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Form **990****Return of Organization Exempt From Income Tax**

OMB No 1545-0047

2008Open to Public
InspectionDepartment of the Treasury
Internal Revenue ServiceUnder section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung
benefit trust or private foundation)

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

A For the 2008 calendar year, or tax year beginning , 2008, and ending , 20

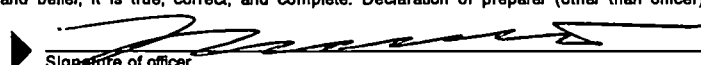
B Check if applicable: ☐ Address change ☐ Name change ☐ Initial return ☐ Termination ☒ Amended return ☐ Application pending	C Name of organization SUTTER HEALTH Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite 2200 RIVER PLAZA DRIVE City or town, state or country, and ZIP + 4 SACRAMENTO, CA 95833	D Employer identification number 94-2788907 E Telephone number (916) 286-6665
	F Name and address of principal officer: PATRICK FRY SAME AS C ABOVE	G Gross receipts \$ 1,088,301,756. H(a) Is this a group return for affiliates? ☐ Yes ☒ No H(b) Are all affiliates included? ☐ Yes ☒ No If "No," attach a list. (see instructions)
	I Tax-exempt status ☒ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527	H(c) Group exemption number ▶
	J Website: ▶ WWW.SUTTERHEALTH.ORG K Type of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶	L Year of formation 1981 M State of legal domicile. CA

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities <u>SEE SCHEDULE O</u>		
	2 Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	14
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	13
	5 Total number of employees (Part V, line 2a)	5	1,980
	6 Total number of volunteers (estimate if necessary)	6	NONE
	7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	3,977,220.
b Net unrelated business taxable income from Form 990-T, line 34	7b	-28,862,454.	
Revenue	8 Contribution and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	1,973,137.	2,546,134.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	269,063,801.	384,413,358.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	86,371,061.	-10,211,042.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	3,736,887.	3,485,193.
	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	361,144,886.	380,233,643.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	2,787,050.	7,044,179.
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	NONE	NONE
	16a Professional fundraising fees (Part IX, column (A), line 11e)	NONE	NONE
	b Total fundraising expenses, Part IX, column (D), line 25) ▶	NONE	NONE
Expenses	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	224,968,741.	298,523,270.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	344,501,381.	468,466,177.
	19 Revenue less expenses. Subtract line 18 from line 12.	16,643,505.	-88,232,534.
	20 Total assets (Part X, line 16)	Beginning of Year	End of Year
Net Assets or Fund Balances	21 Total liabilities (Part X, line 26)	413,729,368.	1,930,919,159.
	22 Net assets or fund balances. Subtract line 21 from line 20.	356,145,344.	931,728,314.
		1,057,584,024.	999,190,845.

Part II Signature Block

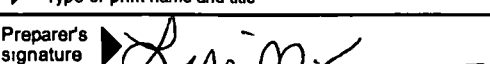
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here ▶  **Date** **11.10.10**

Signature of officer

Type or print name and title

Paid Preparer's Use Only

Preparer's signature  **Date** **11-9-10** **Check if self-employed** ☐ **Preparer's identifying number (see instructions)** **P00043433**

Firm's name (or yours if self-employed), address, and ZIP + 4 **ERNST & YOUNG U.S. LLP** **EIN** **34-6565596**

2901 DOUGLAS BLVD., SUITE 300 ROSEVILLE, CA 95661 **Phone no.** **916-218-1900**

May the IRS discuss this return with the preparer shown above? (See instructions) ☒ Yes ☐ No

JSA
8E1010 2 000

58791K 4019

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Form 990 (2008)

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Part III Statement of Program Service Accomplishments (see instructions)**1** Briefly describe the organization's mission:

SEE SCHEDULE O

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No
If "Yes" describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No
If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 447,154,287. including grants of \$ 7,044,179.) (Revenue \$ 384,413,358.)
SEE SCHEDULE O

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services. (Describe in Schedule O.)
(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ► \$ 447,154,287. (Must equal Part IX, Line 25, column (B))

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	☒	☐
2 Is the organization required to complete Schedule B, Schedule of Contributors?	☒	☐
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	☐	☒
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	☒	☐
5 Sections 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	☐	☐
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	☐	☒
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	☐	☒
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	☐	☒
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	☐	☒
10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	☐	☒
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	☒	☐
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII	☐	☒
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	☐	☒
14a Did the organization maintain an office, employees, or agents outside of the U.S.?	☐	☒
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? If "Yes," complete Schedule F, Part I	☐	☒
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II	☐	☒
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III	☐	☒
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I	☐	☒
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	☒	☐
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	☐	☒
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H	☐	☒
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	☒	☐
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	☐	☒
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J	☒	☐
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25	☐	☒
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	☐	☐
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	☐	☐
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	☐	☐
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	☐	☒
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I	☐	☒
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	☐	☒
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	☐	☒

Part IV Checklist of Required Schedules (continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L, Part IV		X
b Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV		X
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If "Yes," complete Schedule L, Part IV		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	X	
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2	X	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X

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Part V Statements Regarding Other IRS Filings and Tax Compliance

	Yes	No
1a Enter the number reported in Box 3 of Form 1098, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable.	1a 406	
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b NONE	
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c X	
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a 1,980	
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	2b X	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a X	
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b X	
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b If "Yes," enter the name of the foreign country: ▶ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c	
6a Did the organization solicit any contributions that were not tax deductible?	6a	X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7 Organizations that may receive deductible contributions under section 170(c).		
a Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?	7a X	
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b X	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	X
d If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	X
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	
8 Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
9 Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
a Did the organization make any taxable distributions under section 4966?	9a	
b Did the organization make a distribution to a donor, donor advisor, or related person?	9b	
10 Section 501(c)(7) organizations. Enter:		
a Initiation fees and capital contributions included on Part VIII, line 12	10a	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11 Section 501(c)(12) organizations. Enter:		
a Gross income from members or shareholders	11a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	

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Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)**Section A. Governing Body and Management**

For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, process, or changes in Schedule O. See instructions.

	Yes	No
1a Enter the number of voting members of the governing body	1a 14	
b Enter the number of voting members that are independent	1b 13	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	X
5 Did the organization become aware during the year of a material diversion of the organization's assets?	5	X
6 Does the organization have members or stockholders?	6	X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	X
8 Did the organizations contemporaneously document the meetings held or written actions undertaken during the year by the following.		
a The governing body?	8a X	
b Each committee with authority to act on behalf of the governing body?	8b X	
9a Does the organization have local chapters, branches, or affiliates?	9a	X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9b	
10 Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10 X	
11 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	11	X

Section B. Policies

	Yes	No
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	12a X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c X	
13 Does the organization have a written whistleblower policy?	13 X	
14 Does the organization have a written document retention and destruction policy?	14 X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision.		
a The organization's CEO, Executive Director, or top management official?	15a X	
b Other officers or key employees of the organization?	15b X	
Describe the process in Schedule O. (see instructions)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a X	
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b X	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► CALIFORNIA

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☒ Own website ☒ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► JIM REICH 2200 RIVER PLAZA DRIVE SACRAMENTO, CA 95833
916-286-6665

Part VIII Statement of Revenue

94-2788907

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c	56,180.			
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	2,489,954.			
	g	Noncash contributions included in lines 1a-1f: \$		NONE			
	h	Total. Add lines 1a-1f		2,546,134.			
Program Service Revenue	2a	MANAGEMENT SERVICES	Business Code	900099	384,413,358.	384,413,358.	
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		384,413,358.			
	3	Investment income (including dividends, interest, and other similar amounts)		32,670,351.			32,670,351.
4	Income from investment of tax-exempt bond proceeds						
5	Royalties	(i) Real	(ii) Personal				
6a	Gross Rents	6,260,841.					
b	Less rental expenses	6,763,651.					
c	Rental income or (loss)	-502,810.					
d	Net rental income or (loss)			-502,810.		-502,810.	
7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other	658,401,526.	13,132.		
b	Less cost or other basis and sales expenses	701,296,051.	NONE				
c	Gain or (loss)	-42,894,525.	13,132.				
d	Net gain or (loss)			-42,881,393.		-42,881,393.	
8a	Gross income from fundraising events (not including \$ 56,180. of contributions reported on line 1c). See Part IV, line 18.	a	19,194.				
b	Less direct expenses	b	8,411.				
c	Net income or (loss) from fundraising events			10,783.		10,783.	
9a	Gross income from gaming activities. See Part IV, line 19.	a					
b	Less direct expenses	b					
c	Net income or (loss) from gaming activities						
10a	Gross sales of inventory, less returns and allowances	a					
b	Less cost of goods sold	b					
c	Net income or (loss) from sales of inventory						
Miscellaneous Revenue				Business Code			
11a	RADIATION PHYSICS	541900		1,387,404.		1,387,404.	
b	TELECOM	517000		903,819.		903,819.	
c	RECORDS MANAGEMENT	541900		674,708.		674,708.	
d	All other revenue	517000		1,011,289.		1,011,289.	
e	Total. Add lines 11a-11d			3,977,220.			
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			380,233,643.	384,413,358.	3,977,220.	-10,703,069.

Part IX Statement of Functional Expenses**Section 501(c)(3) and 501(c)(4) organizations must complete all columns.****All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).**

