(1)</b>	281832719
(2) Information for plans using spread gain methods:		
(a) Unfunded liability for methods with bases .....	<b>c(2)(a)</b>	
(b) Accrued liability under entry age normal method .....	<b>c(2)(b)</b>	
(c) Normal cost under entry age normal method .....	<b>c(2)(c)</b>	

**Statement by Enrolled Actuary (see instructions before signing):**

To the best of my knowledge, the information supplied in this schedule and on the accompanying schedules, statements, and attachments, if any, is complete and accurate, and in my opinion each assumption, used in combination, represents my best estimate of anticipated experience under the plan. Furthermore, in the case of a plan other than a multiemployer plan, each assumption used (a) is reasonable (taking into account the experience of the plan and reasonable expectations) or (b) would, in the aggregate, result in a total contribution equivalent to that which would be determined if each such assumption were reasonable; in the case of a multiemployer plan, the assumptions used, in the aggregate, are reasonable (taking into account the experience of the plan and reasonable expectations).

**SIGN  
HERE**

**Signature of actuary**

CHRISTOPHER E. FLOHR  
Type or print name of actuary

HEWITT ASSOCIATES LLC  
Firm name

500 EAST PRATT STREET, SUITE 700  
BALTIMORE MD 21202  
Address of the firm

**Date**

**G** 1406359  
Most recent enrollment number

540-832-0263  
Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-EZ. √10.1 Schedule B (Form 5500) 2007

0 8 0 7 3 5 0 1 0 0



<b>1d</b> Information on current liabilities of the plan:		
(1) Amount excluded from current liability attributable to pre-participation service (see instructions) . . .	<b>d(1)</b>	0
(2) "RPA '94" information:		
(a) Current liability . . . . .	<b>d(2)(a)</b>	271060921
(b) Expected increase in current liability due to benefits accruing during the plan year . . . . .	<b>d(2)(b)</b>	5058060
(c) Current liability computed at highest allowable interest rate (see instructions) . . . . .	<b>d(2)(c)</b>	271060921
(d) Expected release from "RPA '94" current liability for the plan year . . . . .	<b>d(2)(d)</b>	
(3) Expected plan disbursements for the plan year . . . . .	<b>d(3)</b>	12338732

<b>2</b> Operational information as of beginning of this plan year:		
<b>a</b> Current value of the assets (see instructions) . . . . .	<b>2a</b>	322157157

<b>b</b> "RPA '94" current liability:	(1) No. of Persons	(2) Vested Benefits	(3) Total Benefits
(1) For retired participants and beneficiaries receiving payments . . . . .	1179	96148294	96148294
(2) For terminated vested participants . . . . .	2157	52029103	52029103
(3) For active participants . . . . .	2160	122372066	122883524
(4) Total . . . . .	5496	270549463	271060921

<b>c</b> If the percentage resulting from dividing line 2a by line 2b(4), column (3) is less than 70%, enter such percentage . . . . .	<b>2c</b>	%
--	-----------	---

<b>3</b> Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Month-Day-Year	(b) Amount paid by employer	(c) Amount paid by employees	(a) Month-Day-Year	(b) Amount paid by employer	(c) Amount paid by employees
10/01/2015	5000000				
<b>3 Totals ▶ (b)</b>				5000000	<b>(c)</b> 0

<b>4</b> Quarterly contributions and liquidity shortfall(s):		
<b>a</b> Plans other than multiemployer plans, enter funded current liability percentage for preceding year (see instructions) . . . . .	<b>4a</b>	113.5%

<b>b</b> If line 4a is less than 100%, see instructions, and complete the following table as applicable:				
Liquidity shortfall as of end of Quarter of this plan year				
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th	



- 5** Actuarial cost method used as the basis for this plan year's funding standard account computation:
- a**  Attained age normal          **b**  Entry age normal          **c**  Accrued benefit (unit credit)
- d**  Aggregate          **e**  Frozen initial liability          **f**  Individual level premium
- g**  Individual aggregate          **h**  Other (specify) ▶ \_\_\_\_\_
- i** Has a change been made in funding method for this plan year? .....  Yes  No
- j** If line i is "Yes," was the change made pursuant to Revenue Procedure 2000-40? .....  Yes  No
- k** If line i is "Yes," and line j is "No" enter the date of the ruling letter (individual or class) approving the change in funding method ..... Month Day Year

**6** Checklist of certain actuarial assumptions:

<b>a</b> Interest rates for "RPA '94" current liability .....	<b>6a</b>	6.81 %		<input type="checkbox"/> N/A	
	<b>6b</b>	64		<input type="checkbox"/> N/A	
<b>b</b> Weighted average retirement age .....	<b>6c</b>			<input checked="" type="checkbox"/> N/A	
<b>c</b> Rates specified in insurance or annuity contracts ... <input checked="" type="checkbox"/> N/A	Pre-retirement		Post-retirement		
	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
<b>d</b> Mortality table code for valuation purposes:					
(1) Males .....	<b>d(1)</b>	A	A		
(2) Females .....	<b>d(2)</b>	A	A		
<b>e</b> Valuation liability interest rate .....	<b>6e</b>	7.00 %	7.00 %	<input type="checkbox"/> N/A	
<b>f</b> Expense loading .....	<b>6f</b>	0.0 %	0.0 %	<input type="checkbox"/> N/A	
<b>g</b> Annual withdrawal rates:		Male		Female	
		Rate Code		Rate Code	
(1) Age 25 .....	<b>g(1)</b>	S	32.50 %	S	32.50 %
(2) Age 40 .....	<b>g(2)</b>	S	32.50 %	S	32.50 %
(3) Age 55 .....	<b>g(3)</b>	S	32.50 %	S	32.50 %
<b>h</b> Salary scale .....	<b>6h</b>	3.00 %		3.00 %	
<b>i</b> Estimated investment return on actuarial value of assets for year ending on the valuation date	<b>6i</b>			4.4 %	
<b>j</b> Estimated investment return on current value of assets for year ending on the valuation date ..	<b>6j</b>			1.5 %	

**7** New amortization bases established in the current plan year:

(1) Type of Base	(2) Initial Balance	(3) Amortization Charge/Credit
1	13429641	3061088
_____	_____	_____
_____	_____	_____
_____	_____	_____

**8** Miscellaneous information:

**a** If a waiver of a funding deficiency or an extension of an amortization period has been approved for this plan year, enter the date of the ruling letter granting the approval ..... Month Day Year



- 8b** If one or more alternative methods or rules (as listed in the instructions) were used for this plan year, enter the appropriate code in accordance with the instructions  \_\_\_\_\_
- c** Is the plan required to provide a Schedule of Active Participant Data? (see instructions) If "Yes," attach schedule  Yes  No

<b>9</b> Funding standard account statement for this plan year:			
<b>Charges to funding standard account:</b>			
<b>a</b>	Prior year funding deficiency, if any		0
<b>b</b>	Employer's normal cost for plan year as of valuation date		2701555
<b>c</b>	Amortization charges as of valuation date:	Outstanding Balance	
<b>(1)</b>	All bases except funding waivers	(\$ 56618838)	<b>c(1)</b> 19173624
<b>(2)</b>	Funding waivers	(\$ 0)	<b>c(2)</b> 0
<b>d</b>	Interest as applicable on lines 9a, 9b, and 9c		<b>9d</b> 1531263
<b>e</b>	Additional interest charge due to late quarterly contributions, if applicable		<b>9e</b> 0
<b>f</b>	Adjusted additional funding charge from Part II, line 12q, if applicable <input type="checkbox"/> N/A		<b>9f</b> 0
<b>g</b>	Total charges. Add lines 9a through 9f		<b>9g</b> 23406442
<b>Credits to funding standard account:</b>			
<b>h</b>	Prior year credit balance, if any		<b>9h</b> 52395243
<b>i</b>	Employer contributions. Total from column (b) of line 3		<b>9i</b> 5000000
<b>j</b>	Amortization credits as of valuation date	Outstanding Balance (\$ 3469384)	<b>9j</b> 864705
<b>k</b>	Interest as applicable to end of plan year on lines 9h, 9i, and 9j		<b>9k</b> 3813253
<b>l</b>	Full funding limitation (FFL) and credits		
<b>(1)</b>	ERISA FFL (accrued liability FFL)	<b>l(1)</b> 17706961	
<b>(2)</b>	"RPA '94" override (90% current liability FFL)	<b>l(2)</b> 0	
<b>(3)</b>	FFL credit		<b>l(3)</b> 4774246
<b>m</b>	(1) Waived funding deficiency		<b>m(1)</b> 0
	(2) Other credits		<b>m(2)</b> 0
<b>n</b>	Total credits. Add lines 9h through 9k, 9l(3), 9m(1), and 9m(2)		<b>9n</b> 66847447
<b>o</b>	Credit balance: If line 9n is greater than line 9g, enter the difference		<b>9o</b> 43441005
<b>p</b>	Funding deficiency: If line 9g is greater than line 9n, enter the difference		<b>9p</b>
<b>Reconciliation account:</b>			
<b>q</b>	Current year's accumulated reconciliation account:		
<b>(1)</b>	Due to additional funding charges as of the beginning of the plan year	<b>q(1)</b> 0	
<b>(2)</b>	Due to additional interest charges as of the beginning of the plan year	<b>q(2)</b> 0	
<b>(3)</b>	Due to waived funding deficiencies:		
	(a) Reconciliation outstanding balance as of valuation date	<b>q(3)(a)</b> 0	
	(b) Reconciliation amount. Line 9c(2) balance minus line 9q(3)(a)	<b>q(3)(b)</b> 0	
<b>(4)</b>	Total as of valuation date		<b>q(4)</b> 0
<b>10</b>	Contribution necessary to avoid an accumulated funding deficiency. Enter the amount in line 9p or the amount required under the alternative funding standard account if applicable		<b>10</b> 0

- 11** Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions  Yes  No

0 8 0 7 3 5 0 4 0 R





**Part II Additional Information for Certain Plans Other Than Multiemployer Plans**

Please see **Who Must File** in the Schedule B instructions to determine if you must complete Part II.

**12** Additional required funding charge (see instructions):

**a** Enter "Gateway %." Divide line 1b(2) by line 1d(2)(c) and multiply by 100.

If line 12a is at least 90%, go to line 12q and enter -0-.

If line 12a is less than 80%, go to line 12b.

If line 12a is at least 80% (but less than 90%), see instructions and, if applicable, go to line 12q

and enter -0-. Otherwise, go to line 12b ..... **12a** | 118.5 %

**b** "RPA '94" current liability. Enter line 1d(2)(a) ..... **12b** |

**c** Adjusted value of assets (see instructions) ..... **12c** |

**d** Funded current liability percentage. Divide line 12c by 12b and multiply by 100 ..... **12d** | %

**e** Unfunded current liability. Subtract line 12c from line 12b. .... **12e** |

**f** Liability attributable to any unpredictable contingent event benefit ..... **12f** |

**g** Outstanding balance of unfunded old liability ..... **12g** |

**h** Unfunded new liability. Subtract the total of lines 12f and 12g from line 12e. Enter -0- if negative ..... **12h** |

**i** Unfunded new liability amount ( \_\_\_\_\_ % of line 12h) ..... **12i** |

**j** Unfunded old liability amount ..... **12j** |

**k** Deficit reduction contribution. Add lines 12i, 12j and 1d(2)(b). .... **12k** |

**l** Net charges in funding standard account used to offset the deficit reduction contribution. Enter a negative number if less than zero ..... **12l** |

**m** Unpredictable contingent event amount:

(1) Benefits paid during year attributable to unpredictable contingent event ... **m(1)** |

(2) Unfunded current liability percentage. Subtract the percentage on line 12d from 100% ..... **m(2)** | %

(3) Enter the product of lines 12m(1) and 12m(2) ..... **m(3)** |

(4) Ammortization of all unpredictable contingent event liabilities ..... **m(4)** |

(5) "RPA '94" additional amount (see instructions) ..... **m(5)** |

(6) Enter the greatest of lines 12m(3), 12m(4), or 12m(5) ..... **m(6)** |

**n** Preliminary additional funding charge: Enter the excess of line 12k over line 12l (if any), plus line 12m(6), adjusted to end of year with interest ..... **12n** |

**o** Contributions needed to increase current liability percentage to 100% (see instructions) ..... **12o** |

**p** Additional funding charge prior to adjustment: Enter the lesser of line 12n or 12o ..... **12p** |

**q** Adjusted additional funding charge. ( \_\_\_\_\_ .0% of line 12p) ..... **12q** | 0

0 8 0 7 3 5 0 5 0 S



Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

**Schedule SB, line 27—Actuarial Information Based on Pre-PPA Funding Rules**

Schedule B, line 6b—Description of Weighted Average Retirement Age

The average retirement age shown in line 6b has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at mid-year, except for the 100% retirement age.

