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Part III Statement of Program Service Accomplishments

1

Briefly describe the organization's mission

SINCE 1973, THE MISSION HAS BEEN TO MAKE LIFE BETTER FOR THOSE LIVING WITH KIDNEY DISEASE BY SUPPORTING RESEARCH, PROVIDING EDUCATION, AND ENSURING ACCESS TO CARE FOR ALL PATIENTS WITH KIDNEY DISEASE

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 \$ 80,862,687 including grants of \$ ) (Revenue \$ 126,694,790 )

Kidney Dialysis In-Center Chronic Kidney Disease ("CKD") is a public health problem in the United States that impacts approximately 26 million Americans. It is well known that hypertension and diabetes are two leading causes of kidney failure. The 2009 United States Renal Data System Report shows that of the 520,000 Americans who live with End Stage Renal Disease ("ESRD"), over 368,000 are treated by dialysis and over 158,000 have received a kidney transplant. Satellite Healthcare owns and operates over 44 in-center hemodialysis facilities (Satellite Dialysis) and home dialysis training centers (WellBound) providing a variety of treatment options to our patients. In 2009, Satellite Healthcare provided over 746,000 dialysis treatments and services to over 4,240 patients in California, Texas, Indiana, New Jersey, Maryland and Illinois.

4b

(Code ) (Expenses \$ 21,146,514 including grants of \$ ) (Revenue \$ 23,833,403 )

Peritoneal Dialysis and Home Hemo Center WellBound, a Satellite Healthcare company, is the first healthcare services company to specialize in the delivery and support of daily home dialysis therapies through free-standing, patient-friendly Centers of Excellence. Our unique care model is built on the premise that early-stage patient education is the first step in an effective treatment program. As such, we dedicate significant resources to reaching patients before they require dialysis. Once dialysis is required, WellBound's goal is to enable nephrologists to easily offer self-care (home) dialysis therapies to their patients. We strive to empower patients to take charge of their health and experience the clinical and quality of life benefits associated with self-care dialysis.

4c

(Code ) (Expenses \$ 3,275,955 including grants of \$ 1,197,593 ) (Revenue \$ 1,052,746 )

Research Satellite Research is conducting research in various areas directly applicable to the care of patients with ESRD. Three major areas have been chosen: 1 Cardio Vascular Disease (CVD) is the major cause of death in patients with CKD. Therefore much emphasis is focused on improving cardiovascular mortality in this patient population. Satellite Research is conducting a longitudinal study of cardiovascular biomarkers in patients undergoing hemodialysis (HD) and peritoneal dialysis (PD) to evaluate their potential in managing the risk factors in this high-risk population. 2 Home hemodialysis (HHD) is emerging as a new alternative to providing renal replacement therapy in this growing patient population. Satellite is conducting studies with newly available home hemodialysis therapies and technologies, which allow patients to be independently treated at home. 3 CKD is addressed through our WellBound centers, targeting early stage IV - CKD education in an effort to delay the onset of ESRD and improve the health literacy related to treatment modality selection.

4d

Other program services (Describe in Schedule O ) See also Additional Data for Description

(Expenses \$ 617,304 including grants of \$ 617,304 ) (Revenue \$ )















4e

Total program service expenses \$ 105,902,460

Form 990 (2009)

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	No
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	<b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II 	4	Yes
5	<b>Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.</b> Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5	
6	Did the organization maintain any donor advised funds or any similar funds or 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, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10	No
11	Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable. 	11	Yes
	◆ Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.		
	◆ Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.		
	◆ Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.		
	◆ Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.		
	◆ Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.		
	◆ Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X.		
12	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII 	12	No
12A	Was the organization included in consolidated, independent audited financial statements for the tax year?	Yes	No
	If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional 	12A	Yes
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 United States?	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 United States? If "Yes," complete Schedule F, Part I 	14b	Yes
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 U S? If "Yes," complete Schedule F, Part II 	15	Yes
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 U S? If "Yes," complete Schedule F, Part III 	16	No
17	Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I	17	No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions 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 of gross income from gaming activities 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	No

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> . . . . .	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> . . . . .	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> . . . . .	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? <i>If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25</i> . . . . .	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . .	24b		
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		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . .	24d		
25a	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</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? <i>If "Yes," complete Schedule L, Part II</i> . . . . .	26	Yes	
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i> . . . . .	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . . .	29		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> . . . . .	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .	31		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> . . . . .	32		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> . . . . .	33	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> . . . . .	34	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> . . . . .	35	Yes	
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	36		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> . . . . .	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	38	Yes	

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 . . . . .	1a	171	
	b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	
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 . . . . .	2a	1,108	
	b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note:</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? . . . . .	3a	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 line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction? . . . . .			5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and 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 receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? . . . . .			7a	No
b If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .			7b	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .			7c	No
d If "Yes," indicate the number of Forms 8282 filed during the year . . . . .			7d	
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .			7e	No
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .			7f	No
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . . . .			7g	
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? . . . . .			7h	
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? . . . . .			8	
9 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

For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body . . . . .	1a	9	
b	Enter the number of voting members that are independent . . . . .	1b	6	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .	2	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . . . .	3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets? . . . . .	5		No
6	Does the organization have members or stockholders? . . . . .	6		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . .	7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . . . .	7b		No
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	
9	Is there any officer, director, 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 . . . . .	9		No

Section B. Policies

(This Section B requests information about policies not required by the Internal Revenue Code.)

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates? . . . . .	10a		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? . . . . .	10b		
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11	Yes	
11A	Describe in Schedule O the process, if any, used by the organization to review the Form 990 . . . . .			
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		No
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	
	If "Yes" to line a or b, 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		No

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed CA
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. HARITA BAJAJ 300 SANTANA ROW SUITE 300 san jose, CA 95128 (650) 404-3600

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

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

Form 990 (2009)



<b>1b</b>	<b>Total</b> . . . . .	4,062,983	0	267,966
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**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **99**

		<b>Yes</b>	<b>No</b>
<b>3</b>	Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> . . . . .	<b>3</b>	No
<b>4</b>	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? <i>If "Yes," complete Schedule J for such individual</i> . . . . .	<b>4</b>	Yes
<b>5</b>	Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> . . . . .	<b>5</b>	No

**Section B. Independent Contractors**

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

(A) Name and business address	(B) Description of services	(C) Compensation
PAUL HASTINGS JANOFSKY WALKER L 515 SOUTH FLOWER STREET LOS ANGELES, CA 90071	legal	297,633
PALO ALTO FOUNDATION MEDICAL 2751 RESEARCH PARK DRIVE SOQUEL, CA 95073	MEDICAL	259,961
KPMG LLP DEPT 0654 PO BOX 120001 DALLAS, CA 753120922	TAX SERVICES	211,490
WEN-TSANG KU MD 2360 MCKEE ROAD SUITE 103 SAN JOSE, CA 95116	MEDICAL	181,183
Capital Nephrology Associates PO Box 81605 AUSTIN, TX 78708	medical directors	649,301