Do not include amounts reported on lines 8b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	7,044,179.	7,044,179.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	NONE	NONE		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	NONE	NONE		
4 Benefits paid to or for members	NONE	NONE		
5 Compensation of current officers, directors, trustees, and key employees	NONE	NONE	NONE	NONE
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .	NONE	NONE	NONE	NONE
7 Other salaries and wages	95,480,793.	89,866,092.	5,614,701.	NONE
8 Pension plan contributions (include section 401 (k) and section 403(b) employer contributions) . .	7,364,784.	7,364,784.	NONE	NONE
9 Other employee benefits	48,404,188.	40,322,952.	8,081,236.	NONE
10 Payroll taxes	11,648,963.	11,648,963.	NONE	NONE
11 Fees for services (non-employees)				
a Management	NONE	NONE	NONE	NONE
b Legal	14,071,261.	14,071,261.	NONE	NONE
c Accounting	3,055,658.	3,055,658.	NONE	NONE
d Lobbying	NONE	NONE	NONE	NONE
e Professional fundraising services. See Part IV, line 17	NONE			NONE
f Investment management fees	4,604,333.	4,604,333.	NONE	NONE
g Other	42,923,801.	42,923,801.	NONE	NONE
12 Advertising and promotion	9,150,133.	9,150,133.	NONE	NONE
13 Office expenses	18,009,193.	17,960,906.	48,287.	NONE
14 Information technology	NONE	NONE	NONE	NONE
15 Royalties	NONE	NONE	NONE	NONE
16 Occupancy	7,815,757.	7,783,044.	32,713.	NONE
17 Travel	3,789,355.	3,789,355.	NONE	NONE
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	NONE	NONE	NONE	NONE
19 Conferences, conventions, and meetings	2,149,158.	2,143,424.	5,734.	NONE
20 Interest	12,543,882.	12,543,882.	NONE	NONE
21 Payments to affiliates	NONE	NONE	NONE	NONE
22 Depreciation, depletion, and amortization . . .	48,577,583.	48,577,583.	NONE	NONE
23 Insurance	7,926,770.	7,926,770.	NONE	NONE
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a PURCHASED SVCS/PROF FEES -----	53,065,267.	50,395,732.	2,669,535.	NONE
b REPAIRS & MAINTENANCE -----	24,894,655.	24,894,655.	NONE	NONE
c INSURANCE CLAIMS EXPENSE -----	10,172,005.	10,172,005.	NONE	NONE
d DUES & SUBSCRIPTIONS -----	1,788,716.	1,365,673.	423,043.	NONE
e UTILITIES -----	1,653,970.	1,582,982.	70,988.	NONE
f All other expenses -----	32,331,773.	27,966,120.	4,365,653.	NONE
25 Total functional expenses. Add lines 1 through 24f	468,466,177.	447,154,287.	21,311,890.	NONE
26 Joint Costs. Check here ☐ If following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing		1	
	2 Savings and temporary cash investments	119,412,145.	2	164,010,212.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net		4	
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sales or use	431,495.	8	387,180.
	9 Prepaid expenses and deferred charges	9,706,464.	9	13,072,733.
	10a Land, buildings, and equipment: cost basis	10a 739,212,201.		
	b Less: accumulated depreciation. Complete Part VI of Schedule D.	10b 243,970,409.		
		374,916,920.	10c	495,241,792.
	11 Investments - publicly traded securities	808,557,090.	11	995,396,892.
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11	2,427,319.	13	2,315,025.
	14 Intangible assets		14	
15 Other assets. See Part IV, line 11	98,277,935.	15	260,495,325.	
16 Total assets. Add lines 1 through 15 (must equal line 34)	1,413,729,368.	16	1,930,919,159.	
Liabilities	17 Accounts payable and accrued expenses	111,120,864.	17	268,827,010.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	NONE	23	391,700,000.
	24 Unsecured notes and loans payable		24	
	25 Other liabilities. Complete Part X of Schedule D	245,024,480.	25	271,201,304.
	26 Total liabilities. Add lines 17 through 25	356,145,344.	26	931,728,314.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	1,054,013,675.	27	996,086,282.
	28 Temporarily restricted net assets	3,570,349.	28	3,104,563.
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here ☐ and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	1,057,584,024.	33	999,190,845.
	34 Total liabilities and net assets/fund balances.	1,413,729,368.	34	1,930,919,159.

Part XI Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	X
b	Were the organization's financial statements audited by an independent accountant?	2b	X
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	
b	If "Yes," did the organization undergo the required audit or audits?	3b	

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

2008

Open to Public
Inspection

Department of the Treasury
Internal Revenue Service

To be completed by all section 501(c)(3) organizations and section 4947(a)(1)
nonexempt charitable trusts.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Name of the organization

Employer identification number

SUTTER HEALTH

94-2788907

Part I Reason for Public Charity Status (All organizations must complete this part.) (see instructions)

The organization is not a private foundation because it is: (Please check only one organization.)

- 1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).** (Attach Schedule H.)
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 ☐ An organization that normally receives (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).** (see instructions)
- 11 ☒ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a ☐ Type I b ☐ Type II c ☒ Type III - Functionally Integrated d ☐ Type III - Other
 - e ☒ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).**
 - f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box ☐
 - g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? ☐
 - (ii) A family member of a person described in (i) above? ☐
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above? ☐

	Yes	No
11g(i)	☒	☐
11g(ii)	☒	☐
11g(iii)	☒	☐

h Provide the following information about the organizations the organization supports.

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
SEE STATEMENT 2									
Total									564,753,542.

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule A (Form 990 or 990-EZ) 2008

Part II **Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1-3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4.						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						
12 Gross receipts from related activities, etc. (See instructions.)						12
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						☐

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	%
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f	15	%
16a 33 1/3% support test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ☐		
b 33 1/3% support test - 2007. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ☐		
17a 10%-facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "fact-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization ☐		
b 10%-facts-and-circumstances test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ☐		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ☐		

Schedule A (Form 990 or 990-EZ) 2008

Part III Support Schedule for Organizations Described in Section 509(a)(2)
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1-5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
c Add lines 7a and 7b.						
8 Public support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6.						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.						☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f)).	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h.	18	%
19a 33 1/3% support tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization		☐
b 33 1/3% support tests - 2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization		☐
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions		☐

Part IV **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10: Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. (see instructions)

[illegible]

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities
For Organizations Exempt From Income Tax Under section 501(c) and section 527

- To be completed by organizations described below.
► Attach to Form 990 or Form 990-EZ.

OMB No. 1545-0047

2008

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If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part VI, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations. Complete Part I-A only.

If the organization answered "Yes," to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(cy)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations Complete Part III.

Name of organization	Employer identification number
SUTTER HEALTH	94-2788907

Part I-A To be completed by all organizations exempt under section 501(c) and section 527 organizations.
See the instructions for Schedule C for details.

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political expenditures ► \$
- 3 Volunteer hours

Part I-B To be completed by all organizations exempt under section 501(c)(3).
See the instructions for Schedule C for details.

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ► \$
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ► \$
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No
- 4a Was a correction made? ☐ Yes ☐ No
- b If "Yes," describe in Part IV.

Part I-C To be completed by all organizations exempt under section 501(c), except section 501(c)(3).
See the instructions for Schedule C for details.

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ► \$
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ► \$
- 3 Total of direct and indirect exempt function expenditures. Add lines 1 and 2 and enter here and on Form 1120-POL, line 17b ► \$
- 4 Did the filing organization file Form 1120-POL for this year? ☐ Yes ☐ No
- 5 State the names, addresses and employer identification number (EIN) of all section 527 political organizations to which payments were made. Enter the amount paid and indicate if the amount was paid from the filing organization's funds or were political contributions received and promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-

Part II-A To be completed by organizations exempt under section 501(c)(3) that filed Form 5768 (election under section 501(h)). See the instructions for Schedule C for details.

- A** Check ☐ if the filing organization belongs to an affiliated group.
B Check ☐ if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1 a Total lobbying expenditures to influence public opinion (grass roots lobbying)															
b Total lobbying expenditures to influence a legislative body (direct lobbying)															
c Total lobbying expenditures (add lines 1a and 1b)															
d Other exempt purpose expenditures															
e Total exempt purpose expenditures (add lines 1c and 1d)															
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.															
<table border="1"> <tr> <td>If the amount on line 1e, column (a) or (b) is:</td> <td>The lobbying nontaxable amount is:</td> </tr> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </table>	If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000			
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e.														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
g Grassroots nontaxable amount (enter 25% of line 1f)															
h Subtract line 1g from line 1a. Enter -0- if line g is more than line a															
i Subtract line 1f from line 1c. Enter -0- if line f is more than line c															
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		☐ Yes ☐ No													

4-Year Averaging Period Under Section 501(h)
 (Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f of the instructions.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) Total
2 a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2008

Part II-B To be completed by organizations exempt under section 501(c)(3) that have NOT filed Form 5768 (election under section 501(h)). See the instructions for Schedule C for details.

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		X	
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?		X	
i Other activities? If "Yes," describe in Part IV	X		250,094.
j Total lines 1c through 1i			250,094.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		X	

Part III-A To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6). See the instructions for Schedule C for details.

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3 Did the organization agree to carryover lobbying and political expenditures from the prior year?	3	

Part III-B To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, questions 1 and 2 are answered "No" OR if Part III-A, question 3 is answered "Yes." See Schedule C instructions for details.

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) non-deductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2a	
b Carryover from last year	2b	
c Total	2c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (line 2c total minus 3 and 4)	5	

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5 and Part II-B, line 1i. Also, complete this part for any additional information.

PART II-B, QUESTION 1I

PAID CONSULTANTS THAT PERFORMED LOBBYING ACTIVITIES.

Part IV Supplemental Information (continued)

Area with horizontal dashed lines for supplemental information.

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

SUTTER HEALTH

Supplemental Financial Statements

▶ Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

OMB No. 1545-0047

2008

Open to Public
Inspection

Employer identification number

94-2788907

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		☐ Yes ☐ No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit?		☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e.g., recreation or pleasure)	☐ Preservation of an historically importantly land area
☐ Protection of natural habitat	☐ Preservation of certified historic structure
☐ Preservation of open space	

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
(ii) Assets included in Form 990, Part X	▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
b Assets included in Form 990, Part X	▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a ☐ Public exhibition d ☐ Loan or exchange programs
 b ☐ Scholarly research e ☐ Other _____
 c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Trust, Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table.

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current Year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment ▶ _____ %
 b Permanent endowment ▶ _____ %
 c Term endowment ▶ _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
 (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		104,432,592.		104,432,592.
b Buildings		79,182,214.	17,152,194.	62,030,020.
c Leasehold improvements		12,120,230.	2,598,409.	9,521,821.
d Equipment		365,791,083.	223,764,190.	142,026,893.
e Other		177,686,082.	455,616.	177,230,466.
Total. Add lines 1a-1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c)) ▶				495,241,792.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other _____		

Total. (Column (b) should equal Form 990, Part X, col (B) line 12) ▶		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. (Column (b) should equal Form 990, Part X, col (B) line 13) ▶		

Part IX **Other Assets.** See Form 990, Part X, line 15.

(a) Description	(b) Book value
UNAMORTIZED FINANCING COSTS	458.
INTERCOMPANY RECEIVABLES	22,071,257.
NOTES RECEIVABLE	5,515,656.
OTHER RECEIVABLES	153,838,877.
GOODWILL	92,632.
OTHER ASSETS	78,905,445.
DEPOSITS	71,000.
Total. (Column (b) should equal Form 990, Part X, col (B) line 15)	260,495,325.

Part X **Other Liabilities.** See Form 990, Part X, line 25.

(a) Description of liability	(b) Amount
Federal income taxes	
<u>INSURANCE LIABILITIES</u>	<u>199,913,009.</u>
<u>OTHER LIABILITIES</u>	<u>71,288,295.</u>
Total. (Column (b) should equal Form 990, Part X, col (B) line 25) ►	271,201,304.

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net). Add lines 4-8	9	
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10	

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12.)	5	

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses. Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)	5	

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b, Part V, line 4, Part X; Part XI, line 8; Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b.

