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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)	OMB No 1545-0047 <div> <div>2008</div> <div>Open to Public Inspection</div> </div>
	The organization may have to use a copy of this return to satisfy state reporting requirements	

A For the 2008 calendar year, or tax year beginning 10-01-2008 and ending 09-30-2009									
B Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending		Please use IRS label or print or type. See Specific Instructions.	C Name of organization OSF Healthcare System				D Employer identification number 37-0813229		
			Doing Business As				E Telephone number (309) 655-2850		
			Number and street (or P O box if mail is not delivered to street address) 800 NE GLEN OAK AVENUE			Room/suite	G Gross receipts \$ 1,554,855,832		
			City or town, state or country, and ZIP + 4 PEORIA, IL 616033200						
			F Name and address of principal officer				H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (3) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527				H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)					
J Website: www.osfhealthcare.org				H(c) Group exemption number 0928					
K Type of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other						L Year of formation 1880		M State of legal domicile IL	

Part I		Summary		
Activities & Governance	1	Briefly describe the organization's mission or most significant activities OSF Healthcare System is a Catholic Integrated health care delivery system. During 2009, OSF operated 7 hospitals, 1 nursing home, 6 home health agencies, 5 hospices and employed more than 500 physicians.		
	2	Check this box <input type="checkbox"/> 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 1	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	
	5	Total number of employees (Part V, line 2a)	5 13,93	
	6	Total number of volunteers (estimate if necessary)	6 1,94	
	7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a 3,394,61	
	b	Net unrelated business taxable income from Form 990-T, line 34	7b -449,23	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year 20,557,049	Current Year 12,670,742
	9	Program service revenue (Part VIII, line 2g)	1,462,034,666	1,512,863,405
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,117,387	-2,766,745
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-6,357,042	28,255,524
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,477,352,060	1,551,022,926
	Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	585,652
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)	736,781,470	748,500,119
16a		Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b		Total fundraising expenses (Part IX, column (D), line 25) <u>4,439,277</u>		
17		Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	713,358,313	791,970,593
18		Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	1,450,725,435	1,542,827,535
19		Revenue less expenses. Subtract line 18 from line 12	26,626,625	8,195,391
Net Assets or Fund Balances				Beginning of Year
	20	Total assets (Part X, line 16)	2,019,690,837	2,145,809,813
	21	Total liabilities (Part X, line 26)	1,192,244,750	1,469,208,743
	22	Net assets or fund balances. Subtract line 21 from line 20	827,446,087	676,601,070

Part II		Signature Block			
Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge				
	***** Signature of officer		2010-08-16 Date		
	Daniel E Baker CFO Type or print name and title				
Paid Preparer's Use Only	Preparer's signature  KPMG LLP		Date	Check if self-employed <input checked="" type="checkbox"/>	Preparer's identifying number (see instructions)
	Firm's name (or yours if self-employed), address, and ZIP + 4 		KPMG LLP 191 West Nationwide Blvd Ste 500 Columbus, OH 432152568		EIN 
					Phone no  (614) 249-2300

Part III

Statement of Program Service Accomplishments (see instructions.)

1

Briefly describe the organization's mission

OSF HEALTHCARE SYSTEM IS A CATHOLIC INTEGRATED HEALTH CARE DELIVERY SYSTEM WHICH DURING ITS FISCAL YEAR 2009 OPERATED 7 HOSPITALS, 1 NURSING HOME, 6 HOME HEALTH AGENCIES, 5 HOSPICES, AND EMPLOYED MORE THAN 500 PHYSICIANS. ALL PATIENTS ARE ACCEPTED REGARDLESS OF THEIR ABILITY TO PAY. ALL FACILITIES, SERVICES, PHYSICIANS AND OTHER PROFESSIONAL STAFF OF OSF HEALTHCARE SYSTEM SERVE ALL PATIENTS WITHOUT REGARD TO RACE, RELIGION, AGE, SEX, NATIONAL ORIGIN, PAYER SOURCE OR ABILITY TO PAY. THE BOARD OF DIRECTORS HAS ADOPTED CHARITY CARE POLICIES AND PROCEDURES WHICH APPLY FOR ALL FACILITIES AND SERVICES OF THE CORPORATION. THE AVAILABILITY OF CHARITY CARE IS COMMUNICATED TO PATIENTS IN NUMEROUS WAYS, INCLUDING USE OF FINANCIAL COUNSELORS, PATIENT INFORMATION BROCHURES, AND NOTICES ON PATIENT BILLINGS. CHARITY CARE APPLICATIONS AND INSTRUCTIONS ARE AVAILABLE ON WEBSITES MAINTAINED BY THE CORPORATION AND UPON A REQUEST MADE TO ANY OF THE CORPORATION'S FACILITIES OR OFFICES. OSF HEALTHCARE SYSTEM

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O

3

Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

4

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

4a

(Code) (Expenses \$ 558,569,220 including grants of \$ 1,521,193) (Revenue \$ 726,520,534)
Inpatient services - SEE Schedule O

4b

(Code) (Expenses \$ 467,826,120 including grants of \$ 0) (Revenue \$ 587,375,518)
Outpatient Services - SEE Schedule O

4c

(Code) (Expenses \$ 212,293,520 including grants of \$ 0) (Revenue \$ 86,796,581)
Physician Services - SEE Schedule O






















4d

Other program services (Describe in Schedule O)
(Expenses \$ 183,242,848 including grants of \$ 835,630) (Revenue \$ 137,659,551)









4e

Total program service expenses \$ 1,421,931,708 (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	No
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	No
13	Is the organization a school 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	Yes
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	No
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)? <i>If "Yes," complete Schedule L, Part IV</i> 		No
b	Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i> 		No
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? <i>If "Yes," complete Schedule L, Part IV</i> 	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> 	Yes	
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> 	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> 	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> 		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> 		No

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a654		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b0		
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, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a13,939		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)	2b		
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: <input type="text"/> 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 question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c		
6a	Did the organization solicit any contributions that were not tax deductible?	6a		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 more than \$75?	7a		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		No
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 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 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, process, or changes in Schedule O. See instructions.			
1a	Enter the number of voting members of the governing body	1a	11
b	Enter the number of voting members that are independent	1b	2
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	No
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	Yes

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 (see instructions)		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	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	Yes

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed IL
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. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> 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. MR DANIEL BAKER 800 NE GLEN OAK AVE PEORIA, IL 61603 (309) 655-3638

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

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

- 1a Complete this table for all persons required to be listed Use Schedule J-2 if additional space is needed
- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid

List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations

List all of the organization's **former** officers, key employees, 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- 2/1099-MISC) | (E)
Reportable compensation from related organizations (W- 2/1099-MISC) | (F)
Estimated amount of other compensation from the organization and related organizations |
|--|-------------------------------|--|-----------------------|---------|--------------|------------------------------|--------|---|--|---|
| | | <input checked="" type="checkbox"/> Individual | Institutional Trustee | Officer | Key employee | Highest compensated employee | Former | | | |
| James M Moore
Vice Chairperson, CEO | 40 0 | X | | X | | | | 1,074,872 | 0 | 417,528 |
| Vance C Parkhurst
Senior Vice President | 40 0 | X | | | X | | | 356,179 | 0 | 22,153 |
| Gerard J Mcshane MD
Board Member,CEO - OSF MG | 40 0 | X | | | X | | | 543,741 | 0 | 22,153 |
| Sister Diane Marie MCGREW
OSF
PRESIDENT/TREASURER | 40 0 | X | | X | | | | 4,200 | 0 | 0 |
| Sister Theresa Ann Brazeau
OSF
Secretary | 40 0 | X | | X | | | | 4,200 | 0 | 0 |
| Sister Maria Elena Padilla OSF
Board Member | 40 0 | X | | | | | | 0 | 0 | 0 |
| Sister Rose Therese Mann
OSF
Board Member | 40 0 | X | | | | | | 0 | 0 | 0 |
| Sister Agnes Joseph Williams
OSF
Assistant Secretary | 40 0 | X | | X | | | | 4,200 | 0 | 0 |
| James W Girardy
BOARD MEMBER | 2 0 | X | | | | | | 8,500 | 0 | 0 |
| Sister Judith Ann Duvall OSF
Chairperson | 40 0 | X | | X | | | | 4,200 | 0 | 0 |
| Leonard E Nevitt
Board Member | 2 0 | X | | | | | | 9,375 | 0 | 0 |
| Kevin D Schoeplein
Executive VP, President | 40 0 | | | X | | | | 2,004,031 | 0 | 218,434 |
| Daniel E Baker
Senior Vice President & CFO | 40 0 | | | X | | | | 529,199 | 0 | 25,481 |
| Keith E Steffen
CEO & President | 40 0 | | | | X | | | 581,177 | 0 | 22,153 |
| James L McGee MD
Physician, Radiation Oncology | 40 0 | | | | | X | | 803,396 | 0 | 25,481 |
| Jonathan L Ferguson MD
Physician, Otolaryngology | 40 0 | | | | | X | | 962,464 | 0 | 25,481 |
| Brian D Sipe MD
Physician, Orthopedics | 40 0 | | | | | X | | 1,078,863 | 0 | 25,481 |
- Form 990 (2008)

Part VII

[illegible]