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **5**

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues . . . . .	1b					
	c	Fundraising events . . . . .	1c					
	d	Related organizations . . . .	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	4,489				
	g	Noncash contributions included in lines 1a-1f \$						
	h	Total. Add lines 1a-1f . . . . .			4,489			
Program Service Revenue	2a	DIALYSIS/ANCILLARY	Business Code	621,400	139,803,789	139,803,789		
	b	JOINT VENTURE DIALYSIS CLINICS		621,500	4,179,842	4,179,842		
	c	LABORATORY SERVICES		621,500	10,309,978	3,278,310	7,031,668	
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f . . . . .			154,293,609			
	Other Revenue	3	Investment income (including dividends, interest and other similar amounts) . . . . .			1,000,262		-129,219
4		Income from investment of tax-exempt bond proceeds . .			0			
5		Royalties . . . . .			72,442			72,442
6a		Gross Rents	(i) Real	(ii) Personal				
			0					
		b	Less rental expenses					
		c	Rental income or (loss)	0				
d		Net rental income or (loss) . . . . .			0			0
7a		Gross amount from sales of assets other than inventory	(i) Securities	(ii) O ther				
			23,768,413	79,219				
		b	Less cost or other basis and sales expenses		46,876,896	63,569		
		c	Gain or (loss)		-23,108,483	15,650		
d		Net gain or (loss) . . . . .			-23,092,833			-23,092,833
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	MANAGEMENT FEES FROM RELATED ENTITIES		900,099	4,318,998	4,318,998			
	b	TAX REFUND		900,099	134,072		134,072	
	c	INCOME (LOSS) FROM INVESTMENT K1S		900,099	-110,878		-110,878	
	d	All other revenue . . . . .						
	e	Total. Add lines 11a-11d . . . . .			4,342,192			
12	Total revenue. See Instructions . . . .			136,620,161	151,580,939	6,902,449	-21,867,716	

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	1,764,897	1,764,897		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	50,000	50,000		
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees . . . . .	2,790,068	1,791,447	998,621	0
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	41,135,335	32,953,321	8,182,014	0
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	1,403,330	948,336	454,994	0
9	Other employee benefits . . . . .	13,692,070	8,937,079	4,754,991	0
10	Payroll taxes . . . . .	3,443,680	2,800,356	643,324	0
11	Fees for services (non-employees)				
a	Management . . . . .	0			
b	Legal . . . . .	522,277		522,277	0
c	Accounting . . . . .	357,400	59,300	298,100	0
d	Lobbying . . . . .	63,650		63,650	
e	Professional fundraising See Part IV, line 17 . . . . .	0			
f	Investment management fees . . . . .	0			
g	Other . . . . .	2,334,710	465,616	1,869,094	
12	Advertising and promotion . . . . .	768,223	3,518	764,705	0
13	Office expenses . . . . .	1,447,833	815,780	632,053	0
14	Information technology . . . . .	333,225	170,017	163,208	
15	Royalties . . . . .	0			
16	Occupancy . . . . .	8,278,877	7,284,953	993,924	0
17	Travel . . . . .	812,252	240,468	571,784	0
18	Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .	0			
19	Conferences, conventions, and meetings . . . . .	76,079	23,953	52,126	0
20	Interest . . . . .	743,900		743,900	0
21	Payments to affiliates . . . . .	0			
22	Depreciation, depletion, and amortization . . . . .	9,730,331	4,059,810	5,670,521	0
23	Insurance . . . . .	1,387,632	1,143,817	243,815	0
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	2,831,629	2,831,629	0	0
b	INCOME TAX EXPENSE	1,677,487	42,210	1,635,277	0
c	MEDICAL SUPPLIES	38,549,677	37,978,289	571,388	0
d	JANITORIAL EXPENSE	1,010,060	995,176	14,884	0
e	OTHER TAXES & LICENSES	359,015	322,483	36,532	
f	All other expenses	413,874	220,005	193,869	0
25	Total functional expenses. Add lines 1 through 24f	135,977,511	105,902,460	30,075,051	0
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 . . . . .			13,046,528	1	10,942,230
	2	Savings and temporary cash investments . . . . .			7,440,365	2	22,227,725
	3	Pledges and grants receivable, net . . . . .				3	
	4	Accounts receivable, net . . . . .			19,945,068	4	20,996,344
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .			250,000	5	250,000
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L . . . . .				6	
	7	Notes and loans receivable, net . . . . .				7	
	8	Inventories for sale or use . . . . .			847,080	8	5,629,063
	9	Prepaid expenses and deferred charges . . . . .			1,383,580	9	2,290,206
	10a	Land, buildings, and equipment, cost or other basis. Complete Part VI of Schedule D . . . . .	10a	66,355,746			
	b	Less accumulated depreciation . . . . .	10b	36,776,292	25,982,797	10c	29,579,454
	11	Investments—publicly traded securities . . . . .			92,890,316	11	95,934,672
	12	Investments—other securities. See Part IV, line 11 . . . . .			26,838,657	12	24,118,209
	13	Investments—program-related. See Part IV, line 11 . . . . .				13	
	14	Intangible assets . . . . .			41,586,880	14	38,487,328
	15	Other assets. See Part IV, line 11 . . . . .			9,455,806	15	11,319,190
	16	Total assets. Add lines 1 through 15 (must equal line 34) . . . . .			239,667,077	16	261,774,421
Liabilities	17	Accounts payable and accrued expenses . . . . .			11,108,864	17	18,469,245
	18	Grants payable . . . . .			2,075,000	18	1,465,630
	19	Deferred revenue . . . . .				19	
	20	Tax-exempt bond liabilities . . . . .				20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .				21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .				22	
	23	Secured mortgages and notes payable to unrelated third parties . . . . .			25,254,246	23	20,169,500
	24	Unsecured notes and loans payable to unrelated third parties . . . . .				24	
	25	Other liabilities. Complete Part X of Schedule D . . . . .			6,030,466	25	5,238,171
	26	Total liabilities. Add lines 17 through 25 . . . . .			44,468,576	26	45,342,546
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 . . . . .			195,198,501	27	216,431,875
	28	Temporarily restricted net assets . . . . .				28	
	29	Permanently restricted net assets . . . . .				29	
	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 . . . . .			195,198,501	33	216,431,875
	34	Total liabilities and net assets/fund balances . . . . .			239,667,077	34	261,774,421

**Part XI Financial Statements and Reporting**

	Yes	No
<b>1</b> Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
<b>2a</b> Were the organization's financial statements compiled or reviewed by an independent accountant? . . .		No
<b>b</b> Were the organization's financial statements audited by an independent accountant? . . . . .	Yes	
<b>c</b> 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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O . . . .	Yes	
<b>d</b> If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
<b>3a</b> 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? . . . . .		No
<b>b</b> If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . . .		

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury  
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

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

OMB No 1545-0047

2009

Open to Public  
Inspection

Name of the organization Satellite Healthcare Inc	Employer identification number 23-7290564
--	--

Part I

Reason for Public Charity Status (All organizations must complete this part.) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box )

- 1

☐

A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**
- 2

☐

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E )
- 3

☒

A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4

☐

A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state
- 5

☐

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II )
- 6

☐

A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7

☐

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II )
- 8

☐

A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II )
- 9

☐

An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III )
- 10

☐

An organization organized and operated exclusively to test for public safety See**section 509(a)(4).**
- 11

☐

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

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Other
- e

☐

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

☐

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

☐

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

(i)

a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?

(ii)

a family member of a person described in (i) above?

(iii)

a 35% controlled entity of a person described in (i) or (ii) above?
- h

☐

Provide the following information about the supported organization(s)

	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.)