SEE PAGE 5

Part XIV Supplemental Information (continued)

FIN 48 FOOTNOTE FROM AUDIT:

IN JUNE 2006, THE FASB ISSUED INTERPRETATION NO. 48, ACCOUNTING FOR
UNCERTAINTY IN INCOME TAXES (FIN 48). FIN 48 CLARIFIES THE ACCOUNTING
FOR UNCERTAINTY IN INCOME TAXES RECOGNIZED IN FINANCIAL STATEMENTS IN
ACCORDANCE WITH FASB STATEMENT NO. 109, ACCOUNTING FOR INCOME TAXES. FIN
48 PRESCRIBES A RECOGNITION THRESHOLD AND MEASUREMENT ATTRIBUTE FOR THE
FINANCIAL STATEMENT RECOGNITION AND MEASUREMENT OF A TAX POSITION TAKEN
OR EXPECTED TO BE TAKEN IN A TAX RETURN AND PROVIDES GUIDANCE ON
DERECOGNITION, CLASSIFICATION, INTEREST AND PENALTIES, ACCOUNTING IN
INTERIM PERIODS, DISCLOSURE, AND TRANSITION. FIN 48 WAS ADOPTED BY
SUTTER IN 2007 AND ITS ADOPTION DID NOT HAVE A MATERIAL EFFECT ON
SUTTER'S COMBINED FINANCIAL POSITION OR RESULTS OF OPERATIONS.

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events (Add col. (a) through col. (c))
		GOLF TOURNAMENT (event type)	(event type)	NONE (total number)	
Revenue	1 Gross receipts	75,374.			75,374.
	2 Less: Charitable contributions	56,180.			56,180.
	3 Gross revenue (line 1 minus line 2)	19,194.			19,194.
Direct Expenses	4 Cash prizes				
	5 Non-cash prizes				
	6 Rent/facility costs	8,411.			8,411.
	7 Other direct expenses				
	8 Direct expense summary. Add lines 4 through 7 in column (d)				(8,411.)
9 Net income summary. Combine lines 3 and 8 in column (d)					10,783.

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col. (a) through col. (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
6 Volunteer labor	Yes _____ % No _____ %	Yes _____ % No _____ %	Yes _____ % No _____ %		
7 Direct expense summary. Add lines 2 through 5 in column (d)					()
8 Net gaming income summary. Combine lines 1 and 7 in column (d)					

9 Enter the state(s) in which the organization operates gaming activities: _____**a** Is the organization licensed to operate gaming activities in each of these states?**b** If "No," Explain: _____**10 a** Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?**b** If "Yes," Explain _____**11** Does the organization operate gaming activities with nonmembers?**12** Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?

	Yes	No
9 a		
10 a		
11		
12		

		Yes	No
13 Indicate the percentage of gaming activity operated in:			
a The organization's facility	13a _____ %		
b An outside facility	13b _____ %		
14 Provide the name and address of the person who prepares the organization's gaming/special event books and records:			
Name ► _____			
Address ► _____			
15a Does the organization have a contract with a third party from whom the organization receives gaming revenue?		15a	
b If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____			
c If "Yes," enter name and address:			
Name ► _____			
Address ► _____			
16 Gaming manager information:			
Name ► _____			
Gaming manager compensation ► \$ _____			
Description of services provided ► _____			
☐ Director/officer ☐ Employee ☐ Independent contractor			
17 Mandatory distributions:			
a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?		17a	
b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____			

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the U.S.**

OMB No 1545-0047

2008

Open to Public
Inspection

► **Complete if the organization answered "Yes," on Form 990, Part IV, lines 21 or 22.**
 ► **Attach to Form 990.**

Department of the Treasury
Internal Revenue Service

Name of the organization

Employer Identification number

94-2788907

SUTTER HEALTH

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

☒ Yes ☐ No

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" on

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" on Form 990 Part IV line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000.

Use Part IV and Schedule L-1 (Form 990) if additional space is needed

[illegible]

2 Enter total number of section 501(c)(3) and government organizations

55

3 Enter total number of other organizations

1

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) 2008

**SCHEDULE I-1
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

Continuation Sheet for Schedule I (Form 990)

► Attach to Form 990 to list additional information for
Part II and Part III, Schedule I (Form 990)

OMB No. 1545-0047

2008

Open to Public
Inspection

Employer identification number

94-2788907

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the U.S. (Schedule I (Form 990), Part I.)

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
AVIS COMMUNITY HEALTH 4361 RAILROAD AVE PLEASANTON, CA 94566	94-2232394	501(C)(3)	100,000.				GENERAL DONATION
CALIFORNIA REGIONAL HLTH INFORMATIONL ORG 526 2ND STREET SAN FRANCISCO, CA 94107	20-4044463	501(C)(3)	500,000.				GRANT
COASTAL HEALTH ALLIANCE PO BOX 910 PT REYES STATION, CA 94956	68-0172541	501(C)(3)	100,000.				GENERAL DONATION
COAST SIDE FAMILY MEDICAL CLINIC INC 225 S CABRILLO HWY HALF MOON BAY, CA 94019	52-2327727	501(C)(3)	100,000.				GENERAL DONATION
COMMUNITY MEDICAL CENTERS INC PO BOX 779 STOCKTON, CA 95201	94-2437106	501(C)(3)	100,000.				GENERAL DONATION
COMMUNICARE HEALTH PO BOX 1260 DAVIS, CA 95617	94-2188574	501(C)(3)	100,000.				GENERAL DONATION
CRISTO REY HIGH SCHOOL 6200 MCMAHON DR SACRAMENTO, CA 95824	41-2191660		25,000.				GENERAL DONATION
CITY OF DAVIS 23 RUSSELL BLVD DAVIS, CA 95616	94-6000319		20,000.				SPONSORSHIP
DAVIS STREET COMMUNITY CENTER 3081 TEAGARDEN STREET SAN LEANDRO, CA 94577	94-3121699	501(C)(3)	100,000.				GENERAL DONATION
DIENTES COMMUNITY DENTAL CARE 1830 COMMERCIAL WAY SANTA CRUZ, CA 95065	77-0311752	501(C)(3)	100,000.				GENERAL DONATION
EFFORT L INC 1820 J STREET SACRAMENTO, CA 95814	94-1713704	501(C)(3)	100,000.				GENERAL DONATION
EL CAMINO HOSPITAL FOUNDATION 2500 GRANT RD MOUNTAIN VIEW, CA 94040	94-2823235	501(C)(3)	85,000.				GENERAL DONATION
HEALTHCARE FDN OF NORTHERN & CENTRAL CA 1215 K ST, STE 730 SACRAMENTO, CA 95814	86-1174825	501(C)(3)	10,000.				SPONSORSHIP
HEALTH TECHNOLOGY CENTER 524 SECOND ST SAN FRANCISCO, CA 94107	52-2260027	501(C)(3)	200,000.				GENERAL DONATION
LA CLINICA DE LA RAZA 1515 FRUITVALE AVE OAKLAND, CA 94601	94-1744108	501(C)(3)	205,000.				GENERAL DONATION

2 Enter total number of Section 501(c)(3) and government organizations

3 Enter total number of other organizations

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I-1 (Form 990) 2008

**SCHEDULE I-1
(Form 990)**

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule I (Form 990)

► Attach to Form 990 to list additional information for
Part II and Part III, Schedule I (Form 990)

OMB No. 1545-0047

2008

Open to Public
Inspection

Employer identification number

94-2788907

SUTTER HEALTH

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the U.S. (Schedule I (Form 990), Part II.)

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
LIFE LONG MEDICAL CARE PO BOX 11297 BERKELEY, CA 94712	94-2502308	501(C)(3)	100,000.				GENERAL DONATION
MARCH OF DIMES PO BOX 1657 MILNES BARRE, PA 18703-1657	13-1846366	501(C)(3)	135,000.				SPONSORSHIP
MARIN COMMUNITY CLINIC 300 PROFESSIONAL CTR DR NOVATO, CA 94947	94-2237120	501(C)(3)	100,000.				GENERAL DONATION
NATIVE AMERICAN HEALTH 3124 INTERNATIONAL BLVD OAKLAND, CA 94601	23-7135928	501(C)(3)	100,000.				GENERAL DONATION
OKIZU FOUNDATION 16 DIGITAL DRIVE STE 100 NOVATO, CA 94949	68-0291178	501(C)(3)	20,000.				SPONSORSHIP
OPEN DOOR COMMUNITY HEALTH CENTER 670 NINTH ST STE 203 ARCATA, CA 95521	95-2671433	501(C)(3)	100,000.				GENERAL DONATION
PEACH TREE CLINIC INC 5730 PACKARD AVE MARYSVILLE, CA 95901	68-0371679	501(C)(3)	100,000.				GENERAL DONATION
RAVENSWOOD FAMILY HEALTH 1798A BAY ROAD E PALO ALTO, CA 94303	94-3372130	501(C)(3)	100,000.				GENERAL DONATION
REDWOOD COMMUNITY HEALTH COALITION 1180 4TH ST SANTA ROSA, CA 95404-4010	94-3220029	501(C)(3)	250,000.				GENERAL DONATION
REDWOOD EMPIRE SURGERY CTR INC 1360 9TH HOLE DRIVE WINDSOR, CA 95492	11-3804917	501(C)(3)	50,000.				GENERAL DONATION
REGENTS OF THE UNIV OF CALIFORNIA 275 HEARST MEM MNING RD BERKELEY, CA 94720	94-6002123	501(C)(3)	8,000.				GENERAL DONATION
REGENTS OF THE UNIV OF CALIFORNIA 300 LAKESIDE DRIVE OAKLAND, CA 94612-3550	94-3067788	501(C)(3)	25,000.				GENERAL DONATION
REGENTS OF THE UNIV OF CALIFORNIA 625 MIRAMONTES ST HALF MOON BAY, CA 94019	94-6036494	501(C)(3)	60,000.				GENERAL DONATION
REGENTS OF THE UNIV OF CALIFORNIA F502 HAAS UNIV OF CAL BERKELEY, CA 94720	94-6002123	501(C)(3)	11,000.				GENERAL DONATION
SACRAMENTO METROPOLITAN CHAMBER COMMERCE ONE CAPITAL MALL SACRAMENTO, CA 95814	94-0824600	501(C)(6)	25,000.				SPONSORSHIP

2 Enter total number of Section 501(c)(3) and government organizations

3 Enter total number of other organizations

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I-1 (Form 990) 2008

**SCHEDULE I-1
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

Continuation Sheet for Schedule I (Form 990)

► Attach to Form 990 to list additional information for
Part II and Part III, Schedule I (Form 990)

OMB No. 1545-0047

2008

Open to Public
Inspection

Employer identification number

94-2788907

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the U.S. (Schedule I (Form 990), Part I).