2 Total number of individuals (including those receiving compensation from the organization) 788

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

4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual

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*

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

2 Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization 38

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d	10,764,041				
	e	Government grants (contributions)	1e	1,704,626				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	202,075				
	g	Noncash contributions included in lines 1a-1f \$ _____						
	h	Total. Add lines 1a-1f			12,670,742			
Program Service Revenue			Business Code					
	2a	NET PATIENT	900,099	1,510,676,293	1,510,676,293			
	b	SERVICE REVENUE						
	c	LAB	621,500	652,919		652,919		
	d	AFFILIATED PURCHASING PROGRAM	561,499	1,490,894		1,490,894		
	e	FARM INCOME	110,000	43,299		43,299		
	f	All other program service revenue						
	g	Total. Add lines 2a-2f			1,512,863,405			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)						
				-2,884,398			-2,884,398	
	4	Income from investment of tax-exempt bond proceeds . .			0			
	5	Royalties			0			
	6a	Gross Rents	(i) Real	(ii) Personal				
			2,944,434					
			3,151,464					
			-207,030					
	b	Less rental expenses						
	c	Rental income or (loss)						
	d	Net rental income or (loss)			-207,030		-48,890	-158,140
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
				799,095				
				681,442				
				117,653				
	b	Less cost or other basis and sales expenses						
	c	Gain or (loss)						
	d	Net gain or (loss)			117,653			117,653
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18						
			a					
b	Less direct expenses	b						
c	Net income or (loss) from fundraising events . .			0				
9a	Gross income from gaming activities See Part IV, line 19							
		a						
b	Less direct expenses	b						
c	Net income or (loss) from gaming activities . .			0				
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 . .			0				
Miscellaneous Revenue		Business Code						
11a	TUITION		900,099	7,603,298	7,603,298			
b	HOME HEALTH SERVICES		900,099	4,079,989	4,079,989			
c	PHYSICIANS/RNS/STAFF CONTRACT SERVICES		900,099	2,652,394	2,652,394			
d	All other revenue			14,126,873	9,794,162	1,256,391	3,076,320	
e	Total. Add lines 11a-11d			28,462,554				
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			1,551,022,926	1,534,806,136	3,394,613	151,435	

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	1,521,193	1,521,193		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	835,630	835,630		
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	10,759,974		10,759,974	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	569,536,815	550,255,709	17,520,040	1,761,066
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	37,631,664	34,557,261	3,074,403	
9	Other employee benefits	87,999,440	87,819,273	180,167	
10	Payroll taxes	42,572,226	39,589,582	2,982,644	
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	6,600,041	5,121,139	1,478,902	
c	Accounting	670,210	341,200	329,010	
d	Lobbying	0			
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	0			
g	Other	51,496,188	41,365,760	10,130,428	
12	Advertising and promotion	6,833,208	6,636,268	68,842	128,098
13	Office expenses	6,662,579	6,114,336	548,243	
14	Information technology	22,566,461	10,001,785	12,541,307	23,369
15	Royalties	0			
16	Occupancy	18,015,873	17,518,863	483,530	13,480
17	Travel	4,661,663	3,678,932	948,357	34,374
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	2,709,264	1,839,505	859,527	10,232
20	Interest	25,412,509	280,680	25,131,829	
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	71,075,559	56,432,673	14,642,886	
23	Insurance	25,283,799	25,267,365	16,260	174
24	Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	BAD DEBT	78,224,045	78,224,045	0	0
b	SUPPLIES	244,442,134	243,139,100	661,558	641,476
c	EUIP RENTAL & MAINT	132,195,974	124,378,847	7,521,516	295,611
d	MEDICAID TAX ASSESSMENT	42,601,377	42,601,377	0	0
e	DATA PROCESSING	24,535,253	22,311,207	2,186,823	37,223
f	All other expenses	27,984,456	22,099,978	4,390,304	1,494,174
25	Total functional expenses. Add lines 1 through 24f	1,542,827,535	1,421,931,708	116,456,550	4,439,277
26	Joint Costs. Check here <input type="checkbox"/> 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)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing				1	
	2	Savings and temporary cash investments			110,019,311	2	135,069,171
	3	Pledges and grants receivable, net			7,326,785	3	7,544,836
	4	Accounts receivable, net			216,601,959	4	230,779,037
	5	Receivables from current and former officers, directors, trustees, key employees or other related parties <i>Complete Part II of Schedule L</i>				5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) <i>Complete Part II of Schedule L</i>				6	
	7	Notes and loans receivable, net				7	
	8	Inventories for sale or use			21,083,021	8	19,934,757
	9	Prepaid expenses and deferred charges			5,945,664	9	4,997,382
	10a	Land, buildings, and equipment cost basis	10a	1,632,930,350			
	b	Less accumulated depreciation <i>Complete Part VI of Schedule D</i>	10b	890,148,405	592,639,308	10c	742,781,945
	11	Investments—publicly traded securities			555,118,445	11	567,009,698
	12	Investments—other securities See Part IV, line 11				12	
	13	Investments—program-related See Part IV, line 11			50,144,148	13	43,440,466
	14	Intangible assets			10,096,425	14	9,695,258
	15	Other assets See Part IV, line 11			450,715,771	15	384,557,263
	16	Total assets. Add lines 1 through 15 (must equal line 34)			2,019,690,837	16	2,145,809,813
Liabilities	17	Accounts payable and accrued expenses			127,159,185	17	134,227,934
	18	Grants payable				18	
	19	Deferred revenue			2,597,591	19	2,505,345
	20	Tax-exempt bond liabilities			761,270,132	20	855,218,833
	21	Escrow account liability <i>Complete Part IV of Schedule D</i>				21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons <i>Complete Part II of Schedule L</i>				22	
	23	Secured mortgages and notes payable to unrelated third parties			4,941,122	23	4,994,462
	24	Unsecured notes and loans payable				24	
	25	Other liabilities <i>Complete Part X of Schedule D</i>			296,276,720	25	472,262,169
	26	Total liabilities. Add lines 17 through 25			1,192,244,750	26	1,469,208,743
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			812,051,802	27	655,818,756
	28	Temporarily restricted net assets			7,608,252	28	12,497,543
	29	Permanently restricted net assets			7,786,033	29	8,284,771
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> 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			827,446,087	33	676,601,070
	34	Total liabilities and net assets/fund balances			2,019,690,837	34	2,145,809,813

Part XI

Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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	No
c	If "Yes" to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	Yes
b	If "Yes," did the organization undergo the required audit or audits?	3b	Yes

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 OSF Healthcare System	Employer identification number 37-0813229
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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	<input type="checkbox"/>	A church, convention of churches, or association of churches described in Section 170(b)(1)(A)(i).
2	<input type="checkbox"/>	A school described in Section 170(b)(1)(A)(ii). (Attach Schedule E)
3	<input checked="" type="checkbox"/>	A hospital or a cooperative hospital service organization described in Section 170(b)(1)(A)(iii). (Attach Schedule H)
4	<input type="checkbox"/>	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	<input type="checkbox"/>	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	<input type="checkbox"/>	A federal, state, or local government or governmental unit described in Section 170(b)(1)(A)(v).
7	<input type="checkbox"/>	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	<input type="checkbox"/>	A community trust described in Section 170(b)(1)(A)(vi) (Complete Part II)
9	<input type="checkbox"/>	An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See Section 509(a)(2). (Complete Part III)
10	<input type="checkbox"/>	An organization organized and operated exclusively to test for public safety See Section 509(a)(4). (See instructions)
11	<input type="checkbox"/>	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 <div><div>a <input type="checkbox"/> Type I</div><div>b <input type="checkbox"/> Type II</div><div>c <input type="checkbox"/> Type III - Functionally Integrated</div><div>d <input type="checkbox"/> Type III - Other</div></div>
e	<input type="checkbox"/>	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	<input type="checkbox"/>	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	<input type="checkbox"/>	Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons? <div><div>(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?</div><div>(ii) a family member of a person described in (i) above?</div><div>(iii) a 35% controlled entity of a person described in (i) or (ii) above?</div></div>
h	<input type="checkbox"/>	Provide the following information about the organizations the organization supports

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

(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						<input type="checkbox"/>

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		<input type="checkbox"/>
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		<input type="checkbox"/>
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		<input type="checkbox"/>
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		<input type="checkbox"/>
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		<input type="checkbox"/>

Part IIISupport 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
1Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3Gross receipts from activities that are not an unrelated trade or business under section 513						
4Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5The value of services or facilities furnished by a governmental unit to the organization without charge						
6Total Add lines 1-5						
7aAmounts included on lines 1, 2, and 3 received from disqualified persons						
bAmounts 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						
cTotal of lines 7a and 7b						
8Public Support (Subtract 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
9Amounts from line 6						
10aGross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
bUnrelated business taxable income (less section 511 taxes) from businesses acquired after 30 June, 1975						
cAdd lines 10a and 10b						
11Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13Total Support (Add lines 9, 10c, 11 and 12)						
14First 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

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 990-EZ, 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 OSF Healthcare System	Employer identification number 37-0813229
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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?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4a	Was a correction made?	<input type="checkbox"/> Yes <input type="checkbox"/> 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?	<input type="checkbox"/> Yes <input type="checkbox"/> 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: Not over \$500,000 Over \$500,000 but not over \$1,000,000 Over \$1,000,000 but not over \$1,500,000 Over \$1,500,000 but not over \$17,000,000 Over \$17,000,000 The lobbying nontaxable amount is: 20% of the amount on line 1e \$100,000 plus 15% of the excess over \$500,000 \$175,000 plus 10% of the excess over \$1,000,000 \$225,000 plus 5% of the excess over \$1,500,000 \$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?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> 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)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines c through i)?	Yes		
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?	Yes		
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?	Yes		410,000
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?		No	
i	Other activities If "Yes," describe in Part IV		No	
j	Total lines 1c through 1i			410,000
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?		No	

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 (<i>do not include amounts of political expenses for which the section 527(f) tax was paid</i>).	
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
Mailing Expenses	Part II-B - Line 1d	The only cost of mailing related to lobbying expenses related to the cost of stamps. The total expenditures related to mailing is minor and the actual dollar amount is not readily available.