Section A. Public Support						
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public Support. Subtract line 5 from line 4						

Section B. Total Support						
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(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 (Explain in Part IV ) Do not include gain or loss from the sale of capital assets						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions )					12	
13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage						
14 Public Support Percentage for 2009 (line 6 column (f) divided by line 11 column (f))		14				
15 Public Support Percentage for 2008 Schedule A, Part II, line 14		15				
16a 33 1/3% support test—2009. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization						
b 33 1/3% support test—2008. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization						
17a 10%-facts-and-circumstances test—2009. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization						
b 10%-facts-and-circumstances test—2008. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization						
18 Private Foundation If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions						

Part 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) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(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 through 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 \$5,000 or 1% of the amount on line 13 for the year						
cAdd lines 7a and 7b						
8Public Support (Subtract line 7c from line 6 )						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(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 June 30, 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						

Section C. Computation of Public Support Percentage

15Public Support Percentage for 2009 (line 8 column (f) divided by line 13 column (f))	15	
16Public support percentage from 2008 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17Investment income percentage for 2009 (line 10c column (f) divided by line 13 column (f))	17	
18Investment income percentage from 2008 Schedule A, Part III, line 17	18	
19a33 1/3% support tests—2009. 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		
b33 1/3% support tests—2008. 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		
20Private 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.** Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions

Explanation
Satellite Healthcare Inc (SHI) does not meet the definition of a hospital for the purposes of schedule H SHI is not required to be licensed, registered, or similarly recognized by the state as a hospital, therefore a Schedule H is not required to be reported

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

▶ **Complete if the organization is described below.**  
▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No 1545-0047

2009

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), then

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

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

- Section 501(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) or Form 990-EZ, line 35a (regarding proxy tax), then

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

Name of the organization Satellite Healthcare Inc	Employer identification number 23-7290564
--	--

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- 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 Complete if the organization is exempt under section 501(c)(3).

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

Part I-C Complete if the organization is exempt under section 501(c) except section 501(c)(3).

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

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

Part II-A

Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

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															
<table><tr><td>If the amount on line 1e, column (a) or (b) is:</td><td>The lobbying nontaxable amount is:</td></tr><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
g Grassroots nontaxable amount (enter 25% of line 1f)															
h Subtract line 1g from line 1a If zero or less, enter -0-															
i Subtract line 1f from line 1c If zero or less, enter -0-															
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 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 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(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 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B

Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

	(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 1c through 1i)?		No	
c Media advertisements?		No	
d Mailings to members, legislators, or the public?		No	
e Publications, or published or broadcast statements?		No	
f Grants to other organizations for lobbying purposes?	Yes		63,650
g Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i Other activities? If "Yes," describe in Part IV			
j Total lines 1c through 1i			63,650
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A

Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

		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

Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes".

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

SCHEDULE D  
(Form 990)

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.  
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization Satellite Healthcare Inc	Employer identification number 23-7290564
--	--

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 for any other purpose conferring 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) <div><input type="checkbox"/> Preservation of land for public use (e g , recreation or pleasure) <input type="checkbox"/> Preservation of an historically importantly land area</div> <div><input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of a certified historic structure</div> <div><input type="checkbox"/> Preservation of open space</div>											
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											
		<table><tr><td></td><td>Held at the End of the Year</td></tr><tr><td>a</td><td>Total number of conservation easements</td></tr><tr><td>b</td><td>Total acreage restricted by conservation easements</td></tr><tr><td>c</td><td>Number of conservation easements on a certified historic structure included in (a)</td></tr><tr><td>d</td><td>Number of conservation easements included in (c) acquired after 8/17/06</td></tr></table>		Held at the End of the 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											
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											
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, handling of violations, and enforcement of the conservation easements it holds? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>											
6	Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ▶ _____											
7	Amount of expenses incurred in monitoring, inspecting, and enforcing conservation 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)? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>											
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

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 the arrangement 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)

Yes

No

b

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

3b

Yes

No

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) Accumulated depreciation	(d) Book value
1a Land . . . . .				
b Buildings . . . . .		10,070,856	5,826,216	4,244,640
c Leasehold improvements . . . . .		23,324,568	12,086,398	11,238,170
d Equipment . . . . .		29,431,783	17,147,643	12,284,140
e Other . . . . .		3,528,539	1,716,035	1,812,504
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) . . . . . ▶				29,579,454

Schedule D (Form 990) 2009



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	Other losses . . . . .	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. Also complete this part to provide any additional information.

Identifier	Return Reference	Explanation
FIN 48	Part XIV	The Company adopted the provisions for accounting for uncertain tax positions on January 1, 2009. It evaluates its tax positions taken or expected to be taken to determine whether the tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax positions not deemed to meet the "more-likely-than-not" threshold are recorded as expense in the applicable year. As of December 31, 2009, the company does not have any significant uncertain tax positions for which a reserve would be necessary.





[illegible]

<b>2</b>	Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . .	1
<b>3</b>	Enter total number of other organizations or entities . . . . .	0

**Part III** **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Use Schedule F-1 (Form 990) if additional space is needed.

[illegible]

Complete this part to provide the information required in Part I, line 2, and any additional information.

**Schedule F (Form 990) 2009**

## Grants and Other Assistance to Organizations, Governments and Individuals in the United States

OMB No 1545-0047

# 2009

## Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

**Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.**  
**▶ Attach to Form 990**

Name of the organization  
Satellite Healthcare Inc

Employer identification number

23-7290564

## 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" to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed. ▶

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
See Additional Data Table							

- |          |  |           |
|----------|--|-----------|
| <b>2</b> | Enter total number of section 501(c)(3) and government organizations . . . . . | <b>34</b> |
| <b>3</b> | Enter total number of other organizations . . . . .                            |           |



Software ID:

Software Version:

EIN: 23-7290564

Name: Satellite Healthcare Inc

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
Baylor College of Medicine 1709 Dryden Road Houston,TX 77030	74-1613878	501(c)(3)	100,000	0	fvm	n/a	Research
David Geffen School of Medicine UCLAC/O SUSANNE NICHOLAS WARREN HALL 900 VETERAN AVE LOS ANGELES,CA 90095	95-4085811	501(c)(3)	50,000	0	fmv	n/a	Research
Emory UniversityRenal DivisionC/O XIAONAN WANG MD RENAL DIVISION 1639 pierce drive ATLANTA,GA 30322	58-0566256	501(c)(3)	50,000	0	fmv	n/a	Research
Fred Hutchinson Cancer Research CenterC/O VIJAYAKRISHNA K GADI po box 19024 1100 FAIRVIEW AVE N SEATTLE,WA 98109	91-1540426	501(c)(3)	50,000	0	fmv	n/a	Research
Mount Sinai School of MedicineC/O BERND SCHROPPEL ONE GUSTAVE L LEVY PLACE NEW YORK,NY 10029	13-6171197	501(c)(3)	50,000	0	fmv	n/a	Research
Saint Louis UniversityNephrology3635 Vista Avenue St Louis,MO 63110	43-0654872	501(c)(3)	50,000	0	fmv	n/a	Research
Stanford University780 Welch Road Palo Alto,CA 94304	94-6036493	501(c)(3)	100,000	0	fmv	n/a	Research
The University of Texas Healthc Science CenterAT SAN ANTONIO C/O FAROOK THAMEEM 7703 FLOYD CURL DR SAN ANTONIO,TX 78229	74-1586031	501(c)(3)	50,000	0	fmv	n/a	Research
University of Arkansas for Medical Sciences4301 West Markham Little Rock,AR 72205	17-1604624	501(c)(3)	50,000	0	fmv	n/a	Research
University of Colorado At Denver and HealthPO Box 6508m 13001 E Aurora,CO 80045	84-6049811	501(c)(3)	50,000	0	fmv	n/a	Research

