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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 07-01-2008 and ending 06-30-2009

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Termination
- ☐ Amended return
- ☐ Application pending

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

C Name of organization
MEMORIAL HEALTH CENTER INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
135 SOUTH GIBSON STREET

City or town, state or country, and ZIP + 4
MEDFORD, WI 54451

D Employer identification number
39-0964813

E Telephone number
(715) 748-8100

G Gross receipts $ 60,765,270

F Name and address of Principal Officer
GRAHAM COURTNEY
135 SOUTH GIBSON STREET
MEDFORD, WI 54451

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

H(b) Are all affiliates included? ☐ Yes ☐ No
(If "No," attach a list See instructions)

H(c) Group Exemption Number ▶

I Tax-exempt status ☑ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Web site: ▶ WWW MEMHC ORG

K Type of organization ☑ Corporation ☐ trust ☐ association ☐ other ▶

L Year of Formation 1958

M State of legal domicile WI

Part I Summary

1 Briefly describe the organization's mission or most significant activities
TO PROVIDE HEALTH CARE SERVICES OF HIGH VALUE AND PROMOTE HEALTH AND WELLNESS TO AREA RESIDENTS

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	12
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	7
5	Total number of employees (Part V, line 2a)	5	635
6	Total number of volunteers (estimate if necessary)	6	60
7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	1,800,708
b	Net unrelated business taxable income from Form 990-T, line 34	7b	66,945

		Prior Year	Current Year
8	Contributions and grants (Part VIII, line 1h)	43,663	76,598
9	Program service revenue (Part VIII, line 2g)	51,382,621	52,592,625
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,314,667	833,288
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-727,896	665,567
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	52,013,055	54,168,078
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	14,392	6,640
14	Benefits paid to or for members (Part IX, column (A), line 4)		0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	26,329,380	28,850,136
16a	Professional fundraising fees (Part IX, column (A), line 11e)		0
b	(Total fundraising expenses, Part IX, column (D), line 25 0)		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	21,343,212	21,546,566
18	Total expenses—add lines 13–17 (must equal Part IX, line 25, column (A))	47,686,984	50,403,342
19	Revenue less expenses Subtract line 18 from line 12	4,326,071	3,764,736

		Beginning of Year	End of Year
20	Total assets (Part X, line 16)	59,487,230	59,282,166
21	Total liabilities (Part X, line 26)	29,031,173	28,383,872
22	Net assets or fund balances Subtract line 21 from line 20	30,456,057	30,898,294

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

Please Sign Here

****** | 2010-04-21
Signature of officer | Date

LORI P PECK CFO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ Jason Flattum	Date	Check if self-empolyed ▶ ☐	Preparer's PTIN (See Gen Inst)
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ LARSONALLEN LLP 220 SOUTH SIXTH STREET SUITE 300 MINNEAPOLIS, MN 55402			EIN ▶ Phone no ▶ (612) 376-4500

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

Part III Statement of Program Service Accomplishments (See the instructions.)

1 Briefly describe the organization's mission

TO PROVIDE HEALTH CARE SERVICES OF HIGH VALUE AND PROMOTE HEALTH AND WELLNESS SO THAT WE ARE THE PROVIDER OF CHOICE FOR AREA RESIDENTS

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 (4) organizations and 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ 16,573,037 including grants of $ 6,640) (Revenue $ 31,617,839)

HOSPITAL SERVICES - MEMORIAL HEALTH CENTER OPERATES A 25 BED CRITICAL ASSESS HOSPITAL IN MEDFORD, WISCONSIN DURING THE YEAR ENDED JUNE 30, 2009, THE HOSPITAL HAD 3,887 INPATIENT DAYS AND 43,230 OUTPATIENT VISITS SURGERY, EMERGENCY CARE, RADIOLOGY, LABORATORY, AMBULATORY CARE AND THERAPIES ARE JUST SOME OF THE OTHER SERVICES THAT MEMORIAL HEALTH CENTER PROVIDES WITHIN THE HOSPITAL

4b (Code) (Expenses $ 11,609,660 including grants of $ 0) (Revenue $ 9,232,082)

CLINIC SERVICES - MEMORIAL HEALTH CENTER OPERATES FOUR OUTPATIENT CLINICS IN THE COMMUNITIES OF MEDFORD, GILMAN, RIB LAKE AND PRENTICE (ALL LOCATED IN THE STATE OF WISCONSIN) DURING THE YEAR ENDED JUNE 30, 2009, THE CLINICS HAD 51,625 VISITS

4c (Code) (Expenses $ 6,639,960 including grants of $ 0) (Revenue $ 6,026,170)

NURSING HOME AND LONG-TERM CARE SERVICES - MEMORIAL HEALTH CENTER OPERATES A 101 BED SKILLED NURSING FACILITY, 10 CBRF APARTMENTS, AND A 28 UNIT RCAC DURING THE YEAR ENDED JUNE 30, 2009, THE SNF HAD A DAILY CENSUS OF 94 8 AND THE RCAC HAD A DAILY CENSUS OF 27 7

(Code) (Expenses $ 5,449,210 including grants of $) (Revenue $ 5,716,534)

4d Other program services (Describe in Schedule O)

(Expenses $ including grants of $) (Revenue $)

4e Total program service expenses $ 40,271,867 *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	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	Yes	
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		No
4	Section 501(c)(3) organizations Did the organization engage in lobbying activities? *If "Yes," complete Schedule C, Part II*	4	Yes	
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		No
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		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
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		No
10	Did the organization hold assets in term, permanent,or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
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	Yes	
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	Yes	
13	Is the organization a school as described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the U S ?	14a		No
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		No
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		No
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		No
17	Did the organization report more than $15,000 on Part IX, column (A), line 11e? *If "Yes," complete Schedule G, Part I*	17		No
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		No
19	Did the organization report more than $15,000 on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20	Yes	
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	Yes	
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		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? *If "Yes," complete Schedule J*	23	Yes	
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	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
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		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
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		No
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		No
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	Yes	
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		No

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**		No
b	Have a family member who had a direct or indirect business relationship with the organization? *If "Yes," complete Schedule L, Part IV*	**28b**	Yes	
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**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
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**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**		No
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**	Yes	
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**	Yes	
36	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**		No
37	Did the organization conduct more than 5 percent 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**		No

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	124		
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		Yes	
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	635		
b	If at least one is reported in 2a, did the organization file all required federal employment tax returns? **Note:** *If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.*	2b		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b		Yes	
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			No
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			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes," to 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			No
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 $75 or more?	7a			No
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			No
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			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f			No
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g			
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h			
8	*Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.* Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	*Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.*				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	*Section 501(c)(7) organizations.* Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	Section 501(c)(12) organizations Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	*Section 4947(a)(1) non-exempt charitable trusts.* Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			