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
SAMARITAN HOUSE 401 NO HUMBOLDT ST SAN MATEO, CA 94401	23-7416272	501(C)(3)	100,000.				GENERAL DONATION
SANTA CRUZ WOMENS HEALTH CENTER 250 LOCUST ST SANTA CRUZ, CA 95060	23-7428303	501(C)(3)	100,000.				GENERAL DONATION
SAN FRANCISCO FREE CLINIC 4900 CALIFORNIA ST SAN FRANCISCO, CA 94118	94-3186248	501(C)(3)	98,260.				GENERAL DONATION
SIERRA ADOPTION SERVICES 138 NEW MOHAWK RD NEVADA CITY, CA 95959	68-0002878	501(C)(3)	75,000.				GENERAL DONATION
SIERRA ADOPTION SERVICES GOLF CLASSIC 138 NEW MOHAWK RD NEVADA CITY, CA 95959	68-0002878	501(C)(3)	10,000.				SPONSORSHIP
SOUTHWEST COMM HEALTH CTR 751 LOMBARDI CT, STE B SANTA ROSA, CA 95407	68-0365296	501(C)(3)	100,000.				GENERAL DONATION
STANISLAUS COUNTY OF HEALTH SERVICES PO BOX 3131 MODESTO, CA 95353	94-6000540	501(C)(3)	99,070.				GENERAL DONATION
ST. ANTHONY FOUNDATION 121 GOLDEN GATE AVE SAN FRANCISCO, CA 94102	94-1513140	501(C)(3)	100,000.				GENERAL DONATION
TIBURCIO VASQUEZ HEALTH CENTER 33255 9TH ST UNION CITY, CA 94587	23-7118361	501(C)(3)	10,000.				SPONSORSHIP
TIBURCIO VASQUEZ HEALTH CENTER 33255 9TH ST UNION CITY, CA 94587	23-7118361	501(C)(3)	100,000.				GENERAL DONATION
TRI CITY HEALTH CENTER 39465 PASO PADRE PKWY FREMONT, CA 94538	23-7255435	501(C)(3)	100,000.				GENERAL DONATION
WEAVE PO BOX 161389 SACRAMENTO, CA 95816	94-2493158	501(C)(3)	250,000.				SPONSORSHIP
MIND YOUTH SERVICES PO BOX 13856 SACRAMENTO, CA 95853	55-0844444	501(C)(3)	35,000.				SPONSORSHIP
EDEN MEDICAL CENTER 20103 LAKE CHABOT CASTRO VALLEY, CA 94546	94-2948100	501(C)(3)	100,000.				PRESIDENTS AWARD
EDEN MEDICAL CENTER 20103 LAKE CHABOT CASTRO VALLEY, CA 94546	94-2948100	501(C)(3)	243,401.				GRANT

2 Enter total number of Section 501(c)(3) and government organizations

3 Enter total number of other organizations

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I-1 (Form 990) 2008

2008

Open to Public Inspection

► Attach to Form 990 to list additional information for Part II and Part III, Schedule I (Form 990)

**Department of the Treasury
Internal Revenue Service**

Name of the organization

Employer identification number

94-2788907

Part I Continuation of Grants and Other Assistance to Governments and Organizations in the U.S. (Schedule I (Form 990), Part II.)

[illegible]

2 Enter total number of Section 501(c)(3) and government organizations

3 Enter total number of other organizations

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I-1 (Form 990) 2008

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

► Attach to Form 990. To be completed by organizations
that answered "Yes" to Form 990, Part IV, line 23.

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

SUTTER HEALTH

Employer identification number

94-2788907

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

☒ First-class or charter travel

☒ Travel for companions

☒ Tax indemnification and gross-up payments

☐ Discretionary spending account

☐ Housing allowance or residence for personal use

☐ Payments for business use of personal residence

☒ Health or social club dues or initiation fees

☐ Personal services (e.g., maid, chauffeur, chef)

b If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

☒ Compensation committee

☒ Independent compensation consultant

☐ Form 990 of other organizations

☐ Written employment contract

☒ Compensation survey or study

☒ Approval by the board or compensation committee

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a:

a Receive a severance payment or change of control payment?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

c Participate in, or receive payment from, an equity-based compensation arrangement?
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

a The organization?

b Any related organization?
If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

a The organization?

b Any related organization?
If "Yes" to line 6a or 6b, describe in Part III.

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

	Yes	No
1b	X	
2	X	
4a		X
4b	X	
4c		X
5a		X
5b		X
6a		X
6b		X
7	X	
8		X

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2008

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

PART I. QUESTION 1A**RELEVANT INFORMATION REGARDING COMPENSATION ITEMS:**

FIRST-CLASS TRAVEL: OFFICERS AND KEY EMPLOYEES PAID BY SUTTER HEALTH MAY

UPGRADE TO FIRST-CLASS TRAVEL FOR FLIGHTS GREATER THAN FOUR HOURS IN

DURATION.

TRAVEL FOR COMPANIONS: OFFICERS AND KEY EMPLOYEES PAID BY SUTTER HEALTH

ARE ELIGIBLE TO BRING A COMPANION ON ONE BUSINESS TRIP PER CALENDAR YEAR

AND HAVE THE COST OF THE AIRFARE AND MEALS PAID FOR BY SUTTER HEALTH. THE

COST IS ADDED TO EMPLOYEE'S WAGES.

TAX INDENNIFICATION: STANDARD POLICY FOR ALL SUTTER HEALTH EMPLOYEES IS

THAT NON-CASH GIFTS AND AWARDS ARE GROSSED-UP FOR TAX PURPOSES. THE

AMOUNT OF THE GROSS-UP IS ADDED TO THE EMPLOYEE'S WAGES.

SOCIAL CLUB: THE CEO RECEIVES A PAID MEMBERSHIP TO A LOCAL BUSINESS CLUB.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

PART I. QUESTION 3

SUPPLEMENTAL COMPENSATION INFORMATION:

THE COMPENSATION COMMITTEE OF THE SUTTER HEALTH BOARD OF DIRECTORS

RETAINS ULTIMATE DISCRETIONARY AUTHORITY OVER ALL ELEMENTS OF

COMPENSATION TO ASSURE THAT ORGANIZATIONAL PURPOSES ARE APPROPRIATELY

BEING SERVED. THE COMPENSATION COMMITTEE USES CREDIBLE DATA SOURCES AND

MAINTAINS AN OBJECTIVE "ARMS LENGTH" DECISION-MAKING PROCESS, ENSURING

THE INTEGRITY OF SUTTER'S EXECUTIVE PROGRAMS AND CONSISTENCY WITH THE

ORGANIZATION'S OVERALL MISSION.

PART I. QUESTION 4B

NONQUALIFIED RETIREMENT PLAN:

THE PURPOSE OF THE NONQUALIFIED RETIREMENT PLAN IS TO PROVIDE ADDITIONAL

DEFERRED COMPENSATION BENEFITS TO THE PARTICIPANTS, WHO ARE MEMBERS OF A

SELECT GROUP OF MANAGEMENT OR HIGHLY COMPENSATED EMPLOYEES, BY PROVIDING

FOR THE PAYMENT OF DEFERRED COMPENSATION AFTER THE COMPLETION OF THE

SPECIFIED NUMBER OF YEARS OF SERVICE.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

ANNUALLY, SUTTER HEALTH MAKES A CONTRIBUTION TO EACH PARTICIPANT'S ACCOUNT BASED ON 4% OF BASE PAY. THERE IS AN ADDITIONAL CONTRIBUTION FOR EXECUTIVES WHOSE PENSION ELIGIBLE EARNINGS WERE GREATER THAN THE PENSION PAY CAP IN THE PREVIOUS YEAR. THE CALCULATION IS AS FOLLOWS:

- PENSION ELIGIBLE EARNINGS

- LESS PENSION PAYCAP AMOUNT

- TIMES A SPECIFIC % BASED ON YEARS OF SERVICE

THE PENSION RESTORATION PLAN IS DESIGNED TO HELP MAXIMIZE EACH PARTICIPANT'S RETIREMENT POTENTIAL BY PROVIDING A TARGETED BENEFIT THAT, ALONG WITH EACH PARTICIPANT'S OTHER RETIREMENT INCOME, PROVIDES:

- 65% OF FINAL 4-YEAR AVERAGE SALARY IF PARTICIPANT RETIRES AT AGE 65 WITH 22.5 YEARS OF SERVICE.

- 50% OF FINAL 4-YEAR AVERAGE SALARY IF PARTICIPANT RETIRES AT AGE 65 WITH 15 YEARS OF SERVICE.

SINCE IT IS A TARGETED BENEFIT, ANNUAL CONTRIBUTION AMOUNTS VARY BASED ON

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

ASSUMPTIONS MADE TAKING INTO ACCOUNT EACH PARTICIPANTS' AGE, YEARS OF

SERVICE, AND OTHER RETIREMENT ACCOUNT BALANCES.

NAME AND AMOUNT FOR 2008:

PETER ANDERSON \$ 76,100

ED BERTICK \$ 162,100

MIKE COHILL \$ 145,000

DAVID DRUKER, MD \$ 378,000

PATRICK FRY \$ 453,000

MIKE HELM \$ 62,000

GORDON HUNT, MD \$ 295,300

SARAH KREVANS \$ 119,800

GARY LOVERIDGE \$ 54,900

ROBERT REED \$ 210,700

MARTIN BROTMAN \$ 216,600

THOMAS GAGEN \$ 128,900

ROBERT MERWIN \$ 108,700

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

WARREN KIRK \$ 104,300

PATRICK BRADY \$ 35,600

JOHN RAY \$ 23,000

PART I. QUESTION 7

NON-FIXED PAYMENTS:

SPOT AWARDS ARE INFREQUENTLY USED TO REWARD EMPLOYEES. THERE ARE NO

SPECIFIC GUIDELINES FOR THE AMOUNT OF THE SPOT AWARD BUT THE AMOUNT TENDS

TO NEVER EXCEED 5% OF GROSS PAY.

**SCHEDULE J-1
(Form 990)**

Department of the Treasury
Internal Revenue Service

OMB No 1545-0047

2008

► Attach to Form 990 to list additional information
regarding compensation.

Open to Public
Inspection

Name of the organization

SUTTER HEALTH

Employer identification number

94-2788907

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (Schedule J, Part II)