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
University of Colorado Denver Medical Campus Aurora, CO 80045	84-6049811	501(c)(3)	50,000	0	fmv	n/a	Research
University of Missouri Children's Mercy Hospital 2401 Gillham Road Kansas City, MO 64108	44-0605373	501(c)(3)	50,000	0	fmv	n/a	Research
University of Washington Grants and Collections Seattle, WA 98195	94-3079432	501(c)(3)	50,000	0	FMV	N/A	Research
University of PittsBurgh School of Medicine 3550 Terrace Street Pittsburgh, PA 15261	11-3708851	501(c)(3)	50,000	0	FMV	N/A	Research
Duke UniversityC/O THU LE 2424 ERWIN ROAD ste 1103 hock plaza DURHAM, NC 27705	56-0532129	501(c)(3)	100,000	0	fmv	n/a	Research
BETH ISRAEL DEACONESS MEDICAL CENTER C/O WALTER MUTTER DEPT OF INTERNAL MEDICINE DIVISION BOSTON, MA 02215	04-2103881	501(c)(3)	50,000	0	fmv	n/a	Research
UNIVERSITY OF PENNSYLVANIA SCHOOL OF MEDICINE 722 BLOCKY HALL PHILADELPHIA, PA 19104	75-3061499	501(c)(3)	50,000	0	fmv	n/a	Research
UNIVERSITY OF CALIFORNIA SAN DIEGO STEIN CLINICAL SCIENCE RM 226 9500 GILMAN DRIVE LA JOLLA, CA 920930693	95-2544535	501(c)(3)	50,000	0	fmv	n/a	Research
TUFTS MEDICAL CENTER C/O DANIEL E WEINER RESEARCH ADMINISTRATION 817 BOSTON, MA 02111	04-3400617	501(c)(3)	50,000	0	fmv	n/a	Research
UNIVERSITY OF VIRGINIA C/O DR THU LE/ NEPHROLOGY PO BOX 400195 CHARLOTTESVILLE, VA 22904	41-2097394	501(c)(3)	50,000	0	fmv	n/a	Research



Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
University of CaliforniaOffice Development San Francisco,CA 94143	94-1156628	501(c)(3)	25,000	0	fmv	n/a	Research
American Kidney Fund6110 Executive Blvd Rockville,MD 20852	23-7124261	501(c)(3)	482,098	0	fmv	n/a	Donation
NATIONAL KIDNEY FOUNDATION131 STEUART STREET STE 520 SF,CA 94105	94-6130713	501(c)(3)	127,305	0	fmv	n/a	Donation

Schedule J  
(Form 990)

Compensation Information

OMB No 1545-0047

2009

Open to Public Inspection

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization  
Satellite Healthcare Inc

Employer identification number  
23-7290564

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		
	<div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Housing allowance or residence for personal use</div></div> <div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Payments for business use of personal residence</div></div> <div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div></div> <div><div><input type="checkbox"/> Discretionary spending account</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain	1b	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply		
	<div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input type="checkbox"/> Written employment contract</div></div> <div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input checked="" type="checkbox"/> Compensation survey or study</div></div> <div><div><input type="checkbox"/> Form 990 of other organizations</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
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	No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c	Yes
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
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
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

**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) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
MARK BURKE	(i) (ii)	462,590 0	273,779 0	64,022 0	14,700 0	18,576 0	833,667 0	0 0
MARC C BRANSON	(i) (ii)	291,978 0	136,302 0	11,523 0	14,700 0	16,206 0	470,709 0	0 0
NORMAN COPLON	(i) (ii)	237,501 0	0 0	29,143 0	14,250 0	13,233 0	294,127 0	0 0
SUSAN DEL BENE	(i) (ii)	243,196 0	119,560 0	11,308 0	14,700 0	15,907 0	404,671 0	0 0
Brigitte Schiller Moran	(i) (ii)	263,162 0	48,000 0	0 0	14,700 0	1,645 0	327,507 0	0 0
Dr John E Moran	(i) (ii)	321,103 0	116,630 0	9,146 0	14,700 0	16,258 0	477,837 0	0 0
Mario L Bertucci	(i) (ii)	172,483 0	57,899 0	14,565 0	10,652 0	6,939 0	262,538 0	0 0
Rosemary Fox	(i) (ii)	246,402 0	108,690 0	18,175 0	14,700 0	14,106 0	402,073 0	0 0
Sergey Muza	(i) (ii)	193,553 0	57,682 0	7,514 0	11,971 0	11,387 0	282,107 0	0 0
Ann robar	(i) (ii)	171,152 0	49,929 0	16,938 0	11,828 0	16,808 0	266,655 0	0 0

Part III

Supplemental Information

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

Identifier	Return Reference	Explanation
Phantom Option Plan	Schedule J Question 4c	The company established a Phantom Option Plan under which it awarded phantom stock units to certain members of management for performance resulting in increased value of the company. The award value of the units was determined by the performance of the company in the year prior to a vesting event. The vesting dates for units issued in 2007 are January 1, 2009, 2010, 2011, and 2012; the units vest 25% on each vesting date. In April 2009 the company elected to terminate the phantom option plan. No additional units will be issued, however the 445,370 units awarded in 2007 will continue to be paid out according to the stated vesting schedule. The value of the units that become vested will be recognized as expense upon each of the future vesting dates. Plan participants include Susan Del Bene, Ann Robar, Sergio Fernandez, Mark Burke, Marc Branson, Rosemary Fox, John Moran, Sergey Muza, and Mario Bertucci. Amounts Paid under the plan were as follows: Mark Burke \$74,363; Marc Branson \$43,002; Susan Del Bene \$43,002; Dr. John Moran \$40,814; Rosemary Fox \$43,002; Sergey Muza \$22,437; Mario Bertucci \$22,437; Ann Robar \$22,437.

**Schedule L**  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

## Transactions with Interested Persons

**▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38a or 40b.**

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

OMB No 1545-0047

# 2009

## Open to Public Inspection

**Name of the organization**  
Satellite Healthcare Inc

Employer identification number

23-7290564

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

Complete if the organization 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.

Complete if the organization 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
Dr John Moran		X	250,000	250,000		No	Yes		Yes	
Total	.	.	.	.	.	.	.	.	.	.
				\$	250,000					

### **Part III** Grants or Assistance Benefitting Interested Persons.

Complete if the organization 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
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**Part IV Business Transactions Involving Interested Persons.**

Complete if the organization 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
AMAG pharmaceuticals	B Pereira/director	2,800,920	sale of pharmaceuticals		No
-	AMAG president & CEO				

SCHEDULE O  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Information to Form 990

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization  
Satellite Healthcare Inc