**TJUH Rates**

(a) Age	(b) Rate	(c) Weight	(d) Product (a) × (b) × (c)
55.5	5.00%	1.0000	2.78
56.5	5.00%	0.9500	2.68
57.5	5.00%	0.9025	2.59
58.5	5.00%	0.8574	2.51
59.5	5.00%	0.8145	2.42
60.5	5.00%	0.7738	2.34
61.5	5.00%	0.7351	2.26
62.5	15.00%	0.6983	6.55
63.5	15.00%	0.5936	5.65
64.5	15.00%	0.5045	4.88
65.5	30.00%	0.4289	8.43
66.5	30.00%	0.3002	5.99
67.5	30.00%	0.2101	4.26
68.5	20.00%	0.1471	2.02
69.5	20.00%	0.1177	1.64
70	100.00%	0.0941	6.59
		Weighted Average	63.59

**Methodist Rates**

(a) Age	(b) Rate	(c) Weight	(d) Product (a) × (b) × (c)
55.5	4.00%	1.0000	2.22
56.5	4.00%	0.9600	2.17
57.5	4.00%	0.9216	2.12
58.5	4.00%	0.8847	2.07
59.5	4.00%	0.8493	2.02
60.5	4.00%	0.8154	1.97
61.5	7.00%	0.7828	3.37
62.5	7.00%	0.7280	3.18
63.5	7.00%	0.6770	3.01
64.5	4.00%	0.6296	1.62
65.5	20.00%	0.6044	7.92
66.5	40.00%	0.4835	12.86
67.5	20.00%	0.2901	3.92
68.5	20.00%	0.2321	3.18
69.5	20.00%	0.1857	2.58
70	100.00%	0.1485	10.40
		Weighted Average	64.61

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
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A total weighted average retirement age is determined by multiplying the weighted retirement age by total number of participants in that group.

Total Weighted Average Retirement Age:

$$(63.59 \times 1796 + 64.41 \times 364) / (1796 + 364) = 63.73$$

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Schedule B, line 6—Statement of Actuarial Assumptions/Methods

Interest Rates	
ERISA Funding	7.00%
Current Liability	6.81% (PPA 3 <sup>rd</sup> segment rate for September 2014, as limited by the MAP-21 interest rate corridor.)
Salary Increases	3.00%.
Social Security Wage Base Increases	Future wage indices are based on a national wage increase of 2.50% per year.
Optional Payment Form Election Percentage	65% life annuity. 22% joint and 75% survivor annuity. 13% 10-year certain and life.
Retirement Age	
Active Participants	See Table 1.
Terminated Vested Participants	Age 63.
Mortality Rates	
ERISA Funding	2015 static mortality table for annuitants and non-annuitants Per §1.430(h)(3)-1(e).
Current Liability	2015 static mortality table for annuitants and non-annuitants Per §1.430(h)(3)-1(e).
Withdrawal Rates	See Tables 2-3.
Disability Rates	None. Any disabled employees accruing benefit service are included in the active employee population.
Surviving Spouse Benefit	It is assumed that 80% of males and 80% of females have an eligible spouse, and that males are three years older than their spouses.
Valuation Compensation	Annual pay rate on the valuation date for TJUH employees. Prior year earnings rolled forward one year with the salary increase assumption for Methodist employees.
Benefit and Compensation Limits	Projected benefits and compensation are limited by the current IRC section 415 maximum benefit of \$215,000 and the 401(a)(17) compensation limit of \$260,000.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
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Valuation of Plan Assets

Each plan year an expected market value of assets is determined by assuming a yield equal to the assumed investment return on the previous market value of assets and on contributions to and payments from the fund. The difference between the expected market value of assets and the actual market value of assets for the current year is the gain or loss from the prior year. The actuarial value of assets is the market value of plan assets, with gains and losses subtracted/added at the rate described as follows:

- (i) 80% of the prior year's gain/loss
- (ii) 60% of the second preceding year's gain/loss
- (iii) 40% of the third preceding year's gain/loss
- (iv) 20% of the fourth preceding year's gain/loss

The actuarial asset value is held to a minimum of 80% and a maximum of 120% of market value.

Actuarial Method

Projected Unit Credit Cost Method.

Valuation Date

January 1, 2015.

Changes in ERISA Methods/Assumptions Since the Prior Year

**Method Changes**

The plan year beginning date has been changed from July 1 to January 1.

**Assumption Changes**

The ERISA funding valuation reflects the following assumption changes to better reflect anticipated experience:

- A change in the mortality assumption from the 2014 static mortality table for annuitants and non-annuitants per section 1.430(h)(3)-1(e) to the 2015 static mortality table for annuitants and non-annuitants per section 1.430(h)(3)-1(e).
- A change in the ERISA funding liability interest rate from 7.50% to 7.00%.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 1

**Retirement Rates**

<b>Age</b>	<b>TJUH Rate</b>	<b>Methodist Rate</b>
55	5.00%	4.00%
56	5.00%	4.00%
57	5.00%	4.00%
58	5.00%	4.00%
59	5.00%	4.00%
60	5.00%	4.00%
61	5.00%	7.00%
62	15.00%	7.00%
63	15.00%	7.00%
64	15.00%	4.00%
65	30.00%	20.00%
66	30.00%	40.00%
67	30.00%	20.00%
68	20.00%	20.00%
69	20.00%	20.00%
70+	100.00%	100.00%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
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Table 2  
**Termination Rates – Methodist Employees**

<b>Age</b>	<b>Rate</b>	<b>Age</b>	<b>Rate</b>
15	17.20%	45	5.20%
16	17.20%	46	4.94%
17	17.20%	47	4.68%
18	17.20%	48	4.42%
19	17.20%	49	4.16%
20	17.20%	50	3.90%
21	16.40%	51	3.52%
22	15.60%	52	3.14%
23	14.80%	53	2.76%
24	14.00%	54	2.38%
25	13.20%	55	2.00%
26	12.64%	56	1.60%
27	12.08%	57	1.20%
28	11.52%	58	0.80%
29	10.96%	59	0.40%
30	10.40%	60+	0.00%
31	9.94%		
32	9.48%		
33	9.02%		
34	8.56%		
35	8.10%		
36	7.74%		
37	7.38%		
38	7.02%		
39	6.66%		
40	6.30%		
41	6.08%		
42	5.86%		
43	5.64%		
44	5.42%		

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
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**Termination Rates – Hospital Employees - Male**

Age	Years of Service					
	0	1	2	3	4-5	6
15	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
16	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
17	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
18	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
19	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
20	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
21	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
22	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
23	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
24	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
25	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
26	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
27	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
28	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
29	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
30	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
31	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
32	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
33	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
34	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
35	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
36	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
37	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
38	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
39	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
40	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
41	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
42	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
43	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
44	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%



Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
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**Termination Rates – Hospital Employees - Male**

Age	Years of Service					
	0	1	2	3	4-5	6
45	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
46	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
47	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
48	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
49	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
50	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
51	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
52	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
53	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
54	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
55	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
56	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
57	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
58	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
59	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
60	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
61	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
62	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
63+	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
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**Termination Rates – Hospital Employees - Male**

Age	Years of Service		
	7	8-9	10+
15	12.0000%	10.0000%	0.0000%
16	12.0000%	10.0000%	0.0000%
17	12.0000%	10.0000%	0.0000%
18	12.0000%	10.0000%	0.0000%
19	12.0000%	10.0000%	0.0000%
20	12.0000%	10.0000%	7.9510%
21	12.0000%	10.0000%	7.9120%
22	12.0000%	10.0000%	7.8723%
23	12.0000%	10.0000%	7.8311%
24	12.0000%	10.0000%	7.7871%
25	12.0000%	10.0000%	7.7397%
26	12.0000%	10.0000%	7.6863%
27	12.0000%	10.0000%	7.6803%
28	12.0000%	10.0000%	7.5071%
29	12.0000%	10.0000%	7.3845%
30	12.0000%	10.0000%	7.2422%
31	12.0000%	10.0000%	7.0819%
32	12.0000%	10.0000%	6.9059%
33	12.0000%	10.0000%	6.7162%
34	12.0000%	10.0000%	6.5150%
35	12.0000%	10.0000%	6.3045%
36	12.0000%	10.0000%	6.0874%
37	12.0000%	10.0000%	5.8657%
38	12.0000%	10.0000%	5.6416%
39	12.0000%	10.0000%	5.4164%
40	12.0000%	10.0000%	5.1913%
41	12.0000%	10.0000%	4.9655%
42	12.0000%	10.0000%	4.7382%
43	12.0000%	10.0000%	4.5100%
44	12.0000%	10.0000%	4.2803%

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 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
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**Termination Rates – Hospital Employees - Male**

Age	Years of Service		
	7	8-9	10+
45	12.0000%	10.0000%	4.0486%
46	12.0000%	10.0000%	3.8102%
47	12.0000%	10.0000%	3.5592%
48	12.0000%	10.0000%	3.2911%
49	12.0000%	10.0000%	3.0030%
50	12.0000%	10.0000%	2.6952%
51	12.0000%	10.0000%	2.3732%
52	12.0000%	10.0000%	2.0462%
53	12.0000%	10.0000%	1.7260%
54	12.0000%	10.0000%	1.4246%
55	12.0000%	10.0000%	1.1530%
56	12.0000%	10.0000%	0.9170%
57	12.0000%	10.0000%	0.7231%
58	12.0000%	10.0000%	0.5717%
59	12.0000%	10.0000%	0.4529%
60	12.0000%	10.0000%	0.3675%
61	12.0000%	10.0000%	0.3165%
62	12.0000%	10.0000%	0.2993%
63+	12.0000%	10.0000%	0.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
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 Termination Rates – Hospital Employees - Female

Age	Years of Service					
	0	1	2	3	4-5	6
15	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
16	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
17	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
18	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
19	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
20	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
21	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
22	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
23	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
24	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
25	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
26	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
27	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
28	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
29	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
30	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
31	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
32	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
33	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
34	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
35	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
36	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
37	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
38	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
39	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
40	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
41	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
42	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
43	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
44	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 6 of 8

**Termination Rates – Hospital Employees - Female**

Age	Years of Service					
	0	1	2	3	4-5	6
45	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
46	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
47	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
48	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
49	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
50	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
51	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
52	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
53	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
54	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
55	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
56	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
57	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
58	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
59	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
60	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
61	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
62	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
63+	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 7 of 8  
**Termination Rates – Hospital Employees - Female**

Age	Years of Service		
	7	8-9	10+
15	12.0000%	10.0000%	0.0000%
16	12.0000%	10.0000%	0.0000%
17	12.0000%	10.0000%	0.0000%
18	12.0000%	10.0000%	0.0000%
19	12.0000%	10.0000%	0.0000%
20	12.0000%	10.0000%	7.9589%
21	12.0000%	10.0000%	7.9207%
22	12.0000%	10.0000%	7.8821%
23	12.0000%	10.0000%	7.8416%
24	12.0000%	10.0000%	7.7988%
25	12.0000%	10.0000%	7.7526%
26	12.0000%	10.0000%	7.7006%
27	12.0000%	10.0000%	7.6241%
28	12.0000%	10.0000%	7.5245%
29	12.0000%	10.0000%	7.4038%
30	12.0000%	10.0000%	7.2634%
31	12.0000%	10.0000%	7.1054%
32	12.0000%	10.0000%	6.9318%
33	12.0000%	10.0000%	6.7447%
34	12.0000%	10.0000%	6.5465%
35	12.0000%	10.0000%	6.3394%
36	12.0000%	10.0000%	6.1259%
37	12.0000%	10.0000%	5.9081%
38	12.0000%	10.0000%	5.6885%
39	12.0000%	10.0000%	5.4683%
40	12.0000%	10.0000%	5.2485%
41	12.0000%	10.0000%	5.0305%
42	12.0000%	10.0000%	4.8158%
43	12.0000%	10.0000%	4.6040%
44	12.0000%	10.0000%	4.3945%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 8 of 8  
**Termination Rates – Hospital Employees - Female**

Age	Years of Service		
	7	8-9	10+
45	12.0000%	10.0000%	4.1862%
46	12.0000%	10.0000%	3.9744%
47	12.0000%	10.0000%	3.7506%
48	12.0000%	10.0000%	3.5081%
49	12.0000%	10.0000%	3.2446%
50	12.0000%	10.0000%	2.9599%
51	12.0000%	10.0000%	2.6600%
52	12.0000%	10.0000%	2.3542%
53	12.0000%	10.0000%	2.0546%
54	12.0000%	10.0000%	1.7732%
55	12.0000%	10.0000%	1.5212%
56	12.0000%	10.0000%	1.3043%
57	12.0000%	10.0000%	1.1296%
58	12.0000%	10.0000%	1.0013%
59	12.0000%	10.0000%	0.9203%
60	12.0000%	10.0000%	0.8851%
61	12.0000%	10.0000%	0.8933%
62	12.0000%	10.0000%	0.9424%
63+	12.0000%	10.0000%	0.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

**Schedule B, line 27—Actuarial Information Based on Pre-PPA Funding Rules**

Schedule SB, Part V—Summary of Plan Provisions

Effective Date	January 1, 1968. As most recently restated July 1, 2008, reflecting June 2012 amendment.
Membership Requirements TJUH Employees' Plan	January 1 or July 1 next following attainment of age 21 and 1,000 hours of service in a 12-month period. No employees hired after June 30, 2004 can become a participant.
Methodist Plan	First day of month following attainment of age 21 and 1,000 hours of service in a plan year. No employees hired after June 30, 2004 can become a participant.
Definition of: Credited Service TJUH Employees' Plan	A fractional year of service is credited equal to the ratio of hours of service earned during the plan year to 1,800, but not greater than one.
Methodist Plan	A year of service is credited for each plan year in which 1,000 hours of service are earned. A fractional year is credited in year of hire and termination equal to one-twelfth a year for each completed month in which the employee works at least 83 hours.
Vesting Service	One year of vesting service is credited for each plan year in which 1,000 hours of service are earned.
Compensation TJUH Employees' Plan	The rate of base pay at the beginning of a plan year.
Methodist Plan	Compensation paid for a year excluding overtime pay, shift differential pay, bonuses, and commissions.
Average Final Compensation TJUH Employees' Plan	Highest average compensation during five consecutive complete plan years.
Methodist Plan	Highest average compensation during four consecutive complete plan years.
Actuarial Equivalent	Based on the 1984 Unisex Pensioners Mortality Table set back seven years and an interest rate of 6.00%.
Plan Year	January 1 to December 31.



Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Covered Compensation Average of the Social Security taxable wage base during the 35 year period ending at Social Security Retirement Age.

Social Security Retirement Age Age at which an unreduced Social Security benefit is payable. Varies by year of birth as shown below:

<u>Year of Birth</u>	<u>Social Security Retirement Age</u>
Before 1938	65
1938 through 1954	66
1955 and after	67

Normal Retirement

Eligibility

TJUH Employees' Plan

Age 65 and five years of Vesting Service.

Methodist Plan

Age 65 and five years of plan participation.

Benefit

TJUH Employees' Plan

Annual benefit is equal to 1.1% of Average Final Compensation below one-half of Covered Compensation, plus 1.3% of Average Final Compensation in excess of one-half of Covered Compensation, multiplied by years of Credited Service. There is a minimum benefit of \$15 per month multiplied by years of Credited Service.

Prior CRH Plan participants receive their frozen CRH Plan benefit as of December 31, 1995 plus Credited Service under the above formula for service after January 1, 1996.

Ford Road Campus employees receive Credited Service under the above formula for service after January 1, 1996.

Methodist Plan

Annual benefit is equal to 1.0% of Average Final Compensation below Covered Compensation, plus 1.5% of Average Final Compensation in excess of Covered Compensation, multiplied by years of Credited Service.

Participants in prior plan as of July 1, 1980 have a frozen minimum annual benefit equal to .75% of Average Final Compensation in excess of \$7,800 plus 1.25% of Average Final Compensation, multiplied by years of service. Average Final Earnings and years of service are determined as of the earlier of termination or June 30, 1992.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

Early Retirement

Eligibility

TJUH Employees' Plan

Age 55 and five years of Vesting Service.

Methodist Plan

Age 55 and ten years of Vesting Service.

Benefit

TJUH Employees' Plan

Immediate benefit equal to the accrued normal retirement pension reduced from age 65 by one-fifteenth for the first five years and one-thirtieth for the next five years.

Methodist Plan

Immediate benefit equal to the accrued normal retirement pension reduced from age 65 by 6% per year.

Vested Termination

Eligibility

Five years of Vesting Service.

Benefit

TJUH Employees' Plan

Benefit equal to the accrued normal retirement pension payable at age 65. The participant may commence the benefit beginning on or after age 55, reduced as for early retirement.

Methodist Plan

Benefit equal to the accrued normal retirement pension payable at age 65. A participant with ten years of Vesting Service may commence the benefit beginning on or after age 55, reduced as for early retirement.

Disability

Eligibility

TJUH Employees' Plan

Five years of Vesting Service.

Methodist Plan

Ten years of Vesting Service and eligible for employer's Long Term Disability Insurance Plan.

Benefit

Accrued benefit payable at Normal Retirement Date based on continued Credited Service and level compensation and Social Security Covered Compensation through period of disability.

Death Benefit

Eligibility

Death in active service or after termination, after completion of five years of Vesting Service.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

Benefit	The survivor benefit is equal to the amount the survivor would have received had the participant terminated employment just prior to his death, lived to earliest retirement date, elected a joint and 50% Survivor Annuity, and died immediately thereafter. Payments begin in the month following the participant's death, or when the participant would have reached earliest retirement age, whichever is later.
Normal Form of Benefit	
Single	Life Annuity.
Married	50% Joint and Spouse Annuity. Actuarial equivalent of Life Annuity.
Optional Forms of Benefit	75% or 100% Joint and Survivor Annuity.  Five-, ten-, (fifteen-, or twenty- for TJUH Employees' Plan) year Certain and Life Annuity.  Life Annuity for married members.  All optional forms of benefit are the Actuarial Equivalent of a Life Annuity.
Employee Contributions	
TJUH Employees' Plan	Effective February 1, 1973, the plan was amended to remove the requirements of employee contributions. Contributions prior to the amendment are increased at an interest rate of (1) 5% per year prior to July 1, 1988, and (2) 120% of the Federal Mid-Term Rate after July 1, 1988.
Methodist Plan	None
Plan Transfers	Employees who elected to transfer to the new TJUH Employees' Defined Contribution Plan effective July 1, 2004, plus all employees less than age 50 and with less than 15 years of Vesting Service as of July 1, 2004, will have frozen accrued benefits as of June 30, 2004 under this plan.

### Changes in Plan Provisions since the Prior Year

The January 1, 2015 funding valuation reflects the following plan changes:

- A change in the mortality and interest rates for determining minimum lump sum payments under IRC Section 417(e)(3) to the rates in effect for the current plan year.
- The plan year has been changed to January 1 through December 31.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

Schedule B, line 6-Other Information to Fully and Fairly Disclose the Actuarial Position  
of the Plan

The actuarial valuation was conducted on an ongoing (not termination) basis using personal data furnished as of January 1, 2015, by Thomas Jefferson University Hospitals, Inc. Asset information and dates and amounts of contributions are based on information supplied by Thomas Jefferson University Hospitals, Inc.

Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule B will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule B.

The Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan merged into the Thomas Jefferson University Employees' Pension Plan effective 12/31/2015. Therefore, this will be the last filed Schedule SB for the Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

Schedule B, line 5i—Change in Method

The valuation date has changed from 7/1 to 1/1 due to a change in the plan year from 7/1 through 6/30 to a calendar year plan year.

We believe this change has automatic approval to move the valuation date to the first day of the plan year.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Schedule B, line 8c—Schedule of Active Participant Data as of January 1, 2015

**Schedule SB, Line 26—Schedule of Active Participant Data  
 As of January 1, 2015**

**Thomas Jefferson University Hospitals, Inc.  
 Employee's Pension Plan**

**EIN: 23-1352651 PN: 006**

Number of Participants, Average Compensation and Average Annual Frozen Benefit<sup>1</sup>

Attained Age	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25										
25-29										
30-34	11	23 \$50,309 \$473								
35-39	24 \$71,654 \$591	154 \$62,154 \$1,088	30 \$54,574 \$1,999	1						
40-44	17	114 \$62,334 \$1,200	112 \$70,060 \$2,910	28 \$58,769 \$5,305	1					
45-49	23 \$52,606 \$1,676	91 \$63,996 \$1,377	84 \$68,452 \$3,042	70 \$78,298 \$5,894	15	28 \$77,040 \$457	23 \$74,407 \$0			
50-54	17	107 \$62,721 \$1,753	88 \$71,840 \$3,706	66 \$69,152 \$4,751	15	46 \$76,332 \$2,234	66 \$69,709 \$402	10		
55-59	23 \$56,519 \$2,896	88 \$67,013 \$1,992	71 \$66,165 \$3,425	68 \$78,096 \$5,033	29 \$74,928 \$3,201	48 \$83,664 \$1,463	77 \$70,957 \$1,109	49 \$82,848 \$823	17	2
60-64	5	23 \$56,925 \$1,346	24 \$71,515 \$2,189	61 \$62,958 \$1,277	41 \$70,179 \$808	37 \$64,686 \$1,044	46 \$79,176 \$391	40 \$80,614 \$1,030	28 \$85,073 \$0	10
65-69	4	8	12	13	12	11	7	9	7	7
70+		1		2	2	2	3	4	2	3

<sup>1</sup> Average frozen benefit does not apply to all participants. For ongoing participants, zero frozen benefits are included in the average.

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Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Schedule B, line 9c and 9j—Schedule of Funding Standard Account Bases

<b>Source</b>	<b>Original Amount</b>	<b>Date Established</b>	<b>Years Remaining on 1/1/2015</b>	<b>Annual Amortization Payment</b>	<b>Outstanding Balance on 1/1/2015</b>
<b>Charges</b>					
Actuarial Loss <sup>1</sup>	\$ 5,157,364	7/1/2010	0.5	621,225	621,225
Actuarial Loss <sup>1</sup>	\$19,579,359	7/1/2011	1.5	4,553,578	6,717,407
Actuarial Loss <sup>1</sup>	\$15,042,415	7/1/2012	2.5	3,467,869	8,248,969
Actuarial Loss <sup>1</sup>	\$13,077,668	7/1/2013	3.5	3,002,114	9,676,023
Actuarial Loss <sup>1</sup>	\$19,534,670	7/1/2014	4.5	4,467,750	17,925,573
Actuarial Loss <sup>1</sup>	\$13,429,641	1/1/2015	5.0	<u>3,061,088</u>	<u>13,429,641</u>
Total Charges				\$19,173,624	\$56,618,838
<b>Credits</b>					
Assumptions	\$6,332,231	7/1/2009	4.5	<u>\$864,705</u>	<u>\$3,469,384</u>
Total Credits				\$864,705	\$3,469,384
<b>Determination of Unfunded Accrued Liability, 1/1/2015</b>					
Total Charges Less Total Credits				\$18,308,919	\$53,149,454
Less: Funding Standard Account Credit Balance, 1/1/2015					\$53,149,454
Less: Accumulated Reconciliation Account Balance, 1/1/2015					<u>0</u>
Unfunded Accrued Liability (Limited to Zero), 1/1/2015					<u>\$ 0</u>

<sup>1</sup> The actuarial loss shown here is a balancing item to satisfy the equation of balance.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

Schedule B, line 9h—Prior year credit balance

The Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan (23-1352651/006) merged with the Thomas Jefferson University Employee's Pension Plan (23-1352651/001) on December 31, 2015. The ending credit balance from plan 006 becomes carryover balance for plan 001 as of January 1, 2016. Plan 001 elected to apply \$754,211 of this carryover balance as of January 1, 2015 to partially meet the 2015 plan year minimum required contribution. For this reason, the beginning of year credit balance for plan 006 was reduced by \$754,211. The election to apply the carryover balance occurred on September 15, 2016.



Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

Schedule B, line 11—Justification for Change in Actuarial Assumptions

The funding valuation reflects the following assumption changes between the July 1, 2014 and January 1, 2015 valuations in order to better reflect anticipated plan experience:

- A change in the mortality assumption from the 2014 static mortality table for annuitants and non-annuitants per section 1.430(h)(3)-1(e) to the 2015 static mortality table for annuitants and non-annuitants per section 1.430(h)(3)-1(e).
- A change in the ERISA funding liability interest rate from 7.50% to 7.00%.

This assumption changes are not subject to the approval requirements of IRC Section 412(c)(5)(B), since they did not decrease the unfunded current liability.

The Current Liability valuation also reflects the following required assumption changes:

- The RPA current liability interest rate increased from 6.99% to 6.81%. Additionally, the mortality table changed from the 2014 static mortality table for annuitants and non-annuitants Per §1.430(h)(3)-1(e) to the 2015 static mortality table for annuitants and non-annuitants Per §1.430(h)(3)-1(e). Because these changes are mandated, they are not subject to the approval requirements of IRC Section 412(c)(5)(B).

Because these changes are mandated, they are not subject to the approval requirements of IRC Section 412(c)(5)(B).

**SCHEDULE B  
(Form 5500)**

Department of the Treasury  
Internal Revenue Service  
Department of Labor  
Employee Benefits Security  
Administration

Pension Benefit Guaranty Corporation

**Actuarial Information**

This schedule is required to be filed under Section 104 of the Employee Retirement Income Security Act of 1974, referred to as ERISA, except when attached to Form 5500-EZ and, in all cases, under section 6059(a) of the Internal Revenue Code, referred to as the Code.

▶ **Attach to Form 5500 or 5500-EZ if applicable.**  
▶ **See separate instructions.**

Official Use Only

OMB No. 1210-0110

**2007**

**This Form is Open to Public Inspection (except when attached to Form 5500-EZ).**

For calendar plan year 2007 or fiscal plan year beginning 01/01/2015 , and ending 12/31/2015 ,

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

<b>A</b> Name of plan THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC. EMPLOY		<b>B</b> Three-digit plan number ... ▶	006
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-EZ. THOMAS JEFFERSON UNIVERSITY HOSPITAL		<b>D</b> Employer Identification Number 23-1352651	
<b>E</b> Type of plan: (1) Multiemployer (2) <input checked="" type="checkbox"/> Single-employer (3) Multiple-employer	<b>F</b> 100 or fewer participants in prior plan year		

**Part I Basic Information** (To be completed by all plans)

**1a** Enter the actuarial valuation date: Month 01 Day 01 Year 2015

**b** Assets:

(1) Current value of assets .....	<b>b(1)</b>	322157157
(2) Actuarial value of assets for funding standard account .....	<b>b(2)</b>	321135166
<b>c</b> (1) Accrued liability for plans using immediate gain methods .....	<b>c(1)</b>	281832719
(2) Information for plans using spread gain methods:		
(a) Unfunded liability for methods with bases .....	<b>c(2)(a)</b>	
(b) Accrued liability under entry age normal method .....	<b>c(2)(b)</b>	
(c) Normal cost under entry age normal method .....	<b>c(2)(c)</b>	

**Statement by Enrolled Actuary (see instructions before signing):**

To the best of my knowledge, the information supplied in this schedule and on the accompanying schedules, statements, and attachments, if any, is complete and accurate, and in my opinion each assumption, used in combination, represents my best estimate of anticipated experience under the plan. Furthermore, in the case of a plan other than a multiemployer plan, each assumption used (a) is reasonable (taking into account the experience of the plan and reasonable expectations) or (b) would, in the aggregate, result in a total contribution equivalent to that which would be determined if each such assumption were reasonable; in the case of a multiemployer plan, the assumptions used, in the aggregate, are reasonable (taking into account the experience of the plan and reasonable expectations).