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
PETER ANDERSON	(i) 506,924. (ii) NONE	(ii) 87,200. (iii) NONE	(iii) 13,472. (iv) NONE	311,010. NONE	20,277. NONE	938,883. NONE	NONE NONE
ED BERDICK	(i) 708,910. (ii) NONE	(ii) 110,600. (iii) NONE	(iii) 15,263. (iv) NONE	478,077. NONE	19,939. NONE	1,332,789. NONE	NONE NONE
MIKE COHILL	(i) 528,028. (ii) NONE	(ii) 80,300. (iii) NONE	(iii) 10,907. (iv) NONE	381,490. NONE	16,244. NONE	1,016,969. NONE	54,324. NONE
DAVID DRUKER MD	(i) 770,436. (ii) NONE	(ii) 186,900. (iii) NONE	(iii) 13,265. (iv) NONE	772,009. NONE	17,500. NONE	1,760,110. NONE	84,258. NONE
ED ERWIN	(i) 174,618. (ii) NONE	(ii) 7,439. (iii) NONE	(iii) NONE (iv) NONE	NONE NONE	20,281. NONE	202,338. NONE	NONE NONE
PATRICK FRY	(i) 1,278,749. (ii) NONE	(ii) 310,000. (iii) NONE	(iii) 15,699. (iv) NONE	1,188,959. NONE	32,582. NONE	2,825,989. NONE	147,075. NONE
MIKE HELM	(i) 445,275. (ii) NONE	(ii) 75,300. (iii) NONE	(iii) 10,037. (iv) NONE	281,690. NONE	20,146. NONE	832,448. NONE	NONE NONE
GORDON HUNT MD	(i) 722,821. (ii) NONE	(ii) 114,100. (iii) NONE	(iii) 7,743. (iv) NONE	590,071. NONE	9,289. NONE	1,444,024. NONE	75,004. NONE
SARAH KREVANS	(i) 768,975. (ii) NONE	(ii) 153,900. (iii) NONE	(iii) 10,254. (iv) NONE	469,209. NONE	22,915. NONE	1,425,253. NONE	72,743. NONE
GARY LOVERIDGE	(i) 585,797. (ii) NONE	(ii) 90,900. (iii) NONE	(iii) 10,781. (iv) NONE	226,690. NONE	1,060. NONE	915,228. NONE	60,671. NONE
ROBERT REED	(i) 770,162. (ii) NONE	(ii) 130,600. (iii) NONE	(iii) 2,040. (iv) NONE	548,109. NONE	20,729. NONE	1,471,640. NONE	88,341. NONE
MARTIN BROTMAN	(i) 824,078. (ii) NONE	(ii) 130,200. (iii) NONE	(iii) 6,170. (iv) NONE	443,870. NONE	19,327. NONE	1,423,645. NONE	80,482. NONE
THOMAS GAGEN	(i) 511,154. (ii) NONE	(ii) 91,200. (iii) NONE	(iii) 7,137. (iv) NONE	328,706. NONE	17,730. NONE	955,927. NONE	36,302. NONE
ROBERT MERWIN	(i) 524,614. (ii) NONE	(ii) 78,900. (iii) NONE	(iii) 5,228. (iv) NONE	286,185. NONE	17,965. NONE	912,892. NONE	50,498. NONE
WARREN KIRK	(i) 573,047. (ii) NONE	(ii) 91,200. (iii) NONE	(iii) 10,039. (iv) NONE	304,706. NONE	21,929. NONE	1,000,921. NONE	49,665. NONE
PATRICK BRADY	(i) 507,568. (ii) NONE	(ii) 87,200. (iii) NONE	(iii) 7,017. (iv) NONE	209,666. NONE	20,089. NONE	831,540. NONE	124,663. NONE

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

SCHEDULE J-2
(Form 990)

Continuation Sheet for Form 990

OMB No. 1545-0047

2008

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

Name of the Organization

Employer Identification number

SUTTER HEALTH

94-2788907

Part I

Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
GERALDINE BRINTON BOARD MEMBER	5.	X						27,500.	NONE	NONE
MARY BROWN BOARD MEMBER	5.	X						27,500.	NONE	NONE
GARY DEPOLO BOARD MEMBER	5.	X						27,500.	NONE	NONE
PATRICK FRY PRESIDENT & CEO	40.	X		X	X			1,604,448.	NONE	1,221,541.
ALEXANDER GONZALES PHD BOARD MEMBER	5.	X						27,500.	NONE	NONE
H JAMES GRAY BOARD MEMBER (CHAIR)	5.	X		X				27,500.	NONE	NONE
DAVID JEPPSON BOARD MEMBER	5.	X						28,218.	NONE	NONE
RICHARD LEVY PHD BOARD MEMBER	5.	X						27,500.	NONE	NONE
TODD MURRAY BOARD MEMBER	5.	X						27,500.	NONE	NONE
ANDY PANSINI BOARD MEMBER	5.	X						27,500.	NONE	NONE
TED SAENGER BOARD MEMBER	5.	X						27,500.	NONE	NONE
ELIZABETH VILARDO MD BOARD MEMBER	5.	X						27,500.	NONE	NONE
SHARON WOO BOARD MEMBER (SECRETARY)	5.	X		X				27,500.	NONE	NONE
DON WREDEN MD BOARD MEMBER	5.	X						27,500.	NONE	NONE
ED ERWIN DIRECTOR REAL ESTATE SERVICES	40.			X				182,057.	NONE	20,281.
GARY LOVERIDGE SVP & GEN COUNSEL	40.			X	X			687,478.	NONE	227,750.
ROBERT REED CFO SUTTER HEALTH	40.			X	X			902,802.	NONE	568,838.
PETER ANDERSON SVP STRATEGY & BUS. DVLPMT	40.				X			607,596.	NONE	331,287.
ED BERDICK REGIONAL EXECUTIVE OFFICER	40.				X			834,773.	NONE	498,016.
MIKE COHILL REGIONAL EXECUTIVE OFFICER	40.				X			619,235.	NONE	397,734.
DAVID DRUKER MD REGIONAL EXECUTIVE OFFICER	40.				X			970,601.	NONE	789,509.

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J-2 (Form 990) 2008

JSA

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SUTTER

SUTTER

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008

Open to Public
Inspection

Name of the organization

SUTTER HEALTH

Employer identification number

94-2788907

MISSION STATEMENT

FORM 990, PART I, LINE 1 AND PART III, LINE 1

WE ENHANCE THE WELL-BEING OF PEOPLE IN THE COMMUNITIES WE SERVE THROUGH A

NOT-FOR-PROFIT COMMITMENT TO COMPASSION AND EXCELLENCE IN HEALTH CARE

SERVICES.

Name of the organization

Employer identification number

SUTTER HEALTH

94-2788907

EXEMPT PURPOSE ACHIEVEMENTS

FORM 990, PART III, LINE 4A

SUTTER HEALTH PROVIDES ADMINISTRATIVE AND CONSULTING SERVICES TO ITS AFFILIATES. SUTTER HEALTH AND ITS AFFILIATES COMPRISE A NOT-FOR-PROFIT INTEGRATED HEALTH CARE DELIVERY SYSTEM THAT SHARES RESOURCES AND EXPERTISE TO ADVANCE HEALTH CARE QUALITY. SERVING MORE THAN 100 COMMUNITIES IN NORTHERN CALIFORNIA, SUTTER HEALTH IS A REGIONAL LEADER IN CARDIAC CARE, CANCER TREATMENT, ORTHOPEDICS, OBSTETRICS AND NEWBORN INTENSIVE CARE, AND IS A PIONEER IN ADVANCED PATIENT SAFETY TECHNOLOGY.

THE SUTTER HEALTH SYSTEM CONSISTS OF:

- HOSPITALS, PHYSICIAN CLINICS AND OTHER OUTPATIENT CARE CENTERS IN MORE THAN 100 COMMUNITIES IN NORTHERN CALIFORNIA, SOUTHERN OREGON AND HAWAII
- NEARLY 45,000 EMPLOYEES AND ABOUT 5,000 VOLUNTEERS
- 26 ACUTE CARE HOSPITALS
- EIGHT MEDICAL FOUNDATIONS (AFFILIATED MEDICAL GROUPS)
- FOUR TRAUMA CENTERS
- 10 NEONATAL INTENSIVE CARE UNITS
- FIVE ACUTE REHABILITATION CENTERS
- 10 CANCER CENTERS
- EIGHT CARDIAC CENTERS
- OCCUPATIONAL HEALTH SERVICES
- LONG-TERM CARE CENTERS
- BEHAVIORAL HEALTH SERVICES
- HOME HEALTH AND HOSPICE SERVICES
- MEDICAL RESEARCH CENTERS

Name of the organization

Employer identification number

SUTTER HEALTH

94-2788907

- EDUCATION CENTERS AND PHYSICIAN TRAINING PROGRAMS

- EXPRESS MEDICAL CLINICS

AS ONE OF THE NATION'S LEADING NOT-FOR-PROFIT INTEGRATED HEALTH CARE

DELIVERY SYSTEMS, WE APPROACH CARE FROM A COMMON MISSION OF ENHANCING THE

HEALTH AND WELL-BEING OF PEOPLE IN THE COMMUNITIES WE SERVE THROUGH A

NOT-FOR-PROFIT COMMITMENT TO COMPASSION AND EXCELLENCE. TO HELP CARRY OUT

OUR MISSION, WE ARE GUIDED BY SEVEN CORE VALUES:

1. HONESTY AND INTEGRITY

2. EXCELLENCE AND QUALITY

3. COMMUNITY

4. INNOVATION

5. TEAMWORK

6. COMPASSION AND CARING

7. AFFORDABILITY

HEADQUARTERED IN SACRAMENTO, A COMMUNITY-BASED BOARD OF DIRECTORS GOVERNS

SUTTER HEALTH. TO VIEW A LIST OF SUTTER HEALTH AFFILIATES, PLEASE VIEW

FORM 990, SCHEDULE A, PART I.

Name of the organization

Employer identification number

SUTTER HEALTH

94-2788907

DESCRIBE THE PROCESS USED BY MANAGEMENT &/OR GOVERNING BODY TO REVIEW 990

FORM 990, PART VI, QUESTION 10

SUTTER HEALTH HAS A CENTRALIZED TAX DEPARTMENT RESPONSIBLE FOR THE

PREPARATION OF THE FORM 990. ANNUALLY THE TAX DEPARTMENT PROVIDES

TRAINING AND EDUCATION TO AFFILIATE PERSONNEL WHO ASSIST THE TAX

DEPARTMENT IN COLLECTING AND REVIEWING DATA TO BE REPORTED ON THE FORM

990. THE PREPARATION MATERIAL IS REVIEWED BY VARIOUS DEPARTMENTS

INCLUDING TAX, FINANCE, LEGAL, AND HUMAN RESOURCES. ADDITIONALLY, THE

CHIEF FINANCIAL OFFICER SIGNS OFF ON THIS DATA BEFORE THE RETURN GOES TO

THE PREPARATION STAGE. A NATIONAL ACCOUNTING FIRM PREPARES AND/OR

REVIEWS THE RETURN. A COMPLETED RETURN IS THEN REVIEWED BY THE TAX

DEPARTMENT AND THE AFFILIATE WITH THE CHIEF FINANCIAL OFFICER GIVING

HIS/HER APPROVAL BEFORE THE RETURN IS FILED.

Name of the organization

Employer identification number

SUTTER HEALTH

94-2788907

DESCRIPTION OF PROCESS TO MONITOR TRANSACTIONS FOR CONFLICTS OF INTEREST

FORM 990, PART VI, QUESTION 12

EACH INDIVIDUAL BOARD MEMBER AND OFFICER HAS TO SIGN AN ACKNOWLEDGEMENT

FORM THAT THEY HAVE READ THE POLICY. ANNUALLY A DISCLOSURE STATEMENT IS

COMPLETED BY ALL OFFICERS AND BOARD MEMBERS. ON THIS STATEMENT THE

INDIVIDUAL WILL LIST A WIDE RANGE OF INFORMATION WHICH INCLUDES BUSINESS

RELATIONSHIPS, EMPLOYMENT RELATIONSHIPS, PROPERTY INTERESTS, AND THOSE OF

RELATED PARTIES. THE CEO AND BOARD CHAIR WILL REVIEW THE STATEMENTS AND

MONITOR SITUATIONS THAT MAY POSE A POTENTIAL CONFLICT OF INTEREST. THE

CEO AND BOARD CHAIR MAY CONSULT WITH THE LEGAL COUNSEL DEPARTMENT AS

NECESSARY. IF THERE IS A POTENTIAL CONFLICT OF INTEREST RELATED TO A

PARTICULAR TRANSACTION, THE INTERESTED TRUSTEE MUST DISCLOSE THE

EXISTENCE AND NATURE OF THE RELATIONSHIP. THE BOARD CHAIR MAY APPOINT A

DISINTERESTED PERSON OR COMMITTEE TO INVESTIGATE THE CONFLICT. UNTIL THE

POTENTIAL CONFLICT IS RESOLVED, THE BOARD CHAIR MAY REQUEST THE TRUSTEE

TO LEAVE THE ROOM OR NOT PARTICIPATE DURING RELATED PRESENTATIONS AND

DISCUSSIONS. IN ALL CIRCUMSTANCES INVOLVING AN ACTUAL CONFLICT, THE

INTERESTED TRUSTEE SHALL REFRAIN FROM VOTING ON ANY MATTER RELATED TO THE

TRANSACTION.

