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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2008

Open to Public Inspection

A For the 2008 calendar year, or tax year beginning NOV 1, 2008 and ending JUN 30, 2009

B Check if applicable:
- [ ] Address change
- [ ] Name change
- [X] Initial return
- [ ] Termination
- [ ] Amended return
- [ ] Application pending

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

C Name of organization
INNOVIS HEALTH LLC

Doing Business As

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
3000 32ND AVE S

City or town, state or country, and ZIP + 4
FARGO, ND 58103

D Employer identification number
26-1175213

E Telephone number
701-364-3300

G Gross receipts $ 153,059,902.

F Name and address of principal officer: KEVIN PITZER
SAME AS C ABOVE

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

H(b) Are all affiliates included? [ ] Yes [ ] No
If "No," attach a list. (see instructions)

I Tax-exempt status: [X] 501(c)(3) ◀ (insert no) [ ] 4947(a)(1) or [ ] 527

J Website: ▶ INNOVISHEALTH.COM

H(c) Group exemption number ▶

K Type of organization: [ ] Corporation [ ] Trust [ ] Association [X] Other ▶ LLC

L Year of formation: 2007 M State of legal domicile: DE

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: PROVISION OF HEALTH CARE SERVICES		
	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	13
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	6
	5 Total number of employees (Part V, line 2a)	5	2573
	6 Total number of volunteers (estimate if necessary)	6	75
	7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	445,973.
	b Net unrelated business taxable income from Form 990-T, line 34	7b	246,046.

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		Prior Year	Current Year
Revenue	8 Contributions and grants (Part VIII, line 1h)		147,592.
	9 Program service revenue (Part VIII, line 2g)		152,519,940.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)		<4,817,568.>
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		276,636.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)		148,126,600.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		51,000.
	14 Benefits paid to or for members (Part IX, column (A), line 4)		
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		94,525,687.
	16a Professional fundraising fees (Part IX, column (A), line 11e)		
	b Total fundraising expenses (Part IX, column (D), line 25) ▶		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)		68,370,416.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)		162,947,103.
	19 Revenue less expenses. Subtract line 18 from line 12		<14,820,503.>

		Beginning of Year	End of Year
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	218,846,558.	212,529,691.
	21 Total liabilities (Part X, line 26)	188,057,472.	197,760,149.
	22 Net assets or fund balances. Subtract line 21 from line 20	30,789,086.	14,769,542.

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

▶ Signature of officer — Date: 05/11/2010

▶ KEVIN PITZER, CAO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ KIM HUNWARDSEN, CPA — Date: 05/10/10 — Check if self-employed ▶ [ ] — Preparer's identifying number (see instructions)

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ EIDE BAILLY LLP
5601 GREEN VALLEY DRIVE, STE 700
MINNEAPOLIS, MN 55437-1145

EIN ▶

Phone no. ▶ (952) 944-6166

May the IRS discuss this return with the preparer shown above? (see instructions) [X] Yes [ ] No

SCANNED JUN 28 2010

9-15

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission

WE ARE CALLED TO MAKE A HEALTHY DIFFERENCE IN PEOPLE'S LIVES BY PROVIDING EXCEPTIONAL AND INNOVATIVE HEALTHCARE THROUGH PHYSICIAN-LED PARTNERSHIPS WITH OUR PATIENTS, COWORKERS, AND COMMUNITIES.

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

SEE SCHEDULE O FOR CONTINUATION(S)

4a (Code) (Expenses $ 117330017. including grants of $ 51,000.) (Revenue $ 152519940.)

INNOVIS HEALTH, LLC (INNOVIS) WAS TREATED AS A DISREGARDED ENTITY OF THE DULUTH CLINIC UNTIL NOVEMBER 1, 2008, WHEN INNOVIS RECEIVED TAX-EXEMPT STATUS AS A HOSPITAL DESCRIBED IN SECTION 170(B)(1)(A)(III).

INNOVIS OPERATES AN 86 BED HOSPITAL IN FARGO, NORTH DAKOTA AND 17 CLINICS IN MINNESOTA AND NORTH DAKOTA. THE INNOVIS HOSPITAL AND CLINICS ARE OWNED BY INNOVIS. THE HOSPITAL OFFERS A BROAD RANGE OF INPATIENT AND OUTPATIENT SERVICES FOR ITS PATIENTS, INCLUDING CRITICAL CARE, MEDICAL SURGICAL CARE, PEDIATRIC SERVICES, NEONATAL INTENSIVE CARE, AND MATERNITY CARE. THE HOSPITAL'S EMERGENCY DEPARTMENT IS OPEN 24 HOURS PER DAY AND IS DESIGNED AS A LEVEL II TRAUMA CENTER. IN ACCORDANCE WITH THE FEDERAL EMERGENCY MEDICAL TREATMENT AND ACTIVE LABOR ACT, ANY

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** ▶ $ 117,330,017. *(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*	1	X	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	X	
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*	3		X
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II*	4		X
5	**Section 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*	5		
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*	6		X
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*	7		X
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		X
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*	9		X
10	Did the organization hold assets in term, permanent, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		X
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*	11	X	
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*	12		X
13	Is the organization a school as described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		X
14a	Did the organization maintain an office, employees, or agents outside of the U S ?	14a		X
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*	14b		X
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*	15		X
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*	16		X
17	Did the organization report more than $15,000 on Part IX, column (A), line 11e? *If "Yes," complete Schedule G, Part I*	17		X
18	Did the organization report more than $15,000 total on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		X
19	Did the organization report more than $15,000 on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		X
20	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20	X	
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*	21	X	
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*	22	X	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? *If "Yes," complete Schedule J*	23	X	
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*	24a	X	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		X
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?	24c		X
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		X
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*	25a		X
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*	25b		X
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*	26		X
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*	27		X

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*	28a		X
b	Have a family member who had a direct or indirect business relationship with the organization? *If "Yes," complete Schedule L, Part IV*	28b		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*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		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*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33		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*	34	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*	35	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*	36		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*	37		X

Part V Statements Regarding Other IRS Filings and Tax Compliance

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U S Information Returns Enter -0- if not applicable	1a	101		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0		
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	2573		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b		X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* this return. (see instructions)				
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			
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: N/A				
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: N/A				
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 N/A	12b			

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

			Yes	No
	For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O See instructions.			
1a	Enter the number of voting members of the governing body 1a 13			
b	Enter the number of voting members that are independent 1b 6			
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 organization 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 ▶ DE, MN

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 ▶

KYLE DOROW - 701-364-3273

1702 SOUTH UNIVERSITY DRIVE, FARGO, ND 58103

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order: individual trustees or directors; institutional trustees, officers; key employees; highest compensated employees, and former such persons

☐ Check this box if the organization did not compensate any officer, director, trustee, or key employee

(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			
GREG GLASNER, MD PRESIDENT/CEO	40.00	X		X				421,331.	0.	44,355.
LARRY M. LEADBETTER, MD DIRECTOR, PHYSICIAN	40.00	X						149,588.	0.	44,791.
THOMAS J. MOHS, MD DIRECTOR, PHYSICIAN	40.00	X						197,383.	0.	46,935.
ABIGAIL K. RING, MD DIRECTOR, PHYSICIAN	40.00	X						207,953.	0.	43,877.
JERRY P. ROGERS, MD DIRECTOR, PHYSICIAN	40.00	X						129,506.	0.	39,674.
MICHAEL S. SHELDON, MD DIRECTOR, PHYSICIAN	40.00	X						254,120.	0.	42,876.
JAMES ANDERSON DIRECTOR	0.70	X						1,500.	0.	0.
RICHARD BLAIR DIRECTOR	0.70	X						600.	17,200.	0.
NEAL HESSEN DIRECTOR	0.70	X						900.	7,700.	0.
DANIEL MCGINTY DIRECTOR	0.70	X						2,400.	466,439.	99,602.
KEVIN MOUG VICE CHAIR	0.70	X		X				1,800.	0.	0.
GENE TAYLOR DIRECTOR	0.70	X						1,800.	0.	0.
H. PATRICK WEIR CHAIR	0.70	X		X				2,400.	0.	0.
HELEN KEEZER DIRECTOR	0.70	X						300.	0.	0.
DENNIS L. FUHRMAN VICE PRESIDENT/CFO	40.00			X				272,348.	0.	52,644.
KEVIN PITZER CHIEF ADMINISTRATIVE OFF	40.00			X				349,228.	0.	52,808.
MICHAEL S. BRIGGS, MD CHIEF MEDICAL OFFICER	40.00				X			311,148.	0.	36,351.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(continued)*