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 2-7 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 12		
b	Enter the number of voting members that are independent . .	1b 7		
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	Yes	
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		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? . .	4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets? . .	5		No
6	Does the organization have members or stockholders?	6	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	Yes	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . .	7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	the governing body?	8a	Yes	
b	each committee with authority to act on behalf of the governing body?	8b	Yes	
9a	Does the organization have local chapters, branches, or affiliates?	9a		No
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	Yes	
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		No

Section B. Policies

			Yes	No
12a	Does the organization have a written conflict of interest policy? *If "No", go to line 13* . .	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
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	Yes	
13	Does the organization have a written whistleblower policy?	13	Yes	
14	Does the organization have a written document retention and destruction policy?	14	Yes	
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	Yes	
b	Other officers or key employees of the organization?	15b	Yes	
	Describe the process in Schedule O			
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	Yes	
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		No

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed WI

18 Section 6104 requires an organization to make its Form 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 See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization

LORI P PECK CFO
135 SOUTH GIBSON STREET
MEDFORD, WI 54451
(715) 748-8100

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) and key employees 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, or 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-2/1099MISC)	**(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			

Part VII Continued

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply) Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
1b Total ▶								3,029,956	0	210,457

2 Total number of individuals (including those in 1a) who received more than $100,000 in reportable compensation from the organization ▶ 28

			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**	Yes	
4	For any individual listed online 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**	Yes	
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**		No

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
COMPUTERIZED MEDICAL IMAGING 719 WEST HAMILTON AVE B EAU CLAIRE, WI 54701	RADIOLOGY SERVICES	595,042
SHARED MEDICAL EQUIPMENT GROUP PO BOX 330 COTTAGE GROVE, WI 53527	MRI SERVICES	386,844
ASPIRUS CLINICS INC 3000 WESTHILL DRIVE 202 WAUSAU, WI 54401	BILLING OFFICE SERVICES	351,630
ASPIRUS REFERENCE LAB PO BOX 1008 WAUSAU, WI 54402	LAB SERVICES	231,735
WEATHERBY LOCUMS INC PO BOX 972633 DALLAS, TX 75397	PROVIDER SERVICES	228,873

2 Total number of independent contractors (including those in 1) who received more than $100,000 in compensation from the organization ▶ 13

Part VIII Statement of Revenue

			(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 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 52,694				
	e	Government grants (contributions) 1e				
	f	All other contributions, gifts, grants, and similar amounts not included above 1f 23,904				
	g	Noncash contributions included in lines 1a-1f $				
	h	**Total (Add lines 1a-1f)**	76,598			
Program Service Revenue		Business Code				
	2a	PATIENT SERVICE REV 621,110	50,791,917	50,791,917		
	b	PHARMACY REVENUE 561,000	1,800,708		1,800,708	
	c					
	d					
	e					
	f	All other program service revenue				
	g	**Total. Add lines 2a-2f** ▶ $ 52,592,625				
Other Revenue	3	Investment income (including dividends, interest other similar amounts)	828,666			828,666
	4	Income from investment of tax-exempt bond proceeds				
	5	Royalties				
		(i) Real / (ii) Personal				
	6a	Gross Rents 90,845				
	b	Less rental expenses 27,482				
	c	Rental income or (loss) 63,363				
	d	Net rental income or (loss)	63,363			63,363
		(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory 6,566,345 / 7,987				
	b	Less cost or other basis and sales expenses 6,566,345 / 3,365				
	c	Gain or (loss) 4,622				
	d	Net gain or (loss)	4,622			4,622
	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18 *Attach Schedule G if total exceeds $15,000* 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 *Complete Schedule G if total exceeds $15,000* 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	CONTRACT SERV REV 621,110	243,362	243,362		
	b	CAFETERIA 900,099	180,483			180,483
	c	OTHER OPERATING REV 621,110	126,387	126,387		
	d	All other revenue	51,972			51,972
	e	**Total. Add lines 11a-11d** $ 602,204				
	12	**Total Revenue.** Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e ▶	54,168,078	51,161,666	1,800,708	1,129,106

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	6,640	6,640		
2 Grants and other assistance to individuals in the U S See Part IV, line 22				
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	1,628,881	1,241,926	386,955	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	33,577		33,577	
7 Other salaries and wages	20,207,018	17,214,205	33,577	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	918,344	785,859	132,485	
9 Other employee benefits	4,640,791	3,753,338	887,453	
10 Payroll taxes	1,421,525	1,195,912	225,613	
11 Fees for services (non-employees)				
a Management				
b Legal	45,506		45,506	
c Accounting	10,097		10,097	
d Lobbying				
e Professional fundraising *See Part IV, line 17*				
f Investment management fees				
g Other	3,252,059	1,802,008	1,450,051	
12 Advertising and promotion	10,021	563	9,458	
13 Office expenses	531,802	476,271	55,531	
14 Information technology	335,934	25,653	310,281	
15 Royalties				
16 Occupancy	1,011,219	919,795	91,424	
17 Travel	87,203	62,971	24,232	
18 Payments of travel or entertainment expenses for any Federal, state or local public officials				
19 Conferences, conventions and meetings	232,499	232,499		
20 Interest	1,242,934		1,242,934	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	2,486,857	1,172,241	1,314,616	
23 Insurance	195,485	46,982	148,503	
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 INCOME TAX EXPENSE	19,300		19,300	
b MEDICAL SUPPLIES	8,721,820	8,721,820		
c LICENSES AND FEES	2,459,192	2,363,127	96,065	
d PUBLIC EDUCATION	196,143		196,143	
e BAD DEBT EXPENSE	178,936		178,936	
f All other expenses	529,559	250,057	279,502	
25 **Total functional expenses.** Add lines 1 through 24f	50,403,342	40,271,867	10,131,475	0
26 **Joint Costs.** Check ☐ 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		312,714	1	232,918
	2	Savings and temporary cash investments		8,554,992	2	3,441,327
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		6,165,201	4	5,995,207
	5	Receivables from current and former officers, directors, trustees, key employees or other related parties *Complete Part II of Schedule L*		0	5	18,498
	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		811,313	8	856,205
	9	Prepaid expenses and deferred charges		238,129	9	345,136
	10a	Land, buildings, and equipment cost basis	10a 38,355,190			
	b	Less accumulated depreciation *Complete Part VI of Schedule D*	10b 14,162,297	24,654,501	10c	24,192,893
	11	Investments—publicly traded securities		16,791,232	11	22,029,545
	12	Investments—other securities See Part IV, line 11 *Complete Part VII of Schedule D*		1,404,508	12	1,331,079
	13	Investments—program-related See Part IV, line 11 *Complete Part VIII of Schedule D*			13	
	14	Intangible assets		92,886	14	156,874
	15	Other assets See Part IV, line 11 *Complete Part IX of Schedule D*		461,754	15	682,484
	16	**Total assets.** *Add lines 1 through 15 (must equal line 34)*		59,487,230	16	59,282,166
Liabilities	17	Accounts payable and accrued expenses		5,314,097	17	5,631,469
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities		4,080,301	20	20,665,000
	21	Escrow account liability *Complete Part IV of Schedule D*			21	
	22	Payable 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		17,059,699	23	0
	24	Unsecured notes and loans payable			24	
	25	Other liabilities *Complete Part X of Schedule D*		2,577,076	25	2,087,403
	26	**Total liabilities.** *Add lines 17 through 25*		29,031,173	26	28,383,872
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		29,349,998	27	29,851,328
	28	Temporarily restricted net assets		986,059	28	926,966
	29	Permanently restricted net assets		120,000	29	120,000
		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		30,456,057	33	30,898,294
	34	Total liabilities and net assets/fund balances		59,487,230	34	59,282,166