Name of the organization

Employer identification number

SUTTER HEALTH

94-2788907

PROCESS FOR DETERMINING COMPENSATION

FORM 990, PART VI, QUESTION 15

THE COMPENSATION COMMITTEE OF THE SUTTER HEALTH BOARD OF DIRECTORS

RETAINS ULTIMATE DISCRETIONARY AUTHORITY OVER ALL ELEMENTS OF

COMPENSATION TO ASSURE THAT ORGANIZATIONAL PURPOSES ARE APPROPRIATELY

BEING SERVED. THE COMPENSATION COMMITTEE USES CREDIBLE DATA SOURCES AND

MAINTAINS AN OBJECTIVE "ARMS LENGTH" DECISION-MAKING PROCESS, ENSURING

THE INTEGRITY OF SUTTER'S EXECUTIVE PROGRAMS AND CONSISTENCY WITH THE

ORGANIZATION'S OVERALL MISSION.

IN ORDER TO ENSURE EXTERNAL COMPETITIVENESS, NATIONAL, CALIFORNIA AND

LOCAL MARKET AREA COMPENSATION DATA COMPARISONS ARE REVIEWED. COMPETITIVE

ANALYSIS INCLUDES: (A) BASE SALARY, (B) TOTAL CASH (BASE SALARY +

INCENTIVES) AND (C) TOTAL REMUNERATION (BASE SALARY + INCENTIVES +

BENEFITS).

THIS ANALYSIS INCLUDES COMPARABLE ORGANIZATIONS AND GEOGRAPHIC

CONSIDERATIONS. FOR THE MOST SENIOR EXECUTIVE POSITIONS, NATIONAL

COMPARISONS FOR ORGANIZATIONS SIMILAR IN SIZE, SCOPE AND COMPLEXITY AS

SUTTER HEALTH ARE MOST APPROPRIATE SINCE IT IS A NATIONAL MARKETPLACE IN

WHICH SUTTER COMPETES FOR EXECUTIVE TALENT. ON THE OTHER HAND, BECAUSE

CALIFORNIA'S UNDERLYING COMPENSATION STRUCTURE IS HIGHER THAN NATIONAL

DATA (ESPECIALLY IN THE BAY AREA), REGIONAL PAY COMPARISONS AND

ADJUSTMENTS ARE MADE.

ALL OFFICERS OF THE ORGANIZATION (I.E., CEO, CFO, COO) UNDERGO A REVIEW

AND BOARD APPROVAL ANNUALLY. KEY EMPLOYEES AND OTHER EXECUTIVES OF

Name of the organization

Employer identification number

SUTTER HEALTH

94-2788907

SUTTER HEALTH WHO ARE CONSIDERED DISQUALIFIED PERSONS FOR FORM 990

REPORTING PURPOSES ARE HANDLED IN THE SAME MANNER.

Name of the organization

Employer identification number

SUTTER HEALTH

94-2788907

AVAIL OF GOV DOCS, CONFLICT OF INTEREST POLICY, & FIN STMTS TO GEN PUBLIC

FORM 990, PART VI, QUESTION 19

THE SUTTER HEALTH SYSTEM POSTS ITS CURRENT AND PAST AUDITED FINANCIAL

STATEMENTS AT SUTTERHEALTH.ORG. OTHER DOCUMENTS ARE ALSO LOCATED AT

THIS WEBSITE INCLUDING THE ANNUAL REPORT, MISSION STATEMENT, HISTORY,

PAST FORM 990'S, AND LINKS TO AFFILIATE WEBSITES.

Name of the organization

Employer identification number

SUTTER HEALTH

94-2788907

COMPILATION, REVIEW AND AUDIT OF INDEPENDENT ACCOUNTANT

FORM 990, PART XI, QUESTION 2

ANNUALLY THE SUTTER HEALTH SYSTEM HAS AN AUDIT OF COMBINED BALANCE SHEETS

AND STATEMENTS OF OPERATIONS PERFORM BY INDEPENDENT AUDITORS. AN AUDIT

COMMITTEE SELECTS THE AUDITORS AND REVIEWS RESULTS.

Part V Transactions With Related Organizations

Note. Complete line 1 if any entity is listed in Parts II, III, or IV.

1	During the tax year did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?	Yes	No
a	Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity		1a X
b	Gift, grant, or capital contribution to other organization(s)		1b X
c	Gift, grant, or capital contribution from other organization(s)		1c X
d	Loans or loan guarantees to or for other organization(s)		1d X
e	Loans or loan guarantees by other organization(s)		1e X
f	Sale of assets to other organization(s)		1f X
g	Purchase of assets from other organization(s)		1g X
h	Exchange of assets		1h X
i	Lease of facilities, equipment, or other assets to other organization(s)		1i X
j	Lease of facilities, equipment, or other assets from other organization(s)		1j X
k	Performance of services or membership or fundraising solicitations for other organization(s)		1k X
l	Performance of services or membership or fundraising solicitations by other organization(s)		1l X
m	Sharing of facilities, equipment, mailing lists, or other assets		1m X
n	Sharing of paid employees		1n X
o	Reimbursement paid to other organization for expenses		1o X
p	Reimbursement paid by other organization for expenses		1p X
q	Other transfer of cash or property to other organization(s)		1q X
r	Other transfer of cash or property from other organization(s)		1r X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(A) Name of other organization(s)	(B) Transaction type (a-f)	(C) Amount involved
(1) SEE SCHEDULE R-1		
(2)		
(3)		
(4)		
(5)		
(6)		

Part II Continuation of Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
ADOLESCENT TREATMENT CENTERS, INC. 68-0088443 390 40TH STREET OAKLAND, CA 94609	HOSPITAL	CA	501(C)(3)	3	SUTTER EBH
ALTA BATES SUMMIT FOUNDATION 51-0150184 2855 TELEGRAPH AVE #601 BERKELEY, CA 94705	FUNDRAISING	CA	501(C)(3)	11A	SUTTER EBH
SUTTER EAST BAY HOSPITALS 94-1196176 2450 ASHEY AVE BERKELEY, CA 94705	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER WEST BAY HOSPITALS 94-0562680 2333 BUCHANAN STREET SAN FRANCISCO, CA 94115	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
CALIFORNIA PACIFIC MEDICAL CTR FOUND. 94-2728423 1255 POST ST #700 SAN FRANCISCO, CA 94109	FUNDRAISING	CA	501(C)(3)	11A	SUTTER WBH
DELTA MEMORIAL HOSPITAL FOUNDATION 94-2417022 3901 LONE TREE WAY ANTIOCH, CA 94509	FUNDRAISING	CA	501(C)(3)	11A	SUTTER DELT
EAST BAY PERINATAL CENTER 51-0172285 350 HAWTHORNE AVE OAKLAND, CA 94609	HOSPITAL	CA	501(C)(3)	3	SUTTER EBH
EDEN MEDICAL CENTER 94-2948100 20103 LAKE CHABOT ROAD CASTRO VALLEY, CA 94546	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
MARIN COMMUNITY HEALTH 94-2994751 250 BON AIRE ROAD GREENBRAE, CA 94904	SUPPORTING OCA	OCA	501(C)(3)	11B	SUTTER HLTH
MARIN GENERAL HOSPITAL 94-2823538 250 BON AIRE ROAD GREENBRAE, CA 94904	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
MEMORIAL HOSPITAL LOS BANOS 94-1551464 520 W I STREET LOS BANOS, CA 93635	HOSPITAL	CA	501(C)(3)	3	SUTTER CVH
SUTTER CENTRAL VALLEY HOSPITALS 94-1080917 1700 COFFEE ROAD MODESTO, CA 95355	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
MILLS-PENINSULA HEALTH SERVICES 94-1156265 1501 TROUSDALE DRIVE BURLINGAME, CA 94010	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
MILLS-PENINSULA HOSPITAL FOUNDATION 23-7288765 1501 TROUSDALE DRIVE BURLINGAME, CA 94010	FUNDRAISING	CA	501(C)(3)	11A	MPHS
MILLS-PENINSULA SENIOR FOCUS 94-2663918 1720 EL CAMINO REAL BURLINGAME, CA 94010	HEALTH CARE	CA	501(C)(3)	9	MPHS

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Part II Continuation of Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
PALO ALTO MEDICAL FOUNDATION 94-1156581 2350 EL CAMINO REAL MOUNTAIN VIEW, CA 94040	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
PALO ALTO MEDICAL FOUNDATION HOSPITAL CO. 94-2206441 570 WILLOW ROAD MENLO PARK, CA 94025	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER WEST BAY MEDICAL FOUNDATION 94-2948131 1700 CALIFORNIA STREET #530 SAN FRANCISCO, CA 94109	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SAMUEL MERRITT UNIVERSITY 94-2992642 450 30TH STREET # 2840 OAKLAND, CA 94609	UNIVERSITY	CA	501(C)(3)	2	SUTTER EBH
ST. LUKE'S HEALTH CARE CENTER 51-0201241 3555 CAESAR CHAVEZ STREET SAN FRANCISCO, CA 94110	HOSPITAL	CA	501(C)(3)	3	SUTTER WBH
SUTTER AMADOR HOSPITAL 68-0291072 200 MISSION BLVD. JACKSON, CA 95642	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER AUBURN FAITH HOSPITAL FOUNDATION 94-2594966 11815 EDUCATION ST. AUBURN, CA 95602	FUNDRAISING	CA	501(C)(3)	7	SUTTER SSR
SUTTER COAST HOSPITAL 94-2988520 800 E WASHINGTON BLVD. CRESCENT CITY, CA 95531	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER DAVIS HOSPITAL FOUNDATION 68-0217870 2000 SUTTER PLACE DAVIS, CA 95616	FUNDRAISING	CA	501(C)(3)	11A	SUTTER SSR
SUTTER DELTA MEDICAL CENTER 94-1552887 3901 LONE TREE WAY ANTIOCH, CA 94509	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER EAST BAY MEDICAL FOUNDATION 94-2690415 3687 MT. DIABLO BLVD., #200 LAFAYETTE, CA 94549	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER GOULD MEDICAL FOUNDATION 94-1682256 600 COFFEE ROAD MODESTO, CA 95355	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER HEALTH 94-2788907 2200 RIVER PLAZA DRIVE SACRAMENTO, CA 95833	SUPPORTING	OCA	501(C)(3)	11C	NA
SUTTER HEALTH PACIFIC 99-0298651 91-2301 FT. WEAVER RD. EWA BEACH, HI, HI 96706	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER HEALTH SACRAMENTO-SIERRA REGION 94-1156621 2800 L STREET, 7TH FLOOR SACRAMENTO, CA 95816	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH

Schedule R-1 (Form 990) 2008

Part II Continuation of Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
SUTTER INSURANCE SERVICES CORPORATION 99-0289310 745 FORT STREET, SUITE 800 HONOLULU, HI, CA 96813	INSURANCE SEHI		501(C)(3)	11B	SUTTER HLTH
SUTTER LAKESIDE HOSPITAL 94-1628356 5176 HILL ROAD EAST LAKEPORT, CA 95453	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER MARIN 51-0206463 180 ROWLAND WAY NOVATO, CA 94945	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER MATERNITY SURGERY CTR SANTA CRUZ 68-0279954 2900 CHANTICLEER AVE SANTA CRUZ, CA 95065	HOSPITAL	CA	501(C)(3)	3	PAME
SUTTER MEDICAL CENTER FOUNDATION 94-2788906 20130 LAKE CHABOT RD, #103 CASTRO VALLEY, CA 94546	FUNDRAISING	CA	501(C)(3)	7	SUTTER HLTH
SUTTER MEDICAL CENTER OF CASTRO VALLEY 77-0146047 2800 L STREET, #620 SACRAMENTO, CA 95816	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER MEDICAL CENTER OF SANTA ROSA 68-0374805 3325 CHANATE RD SANTA ROSA, CA 95404	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER MEDICAL FOUNDATION 68-0273974 2800 L STREET, 7TH FLOOR SACRAMENTO, CA 95816	HEALTH CARE	CA	501(C)(3)	11B	SUTTER HLTH
SUTTER NORTH MEDICAL FOUNDATION 94-1080019 969 PLUMAS STREET #205 YUBA CITY, CA 95991	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER REGIONAL MEDICAL FOUNDATION 20-0078199 2720 LOW COURT FAIRFIELD, CA 94534	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER ROSEVILLE MEDICAL CTR FOUNDATION 68-0040113 ONE MEDICAL PLAZA ROSEVILLE, CA 95661	FUNDRAISING	CA	501(C)(3)	11A	SUTTER SSR
SUTTER SOLANO CHARITABLE FOUNDATION 94-2668262 300 HOSPITAL DRIVE VALLEJO, CA 94589	FUNDRAISING	CA	501(C)(3)	11A	SUTTER SOLA
SUTTER SOLANO MEDICAL CENTER 94-1241942 300 HOSPITAL DRIVE VALLEJO, CA 94589	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER TRACY COMMUNITY HOSPITAL 94-1196220 1420 N. TRACY BLVD. TRACY, CA 95376	HOSPITAL	CA	501(C)(3)	3	SUTTER HLTH
SUTTER VISITING NURSE ASSOC AND HOSPICE 94-6068843 1900 POWELL ST., #300 EMERYVILLE, CA 94608	HEALTH CARE	CA	501(C)(3)	9	SUTTER HLTH

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[illegible]

Part IV

Continuation of Identification of Related Organizations Taxable as a Corporation or Trust

[illegible]

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(A) Name of other organization	(B) Transaction type (see)	(C) Amount involved
(7) ALTA BATES FOUNDATION	K	790.
(8) SUTTER EAST BAY HOSPS. (FKA ABSMC)	H	169,984,056.
(9) SUTTER EAST BAY HOSPS. (FKA ABSMC)	K	26,357,290.
(10) SUTTER EAST BAY HOSPS. (FKA ABSMC)	P	47,333,133.
(11) SUTTER EAST BAY HOSPS. (FKA ABSMC)	H	39,117,902.
(12) SUTTER EAST BAY HOSPS. (FKA ABSMC)	B	309,858.
(13) SUTTER EAST BAY HOSPS. (FKA ABSMC)	O	19,958,451.
(14) AUBURN FAITH COMMUNITY HOSP FDN	K	303.
(15) AUBURN FAITH COMMUNITY HOSP FDN	O	259,000.
(16) SUTTER WEST BAY HOSPS. (FKA CPMC)	H	72,453,503.
(17) SUTTER WEST BAY HOSPS. (FKA CPMC)	K	33,087,634.
(18) SUTTER WEST BAY HOSPS. (FKA CPMC)	P	38,049,121.
(19) SUTTER WEST BAY HOSPS. (FKA CPMC)	H	13,303.
(20) SUTTER WEST BAY HOSPS. (FKA CPMC)	O	1,430,385.
(21) CPMC - FOUNDATION	P	172,145.
(22) EDEN MEDICAL CENTER	H	61,907,995.
(23) EDEN MEDICAL CENTER	K	11,880,697.
(24) EDEN MEDICAL CENTER	P	12,440,019.

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Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(A) Name of other organization	(B) Transaction type (see)	(C) Amount involved
(7) EDEN MEDICAL CENTER	H	21,773,127.
(8) EDEN MEDICAL CENTER	O	13,355,823.
(9) MARIN GENERAL HOSPITAL	H	52,185,360.
(10) MARIN GENERAL HOSPITAL	K	10,155,305.
(11) MARIN GENERAL HOSPITAL	P	24,118,427.
(12) MARIN GENERAL HOSPITAL	H	8,000,000.
(13) MARIN GENERAL HOSPITAL	O	4,052,834.
(14) MARIN GENERAL HOSPITAL	B	155,125.
(15) SUTTER CENTRAL VALLEY HOSPS. (FKA MHA)	H	584,154.
(16) SUTTER CENTRAL VALLEY HOSPS. (FKA MHA)	H	69,800,000.
(17) SUTTER CENTRAL VALLEY HOSPS. (FKA MHA)	K	13,654,979.
(18) SUTTER CENTRAL VALLEY HOSPS. (FKA MHA)	P	11,143,544.
(19) SUTTER CENTRAL VALLEY HOSPS. (FKA MHA)	O	13,899,321.
(20) MHA LOS BANOS	H	7,888,698.
(21) MHA LOS BANOS	K	358.
(22) MILLS PENINSULA HEALTH CTR	H	134,355,458.
(23) MILLS PENINSULA HEALTH CTR	K	13,043,607.
(24) MILLS PENINSULA HEALTH CTR	P	42,460,462.

Schedule R-1 (Form 990) 2008

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(A) Name of other organization	(B) Transaction type (see instructions)	(C) Amount involved
(7) MILLS PENINSULA HEALTH CTR	H	22,000,000.
(8) MILLS PENINSULA HEALTH CTR	O	15,075,135.
(9) NORTH BAY REGIONAL SURGERY CENTER LLC	P	250,955.
(10) SUTTER MARIN	H	8,946,362.
(11) SUTTER MARIN	K	2,770,876.
(12) SUTTER MARIN	P	6,600,376.
(13) SUTTER MARIN	B	133,124.
(14) SUTTER MARIN	O	832,693.
(15) PALO ALTO MEDICAL FOUNDATION	K	19,835,800.
(16) PALO ALTO MEDICAL FOUNDATION	P	72,640,516.
(17) PALO ALTO MEDICAL FOUNDATION	H	97,737,064.
(18) PALO ALTO MEDICAL FOUNDATION	H	51,937,311.
(19) PALO ALTO MEDICAL FOUNDATION	L	284,829.
(20) PALO ALTO MEDICAL FOUNDATION	O	17,078,265.
(21) PALO ALTO MEDICAL FOUNDATION HOSPITAL CORP	K	381,884.
(22) PALO ALTO MEDICAL FOUNDATION HOSPITAL CORP	P	54,746.
(23) SUTTER WEST BAY MEDICAL FOUND. (FKA PFCPMC)	K	1,027,421.
(24) SUTTER WEST BAY MEDICAL FOUND. (FKA PFCPMC)	P	2,473,957.

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Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(A) Name of other organization	(B) Transaction type (a-f)	(C) Amount involved
(7) SUTTER WEST BAY MEDICAL FOUND. (FKA PFCPMC)	H	20,500,000.
(8) SISCO	A	32,771.
(9) SISCO	P	6,186,356.
(10) SISCO	L	7,575,207.
(11) SMC - CASTRO VALLEY	H	30,382.
(12) SMC - CASTRO VALLEY	K	518.
(13) SMC - CASTRO VALLEY	P	727,359.
(14) SMC - CASTRO VALLEY	H	16,916,323.
(15) ST. LUKE'S HEALTH CARE CENTER	H	529,490.
(16) ST. LUKE'S HEALTH CARE CENTER	K	188,562.
(17) ST. LUKE'S HEALTH CARE CENTER	P	42,270.
(18) ST. LUKE'S HEALTH CARE CENTER	H	6,139,993.
(19) SUTTER AMADOR HOSPITAL	O	2,378,409.
(20) SUTTER AMADOR HOSPITAL	H	9,791,524.
(21) SUTTER AMADOR HOSPITAL	K	3,134,205.
(22) SUTTER AMADOR HOSPITAL	P	8,111,552.
(23) SUTTER AMADOR HOSPITAL	H	25,458.
(24) SUTTER AMADOR HOSPITAL	O	4,378,409.

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Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(A) Name of other organization	(B) Transaction type (a-f)	(C) Amount involved
(7) SUTTER COAST HOSPITAL	H	5,549,494.
(8) SUTTER COAST HOSPITAL	K	3,185,768.
(9) SUTTER COAST HOSPITAL	P	3,261,115.
(10) SUTTER COAST HOSPITAL	H	13,181,376.
(11) SUTTER COAST HOSPITAL	O	606,561.
(12) SUTTER CONNECT	H	1,637,267.
(13) SUTTER CONNECT	P	3,820,876.
(14) SUTTER DAVIS HOSPITAL FOUNDATION	K	1,131.
(15) SUTTER DAVIS HOSPITAL FOUNDATION	P	1,042,522.
(16) SUTTER DAVIS HOSPITAL FOUNDATION	O	740,100.
(17) SUTTER DELTA MEDICAL CENTER	H	11,922,934.
(18) SUTTER DELTA MEDICAL CENTER	K	6,074,186.
(19) SUTTER DELTA MEDICAL CENTER	P	16,798,871.
(20) SUTTER DELTA MEDICAL CENTER	H	2,000,000.
(21) SUTTER DELTA MEDICAL CENTER	O	8,018,526.
(22) SUTTER EAST BAY MEDICAL FOUNDATION	K	946,338.
(23) SUTTER EAST BAY MEDICAL FOUNDATION	P	2,687,499.
(24) SUTTER EAST BAY MEDICAL FOUNDATION	O	314.