Explanation

[illegible]

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
OSF Healthcare System

Employer identification number

37-0813229

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?	
	<div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
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?	
	<div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

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

a

Total number of conservation easements

b

Total acreage restricted by conservation easements

c

Number of conservation easements on a certified historic structure included in (a)

d

Number of conservation easements included in (c) acquired after 8/17/06

	Held at the End of the Year
2a	
2b	
2c	
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

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
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

(i) unrelated organizations

3a(i)

Yes

No

(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		17,235,681		17,235,681
b Buildings		661,018,341	334,040,748	326,977,593
c Leasehold improvements		7,260,633	6,339,184	921,449
d Equipment		688,457,259	534,413,625	154,043,634
e Other		258,958,436	15,354,848	243,603,588
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				742,781,945

Schedule D (Form 990) 2008

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

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
OSF SAINT FRANCIS	42,592,614	F
HEARTCARE MIDWEST	847,852	F
Total. (Column (b) should equal Form 990, Part X, col (B) line 13)	43,440,466	

(a) Description	(b) Book value
BOND INSURANCE FEES	7,403,860
WORKERS' COMP ESCROW DEPOSITS	3,552,918
THIRD PARTY WITHHOLDINGS	1,244,341
DUE FROM FOUNDATION	3,368,663
ASSETS - LIMITED OR RESTRICTED	20,782,314
FUNDS LIMITED AS TO USE	334,280,140
OTHER ACCOUNTS	13,925,027
Total. (Column (b) should equal Form 990, Part X, col.(B) line 15.)	384,557,263

(a) Description of Liability	(b) Amount
Federal Income Taxes	
ESTIMATED SELF INSURANCE LIABILITY	94,981,841
RETIRE OBLIG - ASBESTOS	2,343,250
ACCRUED PENSION LIABILITY	298,023,130
MINORITY INTEREST - JOINT VENTURE	8,641,793
MARKET VALUATION OF SWAP	20,859,052
THIRD PARTY SETTLEMENT PAYABLE	47,413,103
Total. (Column (b) should equal Form 990, Part X, col (B) line 25)	472,262,169

Schedule D (Form 990) 2008

Part XI

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

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

Part XII

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

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

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

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

Part XIV

Supplemental Information

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

Identifier	Return Reference	Explanation
SUPPLEMENTAL INFORAMTION		OSF adopted ASC Subtopic 740-10, Accounting for Uncertainty in Income Taxes - an interpretation of FASB statment No 109 The interpretation address the determination of how tax benefits claimed or expected to be claimed on a tax return should be recorded in the consolidated financial statements Under ASC Subtopic 740-10, OSF must recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position The tax benefits recognized in the consolidated financial statements from such a postion are measured based on the largest benefit that has a greater than 50% likelihood og being realized upon ultimate settlement ASC Subtopic 740-10 also provides guidance on derecognition, classification, interest and penalties on income taxes, and accounting in interim periods and requires increased disclosures As of September 30,2008 and 2009, OSF does not have a liability for unrecognized tax benefits

SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

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

► Attach to Form 990.

OMB No 1545-0047

2008

Open to Public
Inspection

Name of the organization
OSF Healthcare System

Employer identification number
37-0813229

Part I

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

		Yes	No
1a	Does the organization have a charity care policy? If "No," skip to question 6a	1a	
b	If "Yes," is it a written policy?	1b	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals <div><input type="checkbox"/> Applied uniformly to all hospitals</div> <div><input type="checkbox"/> Applied uniformly to most hospitals</div> <div><input type="checkbox"/> Generally tailored to individual hospitals</div>		
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 <i>free</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care <div><input type="checkbox"/> 100%</div> <div><input type="checkbox"/> 150%</div> <div><input type="checkbox"/> 200%</div> <div><input type="checkbox"/> Other _____%</div> b Does the organization use FPG to determine eligibility for providing <i>discounted</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care <div><input type="checkbox"/> 200%</div> <div><input type="checkbox"/> 250%</div> <div><input type="checkbox"/> 300%</div> <div><input type="checkbox"/> 350%</div> <div><input type="checkbox"/> 400%</div> <div><input type="checkbox"/> Other _____%</div> 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"?	3a	
5a	Does the organization budget amounts for free or discounted care provided under its charity care policy?	5a	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c	
6a	Does the organization prepare an annual community benefit report?	6a	
6b	If "Yes," does the organization make it available to the public?	6b	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H		

7

Charity Care and Certain Other Community Benefits at Cost

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

Part IICommunity 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					
2	Economic development					
3	Community support					
4	Environmental improvements					
5	Leadership development and training for community members					
6	Coalition building					
7	Community health improvement advocacy					
8	Workforce development					
9	Other					
10	Total					

Part IIIBad Debt, Medicare, and Collection Practices

(Optional for 2008)

Section A—Bad Debt Expense

		Yes	No
1	Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1	
2	Enter the amount of the organization's bad debt expense (at cost)	2	
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	
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 Medicare (including DSH and IME)	5	
6	Enter Medicare allowable costs of care relating to payments on line 5	6	
7	Enter line 5 less line 6—surplus or (shortfall)	7	
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: <input type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C—Collection Practices

9a	Does the organization have a written debt collection policy?	9a	
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	

Part IVManagement 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				

[illegible]

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 6a, Part I, line 7g, Part I, line 7, column (f), Part I, line 7, Part III, line 4, Part III, line 8, Part III, line 9b, and Part V See Instructions
- 2

Needs Assessment. Describe how the organization assesses the health care needs of the communities it serves
- 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
- 4

Community Information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 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
- 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)
- 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 communities served
- 8

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

Schedule I (Form 990)	Grants and Other Assistance to Organizations, Governments and Individuals in the U.S.	OMB No 1545-0047
		2008
		Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

Name of the organization OSF Healthcare System	Employer identification number 37-0813229
---	--

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
Janet Wattles Mental Health Center Inc526 W State Street Rockford,IL 61101	36-2862928	501(c)(3)	20,000				To support child and family mental health services in northern Illinois
Rock Valley College Foundation3301 N Mulford Road Rockford,IL 61101	36-3037232	501(c)(3)	10,000				To support the new Prep Room/OR laboratory at the Stenstrom Center for Career Education for the Surgical Technology/Assistant and Surgery programs
University of Illinois FoundationPO Box 4196 Springfield,IL 627084196	37-6000511	501(c)(3)	950,000				educational support of the Peoria campus of University of Illinois College of Medicine and reasearch funding for Dr Rao
Illinois Central College FoundationOne College Drive East Peoria,IL 616350001	37-1207827	501(c)(3)	15,000				To be used for the Peoria Promise program providing college assistance to students in the Peoria area that would not normally attend college
Heartland Community Health1701 W Garden Street Peoria,IL 61605	37-1270794	501(c)(3)	500,000				To support the operations of the clinic

2

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

5

3

Enter total number of other organizations

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
OSF Healthcare System

Employer identification number
37-0813229

Part I Questions Regarding Compensation		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
	<input type="checkbox"/> First class or charter travel		
	<input type="checkbox"/> Travel for companions		
	<input type="checkbox"/> Tax idemnification and gross-up payments		
	<input type="checkbox"/> Discretionary spending account		
	<input type="checkbox"/> Housing allowance or residence for personal use		
	<input type="checkbox"/> Payments for business use of personal residence		
	<input checked="" type="checkbox"/> Health or social club dues or initiation fees		
	<input type="checkbox"/> 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 Yes	
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 Yes	
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		
	<input checked="" type="checkbox"/> Compensation committee		
	<input checked="" type="checkbox"/> Independent compensation consultant		
	<input type="checkbox"/> Form 990 of other organizations		
	<input checked="" type="checkbox"/> Written employment contract		
	<input checked="" type="checkbox"/> Compensation survey or study		
	<input checked="" type="checkbox"/> 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	No
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 accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	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				
James M Moore	(i)	800,487	229,828	44,557	406,400	11,200	1,492,472	0
	(ii)	0	0	0	0	0	0	0
Kevin D Schoeplein	(i)	626,576	1,307,168	70,287	203,978	14,528	2,222,537	0
	(ii)	0	0	0	0	0	0	0
Daniel E Baker	(i)	397,875	75,699	55,625	11,025	14,528	554,752	0
	(ii)	0	0	0	0	0	0	0
Vance C Parkhurst	(i)	267,823	51,584	36,772	11,025	11,200	378,404	0
	(ii)	0	0	0	0	0	0	0
Keith E Steffen	(i)	395,406	106,796	78,975	11,025	11,200	603,402	0
	(ii)	0	0	0	0	0	0	0
James L McGee MD	(i)	476,188	300,000	27,208	11,025	14,528	828,949	0
	(ii)	0	0	0	0	0	0	0
Jonathan L Ferguson MD	(i)	915,697	22,833	23,934	11,025	14,733	988,222	0
	(ii)	0	0	0	0	0	0	0
Brian D Sipe MD	(i)	522,245	508,558	48,060	11,025	14,528	1,104,416	0
	(ii)	0	0	0	0	0	0	0
Mete Korkmaz MD	(i)	576,536	39,750	48,582	11,025	14,528	690,421	0
	(ii)	0	0	0	0	0	0	0
Travis D Richardson MD	(i)	395,164	615,261	2,429	3,675	10,264	1,026,793	0
	(ii)	0	0	0	0	0	0	0
Gerard J Mcshane MD	(i)	391,395	100,216	52,130	11,025	11,200	565,966	0
	(ii)	0	0	0	0	0	0	0
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Software ID:

Software Version:

EIN: 37-0813229

Name: OSF Healthcare System

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				
James M Moore	(i)	800,487	229,828	44,557	406,400	11,200	1,492,472	0
	(ii)	0	0	0	0	0	0	0
Kevin D Schoeplein	(i)	626,576	1,307,168	70,287	203,978	14,528	2,222,537	0
	(ii)	0	0	0	0	0	0	0
Daniel E Baker	(i)	397,875	75,699	55,625	11,025	14,528	554,752	0
	(ii)	0	0	0	0	0	0	0
Vance C Parkhurst	(i)	267,823	51,584	36,772	11,025	11,200	378,404	0
	(ii)	0	0	0	0	0	0	0
Keith E Steffen	(i)	395,406	106,796	78,975	11,025	11,200	603,402	0
	(ii)	0	0	0	0	0	0	0
James L McGee MD	(i)	476,188	300,000	27,208	11,025	14,528	828,949	0
	(ii)	0	0	0	0	0	0	0
Jonathan L Ferguson MD	(i)	915,697	22,833	23,934	11,025	14,733	988,222	0
	(ii)	0	0	0	0	0	0	0
Brian D Sipe MD	(i)	522,245	508,558	48,060	11,025	14,528	1,104,416	0
	(ii)	0	0	0	0	0	0	0
Mete Korkmaz MD	(i)	576,536	39,750	48,582	11,025	14,528	690,421	0
	(ii)	0	0	0	0	0	0	0
Travis D Richardson MD	(i)	395,164	615,261	2,429	3,675	10,264	1,026,793	0
	(ii)	0	0	0	0	0	0	0
Gerard J Mcshane MD	(i)	391,395	100,216	52,130	11,025	11,200	565,966	0
	(ii)	0	0	0	0	0	0	0

Schedule K (Form 990)	Supplemental Information on Tax Exempt Bonds		OMB No 1545-0047
			2008
	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.		Open to Public Inspection

Department of the Treasury Internal Revenue Service	
Name of the organization OSF Healthcare System	Employer identification number 37-0813229

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	Illinois Finance Authority	86-1091967	45200BBD9	05-12-2004	92,605,000	REDEEM 1993 BOND		X		X
B	Michigan State Hospital Finance Authority	38-2889417	59465HBT2	09-29-2005	15,100,000	REDEEM PRIOR BONDS		X		X
C	Illinois Finance Authority	86-1091967	45200B7R3	08-29-2007	119,100,000	BUILDING CONSTRUCTION		X		X
D	Illinois Finance Authority	86-1091967	45200B8C5	08-29-2007	65,000,000	BUILDING CONSTRUCTION		X		X
E	Illinois Finance Authority	86-1091967	45200B8D3	08-29-2007	70,000,000	BUILDING CONSTRUCTION		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										
		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?										

Schedule L
(Form 990 or 990-EZ)

OMB No 1545-0047

2008

Open to Public Inspection

Transactions with Interested Persons

Name of the organization

OSF Healthcare System

Employer identification number

37-0813229

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?		(c)Original principal amount	(d)Balance due	(e) In default?		(f) Approved by board or committee?		(g)Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No

Total

\$

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
Rockford Surgical Service	Board Member/Owner	431,800	Healthcare		No

SCHEDULE O
(Form 990)

Supplemental Information to Form 990

OMB No 1545-0047

Department of the Treasury
Internal Revenue Service

► **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.**

2008

Open to Public Inspection

Name of the organization OSF Healthcare System	Employer identification number 37-0813229
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Identifier	Return Reference	Explanation
FORM 990 - PART III - LINE 4A	INPATIENT SERVICES	OSF HEALTHCARE SYSTEM OWNS AND OPERATES ACUTE CARE HOSPITALS IN ESCANABA, MICHIGAN, ROCKFORD, ILLINOIS, PONTIAC, ILLINOIS, BLOOMINGTON, ILLINOIS, PEORIA, ILLINOIS, GALESBURG, ILLINOIS, AND MONMOUTH, ILLINOIS, AND OWNS AND OPERATES ONE LONG-TERM CARE FACILITY IN PEORIA HEIGHTS, ILLINOIS AS OF THE CLOSE OF THE REPORTING PERIOD ON SEPTEMBER 30, 2009, THESE EIGHT FACILITIES HAD A COMBINED TOTAL OF 1,469 LICENSED INPATIENT AND RESIDENT BEDS AND OPERATED A COMBINED TOTAL OF 1,322 STAFFED INPATIENT AND RESIDENT BEDS THEY HAD COMBINED TOTALS OF 56,815 INPATIENT AND RESIDENT DISCHARGES AND 312,931 INPATIENT AND RESIDENT DAYS, INCLUDING 9,278 NEWBORN INPATIENT DAYS THE SEVEN ACUTE CARE HOSPITALS COLLECTIVELY SERVED 49 COUNTIES THEY HAD A COMBINED TOTAL OF APPROXIMATELY 1,961 PHYSICIANS ON THEIR MEDICAL STAFFS, INCLUDING APPROXIMATELY 1,233 PHYSICIANS ON THEIR ACTIVE OR ASSOCIATE MEDICAL STAFFS TWO OF THE HOSPITALS ARE SOLE COMMUNITY HOSPITALS, AND ONE IS A CRITICAL ACCESS HOSPITAL THE CORPORATION'S HOSPITALS OFFER A BROAD RANGE OF INPATIENT SERVICES THREE OF THE HOSPITALS PROVIDE OPEN HEART SURGERY SERVICES, TWO OFFER LEVEL II NEONATAL SERVICES, ONE OFFERS LEVEL III NEONATAL SERVICES (HIGHEST LEVEL), AND ONE OFFERS KIDNEY AND PANCREAS ORGAN TRANSPLANT SERVICES THE CORPORATION HAS ORGANIZED AND OPERATES COMPREHENSIVE CARDIAC AND STROKE CARE NETWORKS IN CENTRAL AND NORTHERN ILLINOIS AND OPERATES THE ONLY COMPREHENSIVE CHILDREN'S HOSPITAL IN CENTRAL ILLINOIS

Identifier	Return Reference	Explanation
FORM 990 - PART III - LINE 4B	OUTPATIENT SERVICES	THE SEVEN ACUTE CARE HOSPITALS OWNED AND OPERATED BY OSF HEALTHCARE SYSTEM COLLECTIVELY PROVIDED 889,567 OUTPATIENT VISITS DURING THE REPORTING PERIOD ENDED SEPTEMBER 30, 2009, INCLUDING 53,379 OUTPATIENT SURGERY VISITS BUT EXCLUDING EMERGENCY DEPARTMENT VISITS THE CORPORATION'S HOSPITALS OFFER A BROAD RANGE OF OUTPATIENT THERAPEUTIC AND DIAGNOSTIC SERVICES, INCLUDING OUTPATIENT SURGERY AND ADVANCED MEDICAL IMAGING

Identifier	Return Reference	Explanation
FORM 990 - PART III - LINE 4C	Physcian Services	PHYSICIANS EMPLOYED BY OSF HEALTHCARE SYSTEM PROVIDED 880,808 OFFICE VISITS (NOT INCLUDING SERVICES PROVIDED TO HOSPITAL INPATIENTS AND OUTPATIENTS) AT OFFICES IN 58 SEPARATE LOCATIONS THROUGHOUT CENTRAL AND NORTHERN ILLINOIS AND THE UPPER PENINSULA OF MICHIGAN

Identifier	Return Reference	Explanation
FORM 990 - PART III - LINE 4D	Home Health Services	(Expenses \$41,233,901 including grants of \$NONE)(Revenue \$38,044,821) The six home health agencies owned and operated by the Corporation collectively serve 27 counties in Illinois and Michigan, enrolled 20,813 home health patients, and provided 130,217 home health visits during the reporting period ended September 30, 2009 The five hospice programs owned and operated by the Corporation collectively serve 33 counties in Illinois and Michigan, enrolled 1,729 hospice patients, and provided 79,478 hospice days during the reporting period ended September 30, 2009

Identifier	Return Reference	Explanation
FORM 990 - PART III - LINE 4D	EMERGENCY DEPARTMENT SERVICES	(EXPENSES \$59,415,421 INCLUDING GRANTS OF \$ NONE) (REVENUE \$73,239,276) ALL OF THE SEVEN ACUTE CARE HOSPITALS OF THE CORPORATION PROVIDE 24-HOUR EMERGENCY DEPARTMENT SERVICES ALL ARE STAFFED BY PHYSICIANS WHO ARE PREDOMINANTLY (BUT NOT ENTIRELY) CERTIFIED IN EMERGENCY MEDICINE BY NATIONAL SPECIALTY BOARDS THE EMERGENCY DEPARTMENTS OF THE CORPORATION'S ACUTE CARE HOSPITALS PROVIDED 196,912 PATIENT VISITS DURING THE REPORTING PERIOD ENDED SEPTEMBER 30, 2009