Part XI Financial Statements and Reporting

				Yes	No
1	Accounting method used to prepare the Form 990	☐ cash ☑ accrual ☐ other			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		2a		No
b	Were the organization's financial statements audited by an independent accountant?		2b	Yes	
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	Yes	
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		No
b	If "Yes," did the organization undergo the required audit or audits?		3b		

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SCHEDULE A (Form 990 or 990EZ)

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
MEMORIAL HEALTH CENTER INC

Employer identification number
39-0964813

Part I Reason for Public Charity Status (to be completed by all organizations) (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 331/3% 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 331/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **Section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **Section 509(a)(4).** (See instructions)

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **Section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally Integrated **d** ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(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 the supported organization? **11g(i)**		
(ii) a family member of a person described in (i) above? **11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above? **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 IRC 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.)

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 line 1-3						
5 The portion of total contribution by each person (other than a government unit or publicly supported organization) included on line 1 that exceed 2% of the amount shown on line 11, column (f)						
6 **Public Support** subtract line 5 from line 4						

Total Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 **Total Support** (Add lines 7 through 10)						

12 Gross receipts from related activities, etc (See instructions) **12**

13 **First Five Years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ▶

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 for 2007 Schedule A, Part IV-A, line 26f **15**

16a **33 1/3% 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% Test - 2007.** If the organization did not check the 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 the box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ▶

Part III Support Schedule for Organizations Described in IRC 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 Total of lines 7a and 7b						
8 **Public Support** (Substract line 7c from line 6)						

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 30 June, 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 501(c)(3) organization, check this box and **stop here** ☐

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 for 2007 Schedule A, Part IV-A, line 27g	16

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% 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% Tests - 2007.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ☐

20 **Private Foundation** If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions ☐

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

Facts and Circumstances Test

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SCHEDULE C
(Form 990 or 990-EZ)
Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

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

OMB No 1545-0047

2008

Open to Public Inspection

If the organization answered "Yes," to Form 990, Part IV, Line 3, or Form 990-EZ, Part VI, line 46 (Political Campaign Activities)
- Section 501(c)(3) organizations complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations complete Part I-A only

If the organization answered "Yes," to Form 990, Part IV, Line 4, or Form 990EZ, Part VI, line 47 (Lobbying Activities)
- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes," to Form 990, Part IV, Line 5 (Proxy Tax)
- Section 501(c)(4), (5), or (6) organizations complete Part III

Name of the organization	Employer identification number
MEMORIAL HEALTH CENTER INC	39-0964813

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

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

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

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

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

1	Enter the amount directly expended by the filing organization for section 527 exempt function activities	$
2	Enter the amount of the filing organization's internal funds contributed to other organizations for section 527 exempt funtion activities	$
3	Total of direct and indirect exempt function expenditures Add lines 1 and 2 and enter here and on Form 1120-POL, line 17b	$
4	Did the filing organization file **Form 1120-POL** for this year?	☐ Yes ☐ No

5 State the names, addresses and Employer Identification Number (EIN) of all section 527 political organizations to which payments were made Enter the amount paid and indicate if the amount was paid from the filing organization's own internal funds or were political contributions received and promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

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

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

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

Limits on Lobbying Expenditures— (The term "expenditures" means amounts paid or incurred.)		(a) Filing Organization's Totals	(b) Affiliated Group Totals
1a	Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b	Total lobbying expenditures to influence a legislative body (direct lobbying)		
c	Total lobbying expenditures (add lines 1a and 1b)		
d	Other exempt purpose expenditures		
e	Total exempt purpose expenditures (add lines 1c and 1d)		
f	Lobbying nontaxable amount Enter the amount from the following table in both columns—		

If the amount on line 1e, column (a) or (b) is:	**The lobbying nontaxable amount is:**
Not over $500,000	20% of the amount on line 1e
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

g	Grassroots nontaxable amount (enter 25% of line 1f)		
h	Subtract line 1g from line 1a Enter -0- if line g is more than line a		
i	Subtract line 1f from line 1c Enter -0- if line f is more than line c		

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ **Yes** ☐ **No**

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 1a through 1f of the instructions.)

Lobbying Expenditures During 4-Year Averaging Period

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

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

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines c through i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?		No	
i	Other activities If "Yes," describe in Part IV	Yes		4,916
j	Total lines 1c through 1i			4,916
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes" enter the amount of any tax incurred under section 4912			
c	If "Yes" enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

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

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

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

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

Part IV **Supplemental Information**

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

Identifier	Return Reference	Explanation
Part II-B, Line 1i	Explanation of Other Lobbying Activities	THE ORGANIZATION IS A DUES PAYING MEMBER OF AHA AND WHA, THE AMOUNT LISTED IS THE NON-ALLOWABLE PORTION OF DUES PAID DURING THE YEAR ENDED JUNE 30, 2009, RELATED TO LOBBYING ACTIVITIES CONDUCTED BY AHA AND WHA

Part IV Supplemental Information

Identifier	Return Reference	Explanation

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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
MEMORIAL HEALTH CENTER INC

Employer identification number
39-0964813

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

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate Contributions to (during year)		
3	Aggregate Grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? ☐ Yes ☐ No

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $

(ii) Assets included in Form 990, Part X ▶ $

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

a Revenues included in Form 990, Part VIII, line 1 ▶ $

b Assets included in Form 990, Part X ▶ $

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

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

- a ☐ Public exhibition
- 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 the 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 why 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 the 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		129,869		129,869
b Buildings		26,922,422	7,655,900	19,266,522
c Leasehold improvements		1,355,620	543,064	812,556
d Equipment		8,811,040	5,963,333	2,847,707
e Other		1,136,239	0	1,136,239
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				24,192,893

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

(a) Description of security or cateory (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other		
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶		

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

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

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

(a) Description	(b) Book value
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

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

(a) Description of Liability	(b) Amount
Federal Income Taxes	
DEFERRED COMPENSATION	391,935
BOND SWAP LIABILITY	1,538,846
ASSET RETIREMENT OBLIGATION	156,547
DUE TO CCA	75
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	2,087,403