(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			
TIMOTHY J. MAHONEY, MD CHIEF MEDICAL OFFICER	40.00				X			510,792.	0.	47,363.
KEN GILLES VP CIO	40.00				X			209,231.	0.	49,494.
NANCY KORTH VP PATIENT CARE	40.00				X			174,522.	0.	37,065.
KEITH WAHLUND VP HUMAN RESOURCES	40.00				X			165,346.	0.	31,566.
MARC EICHLER, MD NEUROSURGEON	40.00					X		919,745.	0.	35,687.
FRANCIS CORMIER, MD ORTHOPEDIC SURGEON	40.00					X		576,765.	0.	38,696.
JEROME SAMPSON, MD RADIOLOGIST	40.00					X		706,907.	0.	55,651.
MAHENDRA GUPTA, MD MEDICAL ONCOLOGY	40.00					X		761,974.	0.	61,950.
DANIEL SMITH, MD SURGEON	40.00					X		734,791.	0.	45,750.
LARRY SOLBERG FORMER CEO	0.00						X	596,790.	0.	37,423.
1b Total ▶								8,020,973.	491,339.	1003823.

2 Total number of individuals (including those in 1a) who received more than $100,000 in reportable compensation from the organization ▶ 201

		Yes	No
3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3	X	
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation
SPHERIS, 13552 COLLECTION CENTER DRIVE, CHICAGO, IL 60693	MEDICAL TRANSCRIPTION	1,661,155.
SODEXHO, INC & AFFILIATES 4880 PAYSPHERE CIRCLE, CHICAGO, IL 60674	CAFETERIA AND HOUSEKEEPING SERVICE	1,353,083.
MAYO COLLABORATIVE SERVICES PO BOX 9146, MINNEAPOLIS, MN 55480	LAB TESTING	1,051,074.
COMPHEALTH, INC. PO BOX 972651, DALLAS, TX 75397	PROVIDER LOCUMS	638,162.
PROFESSIONAL BUILDING SERVICES PO BOX 7365, FARGO, ND 58106	HOUSEKEEPING SERVICES	563,575.

2 Total number of independent contractors (including those in 1) who received more than $100,000 in compensation from the organization ▶ 24

SEE SCHEDULE J-2 FOR PART VII, SECTION A CONTINUATION

Part VIII Statement of Revenue

			(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				
	d Related organizations	1d				
	e Government grants (contributions)	1e				
	f All other contributions, gifts, grants, and similar amounts not included above	1f 147,592.				
	g Noncash contributions included in lines 1a-1f $					
	h Total. Add lines 1a-1f	▶	147,592.			
Program Service Revenue		Business Code				
	2a NET PATIENT REVENUE	621500	152176715.	151784340.	392,375.	
	b OTHER REVENUE	621990	853,936.	853,936.		
	c INVESTMENT IN DAKOTA C	621400	173,414.	173,414.		
	d INVESTMENT IN DAVITA L	621400	18,501.	18,501.		
	e INVESTMENT IN PARK RAP	621400	<702,626.>	<702,626.>		
	f All other program service revenue					
	g Total. Add lines 2a-2f	▶	152519940.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)	▶	80,397.			80,397.
	4 Income from investment of tax-exempt bond proceeds	▶				
	5 Royalties	▶				
		(i) Real / (ii) Personal				
	6a Gross Rents	223,038. / 53,598.				
	b Less: rental expenses					
	c Rental income or (loss)	223,038. / 53,598.				
	d Net rental income or (loss)	▶	276,636.		53,598.	223,038.
	7a Gross amount from sales of assets other than inventory	(i) Securities / (ii) Other: 35,337.				
	b Less: cost or other basis and sales expenses	4860847. / 72,455.				
	c Gain or (loss)	<4860847> / <37,118.>				
	d Net gain or (loss)	▶	<4897965.>			<4897965.>
	8a Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a				
	b Less direct expenses	b				
	c Net income or (loss) from fundraising events	▶				
	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					
	b					
	c					
	d All other revenue					
	e Total. Add lines 11a-11d	▶				
	12 Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e	▶	148126600.	152127565.	445,973.	<4594530.>

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 6b, 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	41,000.	41,000.		
2 Grants and other assistance to individuals in the U S See Part IV, line 22	10,000.	10,000.		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	2,983,659.	1,175,070.	1,808,589.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	532,588.		532,588.	
7 Other salaries and wages	76,101,649.	59,199,689.	16,901,960.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	3,097,294.	2,826,558.	270,736.	
9 Other employee benefits	7,254,826.	6,028,769.	1,226,057.	
10 Payroll taxes	4,555,671.	3,594,003.	961,668.	
11 Fees for services (non-employees)				
a Management				
b Legal	171,476.	11,787.	159,689.	
c Accounting	45,213.		45,213.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	8,999,105.	4,622,944.	4,376,161.	
12 Advertising and promotion	657,394.	2,243.	655,151.	
13 Office expenses	31,421,048.	28,937,589.	2,483,459.	
14 Information technology	393,117.	27,565.	365,552.	
15 Royalties				
16 Occupancy	3,955,757.	571,475.	3,384,282.	
17 Travel	408,241.	140,884.	267,357.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	579,970.	447,713.	132,257.	
20 Interest	2,543,325.		2,543,325.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	6,431,530.		6,431,530.	
23 Insurance	1,417,564.	1,172,448.	245,116.	
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 BAD DEBT EXPENSE	7,958,156.	7,958,156.		
b MISCELLANEOUS	2,115,106.	562,124.	1,552,982.	
c AFFILIATE SERVICE SUPPO	1,273,414.		1,273,414.	
d				
e				
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	162,947,103.	117,330,017.	45,617,086.	0.
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		4,713,508.	1	6,828,349.
	2	Savings and temporary cash investments		4,017,968.	2	581,799.
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		42,396,310.	4	35,540,592.
	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 sale or use		3,475,682.	8	3,423,566.
	9	Prepaid expenses and deferred charges		733,282.	9	968,448.
	10a	Land, buildings, and equipment: cost basis	10a 161,748,314.			
	b	Less accumulated depreciation Complete Part VI of Schedule D	10b 13,682,163.	148,635,456.	10c	148,066,151.
	11	Investments - publicly traded securities		2,898,200.	11	
	12	Investments - other securities See Part IV, line 11		3,321,825.	12	2,121,252.
	13	Investments - program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets. See Part IV, line 11		8,654,327.	15	14,999,534.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		218,846,558.	16	212,529,691.
Liabilities	17	Accounts payable and accrued expenses		20,829,133.	17	27,195,108.
	18	Grants payable			18	
	19	Deferred revenue		645,572.	19	3,088,370.
	20	Tax-exempt bond liabilities		152,128,927.	20	148,469,832.
	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		7,095,231.	23	1,792,675.
	24	Unsecured notes and loans payable			24	
	25	Other liabilities Complete Part X of Schedule D		7,358,609.	25	17,214,164.
	26	**Total liabilities.** Add lines 17 through 25		188,057,472.	26	197,760,149.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		30,789,086.	27	14,717,454.
	28	Temporarily restricted net assets			28	52,088.
	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		30,789,086.	33	14,769,542.
	34	Total liabilities and net assets/fund balances		218,846,558.	34	212,529,691.