Employer identification number  
23-7290564

Identifier	Return Reference	Explanation
PART VI, section A, line 3		Key employees Dr John E Moran and Brigitte Schiller-Moran have a family relationship PART VI, SECTION B, LINE 11 The organization's VP of Finance worked closely with the outside accounting firm it engaged to prepare the return and the final draft of Form 990 was also reviewed by the Controller prior to providing the draft to the audit committee chair for his review A copy of the return was provided to the entire voting Board before the return was filed
PART VI, SECTION B, LINE 12 C		The Satellite Healthcare Board of Directors is charged with monitoring proposed or ongoing transactions for conflicts of interest and addressing any potential or actual conflicts Pursuant to the Conflicts of Interest Policy of Satellite Healthcare Inc , an annual conflict of interest disclosure statement, aimed at determining any family and business relationships and transactions or other transactions that may pose a potential conflict, is distributed to all covered persons (i.e , board members, officers and executive leadership or key employees) Covered persons are required to disclose real or potential conflicts at the time when such conflicts arise When someone becomes a covered person and annually thereafter, each covered person is required to sign a statement affirming that he/she (1) has received a copy of the Conflict of Interest Policy, (2) has read the Policy and understands said Policy, and (3) agrees to comply with all requirements of the Policy, including completing the conflicts of interest questionnaire The completed questionnaires are reviewed by the Satellite Healthcare Board of Directors and any persons with actual or potential conflicts are informed via written communication The procedures for addressing any conflict of interest includes, but is not limited to, the following (1) the conflicting interest is fully disclosed to the Board, (2) the interested person responds to factual questions related to the substance of the transaction or arrangement being considered, after which he/she shall leave the meeting, (3) the person with the conflict of interest is excluded from the discussion and approval of such transaction, (4) alternatives to the proposed transaction are investigated, competitive bids or comparable valuations are obtained, (5) any conflicting issues during the course of a Board meeting which cannot be resolved is referred to the Governance Committee, and (6) the transaction or action must be approved by a majority of disinterested persons
PART VI, SECTION B, LINE 15		For the 2009 compensation, The Board appointed a Compensation Committee, comprised solely of independent directors (none of which have a conflict of interest with respect to the compensation arrangement), to be accountable for setting reasonable compensation packages for each officer or key employee,including the CEO The Compensation Committee develops, consistent with the organization's philosophy and principles, the annual performance goals and criteria to be used in determining merit increases and variable compensation criteria for officers and key employees The Compensation Committee also hires a qualified independent compensation and benefits specialist (independent expert) to review , analyze and provide benchmarking data for the total compensation and benefits packages of officers and key employees Appropriate comparability data is obtained from the independent experts, i.e , total economic benefits paid by similarly situated organizations (both taxable and tax-exempt) for similar job responsibilities The Committee's written records include the (1) terms of the arrangement with the disqualified person (including the date the arrangement was approved), (2) a list of members present during the debate on the transaction (and how the members voted when it was approved), and (3) a description of the comparable data relied on by the Committee Key deliberations of the Committee are also documented in minutes which are approved at the next Committee meeting
PART VI, SECTION B, LINE 16b		While Satellite Healthcare, Inc has not adopted a written policy or procedure requiring steps be taken to safeguard its tax-exempt status when entering into Joint Venture agreements, by practice, it only enters into such agreements where 1) Satellite Healthcare, Inc is the managing partner and 2) specific language has been added to the Joint Venture agreement which states that the Joint Venture will follow Satellite Healthcare, Inc 's charitable mission and remain in-line with those principals An example of the typical language used is as follows Section 1.2 Charitable Purposes The LLC and the Center shall at all times be operated and managed in a manner that furthers the charitable and community-based healthcare purposes, mission, vision and values of Satellite The LLC and the Center shall be operated and managed in a manner that (a) provides access to patient care services based on medical necessity, without regard to characteristics such as a person's race, religion, creed, national origin, gender, age, sexual orientation, physical or mental disability, payor source or ability to pay, (b) establish, maintain and communicate its financial assistance policies and procedures for the Center that are consistent with Satellite's policies and procedures, (c) provides access to patient care services to individuals covered by Medicare, Medicaid/Medi-Cal and other federal and state governmental payment programs, and (d) will not, in the reasonable opinion of Satellite, on advice of Satellite's legal and/or tax counsel, cause Satellite to act other than exclusively in furtherance of its tax exempt purposes, adversely affect its exempt status under Section 501(c)(3) of the Code or cause its share of the LLC's income to be taxed as "unrelated business taxable income" within the meaning of Section 511 of the Code
Part VI, Section c, line 19		While federal tax laws do not mandate that the organization's governing documents, conflict of interest policy and financial statements be made available for public inspection, the organization makes its financial statements available upon request

Identifier	Return Reference	Explanation
Community Benefit Report		This Community Benefit Report provides an overview of programs and activities that allow Satellite Healthcare to meet and to exceed our organization's heritage as a not-for-profit dialysis provider Overview of Chronic Kidney Disease and the End Stage Renal Disease Community Chronic Kidney Disease ("CKD") is a public health problem in the United States that impacts approximately 26 million Americans It is well known that hypertension and diabetes are two leading causes of kidney failure The 2009 United States Renal Data System Report1 shows that of the 520,000 Americans who live with End Stage Renal Disease ("ESRD"), over 368,000 are treated by dialysis and over 158,000 have received a kidney transplant Various factors have contributed to improved patient outcomes and have strengthened the ESRD community High quality dialysis services An increase of successful kidney transplants More effective drugs and drug therapies The availability of more dialysis treatment options Information gained and used by research studies Targeted patient education efforts Patient support groups ESRD community advocacy Over 26 million Americans suffer from Chronic Kidney Disease (CKD) which can lead to kidney failure Satellite Healthcare Satellite Healthcare is built on a legacy spanning over three and half decades and is recognized for our leadership in (1) achieving clinical excellence (2) delivering innovative services and therapies and (3) fostering research and charitable giving Our goal is to enable the chronic kidney disease community to achieve clinical excellence and improved quality of life Satellite Healthcare owns and operates 48in-center hemodialysis facilities (Satellite Dialysis) and home dialysis training centers (Satellite WellBound) providing a variety of treatment options to our patients In 2009, Satellite Healthcare provided over 746,000 dialysis treatments and services to over 4,240 patients in California, Texas, Indiana, Illinois, and New Jersey Satellite Laboratory Services (SLS) is a clinical laboratory specializing in ESRD testing ESRD laboratory testing is an essential component of the treatment and services dialysis patients need on an ongoing basis These lab results are reviewed by physicians, nurses, and dieticians in order to make patient care decisions SLS provides testing to over 25,000 patients nationwide Satellite Philanthropy As a not-for-profit dialysis provider, Satellite Healthcare is involved in a number of community benefit programs and activities that help us in fulfilling our mission towards our patients and the ESRD community A number of our programs and activities include Satellite Financial Assistance Program Satellite Patient Trust Fund Satellite Research Norman S Coplon Grant Program Hans Wolf Fellowship Program Satellite Healthcare is proud that our community benefit program includes activities that stretch across many areas of the ESRD community including direct patient care, financial assistance for eligible patients, patient education, research, as well as state and federal level advocacy Community benefit programs are an integral part of the Satellite culture "Satellite Philanthropy" is a leader in philanthropic giving and charitable services focused on chronic kidney disease Satellite Community Benefit Activities and Programs Satellite Financial Assistance Program In 2009, Satellite Healthcare provided all patients the opportunity to be assessed for possible qualification for financial assistance This was done in an effort to help reach more patients who were in need of assistance Through direct financial assistance and organizations such as the American Kidney Fund, in 2009 Satellite Healthcare provided over \$1.1 million of financial assistance to our patients Satellite Patient Trust Fund Satellite Healthcare is aware that emergency circumstances arise for our patients that may require assistance Each Satellite Dialysis and WellBound facility has access to a Patient Trust Fund which is initially funded by Satellite Healthcare at the beginning of each year The Satellite Patient Trust Fund has been utilized to assist patients on a case by case basis, as needed The following are examples of how this program was utilized in 2009 Purchasing of household essentials and nutritional supplements Providing funds for medical transportation Assistance with utility and phone bills Donations are accepted for an individual Satellite Dialysis or WellBound Center's Patient Trust Fund Individuals can make a tax deductible donation to the Patient Trust Fund Additional funding comes from donations from the National Kidney Foundation (NKF), private companies, Satellite staff, medical directors and referring physicians Satellite Research The mission of Satellite Research is to stimulate, support, and carry out research with emphasis on improving clinical outcomes in patients with kidney disease Our research is guided by an independent Scientific Advisory Board of leading researchers and our Satellite Healthcare Board of Directors

Community Benefit Report- continued

Satellite Research is conducting research in various areas with the aim to directly improve the care of patients with ESRD. The primary focus of Research has been directed towards the following areas:

1. Home dialysis therapies allow for a more independent and flexible schedule of renal replacement therapy thereby allowing the patients to achieve full rehabilitation for an active life. Peritoneal dialysis has been available since the 1980s and home hemodialysis (HHD) is emerging over the last few years as a new alternative to providing renal replacement therapy in the growing patient population. As of 2007, the literature about the frequency of home hemodialysis is limited. Offering a range of frequency from every other day, to four and six times per week, as well as nightly, allows the study of clinical and laboratory parameters with special emphasis on adequacy, anemia and phosphate management, quality of life, medication patterns, and removal of middle molecules.
- Satellite is conducting studies with newly available home hemodialysis therapies and technologies, which allow patients to be independently treated at home. Internal studies are designed to help evaluate various schedules for delivery of this therapy.
- Clinical concerns of adequate dialysis as well as life-style concerns and resulting quality of life are critical in establishing therapies which allow as many patients as possible to undergo this type of renal replacement therapies.
2. CKD is addressed earlier through our WellBound centers, targeting early stage IV - CKD education in an effort to delay the onset of ESRD and improve the health literacy related to treatment modality selection. Of the patients participating in the CKD options education, approximately 40% choose a home treatment modality, more than four times the national average.
- Research to study the opportunities and barriers existing in the current system of ESRD care delivery is vital to allow patients to benefit from the advantages home therapies provide for patients.
3. Patients suffering from ESRD have multiple co-morbidities and it has become evident that addressing these co-morbidities is vital for improving outcomes. Adequate dialysis has been a major focus over the last decade, as mainly defined by laboratory parameters. It is evident that other parameters such as patient's functioning level, CVD risk factor control and cognitive function are important to define optimal dialysis therapy as well.
- Observational studies on cognitive function in patients undergoing a variety of dialysis modalities and frequencies is currently ongoing in the WellBound and Satellite Dialysis Centers. Furthermore the evaluation of hemodynamic factors analyzed with bio-impedance measurements will contribute to the understanding of how dialysis modalities affect the cardiovascular system and will help to provide more individualized treatment options.
- Depression has been identified as a significant burden in this patient population and studies are aimed at evaluating improved screening for the disease and subsequent treatment.
4. While center hemodialysis therapy has been standard of care for more than 30 years optimization of this modality based on new data and concepts is critical for improvement of care and patients well-being.
- Catheter infection is one of the major causes of morbidity and mortality in ESRD patients with infections being the second most common cause of death. Prevention of catheter infection is pivotal in improving outcomes in this patient population.
- A randomized, controlled clinical trial to compare two different catheter lock solutions in HD patients with permanent central venous catheters has just been finished and resulted in changes in routine care in all centers.
- Malnutrition is a known risk factor in patients with ESRD. Protein supplementation is assumed to counteract this disorder, but optimal treatment options are still missing. A randomized controlled trial in patients with low albumin levels has been conducted in patients undergoing peritoneal dialysis or hemodialysis. Patients are given a protein supplement on dialysis or daily in order to test the hypothesis that protein supplementation can improve nutritional status in these patients. The study will be finished at the end of 2009 and data are expected in early 2010.
- Hypertension and fluid overload are a major problem in patients undergoing hemodialysis. The intradialytic weight gain is thought to be directly influencing both blood pressure and the adverse events occurring during dialysis therapies. The importance of salt intake is well recognized in this respect, however the emphasis has always focused on the salt intake by patients when not on dialysis.
- Satellite Research is in the process to shed some light on current dialysis prescriptions and its potential impact on these issues.

Identifier	Return Reference	Explanation
Community Benefit Report-continued		<p>Satellite Research is also participating in the Frequent Hemodialysis Netw ork (FHN) study and NIH funded study to evaluate in a randomized controlled trial the effect of daily HD in-center, compared to a conventional thrice-w eekly schedule. Furthermore collaboration w ith colleagues at Stanford's Department of Nephrology creates a strong basis for mutually beneficial and complementary research studies. All Research projects are aimed at improving outcomes and quality of life for patients on dialysis. Results of these research projects have been presented at a variety of national meetings including the American Society of Nephrology meeting (ASN), the Annual Dialysis Conference (ADC), and the Annual Nephrology Nurses Association (ANNA) and the National Kidney Foundation (NKF) meeting.</p> <p>Contract Research: An integral part of Satellite Research continues to be participating in phase II and III clinical trials w ith new promising products in the process of achieving FDA approval. Trials are chosen according to their applicability and likelihood to improve patient morbidity and mortality.</p> <p>Norman S. Coplon Grant Program: Satellite Healthcare's extramural grant program is one of the nation's largest private research grant programs focused on chronic kidney disease. Grant awards are given to individuals and institutions engaged in promising kidney disease research in the United States and Canada. Approximately one-third of the aw ards are for basic science research, w ith the remaining tw o-thirds aimed at applied science. Each year, Satellite Healthcare funds approximately 24 grants totaling nearly \$1,000,000. As of 2009, over \$7,000,000 has been granted, supporting over 40 different research projects in the United States and Canada. Grantees from 2008 include Stanford University, Baylor College of Medicine, and University of Pittsburgh School of Medicine.</p> <p>Hans Wolf Fellowship Program: Satellite Healthcare provides funding for a selected Stanford Medical Nephrology Fellow w hose focus is related to CKD or ESRD. The fellow is given the opportunity to better understand the issues related to this community.</p> <p>Optimal Start (OS): There are many essential components w hich contribute to a positive dialysis experience and better outcomes for ESRD patients. These factors include improved health literacy about ESRD, making the necessary dietary changes, and compliance w ith dialysis treatments and services. The Satellite Optimal Start Program is a patient empow erment program targeted at the first 90 days of a patient's experience w ith dialysis treatment. The program continues to enable Satellite Healthcare to w ork closely w ith new patients to provide them the best opportunity for successful dialysis treatment. The added one-on-one support for the first 90 days is one w ay Satellite is able to assist and educate new patients about healthy w ays of living and treating their disease. The OS programs goals is to achieve the best possible outcomes for new patients. During the first 90 days the program provides interventions. To assist, support, and educate patients w ho have chosen in-center hemodialysis as their modality to treat their kidney failure and to assure that they have full understanding of the other options available to them should they decide to make a change. To reduce hospitalizations and msseed dialysis treatments by providing understanding of the importance of being compliant w ith their new prescription drug therapy, dietary changes and adherence to a schedule for treatment. To monitor patient Clinical Performance Measure (CPM) to see that they are w ithin the target range and to insure a better state of health during the first 90 days. To foster a team approach by engaging everyone involved w ith the patient's care in the OS process. Give them the opportunity to better understand how each person's discipline impacts the success of the patient's ability to adapt to stage V kidney failure.</p> <p>Better LIFE Wellness Education and Dialysis Options Education: Through the WellBound Centers of Excellence, Satellite Healthcare provides comprehensive dialysis options education programs as a w ay to improve the clinical and quality of life outcomes of CKD patients. These programs are designed as an adjunct to the care provided by community nephrologists and are focused in tw o specific areas: CKD wellness education and renal replacement therapy education. Studies have show n that pre-dialysis education affects the involvement of CKD patients in their healthcare. A patient that is w ell-versed in the details of CKD is more likely to establish behaviors that are consistent w ith maintaining their health and deferring disease progression. This can take the form of embracing exercise, altering diets, or monitoring and addressing important contributors to their disease. At the same time, increasing a patient's health literacy at an earlier stage also helps them to delay their need for dialysis therapy.</p> <p>WellBound's Better LIFE wellness education programs cover a variety of key topics relevant to CKD patients, including hypertension management, exercise, nutrition, stress reduction, and cardiovascular risk assessment. Patients w ho take part in these classes have greater health literacy, are more engaged in their care, better prepared for choosing and starting a dialysis therapy and are more able to maintain a healthy lifestyle. When it comes to selecting a treatment modality, WellBound provides CKD patients w ith the education so that they, in collaboration w ith their physician, can make an informed decision regarding their dialysis options.</p> <p>WellBound's renal replacement therapy education programs expose patients to all treatment options including transplant, in-center hemodialysis and self-care therapies. By proactively preparing patients to make educated therapy decisions, Satellite Healthcare aims to reduce the persistently high rate of patients w ho begin dialysis in an emergency hospital setting.</p> <p>Satellite Advocacy: Satellite Healthcare actively participates in a number of state and federal coalitions to better understand and provide input on issues related to the kidney community. As a not-for-profit organization, it is essential that we inform and educate state and federal elected officials and government agencies about issues impacting our patients. In 2009, the Centers for Medicare and Medicaid Services released their proposed ESRD Prospective Payment System (PPS) as required by the Medicare Improvements for Patients and Provider Act of 2008 (MIPPA). Satellite Healthcare began to assess the proposed rule to better understand the possible impact on us as a provider and for our patients. We anticipate addressing issues w ith the new bundled payment system w ill remain an important activity for the coming years. In 2009, Satellite Healthcare participated in a number of meetings w ith state and federal elected officials discussing a variety of topics including: The importance of creating a patient education initiative to increase aw areness about CKD and to help patients learn self-management skills. The establishment of a quality initiative that w ould rew ard quality improvement based on measures developed in cooperation w ith the kidney care community. The support of research for understanding barriers to different treatment modalities for dialysis patients. The development of a better understanding of advantages of home dialysis or more frequent dialysis. The difficulty of staying competitive w ith salaries w ith other healthcare providers for similar clinical staff including nurses, dieticians, social w orkers, and management w ithout an annual reimbursement update mechanism, similar to other Medicare providers.</p>