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	54,168,078
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	50,403,342
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	3,764,736
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	121
8	Other (Describe in Part XIV)	8	-3,322,620
9	Total adjustments (net) Add lines 4 - 8	9	-3,322,499
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	442,237

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	53,281,310
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	27,482		
e	Add lines **2a** through **2d**			2e	27,482
3	Subtract line **2e** from line **1**			3	53,253,828
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	914,250		
c	Add lines **4a** and **4b**			4c	914,250
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	54,168,078

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

1	Total expenses and losses per audited financial statements			1	49,994,809
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	27,482		
e	Add lines **2a** through **2d**			2e	27,482
3	Subtract line **2e** from line **1**			3	49,967,327
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	436,015		
c	Add lines **4a** and **4b**			4c	436,015
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	50,403,342

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 XIV, 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

Identifier	Return Reference	Explanation
Part X	Description of Uncertain Tax Positions Under FIN 48	EFFECTIVE JULY 1, 2007, THE ORGANIZATION ADOPTED THE PROVISIONS OF FASB INTERPRETATION NO 48, ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES AN INTERPRETATION OF FASB STATEMENT NO 109 ("FIN 48") FIN 48 CLARIFIES THE ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES RECOGNIZED IN AN ENTITY'S FINANCIAL STATEMENTS IN ACCORDANCE WITH SFAS 109 FIN 48 PRESCRIBES RECOGNITION AND MEASUREMENT OF TAX PROVISIONS TAKEN OR EXPECTED TO BE TAKEN ON A TAX RETURN THAT ARE NOT CERTAIN TO BE REALIZED THE IMPLEMENTATION OF FIN 48 HAD NO IMPACT ON THE ORGANIZATION'S FINANCIAL STATEMENTS THE ORGANIZATION'S TAX RETURNS ARE SUBJECT TO REVIEW AND EXAMINATION BY FEDERAL, STATE AND LOCAL AUTHORITIES THE TAX RETURNS FOR THE YEARS 2006 TO 2008 ARE OPEN TO EXAMINATION BY FEDERAL, STATE AND LOCAL AUTHORITIES
Part XI, Line 8 - Other Adjustments		CHANGE IN EQUITY BOND SWAP -1074710 CHANGE IN FOUNDATION INTEREST IN NET ASSETS OF MHC FOUNDATION, INC -34337 MARKET VALUE CHANGE FROM INVESTMENT RECLASSIFICATION -2213573
Part XII, Line 2d - Other Adjustments		RENTAL EXPENSES INCLUDED AS OFFSET TO RENTAL REVENUE 27482
Part XII, Line 4b - Other Adjustments		INTEREST AND DIVIDEND INCOME 828666 CONTRIBUTIONS 23904 GAIN ON DISPOSAL OF FIXED ASSETS 4622 NONOPERATING INCOME 4364 NET ASSETS RELEASED FROM RESTRICTIONS - FOUNDATION 52694
Part XIII, Line 2d - Other Adjustments		RENTAL EXPENSES INCLUDED AS OFFSET TO RENTAL REVENUE 27482
Part XIII, Line 4b - Other Adjustments		INTEREST RATE SWAP INTEREST 436015

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
MEMORIAL HEALTH CENTER INC

Employer identification number
39-0964813

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	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
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	Yes	
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	Yes	
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		No
5a	Does the organization budget amounts for free or discounted care provided under its charity care policy?	5a	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b	Yes	
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 eligibile for free or discounted care?	5c		No
6a	Does the organization prepare an annual community benefit report?	6a	Yes	
6b	If "Yes," does the organization make it available to the public?	6b	Yes	
	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 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*)	0	0	283,362	0	283,362	0 560 %
b Unreimbursed Medicaid (from *worksheet 3, column a*)	0	0	5,515,672	5,168,298	347,374	0 690 %
c Unreimbursed costs—other means-tested government programs (from *worksheet 3, column b*)	0	0	3,905,369	3,343,629	561,740	1 120 %
d **Total** Charity Care and Means-Tested Programs			9,704,403	8,511,927	1,192,476	2 370 %
Other Benefits						
e Community health improvement services and community benefit operations (from worksheet 4)	229	183,731	227,819	9,240	218,579	0 440 %
f Health professions education (from worksheet 5)	14	211	115,312	6,810	108,502	0 220 %
g Subsidized health services (from worksheet 6)	0	0	0	0		
h Research (from worksheet 7)	0	0	0	0		
i Cash and in-kind contributions to community groups (from worksheet 8)	16	25	5,340	0	5,340	0 010 %
j **Total** Other Benefits	259	183,967	348,471	16,050	332,421	0 670 %
k **Total** (line 7d and 7j)	259	183,967	10,052,874	8,527,977	1,524,897	3 040 %

Part II Community Building Activities (Complete this table if the organization conducted any community building activities) *(Optional for 2008)*

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing	1	0	50	0	50	
2	Economic development	0	0	0	0		
3	Community support	4	48	283	0	283	
4	Environmental improvements	0	0	0	0		
5	Leadership development and training for community members	0	0	0	0		
6	Coalition building	67	648	8,897	0	8,897	0 020 %
7	Community health improvement advocacy	0	0	0	0		
8	Workforce development	3	269	96,761	0	96,761	0 190 %
9	Other	0	0	0	0		
10	**Total**	75	965	105,991		105,991	0 210 %

Part III Bad Debt, Medicare, & Collection Practices *(Optional for 2008)*

Section A. Bad Debt Expense

				Yes	No
1	Does the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?	1	Yes		
2	Enter the amount of the organization's bad debt expense (at cost)	2	487,496		
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	3	0		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, or rationale for including other bad debt amounts in community benefit				

Section B. Medicare

5	Enter total revenue received from Mecicare (including DSH and IME)	5	13,950,128
6	Enter Medicare allowable costs of care relating to payments on line 5	6	8,917,332
7	Enter line 5 less line 6—surplus or (shortfall)	7	5,032,796
8	Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit and the costing methodology or source used to determine the amount reported on line 6 and indicate which of the following methods was used		

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

9a	Does the organization have a written debt collection policy?	9a	Yes		
9b	If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI	9b			No