Identifier	Return Reference	Explanation
FORM 990 - PART III - LINE 4D	RESIDENCY PROGRAMS	(EXPENSES \$32,926,958 INCLUDING GRANTS OF \$ NONE) (REVENUE \$87,344) OSF HEALTHCARE SYSTEM HAS ENTERED INTO A MAJOR AFFILIATION AGREEMENT WITH THE UNIVERSITY OF ILLINOIS PROVIDING SIGNIFICANT FINANCIAL AND TEACHING SUPPORT FOR PHYSICIAN RESIDENCY AND FELLOWSHIP PROGRAMS SPONSORED BY THE UNIVERSITY THE CORPORATION EMPLOYED 231 RESIDENTS AND FELLOWS IN THESE PROGRAMS DURING THE REPORTING PERIOD

Identifier	Return Reference	Explanation
FORM 990 - PART III - LINE 4D	COLLEGES OF NURSING PROGRAMS	(EXPENSES \$10,067,836 INCLUDING GRANTS OF \$835,630) (REVENUE \$7,346,447) TWO OF THE CORPORATION'S HOSPITALS OPERATE ACCREDITED COLLEGES OF NURSING WHICH AWARD BACCALAUREATE, MASTERS, AND DOCTORATE DEGREES THERE WERE 1,685 ENROLLEES IN THESE PROGRAMS DURING THE THREE SEMESTERS FALLING WITHIN THE REPORTING PERIOD (FALL 2008, SPRING 2009, AND SUMMER 2009)

Identifier	Return Reference	Explanation
FORM 990 - PART III - LINE 4D	TRAUMA SERVICES (LEVEL 1)	(EXPENSES \$6,486,593 INCLUDING GRANTS OF \$ NONE) (REVENUE \$69,586) TWO OF THE CORPORATION'S SEVEN HOSPITALS HAVE BEEN DESIGNATED AS LEVEL I (HIGHEST LEVEL) TRAUMA CENTERS, AND TWO HAVE BEEN DESIGNATED AS LEVEL II TRAUMA CENTERS LEVEL I TRAUMA CENTERS ARE CONTINUOUSLY STAFFED WITH IN-HOUSE TRAUMA SURGEONS, ANESTHESIA PROVIDERS, AND OTHER SPECIALIZED HEALTH CARE PROFESSIONALS IN ORDER TO PROVIDE IMMEDIATE TRAUMA SURGERY AND OTHER TREATMENT SERVICES TO TRAUMA PATIENTS THE EXPENSES ABOVE REFLECT THESE STAFFING COSTS LEVEL I TRAUMA CENTERS ALSO HAVE SPECIAL RESPONSIBILITIES FOR FORMING AND CARRYING OUT AREA-WIDE DISASTER PREPAREDNESS AND EMERGENCY RESPONSE PLANS AND FOR COORDINATING AREA-WIDE TRAUMA SERVICES IN THE EVENT OF MAJOR DISASTERS

Identifier	Return Reference	Explanation
FORM 990 - PART III - LINE 4D	EMS FLIGHT & GROUND TRANSPORT SERVICES	(EXPENSES \$18,293,461 INCLUDING GRANTS OF \$ NONE) (REVENUE \$12,215,518) THE CORPORATION PROVIDES EMERGENCY HELICOPTER TRANSPORT SERVICES TO PATIENTS IN NORTHERN AND CENTRAL ILLINOIS USING A FLEET OF FOUR EMS CONFIGURED HELICOPTERS 2,268 EMS HELICOPTER PATIENT TRANSPORTS WERE PROVIDED DURING THE REPORTING PERIOD ENDED SEPTEMBER 30, 2009 THE CORPORATION PROVIDES GROUND AMBULANCE PATIENT TRANSPORT SERVICES IN NORTHERN ILLINOIS 8,700 GROUND AMBULANCE PATIENT TRANSPORTS PLUS 5,448 WHEELCHAIR PATIENT TRANSPORTS WERE PROVIDED DURING THE REPORTING PERIOD ENDED SEPTEMBER 30, 2009

Identifier	Return Reference	Explanation
FORM 990 - PART III - LINE 4D	COMMUNITY CLINIC and Outreach PROGRAMS	(EXPENSES \$5,715,969 INCLUDING GRANTS OF \$ NONE) (REVENUE \$2,015,739) OSF COMMUNITY PRENATAL CLINIC - BLOOMINGTON, ILLINOIS THIS CLINIC SERVES UNINSURED AND UNDERINSURED PREGNANT WOMEN IN THE BLOOMINGTON-NORMAL, ILLINOIS COMMUNITIES AND SURROUNDING AREA THE CLINIC PROVIDES SPANISH-SPEAKING STAFF TO ASSIST PATIENTS WHO HAVE LANGUAGE BARRIERS PRENATAL SERVICES AND DELIVERIES WERE PROVIDED TO 64 WOMEN DURING THE REPORTING PERIOD ENDED SEPTEMBER 30, 2009 OSF SISTERS COMMUNITY HEALTHCARE CLINICS - PEORIA, ILLINOIS THIS CLINIC IS A PRIMARY CARE HOSPITAL BASED RESIDENCY CLINIC WHERE UNINSURED AND UNDERINSURED PATIENTS OF ALL AGES ARE SEEN BY RESIDENT PHYSICIANS UNDER THE DIRECTION OF AN ATTENDING PHYSICIAN PROFESSIONAL SERVICES INCLUDE ADULT INTERNAL MEDICINE, PEDIATRIC AMBULATORY CARE, AND OBSTETRICS/GYNECOLOGY OTHER SERVICES INCLUDE X-RAY, LABORATORY, SONOGRAPHY, COUMADIN MANAGEMENT, ADULT AND PEDIATRIC SOCIAL SERVICES, AND FINANCIAL ADVISORY SERVICES 25,351 PATIENT VISITS WERE PROVIDED DURING THE REPORTING PERIOD ENDED SEPTEMBER 30, 2009 PARISH NURSING PROGRAM - PEORIA, ILLINOIS THIS PROGRAM PROVIDES PROFESSIONAL SUPERVISION AND CLINICAL SUPPORT FOR VOLUNTEER NURSES WHO FURNISH MEDICAL SCREENING, EDUCATION AND NURSING SERVICES TO MEMBERS OF CHURCH CONGREGATIONS IN AND AROUND PEORIA, ILLINOIS PERINATAL OUTREACH PROGRAM - PEORIA, ILLINOIS THIS PROGRAM PROVIDES PROFESSIONAL EDUCATION AND TRAINING TO CLINICIANS IN COMMUNITY HOSPITALS THROUGHOUT CENTRAL ILLINOIS REGARDING CLINICALLY APPROPRIATE MANAGEMENT AND REFERRAL OF WOMEN WITH HIGH RISK PREGNANCIES 1,034 HOURS OF EDUCATION AND TRAINING WERE PROVIDED DURING THE REPORTING PERIOD ENDED SEPTEMBER 30, 2009 Other Program Services (EXPENSES \$9,102,709 INCLUDING GRANTS OF \$ NONE) (REVENUE \$4,640,820)

Identifier	Return Reference	Explanation
FORM 990 - Part IV - Line 12 and Part XI Question 2B	Audited Financial Statements	Form 990 Part IV, Line 12 and Part XI, Question 2B OSF Healthcare system's financial statements were audited on a consolidated basis and no separate company audit report is available

Identifier	Return Reference	Explanation
FORM 990 - PART VI - LINE 6 & 7A		OSF HEALTHCARE SYSTEM HAS NO CORPORATE STOCK OR STOCKHOLDERS ITS SOLE MEMBER IS THE SISTERS OF THE THIRD ORDER OF ST FRANCIS, AN ILLINOIS NOT FOR PROFIT CORPORATION, WHICH IS CONTROLLED BY MEMBERS OF A RELIGIOUS CONGREGATION OF THE CATHOLIC CHURCH ALSO KNOWN AS THE SISTERS OF THE THIRD ORDER OF ST FRANCIS THE GOVERNING BOARD OF THE SISTERS OF THE THIRD ORDER OF ST FRANCIS, AN ILLINOIS NOT FOR PROFIT CORPORATION AND THE SOLE MEMBER OF OSF HEALTHCARE SYSTEM, HOLDS RESERVED POWERS TO ELECT AND REMOVE ALL OF THE MEMBERS OF THE BOARD OF DIRECTORS OF OSF HEALTHCARE SYSTEM