Part XI Financial Statements and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990. [ ] Cash [X] 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		X
b	If "Yes," did the organization undergo the required audit or audits?	3b		

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization	Employer identification number
INNOVIS HEALTH LLC	26-1175213

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 the 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	
Total									

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 section 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 "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 ▶ ☐

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 ▶ ☐

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 ▶ ☐

Schedule D (Form 990)

Department of the Treasury
Internal Revenue Service

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

Name of the organization

INNOVIS HEALTH LLC

Employer identification number

26-1175213

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)
☐ Protection of natural habitat
☐ Preservation of open space
☐ Preservation of an historically important land area
☐ Preservation of certified historic structure

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 section 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
b ☐ Scholarly research
c ☐ Preservation for future generations
d ☐ Loan or exchange programs
e ☐ Other _____

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:

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

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		8,923,737.		8,923,737.
b Buildings		103,682,568.	5,336,105.	98,346,463.
c Leasehold improvements		1,566,172.	63,809.	1,502,363.
d Equipment		42,257,524.	8,136,769.	34,120,755.
e Other		5,318,313.	145,480.	5,172,833.
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)*			▶	148,066,151.

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. (Col (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. (Col (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
DEFERRED FINANCING COSTS, NET	4,554,183.
GOODWILL, NET	1,058,600.
INTEGRATION COSTS, NET	283,562.
OTHER RECEIVABLES	1,876,197.
NORTH DAKOTA NEW JOB AGREEMENT RECEIVABLE	387,068.
DAKOTA CLINIC PHARMACY RECEIVABLE	181,237.
SPLIT DOLLAR LIFE	86,116.
RELATED PARTY RECEIVABLES	6,572,571.
Total. *(Column (b) should equal Form 990, Part X, col (B) line 15)* ▶	14,999,534.

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

(a) Description of liability	(b) Amount
Federal income taxes	
NON-CURRENT SWAP LIABILITY	6,890,611.
LEASE PAYABLE	51,748.
PARK RAPIDS AREA HEALTH CARE, LLC PAYABLE	10,271,805.
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	17,214,164.

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	148,126,600.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	162,947,103.
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	<14,820,503.>
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	<1,199,041.>
9	Total adjustments (net). Add lines 4-8	9	<1,199,041.>
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10	<16,019,544.>

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	226,221,640.
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	78,223,848.		
e	Add lines 2a through 2d			2e	78,223,848.
3	Subtract line 2e from line 1			3	147,997,792.
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	128,808.		
c	Add lines 4a and 4b			4c	128,808.
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)			5	148,126,600.

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

1	Total expenses and losses per audited financial statements			1	242,296,807.
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	79,424,704.		
e	Add lines 2a through 2d			2e	79,424,704.
3	Subtract line 2e from line 1			3	162,872,103.
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	75,000.		
c	Add lines 4a and 4b			4c	75,000.
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)			5	162,947,103.

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.

PART X: INNOVIS HEALTH'S FINANCIAL STATEMENTS WERE AUDITED BY AN INDEPENDENT ACCOUNTANT AS PART OF ESSENTIA HEALTH'S CONSOLIDATED FINANCIAL STATEMENTS. DURING 2008, ESSENTIA ADOPTED FASB INTERPRETATION NO. 48, ACCOUNTING FOR UNCERTAINTY IN INCOME TAX - AN INTERPRETATION OF FASB STATEMENT NO. 109, ACCOUNTING FOR INCOME TAXES. THE ADOPTING OF THIS INTERPRETATION HAD NO MATERIAL IMPACT ON THE CONSOLIDATED FINANCIAL STATEMENTS.

Part XIV Supplemental Information *(continued)*

PART XI, LINE 8 - OTHER ADJUSTMENTS:

NET LOSS FOR 4 MOS INCLUDED ON DULUTH CLINIC 990 AS DISREGARDED ENTITY: -1199041.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

REVENUE FOR 4 MOS INCLUDED IN DULUTH CLINIC 990 AS DISREGARDED ENTITY: 78223848.

PART XII, LINE 4B - OTHER ADJUSTMENTS:

CONTRIBUTIONS RECORDED IN NET ASSETS FOR FINANCIAL STATEMENTS: 52088.

TOWER RENTAL INCLUDED IN EXPENSES FOR FINANCIAL STATEMENTS: 1720.

GRANT REVENUE RECORDED IN EXPENSES FOR FINANCIALS: 75000.

PART XIII, LINE 2D - OTHER ADJUSTMENTS:

EXPENSES FOR 4 MOS INCLUDED IN DULUTH CLINIC 990 AS DISREGARDED ENTITY: 79426424.

TOWER RENTAL INCLUDED IN EXPENSES FOR FINANCIAL STATEMENTS: -1720.

PART XIII, LINE 4B - OTHER ADJUSTMENTS:

GRANT REVENUE RECORDED IN EXPENSES FOR FINANCIALS: 75000.

SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ To be completed by organizations that answer "Yes" to Form 990, Part IV, line 20.
▶ Attach to Form 990.

OMB No 1545-0047

2008
Open to Public Inspection

Name of the organization: INNOVIS HEALTH LLC

Employer identification number: 26-1175213

Part I Charity Care and Certain Other Community Benefits at Cost *(Optional for 2008)*

			Yes	No
1a	Does the organization have a charity care policy? If "No," skip to question 6a	1a		
b	If "Yes," is it a written policy?	1b		
2	If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☐ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients.			
a	Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care ☐ 100% ☐ 150% ☐ 200% ☐ Other _____ %	3a		
b	Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☐ Other _____ %	3b		
c	If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care. Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Does the organization's policy provide free or discounted care to the "medically indigent"?	4		
5a	Does the organization budget amounts for free or discounted care provided under its charity care policy?	5a		
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b		
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c		
6a	Does the organization prepare an annual community benefit report?	6a		
b	If "Yes," does the organization make it available to the public?	6b		

Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from *Worksheets 1 and 2)*						
b Unreimbursed Medicaid (from *Worksheet 3, column a)*						
c Unreimbursed costs - other means-tested government programs (from *Worksheet 3, column b)*						
d **Total** Charity Care and Means-Tested Government Programs						
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)						
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)						
j **Total** Other Benefits						
k **Total** (line 7d and 7j)						

Part V Facility Information *(Required for 2008)*

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
INNOVIS HEALTH LLC 3000 32ND AVE S FARGO, ND 58103	X	X					X		CLINIC
INNOVIS HEALTH SOUTH UNIVERSITY 1702 SOUTH UNIVERSITY DRIVE FARGO, ND 58103									CLINIC
INNOVIS HEALTH WEST ACRES 3902 13 AVE S FARGO, ND 58103									CLINIC
INNOVIS HEALTH WEST FARGO 1401 13 AVE E WEST FARGO, ND 58078									CLINIC
INNOVIS HEALTH CASSELTON 5 9TH AVE N CASSELTON, ND 58012									CLINIC
INNOVIS HEALTH HANKINSON 501 MAIN AVE S HANKINSON, ND 58041									CLINIC
INNOVIS HEALTH JAMESTOWN 401 THIRD STREET SE JAMESTOWN, ND 58401									CLINIC
INNOVIS HEALTH LISBON 819 MAIN STREET LISBON, ND 58054									CLINIC
INNOVIS HEALTH MEDINA 600 WATER STREET EAST MEDINA, ND 58467									CLINIC
INNOVIS HEALTH VALLEY CITY 132 4TH AVE NE VALLEY CITY, ND 58072									CLINIC
INNOVIS HEALTH WAHPETON 275 SOUTH 11TH STREET WAHPETON, ND 58075		X							CLINIC
INNOVIS HEALTH FOSSTON 102 SATHER DRIVE FOSSTON, MN 56542									CLINIC
INNOVIS HEALTH MENAHGA 212 ASPEN AVE NE MENAHGA, MN 56464									CLINIC
INNOVIS HEALTH MOORHEAD MOORHEAD CENTER MALL MOORHEAD, MN 56560									CLINIC
INNOVIS HEALTH PARK RAPIDS 705 PLEASANT AVE PARK RAPIDS, MN 56470									CLINIC
INNNOVIS HEALTH WALKER 110 D. MICHIGAN AVE W WALKER, MN 56484									CLINIC

Part V **Facility Information** *(Required for 2008)*

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
INNOVIS HEALTH NORTHPORT NORTHPORT SHOPPING CENTER FARGO, ND 58103									CLINIC

SCHEDULE I (Form 990)

Department of the Treasury
Internal Revenue Service

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

▶ Complete if the organization answered "Yes," on Form 990, Part IV, lines 21 or 22.