Part IV Management Companies and Joint Ventures *(Optional for 2008)*

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					

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)
MEMORIAL HEALTH CENTER INC 135 SOUTH GIBSON STREET MEDFORD, WI 54451	X	X			X		X		
MEMORIAL HEALTH CENTER - MEDFORD CLINIC 143 SOUTH GIBSON STREET MEDFORD, WI 54451									OUTPATIENT CLINIC
MEMORIAL HEALTH CENTER - GILMAN CLINIC 320 EAST MAIN STREET MEDFORD, WI 54433									OUTPATIENT CLINIC
MEMORIAL HEALTH CENTER - PRENTICE CLINIC 1511 RAILROAD AVENUE PRENTICE, WI 54456									OUTPATIENT CLINIC
MEMORIAL HEALTH CENTER - RIB LAKE 1121 HIGHWAY 102 RIB LAKE, WI 54451									OUTPATIENT CLINIC
MEDFORD THERAPY AND FITNESS 103 SOUTH GIBSON STREET MEDFORD, WI 54451									THERAPY FITNESS CENTER
PRENTICE THERAPY AND FITNESS 619 BRIDGE STREET PRENTICE, WI 54556									THERAPY FITNESS CENTER
MEMORIAL NURSING AND REHAB CENTER 135 SOUTH GIBSON STREET MEDFORD, WI 54451									SKILLED NURSING FACILITY
MEDICAL CENTER PHARMACY 139 SOUTH GIBSON STREET MEDFORD, WI 54451									RETAIL PHARMACY
COUNTRY GARDENS ASSISTED LIVING 635 WEST CEDAR STREET MEDFORD, WI 54451									ASSISTED LIVING FACILITY

Part VI Supplemental Information *(Optional for 2008)*

Complete this part to provide the following information

1 Provide the description required for Part I, line 3c, Part I, line 7, Part III, line 4, Part III, line 8, and Part III, line 9b

Part III, Line 4 MANAGEMENT PROVIDES FOR PROBABLE UNCOLLECTIBLE AMOUNTS, PRIMARILY UNINSURED PATIENTS AND AMOUNTS FOR WHICH PATIENTS ARE PERSONALLY RESPONSIBLE, THROUGH A CHARGE TO OPERATIONS AND A CREDIT TO A VALUATION ALLOWANCE BASED ON ITS ASSESSMENT OF HISTORICAL COLLECTION LIKELIHOOD AND THE CURRENT STATUS OF INDIVIDUAL ACCOUNTS BALANCES THAT ARE STILL OUTSTANDING AFTER MANAGEMENT HAS USED REASONABLE COLLECTION EFFORTS ARE WRITTEN OFF THROUGH A CHARGE TO THE VALUATION ALLOWANCE AND A CREDIT TO ACCOUNTS RECEIVABLE

2 **Needs Assessment.** Describe how the organization assesses the health care needs of the communities it serves

Part VI, Line 2 MEMORIAL HEALTH CENTER ASSESSES THE HEALTH CARE NEED OF THE COMMUNITIES IT SERVES BY A NUMBER OF METHODS ONE TOOL THAT IS USED IS A DATA SURVEY SUPPLIED BY TAYLOR COUNTY, WHICH IS OUR MAIN SERVICE AREA IT IS A DATA SURVEY TITLED, "HEALTHY PEOPLE OF TAYLOR COUNTY" AND SHOWS THE AREAS OF NEED FOR 2009 PROJECTED THROUGH 2013 OTHER SOURCES USED ARE THE DEMOGRAPHIC DATA, AREA ORGANIZATIONS REQUESTING ASSISTANCE ON HEALTH RELATED NEEDS, AND OTHERS AS THEY OCCUR

3 **Patient Education of Eligibility for Assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's charity care policy

Part VI, Line 3 AT THE TIME OF REGISTRATION ALL PATIENTS WILL BE ASKED IF THEY HAVE HEALTH INSURANCE IF NOT, THEY WILL BE PROVIDED THE MHC COMMUNITY CARE APPLICATION AND COMMUNITY CARE PROGRAM GUIDELINES INFORMATION SHEET ANY PATIENT REQUESTING ADDITIONAL INFORMATION ABOUT THE COMMUNITY CARE PROGRAM WILL BE REFERRED TO A FINANCIAL COUNSELOR, WHO WILL EXPLAIN THE PROGRAM AND ITS ELIGIBILITY CRITERIA ALL GOVERNMENT ASSISTANCE PROGRAMS SUCH AS MEDICAL ASSISTANCE, BADGER CARE, AND GENERAL RELIEF MUST BE EXHAUSTED BEFORE APPLYING FOR COMMUNITY CARE

4 **Community Information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

Part VI, Line 4 DEMOGRAPHICALLY, THE GROWTH OF TAYLOR COUNTY (TAYLOR COUNTY MAKES UP THE MAJORITY OF MEMORIAL HEALTH CENTER'S PRIMARY SERVICE AREA) FROM 1990-2004 WAS 5 1%, TOTALING 19,870 INDIVIDUALS OR 7,800 HOUSEHOLDS TAYLOR COUNTY'S AVERAGE INCOME/TAX RETURN IS BELOW THE STATE'S 2006 AVERAGE, $36,296 VS $48,107 SEVENTY-EIGHT PERCENT (78%) OF THE POPULATION IS AT A HIGH SCHOOL GRADUATE LEVEL OR HIGHER (CONVERSELY, 22% DON'T HAVE A DIPLOMA) ELEVEN PERCENT (11%) HAVE A BACHELOR'S DEGREE OR MORE ALMOST TEN PERCENT (9 8%) ARE BELOW THE POVERTY RATE, 6 4% ARE UNEMPLOYED BY 2015, NEARLY 1/3 OF THE POPULATION WILL BE OVER THE AGE OF 55 YEARS, THIS REPRESENTS A 33% INCREASE OVER A 15-YEAR TIME SPAN FROM YEAR 2000 TO 2015, THE POPULATION AGED FROM 0-4 YEARS IS PROJECTED TO GROW BY 96 PERSONS, OR 8%

5 **Community Building Activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves

Part VI, Line 5 ONE OF THE LARGER COMMUNITY BUILDING ACTIVITIES MEMORIAL HEALTH CENTER IS INVOLVED IN IS GETTING PHYSICIANS AND HEALTHCARE WORKERS TO OUR AREA TO IMPROVE THE ACCESS TO HEALTHCARE NEEDS IN OUR SERVICE AREA MEMORIAL HEALTH CENTER ALSO PROMOTES HEALTH CARE RELATED JOBS EDUCATION TO THE STUDENTS IN THE COMMUNITY

6 Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

Part VI, Line 6 MEMORIAL HEALTH CENTER RE-INVESTS ITS PROFITS BACK INTO EQUIPMENT AND SERVICES FOR THE HOSPITAL AND TO BENEFIT THE COMMUNITY IT SERVES

7 If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communites served

8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report

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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
MEMORIAL HEALTH CENTER INC

Employer identification number
39-0964813

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? . . . . . ☑ 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 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