Identifier	Return Reference	Explanation
FORM 990 - PART VI - LINE 7B		AS GOVERNED BY CANONICAL AND CIVIL GUIDELINES PERTAINING TO ROMAN CATHOLIC CHURCH PROPERTIES AND AS PROVIDED IN THE BYLAWS, CERTAIN TRANSACTIONS OF OSF HEALTHCARE SYSTEM MAY BE AUTHORIZED ONLY BY VOTE OF THE GOVERNING BOARD OF THE SISTERS OF THE THIRD ORDER OF ST FRANCIS, WHICH VOTE IS TO BE TAKEN ONLY AFTER CONSIDERING THE ADVICE OF THE BOARD OF DIRECTORS OF OSF HEALTHCARE SYSTEM THESE TRANSACTIONS ARE AS FOLLOWS - TO ESTABLISH THE PHILOSOPHY AND MISSION ACCORDING TO WHICH THE CORPORATION OPERATES - TO AMEND THE CORPORATION'S ARTICLES OF INCORPORATION AND BYLAWS - TO ELECT AND REMOVE WITH OR WITHOUT CAUSE THE DIRECTORS OF THE CORPORATION - TO MERGE OR DISSOLVE THE CORPORATION - TO LEASE, SELL, ENCUMBER OR OTHERWISE ALIENATE REAL PROPERTY OF THE CORPORATION - TO APPROVE ANY TRANSFER, LEASE, SALE OR ENCUMBRANCE OF PERSONAL PROPERTY OF THE CORPORATION EXCEPT IN THE ORDINARY COURSE OF BUSINESS - TO APPROVE ANY BORROWING OR DEBT FINANCING IN EXCESS OF A SPECIFIED LIMIT (CURRENTLY \$1,000,000) ESTABLISHED BY RESOLUTION OF THE MEMBER - TO APPOINT (OR APPROVE THE APPOINTMENT OF) OR REMOVE THE CORPORATION'S CHAIRPERSON, CHIEF EXECUTIVE OFFICER, PRESIDENT, REGIONAL PRESIDENT/CHIEF EXECUTIVE OFFICERS, AND THE LOCAL PRESIDENT/CHIEF EXECUTIVE OFFICER OF EACH HEALTH CARE FACILITY AND OPERATING DIVISION OWNED, OPERATED OR CONTROLLED BY THE CORPORATION - TO APPROVE STRATEGIC PLANS, MANAGEMENT OBJECTIVES AND CAPITAL AND OPERATING BUDGETS OF THE CORPORATION - TO APPROVE ANY PURCHASE OR OTHER ACQUISITION IN EXCESS OF A SPECIFIED LIMIT (CURRENTLY \$1,000,000) ESTABLISHED BY RESOLUTION OF THE MEMBER - TO REQUIRE A CERTIFIED AUDIT OF THE CORPORATION'S FINANCES AND TO APPOINT THE CERTIFIED PUBLIC ACCOUNTANT TO PERFORM THE AUDIT - TO APPROVE THE ENGAGEMENT OF ANY OUTSIDE LEGAL COUNSEL TO REPRESENT THE CORPORATION ON A REGULAR BASIS AND THE DISMISSAL OF ANY CURRENT LEGAL COUNSEL REPRESENTING THE CORPORATION ON A REGULAR BASIS - TO GIVE PRELIMINARY APPROVAL PRIOR TO THE DEVELOPMENT OF, AND TO GIVE FINAL APPROVAL PRIOR TO THE EXECUTION OF, ALL DOCUMENTS TO WHICH THE CORPORATION IS OR WILL BE A PARTY AND WHICH RELATE TO THE CREATION,FORMATION, ORGANIZATION, OR TERMINATION OF ANY OTHER LEGAL ENTITY (WHETHER A CORPORATION, LIMITED LIABILITY COMPANY, PARTNERSHIP, OR ANY OTHER ENTITY) IN WHICH THE CORPORATION WILL HAVE ANY OWNERSHIP INTEREST, MEMBERSHIP INTEREST, POWER TO ELECT OR APPOINT BOARD MEMBERS OR OFFICERS, OR ANY OTHER FORMAL PARTICIPATION ARRANGEMENT, WHETHER ACTING ALONE OR IN CONJUNCTION WITH ANY OTHER PERSON OR ENTITY

Identifier	Return Reference	Explanation
FORM 990 - PART VI - LINE 10		THE INITIAL DRAFT FORM 990 AND ALL REQUIRED SCHEDULES ARE PREPARED USING A MULTI-DISCIPLINARY PROCESS WHICH INCLUDES CORPORATE FINANCE AND ACCOUNTING, CORPORATE LEGAL, CORPORATE COMPLIANCE, AND CORPORATE MARKETING AND COMMUNICATIONS PERSONNEL WHO FOCUS INITIALLY ON SPECIFIC PORTIONS OF THE RETURN THE COMPLETED DRAFT FORM 990 AND ALL SCHEDULES ARE THEN REVIEWED BY THIS SAME MULTI-DISCIPLINARY TEAM TO ENSURE ACCURACY AND INTEGRATION OF THE INDIVIDUAL PARTS AND SCHEDULES In addition, the information and schedules of the return are sent to the corporation's outside auditors, KPMG LLP for review and comment KPMG reviews the information and schedules and prepares and signs the final return COMMENTS FROM THE MULTI-DISCIPLINARY TEAM AND FROM THE AUDITORS ARE INCORPORATED INTO A PROPOSED FINAL VERSION OF FORM 990 AND ALL SCHEDULES THIS PROPOSED FINAL VERSION IS THEN SENT VIA E-MAIL TO ALL OFFICERS AND MEMBERS OF THE BOARD OF DIRECTORS FOR THEIR REVIEW PRIOR TO FILING ANY APPROPRIATE CHANGES REQUESTED BY THE OFFICERS AND DIRECTORS ARE THEN INCORPORATED INTO THE FINAL FORM 990 AND ALL SCHEDULES FOR FILING

Identifier	Return Reference	Explanation
FORM 990 - PART VI - LINE 11		LEONARD E NEVITT 12441 N COVE CT DUNLAP, IL 61525 JAMES W GIRARDY, M D C/O ROCKFORD SURGICAL SERVICE 5688 E STATE STREET ROCKFORD, IL 61108 KEITH E STEFFEN 530 N E GLEN OAK AVENUE PEORIA, IL 61637 BRIAN D SIPE, M D 2500 W REYNOLDS STREET PONTIAC, IL 61764 TRAVIS D RICHARDSON, M D 2500 W REYNOLDS STREET PONTIAC, IL 61764 JONATHAN L FERGUSON, M D 5666 EAST STATE STREET ROCKFORD, IL 61108 JAMES L MCGEE, M D 530 N E GLEN OAK AVENUE PEORIA, IL 61637 METE KORKMAZ, M D 5666 EAST STATE STREET ROCKFORD, IL 61108

Identifier	Return Reference	Explanation
FORM 990 - PART VI - LINE 12C		HISTORICALLY, THE DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST WAS DONE ANNUALLY ON PAPER THE ORGANIZATION IS IN THE PROCESS OF IMPLEMENTING AN ONLINE CONFLICT OF INTEREST DISCLOSURE SYSTEM, AS WELL AS NEW CONFLICT OF INTEREST POLICIES, WHICH PROVIDE DETAILED INFORMATION (AND EXAMPLES) WITH RESPECT TO WHAT CONSTITUTES A CONFLICT OF INTEREST AND HOW POSSIBLE CONFLICTS OF INTEREST ARE DISCLOSED AND MANAGED THE CORPORATE COMPLIANCE DIVISION HANDLES PERIODIC QUESTIONS FROM EMPLOYEES ABOUT POSSIBLE CONFLICTS OF INTEREST THE NEW POLICIES REQUIRE THAT DESIGNATED EMPLOYEES AND OTHER INDIVIDUALS DISCLOSE POTENTIAL CONFLICTS OF INTEREST-ON THEIR PART OR ON THE PART OF THEIR FAMILY MEMBERS-AT LEAST ANNUALLY AND AS OFTEN AS CHANGES IN FINANCIAL INTERESTS WARRANT DESIGNATED INDIVIDUALS INCLUDE - MEMBERS OF THE BOARD OF DIRECTORS - OFFICERS AND EXECUTIVES - KEY EMPLOYEES, AS DEFINED IN THE IRS FORM 990 - INDIVIDUALS CHARGED WITH PURCHASING, PROCUREMENT AND CONTRACTING DECISION-MAKING (OR WHOSE DECISIONS INFLUENCE PURCHASING AND CONTRACTING OR THE "CHANNELING" OF PATIENTS) AT ANY LEVEL - PRINCIPAL INVESTIGATORS AND OTHER KEY PERSONNEL IN RESEARCH - OSF-EMPLOYED PHYSICIANS - ANY OTHER DESIGNATED INDIVIDUALS OR GROUPS AS DEEMED APPROPRIATE BY THEIR JOB RESPONSIBILITIES OR AS REQUIRED BY LAW UNDER THE NEW POLICY, CONFLICT OF INTEREST DISCLOSURES ARE REVIEWED AND EVALUATED BY THE CORPORATE COMPLIANCE DIVISION, AND IF A POTENTIAL CONFLICT OF INTEREST IS IDENTIFIED, THE DISCLOSING INDIVIDUAL IS NOTIFIED OF THE POSSIBLE CONFLICT OF INTEREST AND IS INFORMED OF THE STATUS OF THE REVIEW PROCESS, INCLUDING THE NEED FOR ADDITIONAL INFORMATION, THE NEED FOR A PLAN TO MANAGE THE CONFLICT OF INTEREST OR THE NEED FOR FURTHER REVIEW BY THE CONFLICT OF INTEREST COMMITTEE THE CONFLICT OF INTEREST COMMITTEES WAS APPROVED BY THE BOARD OF DIRECTORS AND IS CHAIRED BY THE CHIEF COMPLIANCE OFFICER MANAGEMENT PLANS ARE CATALOGUED, TRACKED, MONITORED AND AUDITED THROUGH THE ONLINE CONFLICT OF INTEREST DISCLOSURE SYSTEM EXAMPLES OF STEPS THAT MAY BE INCLUDED IN A MANAGEMENT PLAN ARE DISALLOWING AN INDIVIDUAL FROM PARTICIPATING IN A PARTICULAR ACTIVITY, INCLUDING DECISION-MAKING, AND REQUIRING THE INDIVIDUAL TO DIVEST HIS OR HER FINANCIAL INTEREST THE BOARD OF DIRECTORS HAS A DUAL ROLE WITH RESPECT TO POTENTIAL CONFLICTS OF INTEREST IT DETERMINES WHETHER A CONFLICT OF INTEREST EXISTS ON THE PART OF ONE OF ITS MEMBERS (BY A MAJORITY VOTE OF DISINTERESTED MEMBERS), AND IT RESPONDS TO REQUESTS FROM THE CHIEF COMPLIANCE OFFICER OR THE CONFLICT OF INTEREST COMMITTEE TO PROVIDE GUIDANCE IN SPECIFIC SITUATIONS