▶ Attach to Form 990.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
INNOVIS HEALTH LLC

Employer identification number
26-1175213

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? [X] Yes [ ] No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II 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 I-1 (Form 990) if additional space is needed ▶ [ ]

1 (a) Name and address of organization or government	(b) EIN	(c) IRC 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
NORTH DAKOTA STATE UNIVERSITY 1340 ADMINISTRATION AVE FARGO, ND 58102	45-6002439	GOVERNMENT ENTITY	6,000.	0.			GRADUATE PROGRAM STIPENDS
UNITED WAY OF CASS-CLAY PO BOX 1609 FARGO, ND 58107-1609	41-0810008	501(C)(3)	25,000.	0.			MATCHING CONTRIBUTIONS
FARGO MARATHON PO BOX 2623 FARGO, ND 58108-2623	43-2043293	501(C)(3)	10,000.	0.			SPONSOR YOUTH FUN RUN AND HEALTH/FITNESS WEEK

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

3 Enter total number of other organizations ▶ 3.

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

Schedule I (Form 990) 2008

832101 12-18-08

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
SCHOLARSHIPS	20	10,000.	0.		

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

SCHEDULE I, PART I, LINE 2: ALL GRANTS ARE MADE TO TO PUBLIC CHARITIES OR GOVERNMENTAL ENTITIES. ALL SCHOLARSHIP GRANTS ARE MADE OUT TO THE INSTITUTION AND THE STUDENT SELECTED AND MAY BE USED FOR ANY EDUCATIONAL EXPENSES SUCH AS TUITION, FEES, ROOM AND BOARD AND BOOKS. MANAGEMENT REVIEWS AND APPROVES THESE TRANSACTIONS.

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

INNOVIS HEALTH LLC

Employer identification number

26-1175213

Part I Questions Regarding Compensation

			Yes	No
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.			
	[X] First-class or charter travel	[ ] Housing allowance or residence for personal use		
	[ ] Travel for companions	[ ] Payments for business use of personal residence		
	[ ] Tax indemnification and gross-up payments	[ ] Health or social club dues or initiation fees		
	[ ] Discretionary spending account	[ ] 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	1b	X	
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?	2	X	
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			
	[X] Compensation committee	[X] Written employment contract		
	[X] Independent compensation consultant	[X] Compensation survey or study		
	[ ] Form 990 of other organizations	[X] 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?	4a	X	
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		X
	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?	5a		X
b	Any related organization?	5b		X
	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?	6a		X
b	Any related organization?	6b		X
	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	7		X
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	8		X

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 if additional space is needed

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a.

(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 compensation				
GREG GLASNER, MD	(i)	401,506.	15,500.	4,325.	7,500.	39,388.	468,219.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
LARRY M. LEADBETTER, MD	(i)	149,588.	0.	0.	15,395.	31,844.	196,827.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
THOMAS J. MOHS, MD	(i)	194,355.	3,028.	0.	17,207.	32,176.	246,766.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
ABIGAIL K. RING, MD	(i)	200,343.	7,610.	0.	16,158.	29,103.	253,214.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
JERRY P. ROGERS, MD	(i)	115,624.	13,882.	0.	12,883.	28,646.	171,035.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
MICHAEL S. SHELDON, MD	(i)	207,967.	46,153.	0.	14,325.	30,999.	299,444.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
DANIEL MCGINTY	(i)	2,400.	0.	0.	0.	0.	2,400.	0.
	(ii)	323,932.	91,519.	50,988.	71,336.	28,266.	566,041.	0.
DENNIS L. FUHRMAN	(i)	243,781.	27,564.	1,003.	23,000.	32,434.	327,782.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
KEVIN PITZER	(i)	305,128.	44,100.	0.	23,000.	32,598.	404,826.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
MICHAEL S. BRIGGS, MD	(i)	281,345.	29,803.	0.	13,204.	24,916.	349,268.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
TIMOTHY J. MAHONEY, MD	(i)	390,879.	119,913.	0.	11,105.	38,706.	560,603.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
KEN GILLES	(i)	188,063.	21,168.	0.	21,466.	30,817.	261,514.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
NANCY KORTH	(i)	156,882.	17,640.	0.	10,170.	29,448.	214,140.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
KEITH WAHLUND	(i)	148,588.	16,758.	0.	16,585.	17,390.	199,321.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
MARC EICHLER, MD	(i)	919,745.	0.	0.	0.	38,135.	957,880.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
FRANCIS CORMIER, MD	(i)	543,330.	33,435.	0.	2,460.	38,684.	617,909.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.

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, LINE 1A: CHARTER TURBOPROP AIRCRAFT IS USED ON OCCASION FOR TRAVEL BETWEEN FARGO, ND AND ESSENTIA HEALTH'S CORPORATE OFFICES IN DULUTH, MN. EIGHTY PERCENT OF USE IS BY PRESIDENT AND CAO TRAVELING TO/FROM DULUTH, MN FOR ESSENTIA HEALTH SENIOR LEADERSHIP MEETINGS. FIFTEEN PERCENTE IS FOR TRAVEL OF INNOVIS HEALTH EMPLOYEES WHO ARE ELECTED MEMBERS OF THE ESSENTIA HEALTH BOARD OF DIRECTORS AND BOARD COMMITTEES - AGAIN TO/FROM DULUTH, MN. FIVE PERCENT IS FOR INNOVIS HEALTH OPERATIONS AND/OR BUSINESS DEVELOPMENT WORK WITH OTHER REGIONAL HEALTH FACILITIES AND SYSTEMS. ON OCCASION, OTHER INNOVIS HEALTH EMPLOYEES MAY TRAVEL WITH THE ABOVE GROUPS FOR MEETINGS WITH ESSENTIA HEALTH OR SMDC STAFF. AMOUNTS ARE NOT TREATED AS TAXABLE INCOME AS ALL TRAVEL IS BUSINESS RELATED.

PART I, LINE 4A: SEVERANCE - SOLBERG, LARRY $ 540,268
TERMS & CONDITIONS: UPON SEPARATION OF EMPLOYMENT, EMPLOYEE WAS ENTITLED TO ADDITIONAL SALARY PLUS LIFE AND DENTAL BENEFITS.

CHANGE OF CONTROL PAYMENT/SEVERANCE - BALKEN, PETRICE $ 179,513
TERMS & CONDITIONS: UPON CHANGE IN CONTROL, EMPLOYEE WAS ENTITLED TO ADDITIONAL COMPENSATION AND COBRA BENEFITS.

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

NON-QUALIFIED PLAN - DANIEL MCGINTY $ 50,451

TERMS & CONDITIONS: MR. MCGINTY PARTICIPATES IN THE ESSENTIA HEALTH EXECUTIVE BENEFIT PLAN - WHICH IS CLASSIFIED AS A "NON-QUALIFIED" RETIREMENT PLAN UNDER IRS STATUTES. ECHC FUNDS HIS PARTICIPATION IN THIS PLAN. THE PLAN HAS A MINIMUM TWO-YEAR VESTING DATE, BENEFITS ARE SUBJECT TO INCOME TAXES UPON VESTING, AND BENEFITS ARE PAYABLE FROM ECHC'S GENERAL ASSETS.

SCHEDULE J-1
(Form 990)
Department of the Treasury
Internal Revenue Service

Continuation Sheet for Schedule J (Form 990)
▶ Attach to Form 990 to list additional information regarding compensation.

OMB No 1545-0047
2008
Open to Public Inspection

Name of the organization
INNOVIS HEALTH LLC

Employer identification number
26-1175213

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 (i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable 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
JEROME SAMPSON, MD	(i)	449,602.	257,305.	0.	7,500.	50,599.	765,006.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
MAHENDRA GUPTA, MD	(i)	558,023.	203,951.	0.	23,000.	41,398.	826,372.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
DANIEL SMITH, MD	(i)	591,186.	143,605.	0.	7,500.	40,698.	782,989.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
LARRY SOLBERG	(i)	25,802.	30,720.	540,268.	6,585.	30,838.	634,213.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
PETRICE BALKAN	(i)	59,782.	0.	179,513.	12,553.	25,583.	277,431.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
TODD FORKEL	(i)	96,952.	14,112.	9,446.	0.	23,483.	143,993.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

SCHEDULE J-2
(Form 990)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Form 990

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the Organization

INNOVIS HEALTH LLC

Employer Identification number

26-1175213

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			
PETRICE BALKAN FORMER VP MANAGED CARE	0.00						X	239,295.	0.	37,439.
TODD FORKEL FORMER VP ACUTE SERVICES	0.00						X	120,510.	0.	21,826.