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

3 Enter total number of other organizations . . . . . ▶

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

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

See Additional Data Table

Identifier	Return Reference	Explanation
Procedure for Monitoring Grants in the U S	Part I, Line 2	Schedule I, Part I, Line 2 AS A MAJOR EMPLOYER AND COMMUNITY SUPPORTER, MEMORIAL HEALTH CENTER, (MHC) RECEIVES MANY REQUESTS FOR DONATIONS OF BOTH MONEY AND MATERIAL GOODS BY VARIOUS LOCAL AGENCIES AND INDIVIDUALS AS A NONPROFIT, MHC MUST CONTINUOUSLY JUSTIFY ITS TAX-EXEMPT STATUS TO THE IRS MHC NEEDS TO UTILIZE ITS RESOURCES AND ENDORSE THOSE ACTIVITIES THAT SUPPORT ITS TAX-EXEMPT PURPOSE, WHICH IS TO PROVIDE HEALTH CARE SERVICES AND PROMOTE HEALTH AND WELLNESS TO THE COMMUNITIES IT SERVES REQUESTS ARE CHANNELED IN A WAY THAT MAXIMIZES BENEFIT TO THE COMMUNITY AND ASSURES COMPLIANCE WITH CORPORATE NOT-FOR-PROFIT RULES MHC'S WRITTEN DONATIONS POLICY OUTLINES ACCEPTABLE RECIPIENTS AND APPROPRIATE OBJECTIVES PRIOR TO AWARDING ANY ASSISTANCE DUE TO THE CHARITABLE NATURE OF THE GRANTS AND ALLOCATIONS AWARDED, NO FORMAL MONITORING IS REQUIRED

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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
MEMORIAL HEALTH CENTER INC

Employer identification number
39-0964813

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☐ First class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax idemnification 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 the expenses described above? If "No," complete Part III to explain	**1b**		
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**		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply ☑ Compensation committee ☑ Written employment contract ☑ Independent compensation consultant ☑ Compensation survey or study ☐ Form 990 of other organizations ☑ 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**	Yes	
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	501(c)(3) and 501(c)(4) organizations only 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**		No
b	Any related organization?	**5b**		No
	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**		No
b	Any related organization?	**6b**		No
	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**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured 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**		No

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space 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				
AMY L WAGONER	(i) (ii)	195,616		20,028	9,289	11,767	236,700	
ERIK T BRANSTETTER	(i) (ii)	399,019	33,000	10,485	11,352	11,767	465,623	
MARK REUTER	(i) (ii)	190,131	344	23,734	9,318	11,767	235,294	
DARLA J WRAGE	(i) (ii)	123,658	3,500	29,825	6,167	10,363	173,513	
GREGORY A OLSON	(i) (ii)	210,908	32,681	5,523	1,538	12,247	262,897	
SCOTT T BUSKERUD	(i) (ii)	232,337	7,125	2,977	10,363	12,367	265,169	
TERRIE C FLANDERMEYER	(i) (ii)	206,167		22,898	9,922	4,628	243,615	
RONALD L KOWLE	(i) (ii)	311,011		27,779	11,352	11,767	361,909	
LORI C LEE	(i) (ii)	295,369		21,932	11,352	11,767	340,420	
FRANK J MCHUGH	(i) (ii)	340,890	7,718	21,234	11,352	11,767	392,961	
GREGORY E RORAFF	(i) (ii)			151,527		8,245	159,772	
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

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

Identifier	Return Reference	Explanation
	Part I, Line 4a	SEVERANCE PAYMENT - GREGORY RORAFF - $151,527 PART I, LINE 4B THE ORGANIZATION SPONSORS A NONQUALIFIED TAX EQUALIZED ANNUITY PLAN COVERING EMPLOYED PHYSICIANS PHYSICIANS ARE ELIGIBLE TO PARTICIPATE IN THE PLAN AFTER ONE YEAR OF SERVICE PARTICIPANTS IN THE PLAN ARE IMMEDIATELY 100% VESTED CONTRIBUTIONS TO THE PLAN TERRIE FLANDERMEYER - $13,432 RONALD KOWLE - $11,022 ERIK BRANSETTER - $14,309 LORI LEE - $5,769 AMY WAGONER - $12,769

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

To be completed by organizations that answered "Yes" to Form 990, Part IV, line 24a.
Provide descriptions, explanations, and any additional information in Schedule O.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
MEMORIAL HEALTH CENTER INC

Employer identification number
39-0964813

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	WI HEALTH & EDUCATION FACILITIES AUTHORITY	39-1337855	97710BCR1	12-22-2004	17,800,000	CONSTRUCT, RENOVATE AND EQUIP FACILITIES		X		X

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?										

Part III Private Business Use *(Continued)*

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts with respect to the financed property which may result in private business use?										
3b	Are there any research agreements with respect to the financed property which may result in private business use?										
3c	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?										
4	Enter the percentage of financed property used in a private business use by entities other than a 501(c)(3) organization or a state or local government										
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another 501(c)(3) organization, or a state or local government										
6	Total of lines 4 and 5										
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?										

Part IV Arbitrage *(Optional for 2008)*

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T been filed wth respect to the bond issue?										
2	Is the bond issue a variable rate issue?										
3a	Has the organization or the government issuer identified a hedge with respect to the bond issue on its books and records?										
b	Name of provider										
c	Term of hedge										
4a	Were gross proceeds invested in a GIC?										
b	Name of provider										
c	Term of GIC										
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
5	Were any gross proceeds invested beyond an available temporary period?										
6	Did the bond issue qualify for an exception to rebate?										

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Attach to Form 990 or Form 990-EZ.
▶ To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38b or 40b.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
MEMORIAL HEALTH CENTER INC

Employer identification number
39-0964813

Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1 (a) Name of disqualified person	(b) Description of transaction	(c) Corrected? Yes	No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 . . . . . ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ $

Part II Loans to and/or From Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	No	(f) Approved by board or committee? Yes	No	(g) Written agreement? Yes	No
ERIK BRANSTETTER RETENTION BONUS		X	18,498	18,498		No	Yes		Yes	
Total . . . . . ▶ $				18,498						

Part III Grants or Assistance Benefitting Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of grant or type of assistance

Part IV Business Transactions Involving Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues? Yes	No
SUE COURTNEY MHC QUALITY DIRECTOR	FAMILY MEMBER OF G COURTNEY, BOARD CHAIR	70,409	EMPLOYMENT COMPENSATION		No
CATHY REUTER MD PHYSICIAN	FAMILY MEMBER OF M REUTER, BOARD MEMBER	95,338	EMPLOYMENT COMPENSATION		No
KEITH WRAGE MHC PROFESSIONAL RECRU	FAMILY MEMBER OF D WRAGE, BOARD MEMBER	11,941	EMPLOYMENT COMPENSATION		No

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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
MEMORIAL HEALTH CENTER INC

Employer identification number
39-0964813

Identifier	Return Reference	Explanation
Form 990, Part III, line 4d	Other Program Services	RETAIL PHARMACY - MEMORIAL HEALTH CENTER OPERATES A RETAIL PHARMACY THAT PROVIDES ACCESS OF PRESCRIPTION MEDICATION FOR PATIENTS OF MEMORIAL HEALTH CENTER AND THE COMMUNITY DURING THE YEAR ENDED JUNE 30, 2009, A TOTAL OF 107,765 PRESCRIPTIONS WERE PROVIDED TO PATIENTS Expenses $ 5449210 including grants of $ 0 Revenue $ 5716534

