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Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2009

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning 01-01-2009 and ending 12-31-2009

B Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization Upper Valley Medical Center	D Employer identification number 31-0537095
		Doing Business As	E Telephone number (937) 440-7853
		Number and street (or P O box if mail is not delivered to street address) Room/suite 3130 North County Road 25A	G Gross receipts \$ 173,105,814
		City or town, state or country, and ZIP + 4 Troy, OH 45373	
		F Name and address of principal officer Michael Maiberger 3130 North County Road 25A Troy, OH 45373	
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (3) ◀(Insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: ▶ www.uvmc.com			

K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	L Year of formation 1926	M State of legal domicile OH
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Part I

Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities The primary exempt purpose is to provide comprehensive inpatient, outpatient and emergency health care services to area residents The Hospital furthers its exempt purpose by promoting community health		
	2	Check this box <input checked="" type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3	Number of voting members of the governing body (Part VI, line 1a) 21		
	4	Number of independent voting members of the governing body (Part VI, line 1b) 16		
5	Total number of employees (Part V, line 2a) 1,635			
6	Total number of volunteers (estimate if necessary) 195			
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12 . . . 363,640			
b	Net unrelated business taxable income from Form 990-T, line 34 . . . 0			
Revenue	8	Contributions and grants (Part VIII, line 1h) 310,639	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g) 143,848,558		
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d) 3,207,229		
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 1,497,498		
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) 148,863,924		
	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3) 93,990		
Expenses	14	Benefits paid to or for members (Part IX, column (A), line 4) 0		
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10) 74,844,855		
	16a	Professional fundraising fees (Part IX, column (A), line 11e) 0		
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f) 73,018,635		
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25) 147,957,480		
	19	Revenue less expenses Subtract line 18 from line 12 906,444		
	Net Assets or Fund Balances			Beginning of Current Year
20		Total assets (Part X, line 16) 148,744,776		
21		Total liabilities (Part X, line 26) 106,712,117		
22		Net assets or fund balances Subtract line 21 from line 20 42,032,659		

Part II

Signature Block

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge			
	Signature of officer		2010-11-10 Date	
	Timothy Snider VP Finance/CFO Type or print name and title			
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions)
	Firm's name (or yours if self-employed), address, and ZIP + 4	ERNST & YOUNG US LLP 111 MONUMENT CIRCLE STE 2380 INDIANAPOLIS, IN 46204		EIN ▶
			Phone no ▶ (317) 681-7000	

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











1 Briefly describe the organization's mission

See Schedule O

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	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I 	3		No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II 	4	Yes	
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5		
6	Did the organization maintain any donor advised funds or any 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	Yes	
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
14b	• 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		No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S ? If "Yes," complete Schedule F, Part II	15		No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the 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	Yes	

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	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <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	Yes	
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		No
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		No
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	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	Yes	
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? Note. 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	93	
	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	1,635	
	b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)			
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	21	
b	Enter the number of voting members that are independent	1b	16	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5		No
6	Does the organization have members or stockholders?	6	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	Yes	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	Yes	
b	Each committee with authority to act on behalf of the governing body?	8b	Yes	
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	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	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		No
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		

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed▶OH
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 ▶ Timothy Snider 3130 North County Rd 25A Troy, OH 45373 (937) 440-7853

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

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

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

[illegible]

1b	Total	3,108,469	668,064	667,248
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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 **▶**30

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	Yes
5	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>	5	No

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
Brackett Builders 185 Marybill Dr TROY, OH 45373	Construction	2,892,889
Valley Anesthesia Inc 3130 North County Rd 25A TROY, OH 45373	Anesthesiology	1,370,063
North Dayton Pathologist Inc 2222 Philadelphia Dr DAYTON, OH 45406	Pathology	953,620
Premier Health Care Services Inc 332 Congress Park Dr DAYTON, OH 45459	Occupational Health	453,325
Quest Diagnostics 3 Giralda Farms MADISON, NJ 07940	Lab/Healthcare	368,299

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 **▶**20

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	35,000				
	e	Government grants (contributions)	1e	28,939				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	7,880				
	g	Noncash contributions included in lines 1a-1f \$ _____						
	h	Total. Add lines 1a-1f			71,819			
Program Service Revenue			Business Code					
	2a	NET MEDICARE / MEDICAID	621,300	75,945,641	75,945,641			
	b	NET PATIENT CARE SERVICES	212,000	64,346,616	64,346,616			
	c	JOINT HOSPITAL SERVICES - LAUNDRY	812,300	661,176	645,778	15,398		
	d	Training & Education	561,499	176,132	176,132			
	e	Rental from Affiliates	532,000	146,044	146,044			
	f	All other program service revenue		387,610	387,610			
	g	Total. Add lines 2a-2f			141,663,219			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)			2,058,919	40,365	2,018,554	
	4	Income from investment of tax-exempt bond proceeds . . .			276,098		276,098	
	5	Royalties			0			
	6a	(i) Real		(ii) Personal				
		Gross Rents	37,285					
		b Less rental expenses	22,264					
		c Rental income or (loss)	15,021					
	d	Net rental income or (loss)			15,021		15,021	
	7a	(i) Securities		(ii) Other				
		Gross amount from sales of assets other than inventory	27,334,041	74,740				
		b Less cost or other basis and sales expenses	27,214,673	190,031				
		c Gain or (loss)	119,368	-115,291				
	d	Net gain or (loss)			4,077		4,077	
	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	Nutrition Services		722,210	864,956	95,376		769,580	
b	Physician Laboratory Services		621,500	291,288		291,288		
c	Medical Records Fees		541,900	49,291	49,291			
d	All other revenue			384,158	327,204	56,954		
e	Total. Add lines 11a-11d			1,589,693				
12	Total revenue. See Instructions			145,678,846	142,160,057	363,640	3,083,330	