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

Schedule J-2 (Form 990) 2008

832201 12-18-08

SCHEDULE K (Form 990)
Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

▶ Attach to Form 990 To be completed by organizations that answered "Yes" to Form 990, Part IV, line 24a
Provide descriptions, explanations, and any additional information on Schedule O (Form 990)

OMB No 1545-0047
2008
Open to Public Inspection

Name of the organization
INNOVIS HEALTH LLC

Employer identification number
26-1175213

Part I Bond Issues (Required for 2008)

	(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer	
							Yes	No	Yes	No
A	CASS COUNTY, NORTH DAKOTA	45-6002205	148047AP8	03/04/08	61100000.	SEE STATEMENT ON SCHEDULE O		X		X
B	WISCONSIN HEALTH AND EDUCATION FACILITIES AUT	39-1337855	97710V7R3	03/04/08	12975000.	SEE STATEMENT ON SCHEDULE O		X		X
C	CASS COUNTY, NORTH DAKOTA	45-6002205	148047AT0	05/02/08	62448178.	SEE STATEMENT ON SCHEDULE O		X		X
D	MINNESOTA AGRICULTURAL AND ECONOMIC DEVELOPMENT	41-6007162	604920Z43	05/02/08	42909274.	SEE STATEMENT ON SCHEDULE O		X		X
E										

Part II Proceeds (Optional for 2008)

		A	B	C	D	E
1	Total proceeds of issue					
2	Gross proceeds in reserve funds					
3	Proceeds in refunding or defeasance escrows					
4	Other unspent proceeds					
5	Issuance costs from proceeds					
6	Working capital expenditures from proceeds					
7	Capital expenditures from proceeds					
8	Year of substantial completion					

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
9	Were the bonds issued as part of a current refunding issue?										
10	Were the bonds issued as part of an advance refunding issue?										
11	Has the final allocation of proceeds been made?										
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?										

Part III Private Business Use (Optional for 2008)

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?										
2	Are there any lease arrangements with respect to the financed property which may result in private business use?										

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

INNOVIS HEALTH LLC

Employer identification number

26-1175213

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS

PERSON WHO PRESENTS AT THE HOSPITAL SEEKING TREATMENT OF AN EMERGENCY MEDICAL CONDITION IS GIVEN A MEDICAL SCREENING AND NECESSARY STABILIZING TREATMENT REGARDLESS OF THE PERSON'S ABILITY TO PAY.

IN ADDITION TO THE HOSPITAL AND CLNICS, INNOVIS ALSO OPERATES PHARMACIES, OPTICAL CENTERS, INFUSION THERAPY CENTERS, OUTPATIENT SURGERY CENTERS, AND A CANCER CENTER.

BEYOND ITS CLINICAL SERVICES, INNOVIS ALSO OFFERS EDUCATIONAL PROGRAMS FOR THE COMMUNITY, SUCH AS PARENTING CLASSES AND CHILD SAFETY PROGRAMS SUCH AS BICYCLE HELMET FITTING, BICYCLE SAFETY, AND PEDESTRIAN SAFETY. INNOVIS ALSO PARTICIPATES IN CONTINUING EDUCATIONAL PROGRAMS FOR HEALTH CARE PROFESSIONALS.

COMMUNITY AND EDUCATION BENEFIT:

CATEGORY	NUMBER SERVED	TOTAL EXPENSE
COMMUNITY HEALTH IMPROVEMENT SERVICES	19,715	226,751
HEALTH PROFESSIONALS EDUCATION	106	39,050
FINANCIAL AND IN-KIND CONTRIBUTIONS	151,285	511,045
COMMUNITY BUILDING ACTIVITIES	278,910	23,399
COMMUNITY BENEFIT OPERATIONS	301	15,285

FORM 990, PART VI, SECTION A, LINE 6: ESSENTIA HEALTH IS THE SOLE MEMBER

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

INNOVIS HEALTH LLC

Employer identification number

26-1175213

OF INNOVIS HEALTH, LLC.

FORM 990, PART VI, SECTION A, LINE 7A: ESSENTIA HEALTH IS THE SOLE MEMBER OF INNOVIS HEALTH, LLC. AS THE SOLE MEMBER, IT HAS RESERVE POWERS TO APPROVE ALL VOTING AND NON-VOTING MEMBERS OF THE INNOVIS HEALTH BOARD OF DIRECTORS.

FORM 990, PART VI, SECTION A, LINE 7B: INNOVIS HEALTH, LLC IS A SUBSIDIARY OF ESSENTIA HEALTH, WHOSE BOARD OF DIRECTORS HAS RESERVED POWERS WITH RESPECT TO THIS CORPORATION AND ITS SUBSIDIARIES, AND ALL OF THE OTHER DIRECT AND INDIRECT SUBSIDIARIES OF ESSENTIA HEALTH (COLLECTIVELY, THE "SYSTEM").

ESSENTIA HEALTH'S RESERVED POWERS ARE AS FOLLOWS:

STRATEGIC AND BUSINESS PLANS. AUTHORITY TO CREATE, AND TO APPROVE, THE SYSTEM'S STRATEGIC AND BUSINESS PLANS.

MISSION. AUTHORITY TO CREATE, AND TO APPROVE, THE MISSION, PURPOSE AND VISION STATEMENTS FOR ALL ENTITIES IN THE SYSTEM BY THE AFFIRMATIVE VOTE OF AT LEAST 67% OF THE ESSENTIA HEALTH BOARD OF DIRECTORS.

DEBT. APPROVAL OF THE INCURRENCE OF DEBT BY, AND THE CREATION OF ALL MORTGAGES, LIENS, SECURITY INTERESTS, OR OTHER ENCUMBRANCES ON THE ASSETS OF, ALL ENTITIES IN THE SYSTEM IN EXCESS OF THE SINGLE OR ANNUAL AGGREGATE DOLLAR LIMITS PRESCRIBED IN WRITING BY THE ESSENTIA HEALTH BOARD OF

DIRECTORS, AND THE AUTHORITY TO CAUSE ALL ENTITIES IN THE SYSTEM TO PARTICIPATE IN SYSTEM BORROWING.

GOVERNING INSTRUMENTS. AUTHORITY TO CAUSE, AND TO APPROVE, AMENDMENTS OF THE ARTICLES OF INCORPORATION AND BYLAWS OF ALL ENTITIES IN THE SYSTEM.

MERGERS AND ACQUISITIONS. AUTHORITY TO CAUSE, AND TO APPROVE, ALL MERGERS, CONSOLIDATIONS, AND DISSOLUTIONS OF ALL ENTITIES IN THE SYSTEM.

AFFILIATIONS AND JOIN VENTURES. AUTHORITY TO CAUSE, AND TO APPROVE, ALL AFFILIATIONS, JOINT VENTURES AND OTHER ALLIANCES WITH THIRD PARTIES OF ALL ENTITIES IN THE SYSTEM.

TRANSFER OF ASSETS WITHIN THE SYSTEM. AUTHORITY TO TRANSFER ASSETS, INCLUDING CASH, BETWEEN AND AMONG ENTITIES WITHIN THE SYSTEM; PROVIDED, HOWEVER, THAT ESSENTIA HEALTH SHALL NOT HAVE AUTHORITY TO REQUIRE ANY ENTITY IN THE SYSTEM TO TRANSFER ASSETS (A) THAT WOULD CAUSE SUCH ENTITY TO BE IN DEFAULT OF ITS COVENANTS OR OBLIGATIONS UNDER ANY BOND OR OTHER FINANCING DOCUMENTS; (B) FROM THE CATHOLIC ENTITIES TO THE SECULAR ENTITIES OR FROM THE SECULAR ENTITITES TO THE CATHOLIC ENTITIES IN A MANNER OR TO AN EXTENT THAT WOULD CAUSE THE CATHOLIC ENTITIES TO BE IN VIOLATION OF THE ETHICAL AND RELIGIOUS DIRECTIVES FOR CATHOLIC HEALTH CARE SERVICES IN THE JUDGEMENT OF THE LOCAL ORDINARY; OR (C) SUCH THAT MONEY GENERATED BY SERVICES AT SECULAR FACILITIES WITHIN THE SYSTEM BY PROCEDURES THAT ARE CONTRARY TO THE ETHICAL AND RELIGIOUS DIRECTIVES FOR CATHOLIC HEALTH CARE SERVICES WOULD BE USED AT THE CATHOLIC ENTITIES OR MONEY GENERATED BY

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.