**SIGN  
HERE**

**Signature of actuary**

CHRISTOPHER E. FLOHR  
Type or print name of actuary

HEWITT ASSOCIATES LLC  
Firm name

500 EAST PRATT STREET, SUITE 700  
BALTIMORE MD 21202  
Address of the firm

**Date**

**G** 1406359  
Most recent enrollment number

540-832-0263  
Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-EZ. √10.1 Schedule B (Form 5500) 2007

0 8 0 7 3 5 0 1 0 0



<b>1d</b> Information on current liabilities of the plan:		
(1) Amount excluded from current liability attributable to pre-participation service (see instructions) . . .	<b>d(1)</b>	0
(2) "RPA '94" information:		
(a) Current liability . . . . .	<b>d(2)(a)</b>	271060921
(b) Expected increase in current liability due to benefits accruing during the plan year . . . . .	<b>d(2)(b)</b>	5058060
(c) Current liability computed at highest allowable interest rate (see instructions) . . . . .	<b>d(2)(c)</b>	271060921
(d) Expected release from "RPA '94" current liability for the plan year . . . . .	<b>d(2)(d)</b>	
(3) Expected plan disbursements for the plan year . . . . .	<b>d(3)</b>	12338732

<b>2</b> Operational information as of beginning of this plan year:		
<b>a</b> Current value of the assets (see instructions) . . . . .	<b>2a</b>	322157157
<b>b</b> "RPA '94" current liability:		
	(1) No. of Persons	(2) Vested Benefits
(1) For retired participants and beneficiaries receiving payments . . . . .	1179	96148294
(2) For terminated vested participants . . . . .	2157	52029103
(3) For active participants . . . . .	2160	122372066
(4) Total . . . . .	5496	270549463
<b>c</b> If the percentage resulting from dividing line 2a by line 2b(4), column (3) is less than 70%, enter such percentage . . . . .		<b>2c</b> %

<b>3</b> Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Month-Day-Year	(b) Amount paid by employer	(c) Amount paid by employees	(a) Month-Day-Year	(b) Amount paid by employer	(c) Amount paid by employees
10/01/2015	5000000				
<b>3 Totals ▶ (b)</b>				5000000	<b>(c)</b> 0

<b>4</b> Quarterly contributions and liquidity shortfall(s):			
<b>a</b> Plans other than multiemployer plans, enter funded current liability percentage for preceding year (see instructions) . . . . .		<b>4a</b> 113.5%	
<b>b</b> If line 4a is less than 100%, see instructions, and complete the following table as applicable:			
Liquidity shortfall as of end of Quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

0 8 0 7 3 5 0 2 0 P



- 5** Actuarial cost method used as the basis for this plan year's funding standard account computation:
- a**  Attained age normal      **b**  Entry age normal      **c**  Accrued benefit (unit credit)
- d**  Aggregate      **e**  Frozen initial liability      **f**  Individual level premium
- g**  Individual aggregate      **h**  Other (specify) ▶ \_\_\_\_\_
- i** Has a change been made in funding method for this plan year? .....  Yes    No
- j** If line i is "Yes," was the change made pursuant to Revenue Procedure 2000-40? .....  Yes    No
- k** If line i is "Yes," and line j is "No" enter the date of the ruling letter (individual or class) approving the change in funding method ..... Month                                  Day                                  Year

**6** Checklist of certain actuarial assumptions:

<b>a</b> Interest rates for "RPA '94" current liability .....	<b>6a</b>		6.81%		<input type="checkbox"/> N/A
<b>b</b> Weighted average retirement age.....	<b>6b</b>		64		<input type="checkbox"/> N/A
<b>c</b> Rates specified in insurance or annuity contracts .. <input checked="" type="checkbox"/> N/A	<b>6c</b>				<input checked="" type="checkbox"/> N/A
	Pre-retirement		Post-retirement		
	Yes      No		Yes      No		
<b>d</b> Mortality table code for valuation purposes:					
(1) Males .....	<b>d(1)</b>		A		
(2) Females .....	<b>d(2)</b>		A		
<b>e</b> Valuation liability interest rate .....	<b>6e</b>		7.00%		<input type="checkbox"/> N/A
<b>f</b> Expense loading .....	<b>6f</b>		0.0%		<input type="checkbox"/> N/A
	Male		Female		
	Rate Code		Rate Code		
<b>g</b> Annual withdrawal rates:					
(1) Age 25 .....	<b>g(1)</b>		S      32.50%		
(2) Age 40 .....	<b>g(2)</b>		S      32.50%		
(3) Age 55 .....	<b>g(3)</b>		S      32.50%		
<b>h</b> Salary scale .....	<b>6h</b>		3.00%		<input type="checkbox"/> N/A
<b>i</b> Estimated investment return on actuarial value of assets for year ending on the valuation date	<b>6i</b>		4.4%		
<b>j</b> Estimated investment return on current value of assets for year ending on the valuation date ..	<b>6j</b>		1.5%		

**7** New amortization bases established in the current plan year:

(1) Type of Base	(2) Initial Balance	(3) Amortization Charge/Credit
1	13429641	3061088
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**8** Miscellaneous information:

**a** If a waiver of a funding deficiency or an extension of an amortization period has been approved for this plan year, enter the date of the ruling letter granting the approval ..... Month                                  Day                                  Year



- 8b** If one or more alternative methods or rules (as listed in the instructions) were used for this plan year, enter the appropriate code in accordance with the instructions  **8**  **9**  **10**  **11**
- c** Is the plan required to provide a Schedule of Active Participant Data? (see instructions) If "Yes," attach schedule  Yes  No

<b>9</b> Funding standard account statement for this plan year:			
<b>Charges to funding standard account:</b>			
<b>a</b>	Prior year funding deficiency, if any	<b>9a</b>	0
<b>b</b>	Employer's normal cost for plan year as of valuation date	<b>9b</b>	2701555
<b>c</b>	Amortization charges as of valuation date:		
	Outstanding Balance		
<b>(1)</b>	All bases except funding waivers	<b>c(1)</b>	19173624
	▶ (\$ 56618838)		
<b>(2)</b>	Funding waivers	<b>c(2)</b>	0
	▶ (\$ 0)		
<b>d</b>	Interest as applicable on lines 9a, 9b, and 9c	<b>9d</b>	1531263
<b>e</b>	Additional interest charge due to late quarterly contributions, if applicable	<b>9e</b>	0
<b>f</b>	Adjusted additional funding charge from Part II, line 12q, if applicable <input type="checkbox"/> N/A	<b>9f</b>	0
<b>g</b>	Total charges. Add lines 9a through 9f	<b>9g</b>	23406442
<b>Credits to funding standard account:</b>			
<b>h</b>	Prior year credit balance, if any	<b>9h</b>	52395243
<b>i</b>	Employer contributions. Total from column (b) of line 3	<b>9i</b>	5000000
	Outstanding Balance		
<b>j</b>	Amortization credits as of valuation date	<b>9j</b>	864705
	▶ (\$ 3469384)		
<b>k</b>	Interest as applicable to end of plan year on lines 9h, 9i, and 9j	<b>9k</b>	3813253
<b>l</b>	Full funding limitation (FFL) and credits		
<b>(1)</b>	ERISA FFL (accrued liability FFL)	<b>l(1)</b>	17706961
<b>(2)</b>	"RPA '94" override (90% current liability FFL)	<b>l(2)</b>	0
<b>(3)</b>	FFL credit	<b>l(3)</b>	4774246
<b>m</b>	(1) Waived funding deficiency	<b>m(1)</b>	0
	(2) Other credits	<b>m(2)</b>	0
<b>n</b>	Total credits. Add lines 9h through 9k, 9l(3), 9m(1), and 9m(2)	<b>9n</b>	66847447
<b>o</b>	Credit balance: If line 9n is greater than line 9g, enter the difference	<b>9o</b>	43441005
<b>p</b>	Funding deficiency: If line 9g is greater than line 9n, enter the difference	<b>9p</b>	
<b>Reconciliation account:</b>			
<b>q</b>	Current year's accumulated reconciliation account:		
<b>(1)</b>	Due to additional funding charges as of the beginning of the plan year	<b>q(1)</b>	0
<b>(2)</b>	Due to additional interest charges as of the beginning of the plan year	<b>q(2)</b>	0
<b>(3)</b>	Due to waived funding deficiencies:		
	(a) Reconciliation outstanding balance as of valuation date	<b>q(3)(a)</b>	0
	(b) Reconciliation amount. Line 9c(2) balance minus line 9q(3)(a)	<b>q(3)(b)</b>	0
<b>(4)</b>	Total as of valuation date	<b>q(4)</b>	0
<b>10</b>	Contribution necessary to avoid an accumulated funding deficiency. Enter the amount in line 9p or the amount required under the alternative funding standard account if applicable	<b>10</b>	0

- 11** Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions  Yes  No

0 8 0 7 3 5 0 4 0 R



**Part II Additional Information for Certain Plans Other Than Multiemployer Plans**

Please see **Who Must File** in the Schedule B instructions to determine if you must complete Part II.

**12** Additional required funding charge (see instructions):

**a** Enter "Gateway %." Divide line 1b(2) by line 1d(2)(c) and multiply by 100.

If line 12a is at least 90%, go to line 12q and enter -0-.

If line 12a is less than 80%, go to line 12b.

If line 12a is at least 80% (but less than 90%), see instructions and, if applicable, go to line 12q

and enter -0-. Otherwise, go to line 12b ..... **12a** | 118.5 %

**b** "RPA '94" current liability. Enter line 1d(2)(a) ..... **12b** |

**c** Adjusted value of assets (see instructions) ..... **12c** |

**d** Funded current liability percentage. Divide line 12c by 12b and multiply by 100 ..... **12d** | %

**e** Unfunded current liability. Subtract line 12c from line 12b. .... **12e** |

**f** Liability attributable to any unpredictable contingent event benefit ..... **12f** |

**g** Outstanding balance of unfunded old liability ..... **12g** |

**h** Unfunded new liability. Subtract the total of lines 12f and 12g from line 12e. Enter -0- if negative ..... **12h** |

**i** Unfunded new liability amount ( \_\_\_\_\_ % of line 12h) ..... **12i** |

**j** Unfunded old liability amount ..... **12j** |

**k** Deficit reduction contribution. Add lines 12i, 12j and 1d(2)(b). .... **12k** |

**l** Net charges in funding standard account used to offset the deficit reduction contribution. Enter

a negative number if less than zero ..... **12l** |

**m** Unpredictable contingent event amount:

(1) Benefits paid during year attributable to unpredictable contingent event ... **m(1)** |

(2) Unfunded current liability percentage. Subtract the percentage

on line 12d from 100% ..... **m(2)** | %

(3) Enter the product of lines 12m(1) and 12m(2) ..... **m(3)** |

(4) Ammortization of all unpredictable contingent event liabilities ..... **m(4)** |

(5) "RPA '94" additional amount (see instructions) ..... **m(5)** |

(6) Enter the greatest of lines 12m(3), 12m(4), or 12m(5) ..... **m(6)** |

**n** Preliminary additional funding charge: Enter the excess of line 12k over line 12l (if any), plus line 12m(6),

adjusted to end of year with interest ..... **12n** |

**o** Contributions needed to increase current liability percentage to 100% (see instructions) ..... **12o** |

**p** Additional funding charge prior to adjustment: Enter the lesser of line 12n or 12o ..... **12p** |

**q** Adjusted additional funding charge. ( \_\_\_\_\_ .0% of line 12p) ..... **12q** | 0

0 8 0 7 3 5 0 5 0 S



Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

**Schedule SB, line 27—Actuarial Information Based on Pre-PPA Funding Rules**

Schedule B, line 6b—Description of Weighted Average Retirement Age

The average retirement age shown in line 6b has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at mid-year, except for the 100% retirement age.

**TJUH Rates**

(a) Age	(b) Rate	(c) Weight	(d) Product (a) × (b) × (c)
55.5	5.00%	1.0000	2.78
56.5	5.00%	0.9500	2.68
57.5	5.00%	0.9025	2.59
58.5	5.00%	0.8574	2.51
59.5	5.00%	0.8145	2.42
60.5	5.00%	0.7738	2.34
61.5	5.00%	0.7351	2.26
62.5	15.00%	0.6983	6.55
63.5	15.00%	0.5936	5.65
64.5	15.00%	0.5045	4.88
65.5	30.00%	0.4289	8.43
66.5	30.00%	0.3002	5.99
67.5	30.00%	0.2101	4.26
68.5	20.00%	0.1471	2.02
69.5	20.00%	0.1177	1.64
70	100.00%	0.0941	6.59
		Weighted Average	63.59

**Methodist Rates**

(a) Age	(b) Rate	(c) Weight	(d) Product (a) × (b) × (c)
55.5	4.00%	1.0000	2.22
56.5	4.00%	0.9600	2.17
57.5	4.00%	0.9216	2.12
58.5	4.00%	0.8847	2.07
59.5	4.00%	0.8493	2.02
60.5	4.00%	0.8154	1.97
61.5	7.00%	0.7828	3.37
62.5	7.00%	0.7280	3.18
63.5	7.00%	0.6770	3.01
64.5	4.00%	0.6296	1.62
65.5	20.00%	0.6044	7.92
66.5	40.00%	0.4835	12.86
67.5	20.00%	0.2901	3.92
68.5	20.00%	0.2321	3.18
69.5	20.00%	0.1857	2.58
70	100.00%	0.1485	10.40
		Weighted Average	64.61

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
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A total weighted average retirement age is determined by multiplying the weighted retirement age by total number of participants in that group.