Identifier	Return Reference	Explanation
community benefit report-continued		<p>Satellite Healthcare Children's Scholarship Fund Satellite Healthcare Children's Scholarship Fund was created to assist the children of our employees achieve their goals of higher education In 2009, Satellite Healthcare awarded 20 scholarships from this newly created fund Our Children's Scholarship Fund rewards and assists in the education of many of the deserving children of our talented employees By supporting our future leaders during their educational development, we will contribute to a better future for all The Satellite Healthcare Children's Scholarship Fund awarded \$5,000 for the Spring semester/term 2009 and \$5,000 for the Fall semester/term 2009 In recognition of our employees we offer this benefit of \$500 to ten deserving children for both the Spring and Fall semester/term These scholarships are awarded for full-time undergraduate study at any accredited two- or four - year college or university Recipients are selected based on academic record, demonstrated leadership, participation in school and community activities, honors, work experience, and goals and aspirations as stated in the 500 word essay component of the application Support of the National Kidney Foundation Satellite Healthcare historically has been a leading supporter of the National Kidney Foundation (NKF) Throughout more than 35 plus years of service, Satellite has donated more than \$2 million to NKF national and state programs The NKF has been one of the key drivers in improving the quality of care for CKD patients in the United States Our donations have been used for a number of NKF programs and activities, including promoting basic research through the NKF grant program, sponsoring major clinical practice guidelines, and playing a major role in the Kidney Early Evaluation Program (KEEP) Finally, Satellite Healthcare was the primary sponsor of the Kidney Disease Outcomes Quality Initiative (K/DOQI), which provides evidence-based clinical practice guidelines developed by volunteer physicians and healthcare providers for all phases of kidney disease and related complications, from diagnosis to monitoring and management cardiovascular guidelines which are widely used in the dialysis community today American Kidney Fund The American Kidney Fund (AKF) was founded in 1971, to help a single individual with kidney failure pay for dialysis Today, AKF is the leading source of direct financial aid to chronic kidney disease patients across the nation In 2009, AKF in 2009, the American Kidney Fund provided nearly \$155 million in treatment-related financial assistance to more than 87,000 dialysis patients nationwide Satellite healthcare supports the AKF with regular annual donations to support AKF programs American Diabetes Association (Texas) The American Diabetes Association mission is to prevent and cure diabetes and to improve the lives of all people affected by diabetes Satellite Healthcare donated approximately \$2,500 to the Texas Chapter Satellite employees are also active with local fundraising events and walks sponsored by the Texas Chapter of the American Diabetes Association The Norman S Coplon / Satellite Healthcare Professorship in Medicine Healthcare, one of the nation's first and largest providers of dialysis services and kidney disease therapies, has honored its founder, Norman S Coplon, MD, with an endowed chair at Stanford University School of Medicine The Norman S Coplon/Satellite Healthcare Professorship in Medicine was established on June 12, 2008 with a gift from Satellite Healthcare, which Dr Coplon founded in 1974 as a not-for-profit organization His vision was to fulfill the growing need for dialysis services, as well as to fund research and provide education for patients with end stage renal disease (ESRD) The company aims to advance the standard of chronic kidney disease care while optimizing patient wellness and quality of life</p>





SCHEDULE R (Form 990)	Related Organizations and Unrelated Partnerships  ▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37. ▶ Attach to Form 990. ▶ See separate instructions.	OMB No 1545-0047
		2009
		Open to Public Inspection

Department of the Treasury Internal Revenue Service	
Name of the organization Satellite Healthcare Inc	Employer identification number 23-7290564

Part I

Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(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
See Additional Data Table					

Part II

Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(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
Redwood Dialysis Supply Inc  300 Santana Row  San Jose, CA 95128 94-3131117	dialysis	CA	501(c)(3)	3	na

**Part III Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(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, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	
							Yes	No		Yes	No

See Additional Data Table

**Part IV Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(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
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Part V

Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, or 36.)

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

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved
(1)	See Additional Data Table		
(2)			
(3)			
(4)			
(5)			
(6)			

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 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
Satellite Healthcare Central States LLC 300 Santana Row San Jose, CA 95128 20-5475344	DIALYSIS	CA	25,129,207	38,054,597	NA
Wellbound LLC 300 Santana row San Jose, CA 95128 36-4510754	DIALYSIS	CA	8,858,119	1,280,600	NA
Wellbound of Emeryville LLC 300 Santana Row Sam Jose, CA 95128 20-1536908	DIALYSIS	CA	3,031,661	1,705,036	NA
Wellbound of Milpitas LLC 300 Santana Row San Jose, CA 95128 42-1684723	DIALYSIS	CA	2,048,089	1,197,965	NA
Wellbound of San Jose LLC 300 Santana Row San Jose, CA 95128 80-0060772	DIALYSIS	CA	5,138,963	2,344,690	NA
Wellbound of Vallejo LLC 300 Santana Row San Jose, CA 95128 56-2590049	DIALYSIS	CA	1,490,012	535,922	NA
WELLBOUND OF HOUSTON llc 300 Santana Row San Jose, CA 95128 64-0949650	DIALYSIS	CA	235,257	411,192	NA
wellbound of menlo park llc 300 Santana Row San Jose, CA 95128 71-0949657	dialysis	CA	2,579,664	709,267	na