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Name of the organization

INNOVIS HEALTH LLC

Employer identification number

26-1175213

CATHOLIC ENTITIES WOULD BE USED IN THE PROVIDING OF SERVICES CONTRARY TO THE ETHICAL AND RELIGIOUS DIRECTIVES FOR CATHOLIC HEALTH CARE SERVICES AT SECULAR FACILITIES WITHIN THE SYSTEM.

TRANSFER OF ASSETS OUTSIDE THE SYSTEM. AUTHORITY TO CAUSE, AND TO APPROVE, THE SALE, LEASE OR OTHER TRANSFER OF ASSETS OF ALL ENTITIES IN THE SYSTEM TO PARTIES OUTSIDE OF THE SYSTEM WHEN THE ASSET'S VALUE EXCEEDS THE SINGLE OR ANNUAL AGGREGATE DOLLAR LIMITES PRESCRIBED IN WRITING BY THE ESSENTIA HEALTH BOARD OF DIRECTORS.

SERVICES. AUTHORITY TO CAUSE, AND TO APPROVE, THE ADDITION OF NEW SERVICES AND SERVICE LOCATIONS AND THE DISCONTINUANCE OF SERVICES AND SERVICE LOCATIONS WITHIN ALL ENTITIES IN THE SYSTEM.

BUDGETS. APPROVAL OF CAPITAL AND OPERATING BUDGETS OF ALL ENTITIES IN THE SYSTEM.

PROFESSIONAL SERVICES. SELECTION OF THE GENERAL LEGAL COUNSEL AND EXTERNAL AUDITORS OF ALL ENTITIES IN THE SYSTEM.

ACQUISITIONS. AUTHORITY TO CAUSE, AND TO APPROVE, ALL ACQUISITIONS BY AND FORMATIONS OF ENTITIES IN THE SYSTEM.

MARKETING. AUTHORITY TO IMPLEMENT SYSTEM-WIDE MARKETING AND PROMOTIONAL ACTIVITIES.

COMPLIANCE PLANS. AUTHORITY TO CREATE, AND TO APPROVE, CORPORATE COMPLIANCE, SAFETY AND RISK MANAGEMENT PLANS FOR ENTITIES WITHIN THE SYSTEM.

QUALITY PLAN. AUTHORITY TO CREATE, AND TO APPROVE, THE SYSTEM'S QUALITY PLAN.

NON-BUDGETED PURCHASES. APPROVAL OF NON-BUDGETED CAPITAL PURCHASES AND LEASES IN EXCESS OF THE SINGLE OR ANNUAL AGGREGATE DOLLAR LIMITS PRESCRIBED IN WRITING BY ESSENTIA HEALTH FOR ENTITIES WITHIN THE SYSTEM.

HUMAN RESOURCES. AUTHORITY TO CREATE HUMAN RESOURCE POLICIES AND PROCEDURES WITHIN THE SYSTEM.

RESERVED POWERS. AUTHORITY TO CREATE ADDITIONAL ESSENTIA HEALTH RESERVED POWERS BY THE AFFIRMATIVE VOTE OF AT LEAST 80% OF THE ESSENTIA HEALTH BOARD OF DIRECTORS (EXCLUDING THE ESSENTIA HEALTH CEO); PROVIDED, HOWEVER, THAT ANY ADDITIONAL ESSENTIA HEALTH RESERVED POWERS SHALL NOT CONTRAVENE OR HINDER THE RESERVED POWERS OF BENEDICTINE SISTERS BENEVOLENT ASSOCIATION.

FORM 990, PART VI, SECTION A, LINE 10: THE 2008 DRAFT FORM 990 AND 990-T, INCLUDING ALL APPLICABLE SCHEDULES, WERE REVIEWED BY INNOVIS HEALTH'S MANAGEMENT AND GOVERNING BODY ON TUESDAY, MARCH 23RD, 2010, PRIOR TO FILING WITH THE INTERNAL REVENUE SERVICE. EACH CURRENT DIRECTOR OF THE GOVERNING BODY, AS LISTED IN PART VII SECTION A LINE 1A, RECEIVED A COPY OF THE 2008 DRAFT FORM 990 AND 990-T. THE ORGANIZATION'S PROFESSIONAL TAX CONSULTANT,

JOINTLY WITH THE CFO, LED THE REVIEW OF THE FORMS AND SCHEDULES AND ANY QUESTIONS WERE DISCUSSED. A FINAL COPY WILL BE DISTRIBUTED PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 12C: POLICY COVERS ALL BOARD MEMBERS, SENIOR LEADERSHIP (PRESIDENT, CAO, CMOS AND VPS) AND EMPLOYED DOCTORS. COVERED INDIVIDUALS ARE REQUIRED TO COMPLETE AN ANNUAL "CONFLICT OF INTEREST" DISCLOSURE QUESTIONNAIRE. ALL QUESTIONNAIRES ARE REVIEWED BY ESSENTIA HEALTH LEGAL DEPARTMENT AND THEY MAKE THE DETERMINATION IF A CONFLICT OF INTEREST EXISTS. IF A CONFLICT OF INTEREST IS IDENTIFIED, THE RESTRICTIONS IMPOSED WOULD BE PROPORTIONAL TO THE DEGREE OF CONFLICT AS DETERMINED BY LEGAL COUNSEL. A GOVERNING BOARD MEMBER MAY BE REQUIRED TO ABSTAIN FROM VOTING ON CERTAIN ACTION ITEMS THAT COME BEFORE THE BOARD. IN THE MOST SERIOUS CONFLICTS, THE BOARD MEMBER MAY BE ASKED TO RESIGN OR BE REQUIRED TO DIVEST THE CONFLICT AS A CONDITION OF CONTINUED APPOINTMENT. A SIMILAR RANGE OF RESTRICTIONS WOULD APPLY TO INNOVIS HEALTH EMPLOYEES.

FORM 990, PART VI, SECTION B, LINE 15: INNOVIS HEALTH'S PRESIDENT AND CHIEF ADMINISTRATIVE OFFICER'S (CAO) COMPENSATION IS RECOMMENDED BY THE CEO OF ESSENTIA HEALTH AND APPROVED BY THE EXECUTIVE COMMITTEE OF THE ESSENTIA HEALTH BOARD OF DIRECTORS. THE COMPENSATION OF OTHER INNOVIS HEALTH SENIOR LEADERSHIP IS RECOMMENDED BY THE PRESIDENT AND CAO OF INNOVIS HEALTH AND APPROVED BY THE EXECUTIVE COMMITTEE OF THE INNOVIS HEALTH BOARD OF DIRECTORS. BOTH PROCESSES OCCUR ANNUALLY AND WERE LAST COMPLETED IN 2008.

THE ANNUAL COMPENSATION REVIEW PROCESS BEGINS WITH AN INDUSTRY COMPENSATION SURVEY COMPLETED BY AN EXTERNAL CONSULTING GROUP RETAINED BY THE ESSENTIA

HEALTH BOARD OF DIRECTORS. THE CONSULTANT'S REPORT ENCOMPASSES: CURRENT COMPENSATION TRENDS, SIGNIFICANT MARKET FACTORS, REGIONAL/NATIONAL SALARY SURVEYS AND THE CONSULTANT'S RECOMMENDED CHANGES TO COMPENSATION LEVELS AND COMPENSATION PLAN METHODOLOGY. BASED ON THIS DATA, THE CEO OF ESSENTIA HEALTH WILL MAKE RECOMMENDATIONS OF COMPENSATION ADJUSTMENTS TO THE EXECUTIVE COMMITTEE - WHO WILL THEN ACT ON THESE RECOMMENDATIONS. A SIMILAR PROCESS IS FOLLOWED AT INNOVIS HEALTH, WITH THE SENIOR DYAD OF THE PRESIDENT AND CAO RECOMMENDING COMPENSATION ADJUSTMENTS TO THE EXECUTIVE COMMITTEE OF THE INNOVIS HEALTH BOARD OF DIRECTORS - WHO WILL THEN ACT ON THESE RECOMMENDATIONS.