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	87,845	87,845		
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	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	2,748,910	44,166	2,704,744	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	60		60	
7	Other salaries and wages	54,777,855	43,937,176	10,840,679	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	5,453,628	4,532,545	921,083	
9	Other employee benefits	11,435,215	9,016,054	2,419,161	
10	Payroll taxes	3,904,711	3,188,956	715,755	
11	Fees for services (non-employees)				
a	Management	0			
b	Legal	103,694		103,694	
c	Accounting	180,516		180,516	
d	Lobbying	8,082		8,082	
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	91,335		91,335	
g	Other	6,794,785	6,672,333	122,452	
12	Advertising and promotion	484,165	56,267	427,898	
13	Office expenses	5,283,620	4,196,481	1,087,139	
14	Information technology	2,782,724	1,607,378	1,175,346	
15	Royalties	0			
16	Occupancy	3,098,559	2,594,579	503,980	
17	Travel	186,953	148,800	38,153	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	107,737	74,127	33,610	
20	Interest	2,711,111	2,168,889	542,222	
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	7,132,656	6,240,371	892,285	
23	Insurance	2,183,174		2,183,174	
24	Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	OPERATING SUPPLIES	13,251,993	13,240,487	11,506	
b	JOINT OPERATING AGREEMENT	9,425,000	9,425,000		
c	PURCHASED SERVICES	6,244,469	3,676,116	2,568,353	
d	BAD DEBTS	3,193,790	3,193,790		
e	HOSPITAL FRANCHISE TAX	409,464	409,464		
f	All other expenses	331,198	114,446	216,752	
25	Total functional expenses. Add lines 1 through 24f	142,413,249	114,625,270	27,787,979	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			3,295	1	3,295
	2	Savings and temporary cash investments			3,976,656	2	6,455,773
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			13,555,786	4	11,360,422
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L			1,310,120	5	4,198
	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			585,703	7	1,037,092
	8	Inventories for sale or use			594,709	8	464,810
	9	Prepaid expenses and deferred charges			1,645,458	9	1,278,585
	10a	Land, buildings, and equipment, cost or other basis. Complete Part VI of Schedule D	10a	126,545,809			
	b	Less accumulated depreciation	10b	70,953,220	54,323,885	10c	55,592,589
	11	Investments—publicly traded securities			69,159,714	11	78,089,816
	12	Investments—other securities. See Part IV, line 11				12	
	13	Investments—program-related. See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets. See Part IV, line 11			3,589,450	15	1,523,478
	16	Total assets. Add lines 1 through 15 (must equal line 34)			148,744,776	16	155,810,058
Liabilities	17	Accounts payable and accrued expenses			46,482,159	17	49,919,364
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities			57,048,901	20	55,163,529
	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				23	
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities. Complete Part X of Schedule D			3,181,057	25	3,563,942
	26	Total liabilities. Add lines 17 through 25			106,712,117	26	108,646,835
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			39,897,189	27	44,994,454
	28	Temporarily restricted net assets			1,237,763	28	1,244,029
	29	Permanently restricted net assets			897,707	29	924,740
	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			42,032,659	33	47,163,223
	34	Total liabilities and net assets/fund balances			148,744,776	34	155,810,058

Part XI Financial Statements and Reporting

	Yes	No
1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? . . .		No
b Were the organization's financial statements audited by an independent accountant?	Yes	
c If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
d 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		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
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 Upper Valley Medical Center	Employer identification number 31-0537095
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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)

(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	

19a**33 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 

b**33 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 

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

Part IV

Supplemental Information. 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

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 Upper Valley Medical Center	Employer identification number 31-0537095
---	--

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?
- 4a
- Was a correction made?
- 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?
- 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><thead><tr><th>If the amount on line 1e, column (a) or (b) is:</th><th>The lobbying nontaxable amount is:</th></tr></thead><tbody><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></tbody></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		8,082
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		No	
j Total lines 1c through 1i			8,082
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A

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

Department of the Treasury
Internal Revenue Service

Name of the organization Upper Valley Medical Center	Employer identification number 31-0537095
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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

	Amount
1c	
1d	
1e	
1f	

1c

Beginning balance

1d

Additions during the year

1e

Distributions during the year

1f

Ending balance

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	2,135,470	2,061,537		
b	Contributions	304,326	450,032		
c	Investment earnings or losses				
d	Grants or scholarships	107,414	49,092		
e	Other expenditures for facilities and programs	163,613	327,007		
f	Administrative expenses				
g	End of year balance	2,168,769	2,135,470		

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶ %

b

Permanent endowment ▶ 42 640 % %

c

Term endowment ▶ 57 360 % %

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)

No

(ii)

related organizations

3a(ii)

No

b

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

3b

Yes

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		459,459		459,459
b Buildings		62,764,255	29,067,322	33,696,933
c Leasehold improvements		78,425	78,425	0
d Equipment		59,413,109	40,693,016	18,720,093
e Other		3,830,561	1,114,457	2,716,104
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				55,592,589

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
Intended uses of the organization's endowment funds	Schedule D, Part V, Line 4	The permanent and term endowment funds are to be used to provide building/equipment and program related needs for the UVMC Health System, to provide support to the Upper Valley Medical Center Cancer Care Center, and to provide healthcare scholarships. In addition, the term endowment funds are to be used to provide financial support for indigent patient bills, to provide health education programs, and to provide toys to enhance a child's well being while spending time in the hospital.

SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, question 20.**
▶ **Attach to Form 990.**
▶ **See separate instructions.**

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Upper Valley Medical Center

Employer identification number
31-0537095

Part I

Charity Care and Certain Other Community Benefits at Cost

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

7

Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheets 1 and 2)			8,138,940	1,325,911	6,813,029	4 890 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			14,274,949	12,051,587	2,223,362	1 600 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)			419,666	385,223	34,443	0 020 %
d Total Charity Care and Means-Tested Government Programs			22,833,555	13,762,721	9,070,834	6 510 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			791,829	208,462	583,367	0 420 %
f Health professions education (from Worksheet 5)			34,000		34,000	0 020 %
g Subsidized health services (from Worksheet 6)			3,079,943	723,517	2,356,426	1 690 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)			157,730		157,730	0 110 %
j Total Other Benefits			4,063,502	931,979	3,131,523	2 240 %
k Total. Add lines 7d and 7j			26,897,057	14,694,700	12,202,357	0

Part IICommunity Building Activities

Complete this table if the organization conducted any community building activities.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1Physical improvements and housing						
2Economic development						
3Community support						
4Environmental improvements						
5Leadership development and training for community members			1,258		1,258	
6Coalition building						
7Community health improvement advocacy						
8Workforce development						
9Other			17,756		17,756	0.010 %
10Total			19,014		19,014	0.010 %

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1	Yes	
2Enter the amount of the organization's bad debt expense (at cost)	2	807,422	
3Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	3	0	
4Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit.			

Section B. Medicare

5Enter total revenue received from Medicare (including DSH and IME)	5	38,993,674	
6Enter Medicare allowable costs of care relating to payments on line 5	6	42,743,426	
7Subtract line 6 from line 5. This is the surplus or (shortfall)	7	-3,749,752	
8Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other			

Section C. Collection Practices

9aDoes the organization have a written debt collection policy?	9a	Yes	
9bIf "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI.	9b	Yes	

Part IVManagement Companies and Joint Ventures

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

Part V

Facility Information

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
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UPPER VALLEY MEDICAL CENTER 3130 NORTH COUNTY ROAD 25A TROY, OH 45373	X	X					X		
Dialysis Services 3130 North County Road 25A Troy, OH 45373									Dialysis
Hyatt Center 450 North Hyatt Tipp City, OH 45371									Laboratory, Imaging, Sports Medicine, Surgery
Outpatient Care Center North 280 Looney Road Piqua, OH 45356									Laboratory, Imaging, REHABILITATION THERAPIES
Outpatient Care Center South 998 South Dorset Road Troy, OH 45373									Laboratory, Imaging, Rehab Therapies, Occupational Health
Stanfield Place 31 Stanfield Road Troy, OH 45373									LABORATORY, IMAGING
UVMC Behavioral Health Services 3130 North County Road 25A Troy, OH 45373	X								Behavioral Hlth Hosp w/ 24-HR Crisis Intervention
Jacob Dettmer Building 3130 North County Rd 25A Troy, OH 45373									Sleep Disorders

Part VI

Supplemental Information

Complete this part to provide the following information

1 Provide the description required for Part I, line 3c, Part I, line 6a, Part I, line 7g, Part I, line 7, column (f), Part I, line 7, Part III, line 4, Part III, line 8, Part III, line 9b, and Part V See Instructions

Not applicable Upper Valley Medical Center uses the Federal Poverty Guidelines for determining eligibility for free or discounted care under the organization's charity care policy

An annual written community benefit report is prepared by the organization directly In addition, Upper Valley Medical Center's community benefit information is included in an annual written community benefit report with Premier Health Partners, a related organization Both of these reports are made available to the public via publications in local newspapers, as well as on the organizations' websites

Included in subsidized health services are revenues and expenses related to an obstetrics clinic which is subsidized by both the Miami County Health Department and Upper Valley Medical Center This clinic serves the prenatal, delivery and postnatal medical needs of women in the hospital's Miami County service area Also included in subsidized health services are revenues and expenses related to an outpatient behavioral health clinic which serves the mental and behavioral health needs of area residents The clients in both of these clinics include those who either have no medical insurance or qualify for Medicaid services The total community benefit expense for these clinics in 2009 was \$943,930, with direct offsetting revenues of \$723,517 The net community benefit expense was \$220,413

Bad debt expenses of \$3,193,790, which are included on Form 990, Part IX, line 25, column (A), have been removed from the denominator prior to the calculation of the percent of total expense

A cost-to-charge ratio methodology was used to calculate the community benefit expenses which appear in the table in Schedule H, Part I, Sections 7a-c This cost-to-charge ratio was derived from Worksheet 2, Ratio of Patient Care Cost-to-Charges The community benefits expenses which appear in the table under Sections 7e-j are calculated based on actual costs