Identifier	Return Reference	Explanation
FORM 990 - PART VI - LINE 15A		THE BOARD OF DIRECTORS HAS ESTABLISHED A BOARD COMMITTEE KNOWN AS THE HUMAN RESOURCES COMMITTEE WHOSE MEMBERS ARE ALL PROFESSED MEMBERS OF THE RELIGIOUS CONGREGATION KNOWN AS THE SISTERS OF THE THIRD ORDER OF ST FRANCIS WHO HAVE TAKEN A VOW OF POVERTY HENCE, THEY DO NOT PERSONALLY BENEFIT FROM DECISIONS OF THE COMMITTEE THE CHIEF EXECUTIVE OFFICER ("CEO") IS NOT A MEMBER OF THE COMMITTEE THE PERFORMANCE OF THE CEO AND HIS ACHIEVEMENT OF ANNUAL GOALS IS EVALUATED EACH YEAR BY THE FULL BOARD OF DIRECTORS, AND THIS PERFORMANCE REVIEW IS PROVIDED TO THE COMMITTEE THE COMMITTEE ALSO OBTAINS COMPENSATION SURVEY DATA AND RECOMMENDATIONS FROM A NATIONALLY RECOGNIZED INDEPENDENT COMPENSATION CONSULTANT BASED ON ALL OF THESE FACTORS, THE COMMITTEE SETS THE BASE SALARY AND BENEFITS OF THE CEO AND APPROVES THE EXECUTIVE COMPENSATION PLAN APPLICABLE TO THE CEO PRIOR TO PAYMENT OF ANY BONUS OR INCENTIVE COMPENSATION, THE TOTAL COMPENSATION FOR THE CEO, INCLUDING BASE SALARY, BENEFITS, AND PROPOSED BONUS OR INCENTIVE COMPENSATION, IS AGAIN REVIEWED BY A NATIONALLY RECOGNIZED COMPENSATION CONSULTANT TO ENSURE THAT NO "EXCESS BENEFIT" AMOUNT IS PAID OR FURNISHED

Identifier	Return Reference	Explanation
FORM 990 - PART VI - LINE 15B		THE BOARD OF DIRECTORS HAS ESTABLISHED A BOARD COMMITTEE KNOWN AS THE HUMAN RESOURCES COMMITTEE WHOSE MEMBERS ARE ALL PROFESSED MEMBERS OF THE RELIGIOUS CONGREGATION KNOWN AS THE SISTERS OF THE THIRD ORDER OF ST FRANCIS WHO HAVE TAKEN A VOW OF POVERTY HENCE, THEY DO NOT PERSONALLY BENEFIT FROM DECISIONS OF THE COMMITTEE THE COMMITTEE DETERMINES WHICH OFFICERS, KEY EMPLOYEES AND OTHER EMPLOYEES ARE ELIGIBLE TO PARTICIPATE IN THE EXECUTIVE COMPENSATION PLAN BASED ON PERFORMANCE REVIEWS BY THE SUPERVISORS OF SUCH PERSONS AND COMPENSATION SURVEY DATA AND RECOMMENDATIONS FROM A NATIONALLY KNOWN INDEPENDENT COMPENSATION CONSULTANT, THE COMMITTEE APPROVES ANY EXECUTIVE COMPENSATION PLAN APPLICABLE TO KEY EMPLOYEES AND ESTABLISHES THE BASE SALARY AND BENEFITS FOR PLAN PARTICIPANTS PRIOR TO PAYMENT OF ANY BONUS OR INCENTIVE COMPENSATION, THE TOTAL COMPENSATION FOR EACH KEY EMPLOYEE, INCLUDING BASE SALARY, BENEFITS, AND PROPOSED BONUS OR INCENTIVE COMPENSATION, IS AGAIN REVIEWED BY A NATIONALLY RECOGNIZED COMPENSATION CONSULTANT TO ENSURE THAT NO "EXCESS BENEFIT" AMOUNT IS PAID OR FURNISHED SOME KEY EMPLOYEES LISTED IN PART VII ARE PRACTICING PHYSICIANS WHO ARE LISTED AS KEY EMPLOYEES AS A RESULT OF THE COMPENSATION THEY RECEIVE AND NOT DUE TO ANY EXECUTIVE OR MANAGEMENT POSITION WHICH THEY HOLD SUCH PHYSICIANS GENERALLY ARE NOT PARTICIPANTS IN THE EXECUTIVE COMPENSATION PLAN, AND THEIR COMPENSATION, INCLUDING BASE SALARY, BENEFITS, AND ANY APPLICABLE BONUS OR INCENTIVE COMPENSATION, IS ESTABLISHED IN ACCORDANCE WITH NATIONALLY RECOGNIZED PHYSICIAN COMPENSATION SURVEYS AND IS SET FORTH IN WRITTEN EMPLOYMENT AGREEMENTS WHICH ARE APPROVED BY THE BOARD OF DIRECTORS OR ITS EXECUTIVE COMMITTEE

Identifier	Return Reference	Explanation
FORM 990 - PART VI - LINE 18		OSF HEALTHCARE SYSTEM MAKES ITS FORM 990, ITS FORM 990-T, AND DOCUMENTATION OF ITS EXEMPT STATUS UNDER SECTION 501(C)(3) OF THE CODE AVAILABLE FOR PUBLIC INSPECTION AND COPYING UPON REQUEST IN ACCORDANCE WITH SECTION 6104 OF THE CODE NAMES AND ADDRESSES OF CONTRIBUTORS ARE NOT DISCLOSED REQUESTS MAY BE MADE IN PERSON, IN WRITING, OR BY TELEPHONE REQUESTS MADE IN PERSON ARE ACCEPTED AT THE CORPORATE OFFICE AND AT EACH HOSPITAL FACILITY OF THE CORPORATION REQUESTS MADE IN WRITING OR BY TELEPHONE TO ANY FACILITY OR LOCATION OF THE CORPORATION ARE FORWARDED TO THE CORPORATE FINANCE AND ACCOUNTING DIVISION, WHICH THEN PROVIDES COPIES OF THE REQUESTED DOCUMENTS IN THE MANNER REQUESTED (IF SUCH DELIVERY METHOD IS AVAILABLE TO THE CORPORATION)

Identifier	Return Reference	Explanation
FORM 990 - PART VI - LINE 19		THE CORPORATION MAKES ITS ARTICLES OF INCORPORATION, CORPORATE BYLAWS, AND CONFLICT OF INTEREST POLICY AVAILABLE TO THE PUBLIC UPON REQUEST ALL REQUESTS ARE FORWARDED TO THE CORPORATE LEGAL DIVISION, WHICH THEN PROVIDES COPIES OF THE REQUESTED DOCUMENTS IN THE MANNER REQUESTED (IF SUCH DELIVERY METHOD IS AVAILABLE TO THE CORPORATION) IN ADDITION, THE CORPORATION'S ARTICLES OF INCORPORATION ARE PUBLICLY AVAILABLE FROM THE OFFICE OF THE ILLINOIS SECRETARY OF STATE OR FROM THE RECORDER OF DEEDS IN WOODFORD COUNTY, ILLINOIS, SITE OF THE CORPORATION'S REGISTERED OFFICE FINANCIAL STATEMENTS OF THE CORPORATION ARE PUBLICLY AVAILABLE ON THE ELECTRONIC MUNICIPAL MARKET ACCESS (EMMA) WEBSITE OF THE MUNICIPAL SECURITIES RULEMAKING BOARD (MSRB)and from the illinois attorney general as part of the corporations community benefit report

Identifier	Return Reference	Explanation
SCHEDULE R - PART I - (B) PRIMARY ACTIVITY		OSF MULTISPECIALTY GROUP - PEORIA, LLC PROVIDES PEDIATRIC CARE FOR CARDIOVASCULAR ILLNESSES ILLINOIS NEUROLOGICAL INSTITUTE - PHYSICIANS, LLC PROVIDES A FULL SPECTRUM OF ADULT AND PEDIATRIC CARE FOR ILLNESSES AFFECTING THE BRAIN, SPINAL CORD, AND PERIPHERAL NERVES OSF LIFELINE AMBULANCE, LLC OWNS 11 AMBULANCES AND SIX WHEEL CHAIR VANS CONFIGURED AND EQUIPPED FOR PATIENT TRANSPORT AND PROVIDES GROUND AMBULANCE SERVICES IN NORTHERN ILLINOIS

Identifier	Return Reference	Explanation
SCHEDULE R - PART II - (B) PRIMARY ACTIVITY		THE SISTERS OF THE THIRD ORDER OF ST FRANCIS IS THE SOLE MEMBER OF THE CORPORATION AND IS ENGAGED IN ACTIVITIES RELATED TO GOVERNANCE OF THE CORPORATION OSF HEALTHCARE FOUNDATION RAISES FUNDS TO SUPPORT THE ACTIVITIES OF THE CORPORATION

Identifier	Return Reference	Explanation
SCHEDULE R - PART III - (B) PRIMARY ACTIVITY		CENTER FOR HEALTH AMBULATORY SURGERY CENTER, LLC OPERATES A MULTISPECIALTY AMBULATORY SURGICAL CENTER IN PEORIA, ILLINOIS STATE AND ROXBURY, LLC OPERATES A REAL ESTATE MANAGEMENT ORGANIZATION IN ROCKFORD, ILLINOIS EASTLAND MEDICAL PLAZA SURGICENTER, LLC OPERATES A MULTISPECIALTY AMBULATORY SURGERY TREATMENT CENTER IN BLOOMINGTON, ILLINOIS FORT JESSE IMAGING CENTER, LLC OPERATES A STAND-ALONE MEDICAL IMAGING CENTER IN BLOOMINGTON, ILLINOIS SLEEP CENTER OF CENTRAL ILLINOIS, LLC OPERATES A STAND-ALONE SLEEP DISORDER DIAGNOSTIC CENTER IN BLOOMINGTON, ILLINOIS