FORM 990, PART VI, SECTION C, LINE 19: INNOVIS HEALTH'S GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC UPON REQUEST. INNOVIS HEALTH IS PART OF ESSENTIA HEALTH'S CONSOLIDATED FINANCIALS STATEMENTS WHICH ARE INCLUDED IN ESSENTIA HEALTH'S ANNUAL REPORT WHICH IS POSTED ON ESSENTIA HEALTH'S WEB SITE (WWW.ESSENTIAHEALTH.ORG).

SCHEDULE K, SUPPLEMENTAL INFORMATION: ESSENTIA HEALTH HAS AN OBLIGATED GROUP CREATED UNDER THE MASTER INDENTURE WHICH IS COMPOSED OF THE FOLLOWING MEMBERS: ESSENTIA HEALTH, ECHC, ST. MARY'S DULUTH CLINIC HEALTH SYSTEM, ST. JOSEPH'S MEDICAL CENTER, ST. MARY'S REGIONAL HEALTH CENTER, ST. MARY'S MEDICAL CENTER, INC., SMDC MEDICAL CENTER, FORMERLY KNOWN AS MILLER-DWAN MEDICAL CENTER, INC., NAT G. POLINSKY MEMORIAL REHABILITATION CENTER, INC., ST. MARY'S HOSPITAL OF SUPERIOR, BRAINERD MEDICAL CENTER, INC., BRAINERD LAKES INTEGRATED HEALTH SYSTEM AND ST. MARY'S INNOVIS HEALTH, THE DULUTH

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

INNOVIS HEALTH LLC

Employer identification number

26-1175213

CLINIC, LTD. AND INNOVIS HEALTH, LLC (THE "OBLIGATED GROUP MEMBERS" OR THE "MEMBERS OF THE OBLIGATED GROUP"). THE MEMBERS OF THE OBLIGATED GROUP ARE JOINTLY AND SEVERALLY OBLIGATED ON ALL INDEBTEDNESS EVIDENCED OR SECURED BY NOTES ISSUED UNDER THE MASTER INDENTURE.

SERIES 2008A: THE SERIES 2008A BONDS ARE SECURED BY NOTES ISSUED UNDER THE MASTER INDENTURE. THE DULUTH CLINIC, LTD. AND ESSENTIA HEALTH ARE THE CONDUIT BORROWERS OF THE SERIES 2008A BONDS. INNOVIS HEALTH, LLC IS AN INDIRECT BENEFICIARY OF THE SERIES 2008A BORROWING AND HAS RECORDED THE BOND LIABILITY ON ITS BALANCE SHEET WHICH IS CONSOLIDATED WITH ESSENTIA HEALTH.

SERIES 2008B: THE SERIES 2008B BONDS ARE SECURED BY NOTES ISSUED UNDER THE MASTER INDENTURE. THE OBLIGATED GROUP MEMBERS: THE DULUTH CLINIC, LTD., ESSENTIA HEALTH AND ST. MARY'S HOSPITAL OF SUPERIOR ARE THE CONDUIT BORROWERS OF THE SERIES 2008B BONDS.

THE OBLIGATED GROUP MEMBER, INNOVIS HEALTH, LLC, IS AN INDIRECT BENEFICIARY OF A PORTION OF THE SERIES 2008B BORROWING AND HAS RECORDED A PORTION OF THE BOND LIABILITY ON ITS BALANCE SHEET WHICH IS CONSOLIDATED WITH ESSENTIA HEALTH.

SERIES 2008D: THE SERIES 2008D BONDS ARE SECURED BY NOTES ISSUED UNDER THE MASTER INDENTURE. THE OBLIGATED GROUP MEMBERS: THE DULUTH CLINIC, LTD. AND ESSENTIA HEALTH ARE THE CONDUIT BORROWERS OF THE SERIES 2008D BONDS. THE OBLIGATED GROUP MEMBER, INNOVIS HEALTH, LLC, IS AN INDIRECT BENEFICIARY OF THE SERIES 2008D BORROWING AND HAS RECORDED THE BOND LIABILITY ON ITS

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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Name of the organization

INNOVIS HEALTH LLC

Employer identification number

26-1175213

BALANCE SHEET WHICH IS CONSOLIDATED WITH ESSENTIA HEALTH.

SERIES 2008E: THE SERIES 2008E BONDS ARE SECURED BY NOTES ISSUED UNDER THE MASTER INDENTURE. THE OBLIGATED GROUP MEMBERS: ST. MARY'S DULUTH CLINIC HEALTH SYSTEM, THE DULUTH CLINIC, LTD., ESSENTIA HEALTH, ST. MARY'S MEDICAL CENTER, INC. AND SMDC MEDICAL CENTER ARE THE CONDUIT BORROWERS OF THE SERIES 2008E BONDS. THE OBLIGATED GROUP MEMBER, INNOVIS HEALTH, LLC, IS AN INDIRECT BENEFICIARY OF A PORTION OF THE SERIES 2008E BORROWING AND HAS RECORDED A PORTION OF THE BOND LIABILITY ON ITS BALANCE SHEET WHICH IS CONSOLIDATED WITH ESSENTIA HEALTH.

SCHEDULE K, PART I, BOND ISSUES DESCRIPTION:

BOND ISSUE A DESCRIPTION OF PURPOSE: REFINANCE A PORTION OF THE ACQUISITION OF CERTAIN ASSETS OF INNOVIS HEALTH IN CONNECTION WITH THE AFFILIATION OF ESSENTIA HEALTH WITH INNOVIS HEALTH.

BOND ISSUE B DESCRIPTION OF PURPOSE: REFUND SERIES 1999B BONDS ISSUED MAY 18, 1999 FOR CONSTRUCTION PROJECTS AND EQUIPMENT PURCHASES IN SUPERIOR, WI AND VARIOUS DULUTH CLINIC LOCATIONS IN NORTHWESTERN WISCONSIN.

BOND ISSUE C DESCRIPTION OF PURPOSE: REFINANCE A PORTION OF THE ACQUISITION OF CERTAIN ASSETS OF INNOVIS HEALTH IN CONNECTION WITH THE AFFILIATION OF ESSENTIA HEALTH WITH INNOVIS HEALTH.

BOND ISSUE D DESCRIPTION OF PURPOSE: REFINANCE SERIES 1997 BONDS ISSUED

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.

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2008

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Name of the organization

INNOVIS HEALTH LLC

Employer identification number

26-1175213

DECEMBER 18, 1997 TO FINANCE EQUIPMENT PURCHASES IN DULUTH, MN.

FORM 990, PART XI, LINE 2B:

INNOVIS HEALTH'S FINANCIAL STATEMENETS WERE AUDITED BY AN INDEPENDENT ACCOUNTANT AS PART OF ESSENTIA HEALTH'S CONSOLIDATED FINANCIAL STATEMENTS ONLY. THE CONSOLIDATED AUDIT IS REVIEWED BY THE ESSENTIA HEALTH FINANCE PLANNING & AUDIT COMMITTEES.

FORM 990, PART XI, LINE 3:

INNOVIS HEALTH, AS PART OF ESSENTIA HEALTH'S CONSOLIDATED FINANCIAL STATEMENTS, WAS REQUIRED AND UNDERWENT A CONSOLIDATED AUDIT SET FORTH IN THE SINGLE AUDIT ACT & OMB CIRCULAR A-133. THE CONSOLIDATED AUDIT IS REVIEWED BY THE ESSENTIA HEALTH AUDIT COMMITTEE.

SCHEDULE R (Form 990)
Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, lines 33, 34, 35, 36, or 37.
▶ See separate instructions.