Upper Valley Medical Center uses Worksheet A and the cost-to-charge ratio methodology from Worksheet 2, Ratio of Patient Care Cost-to-Charges to determine the amounts reported as the organization's bad debt expense (at cost) on Part III, Section A, lines 2-3 In determining bad debt expense, the Medical Center deducts all applicable discounts and payments made on patient accounts from the balances that go to bad debts Footnote per Audited Financial Statement Upper Valley Medical Center's management recognizes bad debt expense and the allowance for doubtful accounts based upon historical experience After satisfaction of amounts due from insurance, established guidelines related to past due balances are followed Recoveries on previously written off receivables are netted against the bad debt expense in the year of recovery Upper Valley Medical Center recognizes that there are accounts written off to bad debt that may have qualified for charity care if the patient provided the necessary financial information In order to resolve this, the organization has engaged a third party vendor to analyze data based on credit scores to reallocate some of this expense to charity care The policy is as follows After 18 months, if the collection agency has not been able to resolve the account, the account is returned to the organization for final closeback These accounts are then sent to the third party vendor who gathers external credit data that presents the account as less than 100% Federal Poverty Level or not enough information (typically indicative of indigent) These accounts are reclassified from bad debt expense to charity expense on our income statement Any credit score that presents the accounts as greater than 100% Federal Poverty Level remains in bad debt expense Due to process, Upper Valley Medical Center does not feel it has reported bad debt expense for patients eligible under the organization's charity care policy

The Medicare shortfall of \$3,749,752 should be treated as community benefit because the organization is providing high-quality care in excess of the cost to those in its community who need care The Medicare population at the organization is approximately 30% of net patient revenue The Medicare advantage plans and Medicare managed care plans are excluded from this shortfall and percentage of net patient revenue Upper Valley Medical Center uses the Medicare Allowable Costing Methodology (Medicare Cost Report 2552-96) to determine the Medicare allowable costs reported

Upper Valley Medical Center uses the eligibility guidelines under Federal House Bill 5101 3-2-0717 to determine patient accounts which qualify for basic, medically necessary hospital services under the State of Ohio Free Care Program (Care Assurance) The patient must complete the HCAP application and sign an affidavit that states that they meet the State's requirements Proof of income is not required and there are no dollar limits to the amounts which may be written off Upper Valley Medical Center's Financial Counselors meet with self-pay and other patients who may need financial assistance In addition to assisting patients who want to apply for assistance through the Medicaid program, the Financial Counselor will provide the patient with a form for completing a financial statement, which must be returned to the Financial Counselor within 10 days If the financial statement falls within 400% of the federal poverty guidelines, the patient qualifies for assistance and all or part of the account will be written off to charity care, based on a Sliding Fee Schedule which has been established There are no dollar limits to the amounts which may be written off Patients may also qualify for charity care discounts due to a medically-based catastrophic event which has occurred in their life If a patient qualifies for this discount, he/she would only be held responsible for payment of his/her account up to 25% of their annual income For patient accounts which have been sent to collections, charity care is determined by Upper Valley Medical Center's professional collection agencies and is reported to the Medical Center on a monthly basis Upon determination by the agencies of charity care, the account is closed with the agency and returned to the Medical Center, where it is written off to charity care The professional collection agencies follow the Medical Center's guidelines for determining charity care

Not applicable as all are listed on Part V

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

The primary purpose of the UVMC Community Benefit Plan is to work toward improved health in the communities that we serve by responding to community needs with programs that increase access to health care This is accomplished through identifying community needs, making prudent choices for the use of resources, building and strengthening relationships in the community, and demonstrating accountability and transparency UVMC works with the community on programs that address the underlying causes of persistent health problems, as part of a comprehensive strategy to improve the health status and quality of life for identified members of the community who are economically disadvantaged, disenfranchised and/or who have disproportionate unmet health needs UVMC strives to work with Premier Health Partners, the UVMC Board of Directors, executive management, managers, staff members, community groups and individuals to provide a collaborative approach to the governance and management of community benefit activities

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

There are several ways in which Upper Valley Medical Center informs and educates patients who may be billed for services about their eligibility for assistance under federal, state, or local government programs or under the Medical Center's charity care policy First, notification of such available assistance is clearly posted in registration areas, as well as the maternity and emergency departments Next, patient financial advocates in the inpatient and emergency departments meet with all uninsured and under-insured patients as well as those with just Medicare coverage to discuss eligibility for assistance Advocates also meet with uninsured and under-insured patients and those who have unpaid account balances, who are scheduled for large dollar procedures to discuss eligibility options Finally, when a patient receives a bill from Upper Valley Medical Center, the reverse side of the bill contains information about the State of Ohio Free Care Program (Care Assurance) Also included with that bill is another form which details the financial assistance options available

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

Upper Valley Medical Center serves the northern Miami Valley area with acute care services, community health and wellness programs and more Upper Valley Medical Center is located in Miami County, Ohio and is the sole hospital system operating within the county The population of Upper Valley Medical Center's primary service area is approximately 130,000 people, with a recent growth rate of just slightly over 2% Including the adjacent counties which are also served (Shelby, Darke, and Champaign Counties), Upper Valley Medical Center's total primary and secondary service area population approaches 300,000 residents The overall service area is categorized as having relatively slow growth with an aging population, consistent with current trends throughout Ohio The median household income of Miami County and the surrounding area is slightly more than \$50,000 per year, with approximately 8% of its citizens living below the federal poverty level Approximately 49% of the hospital's gross revenues are generated from Medicare patients, while another 17% of the revenues are generated from either uninsured patients or Medicaid recipients The current unemployment rate of Miami County is approximately 11% Recent job growth has been negative