Identifier	Return Reference	Explanation
SCHEDULE R - PART IV - (B) PRIMARY ACTIVITY		OSF SAINT FRANCIS, INC PROVIDES HEALTHCARE RELATED SERVICES SUCH AS MEDICAL PRACTICE MANAGEMENT, RETAIL PHARMACIES, MOBILE MEDICAL SYSTEMS, DURABLE MEDICAL EQUIPMENT, HOME THERAPEUTICS, REAL ESTATE RENTAL AND EQUIPMENT TECHNOLOGY SERVICES HEARTCARE MIDWEST, LTD IS A PHYSICIAN GROUP OF CARDIOVASCULAR SPECIALISTS SERVING CENTRAL ILLINOIS CARDIOVASCULAR INSTITUTE AT OSF, LLC IS A PHYSICIAN GROUP OF CARDIOVASCULAR SPECIALISTS SERVING NORTHERN ILLINOIS ILLINOIS PATHOLOGIST SERVICES, LLC PROVIDES PATHOLOGY SERVICES IN NORTHERN ILLINOIS OSF MULTISPECIALTY GROUP - EASTERN REGION, LLC IS A MULTISPECIALTY CLINIC SERVING EASTERN ILLINOIS, OFFERING SERVICES IN ADULT MEDICINE, BEHAVIORAL FAMILY MEDICINE, GENERAL SURGERY, NEUROLOGY, OBSTETRICS, GYNECOLOGY, PEDIATRICS, PHYSIATRY, PULMONOLOGY, RADIOLOGY AND UROLOGY

Identifier	Return Reference	Explanation
form 990 - part vi - line 1b	independent board members	IN ADDITION TO THE 2 INDEPENDENT BOARD MEMBERS REPORTED ON PART VI LINE 1B, 6 OF THE 11 BOARD MEMBERS ARE UNDER A VOW OF POVERTY AS MEMBERS OF THE SISTERS OF THE THIRD ORDER OF ST FRANCIS, A RELIGIOUS ORDER, AND ALL COMPENSATION PAID FOR THEIR SERVICES WAS PAID TO THE RELIGIOUS ORDER AND NOT TO SUCH PERSONS INDIVIDUALLY

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
OSF Healthcare System

Employer identification number
37-0813229

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
OSF Multispecialty Group-Peoria LLC 530 NE Glen Oak Avenue Peoria, IL 61637 26-2800379	Schedule O	IL	-1,088,040	1,014,904	OSF
Illinois Neurological Institute - Physic 719 N William Kumpf Blvd Peoria, IL 61605 26-3109118	Schedule O	IL	-1,490,473	1,514,970	OSF
OSF Lifeline Ambulance LLC 318 Roxbury Road Rockford, IL 61108 20-0080542	Schedule O	IL	-831,370	674,061	OSF

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
Sister of the Third Order of St Francis 800 NE Glen Oak Peoria, IL61603 37-1259286	Schedule O	IL	501(c)(3)	509(a)(3)II	NA
OSF Healthcare Foundation 800 NE Glen Oak Avenue Peoria, IL61603 37-1259284	Schedule O	IL	509(a)(3)	509(a)(3)II	NA

Part III

Identification of Related Organizations Taxable as a Partnership

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Predominant income(related, investment, unrelated)	(F) Share of total income	(G) Share of end-of-year assets	(H) Disproportionate allocations?		(I) Code V—UBI amount on Box 20 of K-1	(J) General or managing partner?	
							Yes	No		Yes	No
Center for Health Ambulatory Surgery Cen 8800 Route 91 North Peoria, IL61615 20-5557171	Schedule O	IL	OSF	Related	2,951,441	2,285,627		No			No
State and Roxbury LLC 5668 E State Street Rockford, IL61108 26-1728983	Schedule O	IL	OSF	RELATED	-151,130	2,271,397		No			No
Eastland Medical Plaza Surgicenter LLC 1505 Eastland Drive Bloomington, IL61701 37-1400643	Schedule O	IL	OSF	related	3,754,949	1,861,173		No			No
Fort Jesse Imaging Center LLC 220 Ft Jesse Road Suite B Normal, IL61761 46-0515604	Schedule O	IL	OSF	related	13,712	131,967		No			No
Sleep Center of Central Illinois LLC 2204 Eastland Drive Suite 100 Bloomington, IL61704 81-0581886	Schedule O	IL	OSF	related	136,888	56,195		No			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
OSF Saint Francis Inc 800 NE Glen Oak Ave Peoria, IL61603 36-3484677	Schedule O	IL	OSF	C	2,183,941	133,438,215	100 %
Heartcare Midwest LTD 5404 N Knoxville Avenue Peoria, IL61614 37-0996868	Schedule O	IL	OSF	c	-10,374,980	8,210,510	100 %
Cardiovascular Institute at OSF LLC 444 Roxbury Road Rockford, IL61107 26-4225726	Schedule O	IL	OSF	C	-3,509,195	2,543,156	100 %
Illinois Pathologist Services LLC 5666 East State Street Rockford, IL61108 80-0439081	Schedule O	IL	OSF	C	113,199	660,199	100 %
OSF Multispecialty Group-Eastern Region 1701 E College Avenue Bloomington, IL61704 30-0561892	Schedule O	IL	OSF	C	-1,225,373	5,646,152	100 %

Part V

Transactions with Related Organizations

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

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity

b Gift, grant, or capital contribution to other organization(s)

c Gift, grant, or capital contribution from other organization(s)

d Loans or loan guarantees to or for other organization(s)

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

i Lease of facilities, equipment, or other assets to other organization(s)

j Lease of facilities, equipment, or other assets from other organization(s)

k Performance of services or membership or fundraising solicitations for other organization(s)

l Performance of services or membership or fundraising solicitations by other organization(s)

m Sharing of facilities, equipment, mailing lists, or other assets

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

q Other transfer of cash or property to other organization(s)

r Other transfer of cash or property from other organization(s)

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

No

No

No

Yes

Yes

Yes

Yes

Yes

No

Yes

No

Yes

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) See Additional Data Table		
(2)		
(3)		
(4)		
(5)		
(6)		

Schedule R (Form 990) 2008

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.

[illegible]

Form 990, Schedule R, Part V - Transactions with Related Organizations

(A) Name of other organization		(B) Transaction type(a-r)	(C) Amount Involved (\$)
(1)	Center for Health Ambulatory Surgery Center	a(iv)	903,621
(2)	Eastland Medical Plaza Surgicenter LLC	a(iv)	577,384
(3)	Heartcare Midwest Ltd	a(iv)	79,706
(4)	OSF Saint Francis Inc	a(iv)	288,662
(5)	Cardiovascular Institute at OSF LLC	b	3,500,000
(6)	OSF Multispecialty Group-Eastern Region LLC	b	2,300,000
(7)	Illinois Pathologist Services LLC	b	500,000
(8)	HeartCare Midwest Ltd	b	4,135,600
(9)	Sleep Center of Central Illinois LLC	d	74,486
(10)	State and Roxbury LLC	d	642,000
(11)	Cardiovascular Institute at OSF LLC	j	240,066
(12)	Heartcare Midwest Ltd	j	557,693
(13)	State and Roxbury LLC	j	202,715
(14)	OSF Saint Francis Inc	j	4,477,038
(15)	OSF Saint Francis Inc	k	8,839,282
(16)	Heartcare Midwest Ltd	k	332,313
(17)	OSF Multispecialty Group-Eastern Region LLC	k	298,376
(18)	Cardiovascular Institute at OSF LLC	k	3,057,487
(19)	Illinois Pathologist Services LLC	k	382,277
(20)	OSF Saint Francis Inc	L	76,451,973
(21)	Heartcare Midwest Ltd	p	878,853
(22)	OSF Saint Francis Inc	P	295,581
(23)	OSF Multispecialty Group-Eastern Region LLC	P	2,000,120
(24)	Cardiovascular Institute at OSF LLC	P	3,400,865
(25)	Eastland Medical Plaza Surgicenter LLC	r	2,798,866
(26)	Sleep Center of Central Illinois LLC	r	72,144
(27)	Center for Health Ambulatory Surgery Center	r	3,133,000

Additional Data

Software ID:

Software Version:

EIN: 37-0813229

Name: OSF Healthcare System

Form 990, Part VIII - Statement of Revenue - 2a - 2g Program Service Revenue -

	Business Code	(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
NET PATIENT	900,099	1,510,676,293	1,510,676,293		
SERVICE REVENUE					
LAB	621,500	652,919		652,919	
AFFILIATED PURCHASING PROGRAM	561,499	1,490,894		1,490,894	
FARM INCOME	110,000	43,299		43,299	

Form 990, Part IX - Statement of Functional Expenses - 24a - 24e Other Expenses

<i>Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
BAD DEBT	78,224,045	78,224,045	0	0
SUPPLIES	244,442,134	243,139,100	661,558	641,476
EUIP RENTAL & MAINT	132,195,974	124,378,847	7,521,516	295,611
MEDICAID TAX ASSESSMENT	42,601,377	42,601,377	0	0
DATA PROCESSING	24,535,253	22,311,207	2,186,823	37,223