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Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(A) Name of other organization	(B) Transaction type (a-f)	(C) Amount involved
(7) SUTTER EAST BAY MEDICAL FOUNDATION	H	14,000,000.
(8) SUTTER EAST BAY MEDICAL FOUNDATION	H	423,547.
(9) SUTTER FAIRFIELD SURGERY CENTER LLC	P	511,781.
(10) SUTTER GOULD MEDICAL FOUNDATION	H	24,773,512.
(11) SUTTER GOULD MEDICAL FOUNDATION	K	4,942,236.
(12) SUTTER GOULD MEDICAL FOUNDATION	P	22,001,537.
(13) SUTTER GOULD MEDICAL FOUNDATION	H	9,248,151.
(14) SUTTER GOULD MEDICAL FOUNDATION	O	4,276,108.
(15) SUTTER HEALTH PACIFIC	H	80,385.
(16) SUTTER HEALTH PACIFIC	K	577,017.
(17) SUTTER HEALTH PACIFIC	P	849,133.
(18) SUTTER HEALTH SACRAMENTO SIERRA REGION	H	204,820,826.
(19) SUTTER HEALTH SACRAMENTO SIERRA REGION	K	7,868,666.
(20) SUTTER HEALTH SACRAMENTO SIERRA REGION	P	244,517,829.
(21) SUTTER HEALTH SACRAMENTO SIERRA REGION	O	42,920,858.
(22) SUTTER HEALTH SACRAMENTO SIERRA REGION	H	61,809,522.
(23) SUTTER LAKESIDE HOSPITAL	H	5,829,723.
(24) SUTTER LAKESIDE HOSPITAL	K	3,412,064.

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Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(A) Name of other organization	(B) Transaction type (a-f)	(C) Amount involved
(7) SUTTER LAKESIDE HOSPITAL	P	10,729,461.
(8) SUTTER LAKESIDE HOSPITAL	H	9,031,455.
(9) SUTTER LAKESIDE HOSPITAL	O	1,784,578.
(10) SUTTER MARIN	H	148,710.
(11) SUTTER MATERNITY AND SURGERY CTR	H	11,841,514.
(12) SUTTER MATERNITY AND SURGERY CTR	K	792,631.
(13) SUTTER MATERNITY AND SURGERY CTR	P	3,805,225.
(14) SUTTER MATERNITY AND SURGERY CTR	H	7,015,609.
(15) SUTTER MATERNITY AND SURGERY CTR	O	86,288.
(16) SUTTER MEDICAL CENTER FOUNDATION	K	1,319.
(17) SUTTER MEDICAL CENTER FOUNDATION	P	431,018.
(18) SUTTER MEDICAL CENTER FOUNDATION	O	51,993.
(19) SUTTER MEDICAL CTR OF SANTA ROSA	H	12,699,433.
(20) SUTTER MEDICAL CTR OF SANTA ROSA	K	6,933,511.
(21) SUTTER MEDICAL CTR OF SANTA ROSA	P	23,126,697.
(22) SUTTER MEDICAL CTR OF SANTA ROSA	H	16,000,000.
(23) SUTTER MEDICAL CTR OF SANTA ROSA	O	6,166,901.
(24) SUTTER MEDICAL FOUNDATION	O	11,969,399.

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Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(A) Name of other organization	(B) Transaction type (e-f)	(C) Amount involved
(7) SUTTER MEDICAL FOUNDATION	H	30,147,445.
(8) SUTTER MEDICAL FOUNDATION	H	6,039,040.
(9) SUTTER MEDICAL FOUNDATION	K	8,277,550.
(10) SUTTER MEDICAL FOUNDATION	P	25,411,882.
(11) SUTTER NORTH MEDICAL FOUNDATION	K	1,924,085.
(12) SUTTER NORTH MEDICAL FOUNDATION	P	14,773,943.
(13) SUTTER NORTH MEDICAL FOUNDATION	O	172,008.
(14) SUTTER NORTH MEDICAL FOUNDATION	H	17,993,858.
(15) SUTTER REGIONAL MEDICAL FOUNDATION	H	1,351,500.
(16) SUTTER REGIONAL MEDICAL FOUNDATION	K	2,105,805.
(17) SUTTER REGIONAL MEDICAL FOUNDATION	P	13,904,884.
(18) SUTTER REGIONAL MEDICAL FOUNDATION	H	27,000,000.
(19) SUTTER REGIONAL MEDICAL FOUNDATION	O	1,555,616.
(20) SUTTER ROSEVILLE MEDICAL CENTER	K	718.
(21) SUTTER ROSEVILLE MEDICAL CENTER	O	76,461.
(22) SUTTER ROSEVILLE MEDICAL CENTER	J	15,908.
(23) SUTTER SOLANO CHARITABLE FOUNDATION	K	339.
(24) SUTTER SOLANO CHARITABLE FOUNDATION	P	844,643.

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Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(A) Name of other organization	(B) Transaction type (see)	(C) Amount involved
(7) SUTTER SOLANO CHARITABLE FOUNDATION	O	1,404.
(8) SUTTER SOLANO MEDICAL CENTER	H	11,779,777.
(9) SUTTER SOLANO MEDICAL CENTER	K	5,118,816.
(10) SUTTER SOLANO MEDICAL CENTER	P	13,902,742.
(11) SUTTER SOLANO MEDICAL CENTER	O	1,547,523.
(12) SUTTER SOLANO MEDICAL CENTER	H	10,033,291.
(13) SUTTER TRACY COMMUNITY HOSPITAL	H	16,547,607.
(14) SUTTER TRACY COMMUNITY HOSPITAL	K	3,366,361.
(15) SUTTER TRACY COMMUNITY HOSPITAL	P	9,057,286.
(16) SUTTER TRACY COMMUNITY HOSPITAL	H	8,337,477.
(17) SUTTER TRACY COMMUNITY HOSPITAL	O	1,836,249.
(18) SUTTER VNA AND HOSPICE	H	5,488,775.
(19) SUTTER VNA AND HOSPICE	K	3,574,368.
(20) SUTTER VNA AND HOSPICE	P	12,870,374.
(21) SUTTER VNA AND HOSPICE	O	12,745,055.
(22) SUTTER VNA AND HOSPICE	H	8,000,000.
(23) SUTTER VNA AND HOSPICE FOUNDATION	K	38,117.
(24) SUTTER VNA AND HOSPICE FOUNDATION	P	16,141.

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Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(8)	(A) Name of other organization	(B) Transaction type (a-f)	(C) Amount involved
(7) TRACY HOSPITAL FOUNDATION		H	1,361.
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			
(16)			
(17)			
(18)			
(19)			
(20)			
(21)			
(22)			
(23)			
(24)			

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990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS
=====

NAME AND ADDRESS -----	DESCRIPTION OF SERVICES	COMPENSATION -----
MCDONOUGH HOLLAND AND ALLEN 555 CAPITAL MALL 9TH FLOOR SACRAMENTO, CA 95814	LEGAL	9,249,910.
OMELVENY AND MYERS PO BOX 894436 LOS ANGELES, CA 90189-4436	LEGAL	4,614,808.
BRAD S MILLER 287 CONNECTICUT STREET SAN FRANCISCO, CA 94107	CONSULTING	3,952,638.
ACS CONSULTING COMPANY INC PO BOX 633877 CINCINNATI, OH 45263-3877	CONSULTING	3,467,116.
ERNST AND YOUNG LLP DEPT 6793 LOS ANGELES, CA 90084-6793	ACCOUNTING	3,392,212.
TOTAL COMPENSATION		----- 24,676,684. =====

SCHEDULE A, PART I - INFORMATION ABOUT SUPPORTED ORGANIZATIONS

(I) NAME OF SUPPORTED ORGANIZATION	(II) EIN	(III) TYPE OF ORGANIZATION	(IV) YES NO	(V) YES NO	(VI) YES NO	(VII) AMOUNT OF SUPPORT
SUTTER EAST BAY HOSPITALS (FKA ABSMC)	94-1196176	03	X	X	X	79,654,519.
SUTTER WEST BAY HOSPITALS (FKA CPMC)	94-0562680	03	X	X	X	2,874,073.
EDEN MEDICAL CENTER	94-2948100	03	X	X	X	48,484,774.
SUTTER CENTRAL VALLEY HOSPITALS (FKA MHA)	94-1080917	03	X	X	X	584,154.
MARIN GENERAL HOSPITAL	94-2823538	03	X	X	X	12,207,958.
MILLS-PENINSULA HEALTH SERVICES	94-1156265	03	X	X	X	37,075,135.
SUTTER MARIN (DBA NCH)	51-0206463	03	X	X	X	965,816.
PALO ALTO MEDICAL FOUNDATION	94-1156581	03	X	X	X	69,300,404.
SUTTER WEST BAY MEDICAL FOUNDATION (FKA PFCPMC)	94-2948131	03	X	X	X	20,500,000.
SUTTER HEALTH SACRAMENTO SIERRA REGION	94-1156621	03	X	X	X	104,730,380.
SUTTER MEDICAL CENTER, CASTRO VALLEY	77-0146047	03	X	X	X	16,916,323.
SUTTER AMADOR HOSPITAL	68-0291072	03	X	X	X	2,403,866.
SUTTER COAST HOSPITAL	94-2988520	03	X	X	X	13,787,937.
SUTTER DELTA MEDICAL CENTER	94-1552887	03	X	X	X	10,018,526.
SUTTER EAST BAY MEDICAL FOUNDATION	94-2690415	03	X	X	X	14,000,314.
SUTTER GOULD MEDICAL FOUNDATION	94-1682256	03	X	X	X	13,524,259.
SUTTER LAKESIDE HOSPITAL	94-1628356	03	X	X	X	10,816,034.
SUTTER MATERNITY AND SURGERY CENTER OF SANTA CRUZ	68-0279954	03	X	X	X	7,101,897.
SUTTER MEDICAL CENTER OF SANTA ROSA	68-0374805	03	X	X	X	22,166,901.
SUTTER NORTH MEDICAL FOUNDATION	94-1080019	03	X	X	X	18,165,876.
SUTTER REGIONAL MEDICAL FOUNDATION	20-0078199	03	X	X	X	28,555,615.
SUTTER TRACY COMMUNITY HOSPITAL	94-1196220	03	X	X	X	10,173,726.
SUTTER VISITING NURSE ASSOCIATION AND HOSPICE	94-6068843	09	X	X	X	20,745,055.
EAST BAY PERINATAL CENTER	51-0172285	03	X	X	X	NONE
MEMORIAL HOSPITAL LOS BANOS	94-1551464	03	X	X	X	NONE
PALO ALTO MEDICAL FOUNDATION HOSPITAL CORP	94-2206441	03	X	X	X	NONE
SAMUEL MERRITT UNIVERSITY	94-2992642	02	X	X	X	NONE
SUTTER HEALTH PACIFIC	99-0298651	03	X	X	X	NONE
SUTTER SOLANO MEDICAL CENTER	94-1241942	03	X	X	X	NONE
TOTAL AMOUNT OF SUPPORT						564,753,542.