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 1		THE ORGANIZATION'S EXECUTIVE COMMITTEE CONSISTS OF THE OFFICERS OF THE BOARD, ONE ADDITIONAL BOARD MEMBER, THE CEO AND THE CFO THE EXECUTIVE COMMITTEE HAS THE AUTHORITY TO ACT ON BEHALF OF THE BOARD BETWEEN MEETINGS

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 2		DUANE L ERWIN, SYDNEY C SCZYGELSKI, GARY W FREELS, AND ROBERT J ERICKSON - BUSINESS RELATIONSHIP

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 6		THE ORGANIZATION'S SOLE MEMBERS ARE MEMORIAL MEMBER ASSOCIATION, INC AND ASPIRUS, INC , BOTH WISCONSIN NONSTOCK CORPORATIONS

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 7a		THE ORGANIZATION'S BOARD OF DIRECTORS IS ELECTED AS FOLLOWS (A) FOUR DIRECTORS ARE APPOINTED BY MEMORIAL MEMBERS ASSOCIATION (B) FOUR DIRECTORS ARE APPOINTED BY ASPIRUS (C) FOUR DIRECTORS ARE APPOINTED BY OR REPRESENT PHYSICIANS ASSOCIATED WITH THE CORPORATION AS FOLLOWS (1) TWO PHYSICIAN DIRECTORS ARE PHYSICIANS EMPLOYED BY THE CORPORATION WHO ARE ELECTED BY THE PHYSICIANS EMPLOYED BY THE CORPORATION (2) ONE PHYSICIAN DIRECTOR IS A MEMBER OF THE ACTIVE MEDICAL STAFF AND IS ELECTED BY THE MEMBERS OF THE MEDICAL STAFF OF THE CORPORATION (3) ONE PHYSICIAN DIRECTOR IS THE CHIEF OF STAFF THE CHIEF OF STAFF IS ELECTED BY THE MEDICAL STAFF ON AN ANNUAL BASIS, AND IS SEATED ON THE MHC BOARD FOR HIS/HER TERM AS CHIEF OF STAFF

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 7b		POWERS RESERVED TO THE CORPORATE MEMBERS IN ADDITION TO DOING ALL THINGS REQUIRED BY LAW AND EXCEPT AS OTHERWISE PROVIDED, THE CORPORATE MEMBERS HAVE THE FOLLOWING SPECIFIC RIGHTS AND RESPONSIBILITIES (A) INITIATE AND APPROVE ANY CHANGE IN THE PHILOSOPHY, CHARACTER OR MISSION OF THE CORPORATION, AND APPROVE THE LONG-RANGE GOALS, STRATEGIC PLANS AND OVERALL PURPOSES (B) INITIATE AND APPROVE ALL AMENDMENTS TO THE ARTICLES OF INCORPORATION AND BYLAWS OF THE CORPORATION AND ALL SUBSIDIARIES (C) INITIATE AND APPROVE THE ADDITION OF NEW MEMBERS OF THE CORPORATION (D) INITIATE AND APPROVE THE ESTABLISHMENT, TRANSFER AND/OR DISSOLUTION OF ANY SUBSIDIARY CORPORATIONS (E) INITIATE AND APPROVE BORROWING OF MONEY AND OTHER FORMS OF INDEBTEDNESS IN EXCESS OF $1,000,000 (F) INITIATE AND APPROVE THE PURCHASE, SALE, LEASE, DISPOSITION, ENCUMBRANCE OR ALIENATION OF PROPERTY WITH A VALUE IN EXCESS OF $1,000,000 (G) INITIATE AND APPROVE ANY PLAN OF DISSOLUTION OR MERGER, CONSOLIDATION, ACQUISITION OR DISPOSITION OF REAL PROPERTY OR RELOCATION OF THE FACILITIES (H) INITIATE AND APPROVE STRATEGIC ALLIANCES AND AFFILIATIONS OF THE CORPORATION (I) INITIATE AND APPROVE THE DISTRIBUTION OF THE NET PROCEEDS AND ASSETS OF THE CORPORATION IN THE EVENT OF DISSOLUTION (J) APPROVE THE SELECTION OF THE CEO OF THIS CORPORATION

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 10		A DRAFT COPY OF THE FORM 990 WAS PRESENTED BY THE CFO TO THE FULL BOARD WHO REVIEWED VARIOUS AREAS OF INTEREST AND ASKED ANY QUESTIONS ANY CHANGES IDENTIFIED DURING THIS REVIEW WERE MADE PRIOR TO FILING THE FORM 990 WITH THE IRS

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 12c		EACH BOARD MEMBER AND EMPLOYEE SHALL DISCLOSE TO THE APPROPRIATE LEVEL OF MANAGEMENT ANY CIRCUMSTANCE UNDER WHICH THE BOARD MEMBER, EMPLOYEE, OR AN IMMEDIATE FAMILY MEMBER, BY VIRTUE OF A FINANCIAL INTEREST, MAY BE INFLUENCED, OR MAY APPEAR TO BE INFLUENCED, EITHER IN WHOLE OR IN PART, BY ANY PURPOSE OR MOTIVE OTHER THAN THE SUCCESS AND WELL BEING OF THE ORGANIZATION AND ITS SUBSIDIARIES AND THE ACHIEVEMENT OF ITS PUBLIC CHARITABLE PURPOSES PRIOR TO ENTERING INTO ANY ARRANGEMENT WITH AN OUTSIDE ORGANIZATION, INDIVIDUALS MUST DISCLOSE POTENTIAL CONFLICTS OF INTEREST TO THEIR RESPECTIVE SUPERVISOR, BOARD MEMBERS TO THE BOARD PRESIDENT EACH CIRCUMSTANCE OF A POTENTIAL CONFLICT OF INTEREST WILL BE REVIEWED ON AN INDIVIDUAL BASIS THE MANAGER WILL RESPOND IN WRITING (WITH A COPY TO THE PERSONNEL FILE) AFTER CONSULTATION WITH THE APPROPRIATE VICE PRESIDENT AS TO WHETHER THE ARRANGEMENT IS OR IS NOT ACCEPTABLE