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

To aid in the leadership development and training for community members, Upper Valley Medical Center participates in the Leadership Piqua and Leadership Troy programs These programs consist of annual sessions, whereby participants learn leadership and interpersonal skills to be informed civic-oriented leaders who are interested in helping to direct the future of the Miami County communities Other community building activities include cash donations made to other organizations throughout the Miami County area Certain board members of the hospital are granted charitable credits to be donated in the name of the board member to not-for-profit, tax-exempt, 501(c)(3) health and human services organizations in the Miami County area The recipient organization must use the funds in the spirit of the Hospital's mission to improve the general health status of the community Upper Valley Medical Center also makes several direct charitable donations to other not-for-profit organizations throughout Miami County These organizations include area schools, chambers of commerce, churches, etc These donations are given in the spirit of aiding in the overall well-being of the community

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

The primary exempt purpose of Upper Valley Medical Center is to provide comprehensive inpatient, outpatient and emergency health care services to the residents of Miami and surrounding counties The hospital furthers it tax-exempt purpose by promoting the health of the community in many ways A principal financial contribution to the community is the provision of acute health services to patients regardless of their ability to pay In addition to charity care services provided, Upper Valley Medical Center experienced bad debt expenses and also incurred costs from providing care for patients covered by government programs such as Medicare and Medicaid, where reimbursement is limited Upper Valley Medical Center also subsidizes an obstetrics clinic and a behavioral health clinic and provides a comprehensive continuum of psychiatric and chemical dependency programs These services are provided at a reduced cost or no cost for those who are uninsured or unable to pay Thousands of individuals throughout Miami and surrounding counties benefited from Upper Valley Medical Center's health-focused programs during 2009, including health fairs, screenings, immunizations, support groups and other services Many of these programs are free to the public or offered at a reduced price Free presentations are available to area civic, service and social groups, professional organizations, schools, churches, and industries through the UVMC speaker's bureau Speakers are available on a wide variety of medical/health care topics and are able to provide accurate, up-to-date information to the community Upper Valley Medical Center's use of surplus funds includes the purchase of property, plant and equipment of over \$10 million Highlights include Cardiac Cath Lab Upgrade Nuclear Medicine Camera MRI Digital Mammography Upgrade Pyxis Pharmacy System Upgrade Inpatient Behavioral Health Center Expansion Also included are project expenditures to be completed in 2010 for Information Systems The UVMC board of directors consists of 21 members of the community The majority of the board members are neither employees nor contractors of the organization None of these board members receive compensation from the organization for services provided in the role of board member The Medical Center extends medical staff privileges to all qualified physicians in its community for the majority of its departments See Schedule O, Part III for more comprehensive details about how the Medical Center promotes the health of the community

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

Upper Valley Medical Center is a member of Premier Health Partners (PHP) along with three other hospitals PHP was formed under a joint operating agreement between Miami Valley Hospital, Good Samaritan Hospital, Atrium Medical Center, and Upper Valley Medical Center The joint operating agreement provides for the creation of PHP, a not-for-profit corporation Each hospital has the authority to determine the amounts contributed for community building and other indigent programs The policies for bad debt and charity collections are established by PHP

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

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization
Upper Valley Medical Center

Employer identification number
31-0537095

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
UVMC FOUNDATION3130 N COUNTY ROAD 25A TROY,OH 45373	311581859	501(C)(3)	40,500				ENDOWMENT FOR SCHOLARSHIP FUND
AMERICAN CANCER SOCIETY5555 FRANTZ ROAD DUBLIN,OH 43017	340726080	501(C)(3)	7,500				SPONSORSHIP MIAMI CO RELAY FOR LIFE
EDISON FOUNDATION 1973 EDISON DRIVE PIQUA,OH 45356	311379781	501(C)(3)	5,500				SPONSORSHIP FOR ANNUAL EVENT

2

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

3

3

Enter total number of other organizations

0

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

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

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

[illegible]

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
Upper Valley Medical Center

Employer identification number

31-0537095

Part I

Questions Regarding Compensation

	Yes	No
<div><div>1a</div><div>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><div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div><div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div></div></div>		
<div><div>1b</div><div>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</div></div>		
<div><div>2</div><div>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?</div></div>		
<div><div>3</div><div>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><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Form 990 of other organizations</div><div><input checked="" type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div></div>		
<div><div>4</div><div>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</div></div>		
<div><div>4a</div><div>Receive a severance payment or change-of-control payment?</div></div>	Yes	
<div><div>4b</div><div>Participate in, or receive payment from, a supplemental nonqualified retirement plan?</div></div>	Yes	
<div><div>4c</div><div>Participate in, or receive payment from, an equity-based compensation arrangement?</div></div> <div>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III</div>		No
<div><div></div><div>Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.</div></div>		
<div><div>5</div><div>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</div></div>		
<div><div>a</div><div>The organization?</div></div>		No
<div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 5a or 5b, describe in Part III</div>		No
<div><div>6</div><div>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</div></div>		
<div><div>a</div><div>The organization?</div></div>	Yes	
<div><div>b</div><div>Any related organization?</div></div> <div>If "Yes," to line 6a or 6b, describe in Part III</div>	Yes	
<div><div>7</div><div>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</div></div>		No
<div><div>8</div><div>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</div></div>		No
<div><div>9</div><div>If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?</div></div>		