Total Weighted Average Retirement Age:

$$(63.59 \times 1796 + 64.41 \times 364) / (1796 + 364) = 63.73$$



Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Schedule B, line 6—Statement of Actuarial Assumptions/Methods

Interest Rates	
ERISA Funding	7.00%
Current Liability	6.81% (PPA 3 <sup>rd</sup> segment rate for September 2014, as limited by the MAP-21 interest rate corridor.)
Salary Increases	3.00%.
Social Security Wage Base Increases	Future wage indices are based on a national wage increase of 2.50% per year.
Optional Payment Form Election Percentage	65% life annuity. 22% joint and 75% survivor annuity. 13% 10-year certain and life.
Retirement Age	
Active Participants	See Table 1.
Terminated Vested Participants	Age 63.
Mortality Rates	
ERISA Funding	2015 static mortality table for annuitants and non-annuitants Per §1.430(h)(3)-1(e).
Current Liability	2015 static mortality table for annuitants and non-annuitants Per §1.430(h)(3)-1(e).
Withdrawal Rates	See Tables 2-3.
Disability Rates	None. Any disabled employees accruing benefit service are included in the active employee population.
Surviving Spouse Benefit	It is assumed that 80% of males and 80% of females have an eligible spouse, and that males are three years older than their spouses.
Valuation Compensation	Annual pay rate on the valuation date for TJUH employees. Prior year earnings rolled forward one year with the salary increase assumption for Methodist employees.
Benefit and Compensation Limits	Projected benefits and compensation are limited by the current IRC section 415 maximum benefit of \$215,000 and the 401(a)(17) compensation limit of \$260,000.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
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Valuation of Plan Assets

Each plan year an expected market value of assets is determined by assuming a yield equal to the assumed investment return on the previous market value of assets and on contributions to and payments from the fund. The difference between the expected market value of assets and the actual market value of assets for the current year is the gain or loss from the prior year. The actuarial value of assets is the market value of plan assets, with gains and losses subtracted/added at the rate described as follows:

- (i) 80% of the prior year's gain/loss
- (ii) 60% of the second preceding year's gain/loss
- (iii) 40% of the third preceding year's gain/loss
- (iv) 20% of the fourth preceding year's gain/loss

The actuarial asset value is held to a minimum of 80% and a maximum of 120% of market value.

Actuarial Method

Projected Unit Credit Cost Method.

Valuation Date

January 1, 2015.

Changes in ERISA Methods/Assumptions Since the Prior Year

**Method Changes**

The plan year beginning date has been changed from July 1 to January 1.

**Assumption Changes**

The ERISA funding valuation reflects the following assumption changes to better reflect anticipated experience:

- A change in the mortality assumption from the 2014 static mortality table for annuitants and non-annuitants per section 1.430(h)(3)-1(e) to the 2015 static mortality table for annuitants and non-annuitants per section 1.430(h)(3)-1(e).
- A change in the ERISA funding liability interest rate from 7.50% to 7.00%.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
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Table 1

**Retirement Rates**

<b>Age</b>	<b>TJUH Rate</b>	<b>Methodist Rate</b>
55	5.00%	4.00%
56	5.00%	4.00%
57	5.00%	4.00%
58	5.00%	4.00%
59	5.00%	4.00%
60	5.00%	4.00%
61	5.00%	7.00%
62	15.00%	7.00%
63	15.00%	7.00%
64	15.00%	4.00%
65	30.00%	20.00%
66	30.00%	40.00%
67	30.00%	20.00%
68	20.00%	20.00%
69	20.00%	20.00%
70+	100.00%	100.00%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
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Table 2  
**Termination Rates – Methodist Employees**

<b>Age</b>	<b>Rate</b>	<b>Age</b>	<b>Rate</b>
15	17.20%	45	5.20%
16	17.20%	46	4.94%
17	17.20%	47	4.68%
18	17.20%	48	4.42%
19	17.20%	49	4.16%
20	17.20%	50	3.90%
21	16.40%	51	3.52%
22	15.60%	52	3.14%
23	14.80%	53	2.76%
24	14.00%	54	2.38%
25	13.20%	55	2.00%
26	12.64%	56	1.60%
27	12.08%	57	1.20%
28	11.52%	58	0.80%
29	10.96%	59	0.40%
30	10.40%	60+	0.00%
31	9.94%		
32	9.48%		
33	9.02%		
34	8.56%		
35	8.10%		
36	7.74%		
37	7.38%		
38	7.02%		
39	6.66%		
40	6.30%		
41	6.08%		
42	5.86%		
43	5.64%		
44	5.42%		

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
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**Termination Rates – Hospital Employees - Male**

Age	Years of Service					
	0	1	2	3	4-5	6
15	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
16	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
17	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
18	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
19	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
20	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
21	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
22	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
23	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
24	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
25	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
26	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
27	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
28	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
29	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
30	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
31	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
32	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
33	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
34	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
35	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
36	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
37	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
38	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
39	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
40	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
41	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
42	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
43	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
44	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
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**Termination Rates – Hospital Employees - Male**

Age	Years of Service					
	0	1	2	3	4-5	6
45	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
46	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
47	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
48	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
49	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
50	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
51	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
52	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
53	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
54	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
55	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
56	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
57	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
58	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
59	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
60	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
61	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
62	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
63+	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
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**Termination Rates – Hospital Employees - Male**

Age	Years of Service		
	7	8-9	10+
15	12.0000%	10.0000%	0.0000%
16	12.0000%	10.0000%	0.0000%
17	12.0000%	10.0000%	0.0000%
18	12.0000%	10.0000%	0.0000%
19	12.0000%	10.0000%	0.0000%
20	12.0000%	10.0000%	7.9510%
21	12.0000%	10.0000%	7.9120%
22	12.0000%	10.0000%	7.8723%
23	12.0000%	10.0000%	7.8311%
24	12.0000%	10.0000%	7.7871%
25	12.0000%	10.0000%	7.7397%
26	12.0000%	10.0000%	7.6863%
27	12.0000%	10.0000%	7.6803%
28	12.0000%	10.0000%	7.5071%
29	12.0000%	10.0000%	7.3845%
30	12.0000%	10.0000%	7.2422%
31	12.0000%	10.0000%	7.0819%
32	12.0000%	10.0000%	6.9059%
33	12.0000%	10.0000%	6.7162%
34	12.0000%	10.0000%	6.5150%
35	12.0000%	10.0000%	6.3045%
36	12.0000%	10.0000%	6.0874%
37	12.0000%	10.0000%	5.8657%
38	12.0000%	10.0000%	5.6416%
39	12.0000%	10.0000%	5.4164%
40	12.0000%	10.0000%	5.1913%
41	12.0000%	10.0000%	4.9655%
42	12.0000%	10.0000%	4.7382%
43	12.0000%	10.0000%	4.5100%
44	12.0000%	10.0000%	4.2803%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 4 of 8  
**Termination Rates – Hospital Employees - Male**

Age	Years of Service		
	7	8-9	10+
45	12.0000%	10.0000%	4.0486%
46	12.0000%	10.0000%	3.8102%
47	12.0000%	10.0000%	3.5592%
48	12.0000%	10.0000%	3.2911%
49	12.0000%	10.0000%	3.0030%
50	12.0000%	10.0000%	2.6952%
51	12.0000%	10.0000%	2.3732%
52	12.0000%	10.0000%	2.0462%
53	12.0000%	10.0000%	1.7260%
54	12.0000%	10.0000%	1.4246%
55	12.0000%	10.0000%	1.1530%
56	12.0000%	10.0000%	0.9170%
57	12.0000%	10.0000%	0.7231%
58	12.0000%	10.0000%	0.5717%
59	12.0000%	10.0000%	0.4529%
60	12.0000%	10.0000%	0.3675%
61	12.0000%	10.0000%	0.3165%
62	12.0000%	10.0000%	0.2993%
63+	12.0000%	10.0000%	0.0000%



Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 5 of 8  
 Termination Rates – Hospital Employees - Female

Age	Years of Service					
	0	1	2	3	4-5	6
15	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
16	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
17	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
18	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
19	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
20	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
21	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
22	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
23	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
24	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
25	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
26	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
27	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
28	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
29	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
30	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
31	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
32	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
33	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
34	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
35	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
36	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
37	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
38	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
39	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
40	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
41	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
42	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
43	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
44	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 6 of 8

**Termination Rates – Hospital Employees - Female**

Age	Years of Service					
	0	1	2	3	4-5	6
45	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
46	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
47	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
48	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
49	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
50	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
51	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
52	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
53	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
54	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
55	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
56	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
57	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
58	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
59	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
60	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
61	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
62	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%
63+	32.5000%	27.5000%	22.5000%	20.0000%	15.0000%	14.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 7 of 8  
**Termination Rates – Hospital Employees - Female**

Age	Years of Service		
	7	8-9	10+
15	12.0000%	10.0000%	0.0000%
16	12.0000%	10.0000%	0.0000%
17	12.0000%	10.0000%	0.0000%
18	12.0000%	10.0000%	0.0000%
19	12.0000%	10.0000%	0.0000%
20	12.0000%	10.0000%	7.9589%
21	12.0000%	10.0000%	7.9207%
22	12.0000%	10.0000%	7.8821%
23	12.0000%	10.0000%	7.8416%
24	12.0000%	10.0000%	7.7988%
25	12.0000%	10.0000%	7.7526%
26	12.0000%	10.0000%	7.7006%
27	12.0000%	10.0000%	7.6241%
28	12.0000%	10.0000%	7.5245%
29	12.0000%	10.0000%	7.4038%
30	12.0000%	10.0000%	7.2634%
31	12.0000%	10.0000%	7.1054%
32	12.0000%	10.0000%	6.9318%
33	12.0000%	10.0000%	6.7447%
34	12.0000%	10.0000%	6.5465%
35	12.0000%	10.0000%	6.3394%
36	12.0000%	10.0000%	6.1259%
37	12.0000%	10.0000%	5.9081%
38	12.0000%	10.0000%	5.6885%
39	12.0000%	10.0000%	5.4683%
40	12.0000%	10.0000%	5.2485%
41	12.0000%	10.0000%	5.0305%
42	12.0000%	10.0000%	4.8158%
43	12.0000%	10.0000%	4.6040%
44	12.0000%	10.0000%	4.3945%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Table 3—Page 8 of 8  
**Termination Rates – Hospital Employees - Female**

Age	Years of Service		
	7	8-9	10+
45	12.0000%	10.0000%	4.1862%
46	12.0000%	10.0000%	3.9744%
47	12.0000%	10.0000%	3.7506%
48	12.0000%	10.0000%	3.5081%
49	12.0000%	10.0000%	3.2446%
50	12.0000%	10.0000%	2.9599%
51	12.0000%	10.0000%	2.6600%
52	12.0000%	10.0000%	2.3542%
53	12.0000%	10.0000%	2.0546%
54	12.0000%	10.0000%	1.7732%
55	12.0000%	10.0000%	1.5212%
56	12.0000%	10.0000%	1.3043%
57	12.0000%	10.0000%	1.1296%
58	12.0000%	10.0000%	1.0013%
59	12.0000%	10.0000%	0.9203%
60	12.0000%	10.0000%	0.8851%
61	12.0000%	10.0000%	0.8933%
62	12.0000%	10.0000%	0.9424%
63+	12.0000%	10.0000%	0.0000%

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

**Schedule B, line 27—Actuarial Information Based on Pre-PPA Funding Rules**

Schedule SB, Part V—Summary of Plan Provisions

Effective Date	January 1, 1968. As most recently restated July 1, 2008, reflecting June 2012 amendment.
Membership Requirements TJUH Employees' Plan	January 1 or July 1 next following attainment of age 21 and 1,000 hours of service in a 12-month period. No employees hired after June 30, 2004 can become a participant.
Methodist Plan	First day of month following attainment of age 21 and 1,000 hours of service in a plan year. No employees hired after June 30, 2004 can become a participant.
Definition of: Credited Service TJUH Employees' Plan	A fractional year of service is credited equal to the ratio of hours of service earned during the plan year to 1,800, but not greater than one.
Methodist Plan	A year of service is credited for each plan year in which 1,000 hours of service are earned. A fractional year is credited in year of hire and termination equal to one-twelfth a year for each completed month in which the employee works at least 83 hours.
Vesting Service	One year of vesting service is credited for each plan year in which 1,000 hours of service are earned.
Compensation TJUH Employees' Plan	The rate of base pay at the beginning of a plan year.
Methodist Plan	Compensation paid for a year excluding overtime pay, shift differential pay, bonuses, and commissions.
Average Final Compensation TJUH Employees' Plan	Highest average compensation during five consecutive complete plan years.
Methodist Plan	Highest average compensation during four consecutive complete plan years.
Actuarial Equivalent	Based on the 1984 Unisex Pensioners Mortality Table set back seven years and an interest rate of 6.00%.
Plan Year	January 1 to December 31.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Covered Compensation Average of the Social Security taxable wage base during the 35 year period ending at Social Security Retirement Age.