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2008
Open to Public Inspection

Name of the organization
INNOVIS HEALTH LLC

Employer identification number
26-1175213

Part I Identification of Disregarded Entities

(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity

Part II 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
ESSENTIA HEALTH - 20-0360007 502 E 2ND ST DULUTH, MN 55805	SUPPORTING ORGANIZATION	MINNESOTA	501(C)(3)	11, TYPE III	N/A
BRAINERD LAKES INTEGRATED HEALTH SYSTEM - 37-1532145, 2024 S 6TH ST, BRAINERD, MN 56401	SUPPORTING ORGANIZATION	MINNESOTA	501(C)(3)	11, TYPE II	ECHC
BRAINERD MEDICAL CENTER, INC, - 37-1532148 2024 S 6TH ST BRAINERD, MN 56401	CLINIC	MINNESOTA	501(C)(3)	3	BLIHS
BRIDGES MEDICAL CENTER - 20-0479568 201 9TH ST W ADA, MN 56510	CLINIC/HOSPITAL	MINNESOTA	501(C)(3)	3	ECHC

Part III Identification of Related Organizations Taxable as a Partnership

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Predominant income (related, investment, unrelated)	(F) Share of total income	(G) Share of end-of-year assets	(H) Disproportionate allocations? Yes	(H) Disproportionate allocations? No	(I) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(J) General or managing partner? Yes	(J) General or managing partner? No
PARK RAPIDS AREA HEALTH CENTER - 20-4926259, 600 PLEASANT AVE S, PARK RAPIDS, MN 56470	OPERATION OF MEDICAL OFFICE BUILDING	MN	N/A	RELATED	46,724.	5514088.		X	N/A	X	

Part IV Identification of Related Organizations Taxable as a Corporation or Trust

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Type of entity (C corp, S corp, or trust)	(F) Share of total income	(G) Share of end-of-year assets	(H) Percentage ownership
ESSENTIA HEALTH INSURANCE SERVICES SPC, LTD, BUCKINGHAM SQUARE, 720 W BAY RD, PO BOX 69 GRAND CAYMAN, CAYMAN ISLANDS KY1-1102	INSURANCE	CAYMAN ISLANDS	N/A	C CORP	0.	0.	.00%

Part V Transactions With Related Organizations

Note. Complete line 1 if any entity is listed in Parts II, III, or IV.		Yes	No
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?			
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-r)	(C) Amount involved
(1) PARK RAPIDS AREA HEALTH CENTER	A	13,656.
(2) PARK RAPIDS AREA HEALTH CENTER	J	234,535.
(3) ECHC	O	6,289,105.
(4) ST. MARY'S INNOVIS HEALTH	P	7,668,408.
(5) ESSENTIA HEALTH	O	182,689.
(6) ESSENTIA HEALTH	L	1,730,000.

Part VI Unrelated Organizations Taxable as a Partnership

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization See instructions regarding exclusion for certain investment partnerships

(A) Name, address, and EIN of entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Are all partners section 501(c)(3) organizations? Yes	(D) No	(E) Share of end-of-year assets	(F) Disproportionate allocations? Yes	(F) No	(G) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(H) General or managing partner? Yes	(H) No

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
CLEARWATER VALLEY HOSPITAL AND CLINICS, INC. - 82-0497771, 301 CEDAR, OROFINO, ID 83544, OROFINO, ID 83544	CLINIC/HOSPITAL	IDAHO	501(C)(3)	3	ECHC
DIVINE MEDICAL SERVICES - 20-2773717 709 N LINCOLN, JEROME, ID 83338 JEROME, ID 83338	EMERGENCY SERVICES	IDAHO	501(C)(3)	3	SBFMC
DL SURGERY CENTER - 26-3837203 1027 WASHINGTON AVE DETROIT LAKES, MN 56501	AMBULATORY SURGICAL CENTER (ASC)	MINNESOTA	501(C)(3)	3	ECHC
ECHC FOUNDATION - 26-3359418 502 E 2ND ST DULUTH, MN 55805	FOUNDATION	MINNESOTA	501(C)(3)	11 TYPE I	ECHC
ECHC - 26-1219624 503 E 3RD ST STE 400 DULUTH, MN 55805	SUPPORTING ORGANIZATION	MINNESOTA	501(C)(3)	11 TYPE II	ESSENTIA
ST. BENEDICT'S FAMILY MEDICAL CENTER - 82-0227163, 709 N LINCOLN, JEROME, ID 83338	CLINIC/HOSPITAL	IDAHO	501(C)(3)	3	ECHC
ST. JOSEPH'S MEDICAL CENTER - 41-0695602 523 N 3RD ST BRAINERD, MN 56401	HOSPITAL	MINNESOTA	501(C)(3)	3	BLIHS
ST. MARY'S EMS - 41-1805811 1027 WASHINGTON AVE DETROIT LAKES, MN 56501	EMERGENCY SERVICES	MINNESOTA	501(C)(3)	9	SMRHC
ST. MARY'S HOSPITAL & CLINICS, INC. - 82-0226453, PO BOX 137, COTTONWOOD, ID 83522	CLINIC/HOSPITAL	IDAHO	501(C)(3)	3	ECHC
ST. MARY'S INNOVIS HEALTH - 26-2861321 1027 WASHINGTON AVE DETROIT LAKES, MN 56501	CLINIC	MINNESOTA	501(C)(3)	3	ECHC
ST. MARY'S REGIONAL HEALTH CENTER DBA ST. MARY'S INNOVIS HEALTH - 41-1620386, 1027 WASHINGTON AVE, DETROIT LAKES, MN 56501	CLINIC/HOSPITAL	MINNESOTA	501(C)(3)	3	ECHC
MIDWEST MEDICAL EQUIPMENT & SUPPLY INC. - 41-1674021, 4418 HAINES RD, DULUTH, MN 55811	MEDICAL EQUIPMENT	MINNESOTA	501(C)(3)	9	SMDC

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
SMDC MEDICAL CENTER - 41-1878730 502 E 2ND ST DULUTH, MN 55805	CLINIC/HOSPITAL	MINNESOTA	501(C)(3)	3	SMDC
PINE MEDICAL CENTER - 41-1884597 109 COURT AVE S SANDSTONE, MN 55072	CLINIC/HOSPITAL	MINNESOTA	501(C)(3)	3	SMDC
POLINSKY MEDICAL REHABILITATION CENTER - 41-0691275, 530 E 2ND ST, DULUTH, MN 55805	CLINIC/HOSPITAL	MINNESOTA	501(C)(3)	3	SMMC
ST. MARY'S DULUTH CLINIC FOUNDATION - 41-2016979, 400 E 3RD ST, DULUTH, MN 55805, DULUTH, MN 55805	FOUNDATION	MINNESOTA	501(C)(3)	7	SMDC
ST. MARY'S DULUTH CLINIC HEALTH SYSTEM - 41-1836633, 407 E 3RD ST, DULUTH, MN 55805, DULUTH, MN 55805	CLINIC/HOSPITAL	MINNESOTA	501(C)(3)	3	ESSENTIA
ST. MARY'S HOSPITAL OF SUPERIOR - 41-1811073 3500 TOWER AVE, SUPERIOR, WI 54880 SUPERIOR, WI 54880	CLINIC/HOSPITAL	WISCONSIN	501(C)(3)	3	SMMC
ST. MARY'S MEDICAL CENTER - 41-0695604 407 E 3RD ST, DULUTH, MN 55805 DULUTH, MN 55805	CLINIC/HOSPITAL	MINNESOTA	501(C)(3)	3	SMDC
THE DULUTH CLINIC, LTD. - 41-0883623 400 E 3RD ST, DULUTH, MN 55805 DULUTH, MN 55805	CLINIC/HOSPITAL	MINNESOTA	501(C)(3)	3	SMDC

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-r)	(C) Amount involved
(7)	ESSENTIA HEALTH	N	130,008.
(8)	ST. MARY'S INNOVIS HEALTH	I	63,450.
(9)	ST. MARY'S INNOVIS HEALTH	J	341,100.
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			
(16)			
(17)			
(18)			
(19)			
(20)			
(21)			
(22)			
(23)			
(24)			