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				
Rowan R Nickol MD	(i)	0	0	0	0	0	0	0
	(ii)	272,192	23,776	1,736	2,450	25,954	326,108	0
L Stewart Lowry MD	(i)	39,993	0	0	0	0	39,993	0
	(ii)	240,193	9,310	17,251	2,450	23,177	292,381	0
Michael J Maiberger	(i)	257,820	0	64,670	21,881	1,133	345,504	0
	(ii)	39,288	0	9,855	18,861	26,837	94,841	15,327
Thomas Parker	(i)	201,401	27,300	20,199	34,979	16,265	300,144	0
	(ii)	0	0	0	0	0	0	0
Timothy Snider	(i)	189,771	28,236	16,044	14,351	24,787	273,189	0
	(ii)	0	0	0	0	0	0	0
Randal P Lennartz	(i)	53,242	28,795	215,148	6,837	19,642	323,664	0
	(ii)	8,114	4,388	32,786	1,042	2,993	49,323	50,074
Barbara Evert MD	(i)	223,361	36,000	39,315	14,700	21,998	335,374	0
	(ii)	0	0	0	0	0	0	0
Judith Snyder	(i)	136,641	22,050	24,783	51,177	10,484	245,135	0
	(ii)	0	0	0	0	0	0	0
Rececca Rice	(i)	146,178	21,900	13,803	43,765	14,410	240,056	0
	(ii)	0	0	0	0	0	0	0
Keith Achor	(i)	75,796	21,766	82,121	10,620	9,463	199,766	0
	(ii)	0	0	0	0	0	0	0
James Hurak	(i)	119,878	21,150	25,593	36,438	28,695	231,754	0
	(ii)	0	0	0	0	0	0	0
Shakil Rahman MD	(i)	269,799	0	631	2,450	28,084	300,964	0
	(ii)	0	0	0	0	0	0	0
Rafay Atiq MD	(i)	211,624	0	378	2,155	23,347	237,504	0
	(ii)	0	0	0	0	0	0	0
William Watercutter	(i)	124,224	0	5,384	7,856	15,340	152,804	0
	(ii)	0	0	0	0	0	0	0
Thomas Bigley	(i)	126,655	0	2,808	7,020	25,031	161,514	0
	(ii)	0	0	0	0	0	0	0
William Smith PhD	(i)	107,905	0	11,735	16,708	27,348	163,696	0
	(ii)	0	0	0	0	0	0	0

Part III

Supplemental Information

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

Identifier	Return Reference	Explanation
SEVERANCE OR CHANGE-OF-CONTROL PAYMENT	SCHEDULE J, PART I, LINE 4A	The individuals that received severance payments for 2009 are Randal Lennartz - \$158,137.92 and Keith Achor - \$69,188.16. Severance payments were determined according to their employment contract or corporate policy.
PARTICIPANTS IN NONQUALIFIED RETIREMENT PLANS	SCHEDULE J, PART I, LINE 4B	451 Deferred Compensation Plan is limited to a select group of key management or highly compensated employees. This plan is intended to be a nonqualified deferred compensation arrangement which complies with the requirements of Code section 409A. The 2009 participants include Michael Maiberger - \$20,800.00 and Randal Lennartz - \$8,000.00. UVMC Supplemental Executive Retirement Plan "SERP" - This is a non-qualified deferred compensation plan subject to the requirements of Section 409A. The 2009 participants with vested amounts include Michael Maiberger \$15,326.81 and Randal Lennartz \$54,268.70.
Compensation Contingent on Net Earnings	Schedule J, Part I, Lines 6a & 6b	Premier Health Partners (PHP), of which Upper Valley Medical Center is a part, has an incentive component for all executive and director level employees that ties a portion of their total compensation to organizational and individual objectives and outcomes. The incentive payout is computed based on a percentage of the employee's salary. The organizational criterion is weighted according to balanced scorecard categories: positive work environment (15%), quality (30%), customer satisfaction (25%), financial (20%), and major initiatives (10%). The financial category of the scorecard is based upon net earnings of the individual hospital and the net earnings of the system as a whole. This financial target is set based on the margin required to maintain the system AA credit rating. Vice Presidents and above incentive objectives are weighted 50% on organizational criteria and 50% on individual criteria. Directors are weighted 25% on organizational criteria and 75% on individual criteria.

Software ID:

Software Version:

EIN: 31-0537095

Name: Upper Valley Medical Center

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Rowan R Nickol MD	(i) 0	0	0	0	0	0	0
	(ii) 272,192	23,776	1,736	2,450	25,954	326,108	0
L Stewart Lowry MD	(i) 39,993	0	0	0	0	39,993	0
	(ii) 240,193	9,310	17,251	2,450	23,177	292,381	0
Michael J Maiberger	(i) 257,820	0	64,670	21,881	1,133	345,504	0
	(ii) 39,288	0	9,855	18,861	26,837	94,841	15,327
Thomas Parker	(i) 201,401	27,300	20,199	34,979	16,265	300,144	0
	(ii) 0	0	0	0	0	0	0
Timothy Snider	(i) 189,771	28,236	16,044	14,351	24,787	273,189	0
	(ii) 0	0	0	0	0	0	0
Randal P Lennartz	(i) 53,242	28,795	215,148	6,837	19,642	323,664	0
	(ii) 8,114	4,388	32,786	1,042	2,993	49,323	50,074
Barbara Evert MD	(i) 223,361	36,000	39,315	14,700	21,998	335,374	0
	(ii) 0	0	0	0	0	0	0
Judith Snyder	(i) 136,641	22,050	24,783	51,177	10,484	245,135	0
	(ii) 0	0	0	0	0	0	0
Rececca Rice	(i) 146,178	21,900	13,803	43,765	14,410	240,056	0
	(ii) 0	0	0	0	0	0	0
Keith Achor	(i) 75,796	21,766	82,121	10,620	9,463	199,766	0
	(ii) 0	0	0	0	0	0	0
James Hurak	(i) 119,878	21,150	25,593	36,438	28,695	231,754	0
	(ii) 0	0	0	0	0	0	0
Shakil Rahman MD	(i) 269,799	0	631	2,450	28,084	300,964	0
	(ii) 0	0	0	0	0	0	0
Rafay Atiq MD	(i) 211,624	0	378	2,155	23,347	237,504	0
	(ii) 0	0	0	0	0	0	0
William Watercutter	(i) 124,224	0	5,384	7,856	15,340	152,804	0
	(ii) 0	0	0	0	0	0	0
Thomas Bigley	(i) 126,655	0	2,808	7,020	25,031	161,514	0
	(ii) 0	0	0	0	0	0	0
William Smith PhD	(i) 107,905	0	11,735	16,708	27,348	163,696	0
	(ii) 0	0	0	0	0	0	0

Schedule K (Form 990)	<div>Supplemental Information on Tax Exempt Bonds</div> <div>▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O (Form 990). ▶ Attach to Form 990. ▶ See separate instructions.</div>	OMB No 1545-0047
		2009
		Open to Public Inspection

Department of the Treasury Internal Revenue Service	Name of the organization Upper Valley Medical Center	Employer identification number 31-0537095
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Part I Bond Issues

(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer	
						Yes	No	Yes	No
A county of miami ohio	31-6000055	593328ev5	06-29-2006	57,502,248	see schedule O		X		X

Part II Proceeds

		A	B	C	D	E	
1	Total proceeds of issue	59,635,389					
2	Gross proceeds in reserve funds	5,374,569					
3	Proceeds in refunding or defeasance escrows	0					
4	Other unspent proceeds	0					
5	Issuance costs from proceeds	663,253					
6	Working capital expenditures from proceeds	0					
7	Capital expenditures from proceeds	19,591,181					
8	Year of substantial completion	2009					
		Yes	No	Yes	No	Yes	No
9	Were the bonds issued as part of a current refunding issue?	X					
10	Were the bonds issued as part of an advance refunding issue?		X				
11	Has the final allocation of proceeds been made?	X					
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X					

Part III Private Business Use

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

Part III

Private Business Use (Continued)

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts with respect to the financed property which may result in private business use?	X									
3b	Are there any research agreements with respect to the financed property which may result in private business use?		X								
3c	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?	X									
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government		0 100 %								
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government		0 200 %								
6	Total of lines 4 and 5		0 300 %								
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X									

Part IV

Arbitrage

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

Schedule L
(Form 990 or 990-EZ)

OMB No 1545-0047

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

Name of the organization

Upper Valley Medical Center

Employer identification number

31-0537095

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?
			YesNo

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
DANIEL BAILEY DPM - LINE OF CREDIT		X	1,300	4,198		No	Yes		Yes	
Total				\$ 4,198						

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
Digestive Specialty Care	>35% OWNED - ABBOD (DIR)	300,000	GASTROENTEROLOGY SERVICES		No