Social Security Retirement Age Age at which an unreduced Social Security benefit is payable. Varies by year of birth as shown below:

<u>Year of Birth</u>	<u>Social Security Retirement Age</u>
Before 1938	65
1938 through 1954	66
1955 and after	67

Normal Retirement

Eligibility

TJUH Employees' Plan

Age 65 and five years of Vesting Service.

Methodist Plan

Age 65 and five years of plan participation.

Benefit

TJUH Employees' Plan

Annual benefit is equal to 1.1% of Average Final Compensation below one-half of Covered Compensation, plus 1.3% of Average Final Compensation in excess of one-half of Covered Compensation, multiplied by years of Credited Service. There is a minimum benefit of \$15 per month multiplied by years of Credited Service.

Prior CRH Plan participants receive their frozen CRH Plan benefit as of December 31, 1995 plus Credited Service under the above formula for service after January 1, 1996.

Ford Road Campus employees receive Credited Service under the above formula for service after January 1, 1996.

Methodist Plan

Annual benefit is equal to 1.0% of Average Final Compensation below Covered Compensation, plus 1.5% of Average Final Compensation in excess of Covered Compensation, multiplied by years of Credited Service.

Participants in prior plan as of July 1, 1980 have a frozen minimum annual benefit equal to .75% of Average Final Compensation in excess of \$7,800 plus 1.25% of Average Final Compensation, multiplied by years of service. Average Final Earnings and years of service are determined as of the earlier of termination or June 30, 1992.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

Early Retirement

Eligibility

TJUH Employees' Plan

Age 55 and five years of Vesting Service.

Methodist Plan

Age 55 and ten years of Vesting Service.

Benefit

TJUH Employees' Plan

Immediate benefit equal to the accrued normal retirement pension reduced from age 65 by one-fifteenth for the first five years and one-thirtieth for the next five years.

Methodist Plan

Immediate benefit equal to the accrued normal retirement pension reduced from age 65 by 6% per year.

Vested Termination

Eligibility

Five years of Vesting Service.

Benefit

TJUH Employees' Plan

Benefit equal to the accrued normal retirement pension payable at age 65. The participant may commence the benefit beginning on or after age 55, reduced as for early retirement.

Methodist Plan

Benefit equal to the accrued normal retirement pension payable at age 65. A participant with ten years of Vesting Service may commence the benefit beginning on or after age 55, reduced as for early retirement.

Disability

Eligibility

TJUH Employees' Plan

Five years of Vesting Service.

Methodist Plan

Ten years of Vesting Service and eligible for employer's Long Term Disability Insurance Plan.

Benefit

Accrued benefit payable at Normal Retirement Date based on continued Credited Service and level compensation and Social Security Covered Compensation through period of disability.

Death Benefit

Eligibility

Death in active service or after termination, after completion of five years of Vesting Service.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

Benefit	The survivor benefit is equal to the amount the survivor would have received had the participant terminated employment just prior to his death, lived to earliest retirement date, elected a joint and 50% Survivor Annuity, and died immediately thereafter. Payments begin in the month following the participant's death, or when the participant would have reached earliest retirement age, whichever is later.
Normal Form of Benefit	
Single	Life Annuity.
Married	50% Joint and Spouse Annuity. Actuarial equivalent of Life Annuity.
Optional Forms of Benefit	75% or 100% Joint and Survivor Annuity.  Five-, ten-, (fifteen-, or twenty- for TJUH Employees' Plan) year Certain and Life Annuity.  Life Annuity for married members.  All optional forms of benefit are the Actuarial Equivalent of a Life Annuity.
Employee Contributions	
TJUH Employees' Plan	Effective February 1, 1973, the plan was amended to remove the requirements of employee contributions. Contributions prior to the amendment are increased at an interest rate of (1) 5% per year prior to July 1, 1988, and (2) 120% of the Federal Mid-Term Rate after July 1, 1988.
Methodist Plan	None
Plan Transfers	Employees who elected to transfer to the new TJUH Employees' Defined Contribution Plan effective July 1, 2004, plus all employees less than age 50 and with less than 15 years of Vesting Service as of July 1, 2004, will have frozen accrued benefits as of June 30, 2004 under this plan.

### Changes in Plan Provisions since the Prior Year

The January 1, 2015 funding valuation reflects the following plan changes:

- A change in the mortality and interest rates for determining minimum lump sum payments under IRC Section 417(e)(3) to the rates in effect for the current plan year.
- The plan year has been changed to January 1 through December 31.



Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

Schedule B, line 6-Other Information to Fully and Fairly Disclose the Actuarial Position  
of the Plan

The actuarial valuation was conducted on an ongoing (not termination) basis using personal data furnished as of January 1, 2015, by Thomas Jefferson University Hospitals, Inc. Asset information and dates and amounts of contributions are based on information supplied by Thomas Jefferson University Hospitals, Inc.

Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule B will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule B.

The Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan merged into the Thomas Jefferson University Employees' Pension Plan effective 12/31/2015. Therefore, this will be the last filed Schedule SB for the Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

Schedule B, line 5i—Change in Method

The valuation date has changed from 7/1 to 1/1 due to a change in the plan year from 7/1 through 6/30 to a calendar year plan year.

We believe this change has automatic approval to move the valuation date to the first day of the plan year.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Schedule B, line 8c—Schedule of Active Participant Data as of January 1, 2015

**Schedule SB, Line 26—Schedule of Active Participant Data  
 As of January 1, 2015**

**Thomas Jefferson University Hospitals, Inc.  
 Employee's Pension Plan**

**EIN: 23-1352651 PN: 006**

Number of Participants, Average Compensation and Average Annual Frozen Benefit<sup>1</sup>

Attained Age	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25										
25-29										
30-34	11	23 \$50,309 \$473								
35-39	24 \$71,654 \$591	154 \$62,154 \$1,088	30 \$54,574 \$1,999	1						
40-44	17	114 \$62,334 \$1,200	112 \$70,060 \$2,910	28 \$58,769 \$5,305	1					
45-49	23 \$52,606 \$1,676	91 \$63,996 \$1,377	84 \$68,452 \$3,042	70 \$78,298 \$5,894	15	28 \$77,040 \$457	23 \$74,407 \$0			
50-54	17	107 \$62,721 \$1,753	88 \$71,840 \$3,706	66 \$69,152 \$4,751	15	46 \$76,332 \$2,234	66 \$69,709 \$402	10		
55-59	23 \$56,519 \$2,896	88 \$67,013 \$1,992	71 \$66,165 \$3,425	68 \$78,096 \$5,033	29 \$74,928 \$3,201	48 \$83,664 \$1,463	77 \$70,957 \$1,109	49 \$82,848 \$823	17	2
60-64	5	23 \$56,925 \$1,346	24 \$71,515 \$2,189	61 \$62,958 \$1,277	41 \$70,179 \$808	37 \$64,686 \$1,044	46 \$79,176 \$391	40 \$80,614 \$1,030	28 \$85,073 \$0	10
65-69	4	8	12	13	12	11	7	9	7	7
70+		1		2	2	2	3	4	2	3

<sup>1</sup> Average frozen benefit does not apply to all participants. For ongoing participants, zero frozen benefits are included in the average.

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Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Schedule B, line 9c and 9j—Schedule of Funding Standard Account Bases

<b>Source</b>	<b>Original Amount</b>	<b>Date Established</b>	<b>Years Remaining on 1/1/2015</b>	<b>Annual Amortization Payment</b>	<b>Outstanding Balance on 1/1/2015</b>
<b>Charges</b>					
Actuarial Loss <sup>1</sup>	\$ 5,157,364	7/1/2010	0.5	621,225	621,225
Actuarial Loss <sup>1</sup>	\$19,579,359	7/1/2011	1.5	4,553,578	6,717,407
Actuarial Loss <sup>1</sup>	\$15,042,415	7/1/2012	2.5	3,467,869	8,248,969
Actuarial Loss <sup>1</sup>	\$13,077,668	7/1/2013	3.5	3,002,114	9,676,023
Actuarial Loss <sup>1</sup>	\$19,534,670	7/1/2014	4.5	4,467,750	17,925,573
Actuarial Loss <sup>1</sup>	\$13,429,641	1/1/2015	5.0	<u>3,061,088</u>	<u>13,429,641</u>
Total Charges				\$19,173,624	\$56,618,838
<b>Credits</b>					
Assumptions	\$6,332,231	7/1/2009	4.5	<u>\$864,705</u>	<u>\$3,469,384</u>
Total Credits				\$864,705	\$3,469,384
<b>Determination of Unfunded Accrued Liability, 1/1/2015</b>					
Total Charges Less Total Credits				\$18,308,919	\$53,149,454
Less: Funding Standard Account Credit Balance, 1/1/2015					\$53,149,454
Less: Accumulated Reconciliation Account Balance, 1/1/2015					<u>0</u>
Unfunded Accrued Liability (Limited to Zero), 1/1/2015					\$ 0

<sup>1</sup> The actuarial loss shown here is a balancing item to satisfy the equation of balance.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

Schedule B, line 9h—Prior year credit balance

The Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan (23-1352651/006) merged with the Thomas Jefferson University Employee's Pension Plan (23-1352651/001) on December 31, 2015. The ending credit balance from plan 006 becomes carryover balance for plan 001 as of January 1, 2016. Plan 001 elected to apply \$754,211 of this carryover balance as of January 1, 2015 to partially meet the 2015 plan year minimum required contribution. For this reason, the beginning of year credit balance for plan 006 was reduced by \$754,211. The election to apply the carryover balance occurred on September 15, 2016.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

Schedule B, line 11—Justification for Change in Actuarial Assumptions

The funding valuation reflects the following assumption changes between the July 1, 2014 and January 1, 2015 valuations in order to better reflect anticipated plan experience:

- A change in the mortality assumption from the 2014 static mortality table for annuitants and non-annuitants per section 1.430(h)(3)-1(e) to the 2015 static mortality table for annuitants and non-annuitants per section 1.430(h)(3)-1(e).
- A change in the ERISA funding liability interest rate from 7.50% to 7.00%.

This assumption changes are not subject to the approval requirements of IRC Section 412(c)(5)(B), since they did not decrease the unfunded current liability.

The Current Liability valuation also reflects the following required assumption changes:

- The RPA current liability interest rate increased from 6.99% to 6.81%. Additionally, the mortality table changed from the 2014 static mortality table for annuitants and non-annuitants Per §1.430(h)(3)-1(e) to the 2015 static mortality table for annuitants and non-annuitants Per §1.430(h)(3)-1(e). Because these changes are mandated, they are not subject to the approval requirements of IRC Section 412(c)(5)(B).

Because these changes are mandated, they are not subject to the approval requirements of IRC Section 412(c)(5)(B).

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

Schedule SB, Part V—Summary of Plan Provisions

Effective Date	January 1, 1968. As most recently restated July 1, 2008, reflecting June 2012 amendment.
Membership Requirements TJUH Employees' Plan	January 1 or July 1 next following attainment of age 21 and 1,000 hours of service in a 12-month period. No employees hired after June 30, 2004 can become a participant.
Methodist Plan	First day of month following attainment of age 21 and 1,000 hours of service in a plan year. No employees hired after June 30, 2004 can become a participant.
Definition of: Credited Service TJUH Employees' Plan	A fractional year of service is credited equal to the ratio of hours of service earned during the plan year to 1,800, but not greater than one.
Methodist Plan	A year of service is credited for each plan year in which 1,000 hours of service are earned. A fractional year is credited in year of hire and termination equal to one-twelfth a year for each completed month in which the employee works at least 83 hours.
Vesting Service	One year of vesting service is credited for each plan year in which 1,000 hours of service are earned.
Compensation TJUH Employees' Plan	The rate of base pay at the beginning of a plan year.
Methodist Plan	Compensation paid for a year excluding overtime pay, shift differential pay, bonuses, and commissions.
Average Final Compensation TJUH Employees' Plan	Highest average compensation during five consecutive complete plan years.
Methodist Plan	Highest average compensation during four consecutive complete plan years.
Actuarial Equivalent	Based on the 1984 Unisex Pensioners Mortality Table set back seven years and an interest rate of 6.00%.
Plan Year	January 1 to December 31.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

Covered Compensation Average of the Social Security taxable wage base during the 35 year period ending at Social Security Retirement Age.

Social Security Retirement Age Age at which an unreduced Social Security benefit is payable. Varies by year of birth as shown below:

<u>Year of Birth</u>	<u>Social Security Retirement Age</u>
Before 1938	65
1938 through 1954	66
1955 and after	67

Normal Retirement

Eligibility

TJUH Employees' Plan

Age 65 and five years of Vesting Service.

Methodist Plan

Age 65 and five years of plan participation.

Benefit

TJUH Employees' Plan

Annual benefit is equal to 1.1% of Average Final Compensation below one-half of Covered Compensation, plus 1.3% of Average Final Compensation in excess of one-half of Covered Compensation, multiplied by years of Credited Service. There is a minimum benefit of \$15 per month multiplied by years of Credited Service.