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 15		THE PRESIDENT/CEO'S COMPENSATION IS REVIEWED AND APPROVED BY THE EXECUTIVE COMPENSATION COMMITTEE USING APPROPRIATE COMPARABILITY DATA FROM REGIONAL, STATE AND NATIONAL SOURCES WITH AN INDEPENDENT EXTERNAL CONSULTANT REVIEW EVERY THREE YEARS THE REVIEW AND APPROVAL OF PRESIDENT/CEO COMPENSATION IS SUBSTANTIATED THROUGH MEETING MINUTES AND THE ORGANIZATION'S WRITTEN MARKET ANALYSIS POLICY THIS PROCESS WAS LAST CONDUCTED IN 2009 (INDEPENDENT CONSULTANT REVIEW LAST CONDUCTED IN 2008) FOR THE PRESIDENT/CEO, G OLSON OTHER OFFICER AND KEY EMPLOYEE COMPENSATION IS REVIEWED AND APPROVED BY THE EXECUTIVE COMPENSATION COMMITTEE USING APPROPRIATE COMPARABILITY DATA FROM REGIONAL, STATE AND NATIONAL SOURCES WITH AN INDEPENDENT EXTERNAL CONSULTANT REVIEW EVERY THREE YEARS THE REVIEW AND APPROVAL OF COMPENSATION IS SUBSTANTIATED THROUGH MEETING MINUTES AND THE ORGANIZATION'S WRITTEN MARKET ANALYSIS POLICY THIS PROCESS WAS LAST CONDUCTED IN 2009 (INDEPENDENT CONSULTANT REVIEW LAST CONDUCTED IN 2008) FOR THE CFO L PECK, AND VP PATIENT SERVICES, K KEENE

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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 answerd "Yes" to Form 990, Part IV, lines 33, 34, 35, 36, or 37.**
▶ **See separate instructions.**

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
MEMORIAL HEALTH CENTER INC

Employer identification number
39-0964813

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
MEMORIAL HEALTH CENTER FOUNDATION INC 135 SOUTH GIBSON STREET MEDFORD, WI54451 39-1777081	CHARITABLE FOUNDATION	WI	501(C)(3)	11 - TYPE III FI	N/A
MEMORIAL MEMBER ASSOCIATION INC 135 SOUTH GIBSON STREET MEDFORD, WI54451 39-2016506	MEMBER ASSOCIATION	WI	501(C)(3)	11 - TYPE I	N/A

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) Disproprtionate allocations? Yes	(H) Disproprtionate allocations? No	(I) Code V—UBI amount on Box 20 of K-1	(J) General or managing partner? Yes	(J) General or managing partner? No

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

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 orgranization 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**		**No**
b	Gift, grant, or capital contribution to other organization(s)	**1b**		**No**
c	Gift, grant, or capital contribution from other organization(s)	**1c**	**Yes**	
d	Loans or loan guarantees to or for other organization(s)	**1d**		**No**
e	Loans or loan guarantees by other organization(s)	**1e**	**Yes**	
f	Sale of assets to other organization(s)	**1f**		**No**
g	Purchase of assets from other organization(s)	**1g**		**No**
h	Exchange of assets	**1h**		**No**
i	Lease of facilities, equipment, or other assets to other organization(s)	**1i**		**No**
j	Lease of facilities, equipment, or other assets from other organization(s)	**1j**		**No**
k	Performance of services or membership or fundraising solicitations for other organization(s)	**1k**	**Yes**	
l	Performance of services or membership or fundraising solicitations by other organization(s)	**1l**	**Yes**	
m	Sharing of facilities, equipment, mailing lists, or other assets	**1m**		**No**
n	Sharing of paid employees	**1n**		**No**
o	Reimbursement paid to other organization for expenses	**1o**	**Yes**	
p	Reimbursement paid by other organization for expenses	**1p**	**Yes**	
q	Other transfer of cash or property to other organization(s)	**1q**		**No**
r	Other transfer of cash or property from other organization(s)	**1r**		**No**

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)	MEMORIAL HEALTH CENTER FOUNDATION INC	C	52,694
(2)			
(3)			
(4)			
(5)			
(6)			

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?		(E) Share of end-of-year assets	(F) Disproprtionate allocations?		(G) Code V—UBI amount on Box 20 of K-1	(H) General or managing partner?	
			Yes	No		Yes	No		Yes	No

Identifier	Return Reference	Explanation
Form 990, Part VI, Section C, line 19		THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST

Additional Data

Software ID:
Software Version:
EIN: 39-0964813
Name: MEMORIAL HEALTH CENTER INC

Form 990, Part VII - Section Aaa

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099MISC)	(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			
GRAHAM COURTNEY , CHAIR	9 00	X		X				0	0	0
DUANE L ERWIN , VICE CHAIR	1 00	X		X				0	0	0
AMY L WAGONER , PHYSICIAN/SECRETARY	40 00	X		X				215,644	0	21,056
ROBERT J ERICKSON , ASST SECRETARY	1 00	X		X				0	0	0
WILLIAM A GRUNEWALD , TREASURER	1 00	X		X				0	0	0
ROBERT J BERNKLAU , BOARD MEMBER	1 00	X						0	0	0
ERIK T BRANSTETTER , PHYSICIAN/BOARD MEMBER	40 00	X						442,504	0	23,119
GARY W FREELS , BOARD MEMBER	1 00	X						0	0	0
TODD MEYER , BOARD MEMBER	1 00	X						0	0	0
MARK REUTER , PHYSICIAN/BOARD MEMBER	40 00	X						214,209	0	21,085
SIDNEY C SCZYGELSKI , BOARD MEMBER	1 00	X						0	0	0
DARLA J WRAGE , PHYSICIAN/BOARD MEMBER	24 00	X						156,983	0	16,530
GREGORY A OLSON , PRESIDENT/CEO	40 00			X				249,112	0	13,785
LORI P PECK , VP, FINANCE/CFO	40 00			X				102,540	0	0
SCOTT T BUSKERUD , ANESTHETIST	43 80					X		242,439	0	22,730
TERRIE C FLANDERMEYER , PHYSICIAN	40 00					X		229,065	0	14,550
RONALD L KOWLE , PHYSICIAN	51 50					X		338,790	0	23,119
LORI C LEE , PHYSICIAN	40 00					X		317,301	0	23,119
FRANK J MCHUGH , PHYSICIAN	54 30					X		369,842	0	23,119
GREGORY E RORAFF , FORMER PRESIDENT/CEO							X	151,527	0	8,245

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 39-0964813
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Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(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				
AMY L WAGONER	(I) (II)	195,616		20,028	9,289	11,767	236,700	
ERIK T BRANSTETTER	(I) (II)	399,019	33,000	10,485	11,352	11,767	465,623	
MARK REUTER	(I) (II)	190,131	344	23,734	9,318	11,767	235,294	
DARLA J WRAGE	(I) (II)	123,658	3,500	29,825	6,167	10,363	173,513	
GREGORY A OLSON	(I) (II)	210,908	32,681	5,523	1,538	12,247	262,897	
SCOTT T BUSKERUD	(I) (II)	232,337	7,125	2,977	10,363	12,367	265,169	
TERRIE C FLANDERMEYER	(I) (II)	206,167		22,898	9,922	4,628	243,615	
RONALD L KOWLE	(I) (II)	311,011		27,779	11,352	11,767	361,909	
LORI C LEE	(I) (II)	295,369		21,932	11,352	11,767	340,420	
FRANK J MCHUGH	(I) (II)	340,890	7,718	21,234	11,352	11,767	392,961	
GREGORY E RORAFF	(I) (II)			151,527		8,245	159,772	