Form 990, Schedule R, 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, unrelated, excluded from tax under sections 512-514)	(f) Share of total income (\$)	(g) Share of end-of-year assets (\$)	(h) Disproprtionate allocations?		(i) Code V-UBI amount on Box 20 of K-1 (\$)	(j) General or Managing Partner?	
							Yes	No		Yes	No
Satellite 10100 Trinity LLC  300 Santana Row Suite 300 San Jose, CA 95128 20-3633413	Real Estate	CA	NA	INVESTMENTS	151,763	1,283,056		No	0	Yes	
Satellite Capital LP  300 Santana Row Suite 300 San Jose, CA 95128 94-3366316	Investment	CA	NA	INVESTMENTS	648	895,727		No	0		No
Satellite Dialysis Central Modesto LLC  300 Santana Row Suite 300 San Jose, CA 95128 20-0292624	Kidney Dialysis	CA	na	RELATED	527,412	1,394,845		No	0	Yes	
Satellite Dialysis of Orange LLC  300 Santana Row Suite 300 San Jose, CA 95128 26-1600698	Kidney Dialys	CA	N/A	RELATED	-245,180	820,520		No	0	Yes	
Satellite Dialysis of Stockton LLC  300 Santana Row Suite 300 San Jose, CA 95128 20-3966186	Kidney Dialys	CA	N/A	RELATED	333,299	244,974		No	0	Yes	
Satellite Dialysis of Sunnyvale LLC  300 Santana Row Suite 300 San Jose, CA 95128 32-0011450	Kidney Dialys	CA	N/A	RELATED	1,103,461	1,476,325		No	0	Yes	
Satellite Dialysis of Tracy LLC  300 Santana Row Suite 300 San Jose, CA 95128 26-1601086	Kidney Dialys	CA	N/A	RELATED	-540,666	756,502		No	0	Yes	
Satellite Laboratory Services LLC  1400 Industrial Way Redwood City, CA 94063 94-3357013	Lab Services	CA	N/A	RELATED	10,325,725	17,149,389		No	0	Yes	
South County Dialysis  300 Santana Row Suite 300 San Jose, CA 95128 77-0375363	Kidney Dialys	CA	N/A	RELATED	1,082,640	807,029		No	0	Yes	
Wellbound of Evanston LLC  300 Santana Row Suite 300 San Jose, CA 95128 11-3791018	Kidney Dialys	CA	wellbound llc	RELATED	249,579	228,548		No	0	Yes	
Wellbound of Lafayette LLC  300 Santana Row Suite 300 San Jose, CA 95128 86-1161083	Kidney Dialys	CA	wellbound llc	RELATED	171,055	244,086		No	0	Yes	
Wellbound of Mercer LLC  300 Santana Row Suite 300 San Jose, CA 95128 71-1019018	Kidney Dialys	CA	wellbound llc	RELATED	138,685	640,969		No	0	Yes	
Wellbound of Modesto LLC  300 Santana Row Suite 300 San Jose, CA 95128 74-3104534	Kidney Dialys	CA	N/A	RELATED	943,994	1,263,980		No	0	Yes	
Wellbound of Santa Rosa LLC  300 Santana Row Suite 300 San Jose, CA 95128 20-2185548	Kidney Dialys	CA	N/A	RELATED	685,074	498,954		No	0	Yes	
Wellbound of Stockton LLC  300 Santana Row Suite 300 San Jose, CA 95128 20-3030592	Kidney Dialys	CA	wellbound llc	RELATED	12,725	139,743		No	0	Yes	
Wellbound of Frederick  300 Santana Row Suite 300 San Jose, CA 95128	kidney dialys	CA	wellbound llc	RELATED	-71,750	144,592		No	0	Yes	
Wellbound of San Leandro LLC  300 Santana Row Suite 300 San Jose, CA 95128	dialysis	CA	wellbound llc	RELATED	-44,610	184,855		No	0	Yes	
Satellite Dialysis of Lynwood LLC  300 Santana Row Suite 300 San Jose, CA 95128	dialysis	CA	na	RELATED	0	123,000		No	0	Yes	
satellite dialysis of White Road LLC  300 Santana Row Suite 300 San Jose, CA 95128	dialysis	CA	na	related	0	429,075		No	0	Yes	
satellite dialysis of san leandro  500 Santana row suite 300 san jose, CA 95128	dialysis	CA	N/A	related	-307,186	1,144,233		No	0	Yes	
satellite dialysis of merced  300 santana row suite 300 san jose, CA 95128	dialysis	CA	na	related	-304	1,165,705		No		Yes	

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved (\$)
(1)	Satellite Dialysis of Sunnyvale	k	640,281
(2)	Satellite Dialysis of Sunnyvale	n	1,746,982
(3)	Satellite Dialysis of Sunnyvale	q	384,644
(4)	Satellite Dialysis of Sunnyvale	p	2,633,734
(5)	Satellite Dialysis of Central Modesto	k	548,735
(6)	Satellite Dialysis of Central Modesto	n	1,704,823
(7)	Satellite Dialysis of Central Modesto	q	1,609,354
(8)	Satellite Dialysis of Central Modesto	p	230,670
(9)	Satellite Dialysis of O range	k	292,106
(10)	Satellite Dialysis of O range	p	2,227,485
(11)	Satellite Dialysis of O range	n	1,012,615
(12)	Satellite Dialysis of O range	q	82,702
(13)	Satellite Dialysis of Tracy	k	24,154
(14)	Satellite Dialysis of Tracy	p	100,000
(15)	Satellite Dialysis of Tracy	n	229,697
(16)	Satellite Dialysis of Tracy	q	1,256,354
(17)	Satellite Dialysis of Tracy	b	260,360
(18)	Satellite Dialysis of Merced	p	1,250,000
(19)	Satellite Dialysis of Merced	n	8,680
(20)	Satellite Dialysis of Merced	q	20,320
(21)	Wellbound of Modesto	k	420,229
(22)	Wellbound of Modesto	n	715,561
(23)	Wellbound of Modesto	p	1,301,801
(24)	Wellbound of Modesto	q	248,569
(25)	Wellbound of Mercer	k	131,137
(26)	Wellbound of Mercer	n	295,023
(27)	Wellbound of Mercer	q	33,209
(28)	Wellbound of Mercer	p	819,816
(29)	Wellbound of Santa Rosa	n	657,438
(30)	Wellbound of Santa Rosa	k	350,993
(31)	Wellbound of Santa Rosa	q	351,007
(32)	Wellbound of Santa Rosa	p	1,321,381
(33)	Satellite Laboratory Services	n	98,982
(34)	Satellite Laboratory Services	q	1,967,360
(35)	Satellite Laboratory Services	o	1,842,307
(36)	Satellite Capital	b	24,051
(37)	Satellite dialysis of san leandro	b	449,963
(38)	satellite dialysis of san leandro	q	1,155,546

Additional Data

Software ID:  
Software Version:  
EIN: 23-7290564  
Name: Satellite Healthcare Inc

Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)

4d. Other program services				
(Code	) (Expenses \$	including grants of \$	612,815 ) (Revenue \$	)
other grants				



Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
MARK BURKE SECRETARY & CEO	40 0	X		X				800,391	0	33,276
NORMAN COPLON Chairman Emeritus	40 0	X						266,644	0	27,483
BRADFORD JEFFERIES CHAIRMAN	1 0	X		X				72,000	0	0
BRIAN PEREIRA MD director	1 0	X						39,000	0	0
JOSEPH SKOKAN MD Director	1 0	X						39,808	0	0
WILLIAM J LONG Director	1 0	X						40,500	0	0
RICHARD WAUGH PHD Director	1 0	X						42,000	0	0
DANIEL HERLINGER Director	1 0	X						42,000	0	0
JOHN PANETTA director	1 0	X						33,750	0	0
MARC C BRANSON EVP dialysis	40 0			X				439,803	0	30,906
SUSAN DEL BENE CFO	40 0			X		X		374,064	0	30,607
Dr John E Moran EVP of Clinical Affairs	40 0				X			446,879	0	30,958
Brigitte Schiller Moran Director of Research	40 0					X		311,162	0	16,345
Mario L Bertucci vp of Human Resources	40 0					X		244,947	0	17,591
Rosemary Fox vp dialysis operations	40 0					X		373,267	0	28,806
Sergey Muza VP of Information Technology	40 0					X		258,749	0	23,358
Ann robar VP of Wellbound Facilities	40 0					X		238,019	0	28,636

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	2,831,629	2,831,629	0	0
INCOME TAX EXPENSE	1,677,487	42,210	1,635,277	0
MEDICAL SUPPLIES	38,549,677	37,978,289	571,388	0
JANITORIAL EXPENSE	1,010,060	995,176	14,884	0
OTHER TAXES & LICENSES	359,015	322,483	36,532	