Prior CRH Plan participants receive their frozen CRH Plan benefit as of December 31, 1995 plus Credited Service under the above formula for service after January 1, 1996.

Ford Road Campus employees receive Credited Service under the above formula for service after January 1, 1996.

Methodist Plan

Annual benefit is equal to 1.0% of Average Final Compensation below Covered Compensation, plus 1.5% of Average Final Compensation in excess of Covered Compensation, multiplied by years of Credited Service.

Participants in prior plan as of July 1, 1980 have a frozen minimum annual benefit equal to .75% of Average Final Compensation in excess of \$7,800 plus 1.25% of Average Final Compensation, multiplied by years of service. Average Final Earnings and years of service are



Schedule SB Attachment (Form 5500)—2015 Plan Year  
 Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
 EIN: 23-1352651 PN: 006

determined as of the earlier of termination or June 30, 1992.

Early Retirement

Eligibility

TJUH Employees' Plan

Age 55 and five years of Vesting Service.

Methodist Plan

Age 55 and ten years of Vesting Service.

Benefit

TJUH Employees' Plan

Immediate benefit equal to the accrued normal retirement pension reduced from age 65 by one-fifteenth for the first five years and one-thirtieth for the next five years.

Methodist Plan

Immediate benefit equal to the accrued normal retirement pension reduced from age 65 by 6% per year.

Vested Termination

Eligibility

Five years of Vesting Service.

Benefit

TJUH Employees' Plan

Benefit equal to the accrued normal retirement pension payable at age 65. The participant may commence the benefit beginning on or after age 55, reduced as for early retirement.

Methodist Plan

Benefit equal to the accrued normal retirement pension payable at age 65. A participant with ten years of Vesting Service may commence the benefit beginning on or after age 55, reduced as for early retirement.

Disability

Eligibility

TJUH Employees' Plan

Five years of Vesting Service.

Methodist Plan

Ten years of Vesting Service and eligible for employer's Long Term Disability Insurance Plan.

Benefit

Accrued benefit payable at Normal Retirement Date based on continued Credited Service and level compensation and Social Security Covered Compensation through period of disability.

Death Benefit

Eligibility

Death in active service or after termination, after completion of five years of Vesting Service.

Schedule SB Attachment (Form 5500)—2015 Plan Year  
Thomas Jefferson University Hospitals, Inc. Employee's Pension Plan  
EIN: 23-1352651 PN: 006

Benefit The survivor benefit is equal to the amount the survivor would have received had the participant terminated employment just prior to his death, lived to earliest retirement date, elected a joint and 50% Survivor Annuity, and died immediately thereafter. Payments begin in the month following the participant's death, or when the participant would have reached earliest retirement age, whichever is later.

Normal Form of Benefit

Single Life Annuity.

Married 50% Joint and Spouse Annuity. Actuarial equivalent of Life Annuity.

Optional Forms of Benefit

75% or 100% Joint and Survivor Annuity.

Five-, ten-, (fifteen-, or twenty- for TJUH Employees' Plan) year Certain and Life Annuity.

Life Annuity for married members.

All optional forms of benefit are the Actuarial Equivalent of a Life Annuity.

Employee Contributions  
TJUH Employees' Plan

Effective February 1, 1973, the plan was amended to remove the requirements of employee contributions. Contributions prior to the amendment are increased at an interest rate of (1) 5% per year prior to July 1, 1988, and (2) 120% of the Federal Mid-Term Rate after July 1, 1988.

Methodist Plan

None

Plan Transfers

Employees who elected to transfer to the new TJUH Employees' Defined Contribution Plan effective July 1, 2004, plus all employees less than age 50 and with less than 15 years of Vesting Service as of July 1, 2004, will have frozen accrued benefits as of June 30, 2004 under this plan.

Changes in Plan Provisions since the Prior Year

The January 1, 2015 funding valuation reflects the following plan changes:

- A change in the mortality and interest rates for determining minimum lump sum payments under IRC Section 417(e)(3) to the rates in effect for the current plan year.
- The plan year has been changed to January 1 through December 31.

**THOMAS JEFFERSON UNIVERSITY  
HOSPITALS, INC. EMPLOYEES' PENSION PLAN  
FINANCIAL STATEMENTS  
AND SUPPLEMENTAL SCHEDULE  
YEAR ENDED DECEMBER 31, 2015 AND  
SIX MONTHS ENDED DECEMBER 31, 2014**

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
**FOR THE YEAR ENDED DECEMBER 31, 2015 AND**  
**SIX MONTHS ENDED DECEMBER 31, 2014**

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## INDEPENDENT AUDITOR'S REPORT

To the Administrator and Participants  
Thomas Jefferson University Hospitals, Inc. Employees' Pension Plan

### **Report on the Financial Statements**

We were engaged to audit the accompanying financial statements of the Thomas Jefferson University Hospitals, Inc. Employees' Pension Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2015 and 2014, and the related statements of changes in net assets available for benefits for the year ended December 31, 2015 and six months ended December 31, 2014, and the related notes to the financial statements.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

### ***Basis for Disclaimer of Opinion***

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by The Bank of New York Mellon/BNY Mellon, N.A., the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan administrator has obtained a certification from the trustee as of December 31, 2015 and December 31, 2014, and for the year ended December 31, 2015 and six months ended December 31, 2014, that the information provided to the Plan administrator by the trustee is complete and accurate.

***Disclaimer of Opinion***

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

***Other Matter***

The supplemental schedule H, line 4i - assets (held at end of year) as of December 31, 2015, is required by the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

**Report on Form and Content in Compliance With DOL Rules and Regulations**

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

Philadelphia, Pennsylvania  
October 13, 2016

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.  
EMPLOYEES' PENSION PLAN  
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS  
DECEMBER 31, 2015 AND DECEMBER 31, 2014**

	<u>2015</u>	<u>2014</u>
Assets:		
Investment, at fair value:		
Plan interest in master trust	\$ 310,874,934	\$ 296,968,781
Receivable:		
Employer contributions	-	25,188,376
Cash and cash equivalents	<u>554,001</u>	<u>553,945</u>
Total assets	311,428,935	322,711,102
Liabilities:		
Due to Thomas Jefferson University Employees' Pension Plan	<u>311,428,935</u>	<u>-</u>
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>	<b><u>\$ -</u></b>	<b><u>\$ 322,711,102</u></b>

See accompanying notes to financial statements.

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
**STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015 AND SIX MONTHS ENDED**  
**DECEMBER 31, 2014**

	<b>Year Ended December 31, 2015</b>	<b>Six Months Ended December 31, 2014</b>
Additions to (subtractions from) net assets attributed to:		
Investment income (loss):		
Plan interest in master trust investment gain (loss)	\$ (4,846,279)	\$ 7,191,984
Interest income	<u>2,522</u>	<u>27</u>
Total investment income (loss)	(4,843,757)	7,192,011
Employer contributions	<u>5,000,000</u>	<u>15,125,584</u>
Total additions	<u>156,243</u>	<u>22,317,595</u>
Deductions from net assets attributed to:		
Benefit payments	10,902,040	4,954,274
Administrative expenses	<u>536,370</u>	<u>89,635</u>
Total deductions	<u>11,438,410</u>	<u>5,043,909</u>
Net increase (decrease) in net assets available for benefits	(11,282,167)	17,273,686
Net assets available for benefits - beginning	322,711,102	305,437,416
Transfer to Thomas Jefferson University Employees' Pension Plan	<u>(311,428,935)</u>	<u>-</u>
<b>NET ASSETS AVAILABLE FOR BENEFITS - ENDING</b>	<b>\$ <u>-</u></b>	<b>\$ <u>322,711,102</u></b>

See accompanying notes to financial statements.



**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015 AND DECEMBER 31, 2014**

**NOTE 1. DESCRIPTION OF PLAN**

The following description of Thomas Jefferson University Hospitals, Inc. Employees' Pension Plan (the "Plan") provides only general information. For a more complete description of the Plan's provisions, refer to the agreement governing the Plan (the "Plan Agreement").

General

The Plan is a noncontributory, defined benefit plan that covers substantially all of the employees of Thomas Jefferson University Hospitals, Inc. (the "Hospital") who were hired prior to July 1, 2004. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). The Plan was amended and restated on July 1, 2008.

The Plan participates in the Thomas Jefferson University Master Trust ("Master Trust") with the Thomas Jefferson University Employees' Pension Plan (the "University Plan") on a unit basis.

On June 30, 2014, Thomas Jefferson University became the sole corporate member of the Hospital. As a result of this merger, Thomas Jefferson University became the Plan Sponsor.

The Plan was merged with and into the Thomas Jefferson University Employees' Pension Plan effective as of the close of business on December 31, 2015.

Pension benefits

Employees hired before July 1, 2004, with one or more years of service in which they complete 1,000 hours of service with the Hospital and are over 21 years of age, are entitled to annual pension benefits beginning at normal retirement age (65). Employees may elect to receive their pension benefits in the form of a single life annuity, a joint and survivor annuity, or a minimum distribution option.

Death and disability benefits

If an active employee dies before retirement benefits begin, a death benefit equal to the value of the employee's accumulated pension benefits is paid to the employee's beneficiary. Active employees who become totally disabled receive annual disability benefits that are equal to the normal retirement benefits that have accumulated as of the time they become disabled.

Vesting

Employees are 100% vested after five years of credited service. There is no partial vesting.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of accounting

The accompanying financial statements were prepared on the accrual basis of accounting.

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015 AND DECEMBER 31, 2014**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements, and changes therein. Actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents consist of a money market account that is readily convertible into cash and purchased with an original maturity of three months or less.

Investment valuation and income recognition

The Plan's investment in the Master Trust is reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's valuation policies are determined utilizing information provided by its investment advisers, trustee, and insurance company. See Note 7 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date. Interest income is recorded on the accrual basis. Interest and dividend income and net appreciation (depreciation) in fair value of Master Trust investments are allocated to each participating plan based upon its participating interest in the Master Trust and are reflected in the statements of changes in net assets available for benefits.

Payment of benefits

Benefit payments to participants are recorded upon distribution.

Administrative expenses

Administrative expenses of the Plan are generally paid by the Plan. Trustee fees are allocated to the Plan based upon its relative interest in the Master Trust, and Plan-specific expenses are allocated to the Plan directly and paid from Plan assets.

Actuarial present value of accumulated plan benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service that employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' credited service and accrued benefits to the time of retirement. The accumulated plan benefits for active employees are based on their service rendered and the benefit rate in effect on July 1, 2014. Benefits payable under all circumstances – retirement, death and termination of employment – are included, to the extent they are deemed attributable to the employee service rendered to the valuation date.

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015 AND DECEMBER 31, 2014**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Actuarial present value of accumulated plan benefits (continued)

The actuarial present value of accumulated plan benefits is determined by the Plan's actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal or retirement) between the valuation date and the expected date of payment. The mortality, discount rate, salary increase, and retirement rate assumptions were changed at July 1, 2014, to better reflect the anticipated experience.

The more significant methods and assumptions underlying the actuarial valuation are as follows:

Mortality Basis	2015 static mortality table for annuitants and non-annuitants per § 1.430(h)(3)-1(e)
Retirement Age	A sliding scale with rates varying by age
Investment Return	7%

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Recently adopted accounting pronouncements

In May 2015, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share*. The new guidance removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. Investments that are measured at net asset value per share (or its equivalent) but for which the practical expedient is not applied will continue to be included in the fair value hierarchy along with related required disclosures. The update also eliminates the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net asset value per share practical expedient. The Plan elected to early adopt ASU 2015-07 as of December 31, 2015, as permitted, and has applied ASU 2015-07 retrospectively, as required. The Plan presents the investment disclosures required by ASU 2015-07 for 2015 and 2014 in Notes 8 and 9. There were no other impacts on the statements of net assets available for benefits as of December 31, 2015 and 2014, and the statements of changes in net assets available for benefits for the year ended December 31, 2015 and six months ended December 31, 2014.

In July 2015, the FASB issued ASU 2015-12, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures, and (Part III) Measurement Date Practical Expedient*, which simplifies the required disclosures related to employee benefit plans. Part I eliminated the requirement to measure and disclose the fair value of fully benefit-responsive contracts, including common collective trust assets and pooled separate accounts. Contract value is the only required measure for fully benefit-responsive investment contracts. Part II eliminates the requirement to disclose individual investments that comprise 5% or more of total

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
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**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Recently adopted accounting pronouncements (continued)

net assets available for benefits, as well as the net appreciation or depreciation of fair values by type. Part II also requires plans to continue to disaggregate investments that are measured using fair value by general type; however, plans are no longer required to also disaggregate investments by nature, characteristics and risks. Furthermore, the disclosure of the information about fair value measurements shall be provided by general type of plan asset. Part III is not applicable to the Plan. ASU 2015-12 is effective for fiscal years beginning after December 31, 2015, with early adoption permitted. The Plan elected to early-adopt ASU 2015-12 as of December 31, 2015, and has applied the provisions retrospectively. The adoption of ASU 2015-12 resulted in the Plan eliminating its historical disclosure of individual investments that comprise 5% or more of total net assets available for benefits, as well as the net appreciation or depreciation of fair values by type. There were no other impacts on the statements of net assets available for benefits as of December 31, 2015 and 2014, and the statements of changes in net assets available for benefits for the year ended December 31, 2015 and six months ended December 31, 2014

Subsequent events

In accordance with FASB Accounting Standards Codification ("ASC") 855, *Subsequent Events*, the Plan Sponsor's management has evaluated subsequent events through October 13, 2016, the date on which these financial statements were available to be issued. There were no material subsequent events that required recognition or additional disclosure in these financial statements.

**NOTE 3. ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS**

The actuarial present value of accumulated benefits at January 1, 2015, is presented below:

Vested benefits:	
Participants currently receiving benefits	\$ 100,812,033
Vested benefits for other participants	<u>181,448,473</u>
Total vested benefits	282,260,506
Nonvested benefit	<u>379,673</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 282,640,179</u>

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015 AND DECEMBER 31, 2014**

**NOTE 3. ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS**  
**(CONTINUED)**

The changes in the actuarial present value of accumulated plan benefits for the six months ended January 1, 2015, are as follows:

Actuarial present value of accumulated plan benefits at July 1, 2014	\$ <u>251,404,302</u>
Increase (decrease) during the plan year attributable to:	
Increase for interest due to the decrease in the discount period	8,609,605
Other changes	(477,782)
Benefits paid	(2,387,399)
Assumption changes	<u>25,491,453</u>
Net increase	<u>31,235,877</u>
Total actuarial present value of accumulated plan benefits at January 1, 2015	\$ <u>282,640,179</u>

The mortality basis assumption used in the valuation of the accumulated benefits obligation was updated to reflect projected mortality improvement. In addition, the ERISA funding liability rate was decreased from 7.5% to 7.0%.

**NOTE 4. FUNDING POLICY**

The Hospital contributes to the Plan such amounts as are necessary on an actuarial basis to provide the Plan with assets sufficient to meet the benefits to be paid to Plan participants. The Hospital has met ERISA's minimum funding requirements.

Although it has not expressed any intention to do so, the Hospital has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA.

**NOTE 5. PLAN TERMINATION**

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

1. Benefits attributable to employee contributions, taking into account those paid out before termination.
2. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
3. Other vested benefits insured by the Pension Benefit Guaranty Corporation ("PBGC") (a U.S. government agency) up to the applicable limitations (discussed subsequently).

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015 AND DECEMBER 31, 2014**

**NOTE 5. PLAN TERMINATION (CONTINUED)**

4. All other vested benefits (that is, vested benefits not insured by the PBGC).
5. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, a statutory ceiling exists, which is adjusted annually, on the amount of an individual's monthly benefit that the PBGC guarantees. The maximum guaranteed amount is based, in part, on the participant's age on the termination date or, if the participant is not in pay status on that date, the date on which the participant would begin receiving benefits from the PBGC.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan Sponsor and the level of benefits guaranteed by the PBGC.

**NOTE 6. INFORMATION CERTIFIED BY THE TRUSTEE**

The Plan administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan's administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the information certified by The Bank of New York Mellon/BNY Mellon, N.A. (the "trustee"), except for comparing such information certified by the trustee to information included in the Plan's financial statements. The trustee has certified that the investment information, including investments in the Master Trust and allocated investment income from the Master Trust, in the accompanying financial statements is complete and accurate.

The Hospital entered into a pension trust agreement with the trustee. Under the terms of the agreement, the trustee will hold, invest and reinvest the pension funds. The Hospital has no right, title or interest in or to the pension trust funds maintained under the agreement.

**NOTE 7. FAIR VALUE MEASUREMENTS**

FASB ASC 820, *Fair Value Measurement*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2015 AND DECEMBER 31, 2014**

**NOTE 7. FAIR VALUE MEASUREMENTS (CONTINUED)**

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability; and
- inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input this is significant to the fair value measurement. Valuation techniques maximize the use of unobservable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets of the investment in the Master Trust (see Note 8) reported at fair value. There have been no changes in the methodologies used at December 31, 2015 and 2014.

*Cash equivalents* - Valued at cost, which approximates fair value.

*Preferred stocks* - Valued at the closing price reported in the active market in which the individual securities are traded or using pricing models maximizing the use of observable inputs for similar securities.

*Fixed income securities* - Valued at the closing price reported in the active market in which the individual securities are traded or using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

*Mutual funds* - Valued at the net asset value ("NAV") of the shares held by the Master Trust at year-end.

*Alternative investments* - Valued at estimated fair values based upon the quoted market prices or estimated by the respective external investment managers if market values are not readily ascertainable.

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
**EMPLOYEES' PENSION PLAN**  
**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 7. FAIR VALUE MEASUREMENTS (CONTINUED)**

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

**NOTE 8. INTEREST IN MASTER TRUST**

The Plan's assets are invested in the Master Trust, which was established for the investment of assets of the Plan and the University Plan. Each participating retirement plan has an undivided interest in the Master Trust. At December 31, 2015, the Plan's interest in the net assets of the Master Trust was approximately 69%.

The value of the Plan's interest in the Master Trust is based on the beginning of period value of the Plan's interest in the trust, plus actual contributions, less actual distributions and allocated investment gain (loss) and administrative expenses.

The following presents the assets, including investments, and liabilities of the Master Trust at fair value as of December 31, 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Cash equivalents	\$ 9,335,383	\$ 8,200,342
Preferred stocks	99,955	107,894
Fixed income securities	70,389,645	73,257,066
Mutual funds	317,957,086	316,843,629
Alternative investments	<u>57,855,996</u>	<u>52,882,924</u>
	455,638,065	451,291,855
Other assets and liabilities, net	<u>(6,856,251)</u>	<u>(8,157,354)</u>
	<u>\$ 448,781,814</u>	<u>\$ 443,134,501</u>
Plan interest in Master Trust	<u>\$ 310,874,934</u>	<u>\$ 296,968,781</u>

Investment gain (loss) for the Master Trust for the year ended December 31, 2015 and six months ended December 31, 2014, is summarized as follows:

	<u>2015</u>	<u>2014</u>
Net appreciation (depreciation) in fair value of investments	\$ (8,881,571)	\$ 11,326,987
Other investment income	889,372	56,316
Interest and dividends	3,059,616	1,468,592
Investment fees	<u>(2,416,199)</u>	<u>(1,201,677)</u>
Investment gain (loss)	<u>\$ (7,348,782)</u>	<u>\$ 11,650,218</u>



**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
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**NOTES TO FINANCIAL STATEMENTS**  
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**NOTE 8. INTEREST IN MASTER TRUST (CONTINUED)**

The following table summarizes the Master Trust's assets at fair value, on a recurring basis, categorized by GAAP's valuation hierarchy as of December 31, 2015:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:				
Cash equivalents	\$ 9,335,383	\$ 7,575,234	\$ 1,760,149	\$ -
Preferred stocks:				
Insurance	<u>99,955</u>	<u>-</u>	<u>99,955</u>	<u>-</u>
Fixed income securities:				
U.S. gov't & agency bonds	742,415	742,415	-	-
U.S. corporate bonds	50,116,317	-	50,116,317	-
U.S. municipal bonds	5,622,761	-	5,622,761	-
U.S. Treasury forward contracts	4,185	4,185	-	-
Foreign gov't bonds	1,685,467	-	1,685,467	-
Foreign corporate bonds	<u>12,218,501</u>	<u>-</u>	<u>12,218,501</u>	<u>-</u>
Total fixed income securities	<u>70,389,646</u>	<u>746,600</u>	<u>69,643,046</u>	<u>-</u>
Mutual funds:				
Global equity	241,496,101	-	241,496,101	-
Fixed income	<u>76,460,984</u>	<u>-</u>	<u>76,460,984</u>	<u>-</u>
Total mutual funds	<u>317,957,085</u>	<u>-</u>	<u>317,957,085</u>	<u>-</u>
Total assets in fair value hierarchy	397,782,069	<u>\$ 8,321,834</u>	<u>\$ 389,460,235</u>	<u>\$ -</u>
Investments measured at net asset value (Note 9)	<u>57,855,996</u>			
Total investments of Master Trust at fair value	<u>\$ 455,638,065</u>			

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
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**NOTE 8. INTEREST IN MASTER TRUST (CONTINUED)**

The following table summarizes the Master Trust's assets at fair value, on a recurring basis, categorized by GAAP's valuation hierarchy as of December 31, 2014:

	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Assets:				
Cash equivalents	\$ <u>8,200,342</u>	\$ <u>3,768,874</u>	\$ <u>4,431,468</u>	\$ <u>-</u>
Preferred stocks:				
Insurance	<u>107,894</u>	<u>55,726</u>	<u>52,168</u>	<u>-</u>
Fixed income securities:				
U.S. gov't & agency bonds	5,387,534	5,528,564	(141,030)	-
U.S. corporate bonds	48,635,174	-	48,635,174	-
U.S. municipal bonds	5,531,388	-	5,531,388	-
U.S. Treasury forward contracts	2,103,564	2,103,564	-	-
Foreign gov't bonds	2,503,408	-	2,503,408	-
Foreign corporate bonds	<u>9,095,998</u>	<u>-</u>	<u>9,095,998</u>	<u>-</u>
Total fixed income securities	<u>73,257,066</u>	<u>7,632,128</u>	<u>65,624,938</u>	<u>-</u>
Mutual funds:				
Global equity	240,736,870	-	240,736,870	-
Fixed income	<u>76,106,759</u>	<u>-</u>	<u>76,106,759</u>	<u>-</u>
Total mutual funds	<u>316,843,629</u>	<u>-</u>	<u>316,843,629</u>	<u>-</u>
Total assets in fair value hierarchy	398,408,931	\$ <u>11,456,728</u>	\$ <u>386,952,203</u>	\$ <u>-</u>
Investments measured at net asset value (Note 9)	<u>52,882,924</u>			
Total investments of Master Trust at fair value	\$ <u>451,291,855</u>			

There were no transfers between levels of the fair value hierarchy during the year ended December 31, 2015 and six months ended December 31, 2014.

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
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**NOTE 9. NET ASSET VALUE PER SHARE**

The following tables set forth a summary of the Master Trust's investments with a reported NAV per share at December 31, 2015:

Fair Value Estimated Using Net Asset Value per Share December 31, 2015					
Investment	Fair Value*	Unfunded Commitments	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
Alternative investments - hedge funds (a)	\$ 54,251,316	\$ -	Quarterly/ Annually	None	90 days
Alternative investments - private equity (b)	2,317,908	98,512	-	None	-
Alternative investments - Real estate (b)	<u>1,286,772</u>	<u>408,905</u>	-	None	-
Total	<u>\$ 57,855,996</u>	<u>\$ 507,417</u>			

Fair Value Estimated Using Net Asset Value per Share December 31, 2014					
Investment	Fair Value*	Unfunded Commitments	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
Alternative investments - hedge funds (a)	\$ 49,005,797	\$ -	Quarterly/ Annually	None	90 days
Alternative investments - private equity (b)	2,712,921	98,512	-	None	-
Alternative investments - Real estate (b)	<u>1,164,206</u>	<u>80,941</u>	-	None	-
Total	<u>\$ 52,882,924</u>	<u>\$ 179,453</u>			

\* The fair values of the investments have been estimated using the NAV of the investments:

- (a) This class includes investments in hedge funds which are generally open-end funds as they typically offer subscription and redemption options to investors. The funds invest in a variety of investment classes (equities, fixed income, commodities) and are primarily long/short strategies. The frequency of such subscriptions or redemptions is dictated by the fund's governing documents. The fair value of an investment at the measurement date is determined by using the reported NAV.
- (b) This class includes investments in private equity and real estate investments which are structured as closed-ended, commitment-based investment funds where there is a responsibility to fund a specified amount of capital upon inception of the fund (i.e., committed capital) which is then drawn down over a specified period of the fund's life. Such funds generally do not provide redemption options for investors and, subsequent to final closing, do not permit subscriptions by new or existing investors. The fair value of an investment at the measurement date is determined by using the reported NAV adjusted for known contributions and distributions.

**THOMAS JEFFERSON UNIVERSITY HOSPITALS, INC.**  
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**NOTE 10. TAX STATUS**

The Internal Revenue Service has determined and informed the Hospital by a letter dated December 3, 2012, that the Plan is designed in accordance with applicable sections of the Internal Revenue Code ("IRC"). The Plan has been amended since receiving the determination letter. However, the Plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by taxing authorities. The Plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2015 and 2014, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. With few exceptions, the Plan administrator believes it is no longer subject to income tax examinations for years prior to 2012.

**NOTE 11. RISKS AND UNCERTAINTIES**

The Master Trust invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near-term, and such changes could materially affect the Plan's investment in the Master Trust.

Plan contributions and the actuarial present value of accumulated benefits are prepared based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near-term would be material to the financial statements.

**SUPPLEMENTAL SCHEDULE**

**THOMAS JEFFERSON UNIVERSITY**  
**HOSPITALS, INC. EMPLOYEES' PENSION PLAN**  
**SCHEDULE H, LINE 4i - ASSETS (HELD AT END OF YEAR)**  
**DECEMBER 31, 2015**  
**EIN: 23-1352651**  
**PN: 006**

(a)	(b)	(c)	(d)	(e)
<u>Identity of issuer, borrower, lessor or similar party</u>	<u>Description of investment including maturity date, rate of interest, collateral, par, or market value</u>	<u>Cost</u>	<u>Current value</u>	
Wells Fargo Securities, LLC	Wells Fargo Adv Treasury Plus	\$ <u>554,001</u>	\$ <u>554,001</u>	

See independent auditor's report.