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization Upper Valley Medical Center	Employer identification number 31-0537095
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Identifier	Return Reference	Explanation
MISSION STATEMENT	PART III, LINE 1	Upper Valley Medical Center, as a subsidiary of UVMC, serves as an integral part in achieving UVMC's mission UVMC will strive to provide quality care that upholds the dignity of all individuals Care will be given in a holistic manner without regard to race, religion, creed, national origin or social status Our health care delivery system will be structured to optimize the delivery of safe, efficient and cost-effective health care
PROGRAM SERVICES	PART III, LINE 4A	Upper Valley Medical Center (UVMC) was founded in 1986 as the umbrella corporation for the merger of Miami County's three hospitals that had operated as independent and competitive entities located within a 10-mile radius In 1998, a new hospital facility opened that consolidated acute care services at a central location Currently, the hospital is licensed for 139 acute care beds and 39 behavioral health beds UVMC's vision is committed to preserving long-term access to quality health care services for Miami County and the surrounding area Quality customer service is a priority at UVMC Our culture is defined by "Caring Plus" which is UVMC's commitment to quality, kindness and compassion for our patients, visitors and each other In January 2009, a joint operating agreement was implemented in which Upper Valley Medical Center became a part of the Premier Health Partners (PHP), a comprehensive health system serving southwestern Ohio through member and affiliate organizations in seven counties The association with PHP, a not-for-profit corporation, allows for more flexibility in accessing specialty services not provided locally It also gives local residents more access to community health services, such as expanded wellness programs provided in conjunction with Premier Community Health and the CareFinders physician referral network Upper Valley Medical Center is a member of PHP along with three other hospitals Miami Valley Hospital, Good Samaritan Hospital, and Atrium Medical Center Each hospital has the authority to determine the amounts it contributes to community building and other indigent programs The policies for bad debts and charity collections are established by PHP The primary exempt purpose of Upper Valley Medical Center is to provide comprehensive inpatient, outpatient and emergency health care services to the residents of Miami and surrounding counties The hospital furthers its tax-exempt purpose by promoting the health of the community in many ways Upper Valley Medical Center, as a subsidiary of UVMC, serves as an integral part in achieving UVMC's mission
PROGRAM SERVICES (continued)	PART III, LINE 4A (continued)	UVMC will strive to provide quality care that upholds the dignity of all individuals Care will be given in a holistic manner without regard to race, religion, creed, national origin or social status Our health care delivery system will be structured to optimize the delivery of safe, efficient and cost-effective health care A principal financial contribution that Upper Valley Medical Center makes to the community is its provision of acute health care services to patients regardless of their ability to pay The hospital operates a 24-hour emergency room 365 days per year that is open to all individuals It also participates in government-sponsored health care programs such as Medicare, Medicaid, TRICARE, and has an active charity care program The board of Directors for Upper Valley Medical Center consists of 21 members of the community The majority of the board members are neither employees nor contractors of the organization None of these board members receive compensation from the organization for services provided in the role as a board member The Medical Center extends medical staff privileges to all qualified physicians in its community for the majority of its departments The medical staff consists of 212 physicians and the health system continues to actively recruit new doctors to Miami County in important primary and specialty areas of medicine The hospital was granted tax exempt status as a hospital in February of 1935
PROGRAM SERVICES (continued)	PART III, LINE 4A (continued)	COMMUNITY BENEFIT APPROACH Upper Valley Medical Center is located between Troy and Piqua, Ohio and serves the northern Miami Valley area with acute care services, community health and wellness programs and more It is the sole hospital system operating within Miami County The hospital also offers easy access to quality care by providing outpatient services throughout the Miami County area Satellite locations provide Laboratory, Radiology, Surgical, Sports Medicine, Occupational Health, Dialysis, and Rehabilitative services In addition, Upper Valley Medical Center provides Home Health/Home Care visits to community residents in their homes, where the greatest possible individual freedom and dignity are maintained 2009 operating statistics for Upper Valley Medical Center follow Patient Days -Acute Care (Excluding New borns) 30,971 -Behavioral Health 8,471 Other Volume Indicators -Laboratory Tests 573,951 -Radiology/Imaging Exams 115,597 -Cardiopulmonary Procedures 109,712 -Rehabilitation Services Visits 52,509 -Emergency Room Visits 42,202 -Occupational Health Procedures 34,650 -Cancer Care Visits 16,807 -Home Health Visits 16,796 -Dialysis Treatments 11,441 -Outpatient Surgeries 8,767 -Inpatient Surgeries 2,001 -Behavioral Health Outpatient Visits 8,170 -Births 795 The population of Upper Valley Medical Center's primary service area is approximately 130,000 Including the adjacent counties which are also served (Shelby, Darke, and Champaign Counties), the hospital's total primary and secondary service area population approaches 300,000 residents Approximately 49% of the hospital's gross revenues are generated from Medicare patients, while another 17% of the revenues are generated from either uninsured patients or Medicaid recipients The primary purpose of the UVMC Community Benefit Plan is to work toward improved health in the communities that we serve by responding to community needs with programs that increase access to health care This is accomplished through identifying community needs, making prudent choices for the use of resources, building and strengthening relationships in the community, and demonstrating accountability and transparency UVMC works with the community on programs that address the underlying causes of persistent health problems, as part of a comprehensive strategy to improve the health status and quality of life for identified members of the community who are economically disadvantaged, disenfranchised and/or who have disproportionate unmet health needs UVMC strives to work with Premier Health Partners, the UVMC Board of Directors, executive management, managers, staff members, community groups and individuals to provide a collaborative approach to the governance and management of community benefit activities
PROGRAM SERVICES (continued)	PART III, LINE 4A (continued)	As a member of Premier Health Partners, Upper Valley Medical Center is committed to improving health care in the community, and being a good corporate neighbor in Miami County The hospital focuses on four main aspects - Investing in the Community - UVMC invests time and resources into the community by providing health screenings, health fairs, immunization clinics and support groups By doing so, UVMC has invested in the community by providing over 3,000 screenings and benefited thousands of individuals in seeking health care education, services and support The cost of providing such services was over \$31,000 In February, the hospital, along with Premier Community Health, held its first Heart Health event that provided important health tests and wellness information to more than 170 participants - Prevention and Wellness - UVMC is dedicated to educating the citizens of Miami County about health issues as well as providing resources to build a healthier community UVMC and the American Cancer Society teamed up with Edison Community College to host a new HealthWise Outdoor Fitness Center on the Edison campus in Piqua The unique exercise fitness facility is free and open to the public UVMC also hosts a free LifeClinic self-monitoring station at Edison to provide quick and easy measurement of blood pressure, heart rate, weight and body mass along with information regarding hypertension and other medical conditions More than 7,100 tests were provided in 2009 - Commitment to the under-served - UVMC has programs that assist the needs of those with minimal or no insurance Charity care was provided by UVMC, along with a host of community health outreach programs that go beyond traditional medical care UVMC also provides a local charity care program to help uninsured and under-insured Miami County patients who do not qualify for other assistance - Community Engagement - UVMC prides itself on being an active member of the Miami County community UVMC continued to partner with Edison Community College with support of the Health Sciences Center expansion, which accommodates important nursing and allied health programs The hospital contributed another \$120,000 towards its pledge for this program In addition, the UVMC Auxiliary donated \$24,000 to a scholarship fund that benefited 20 local students pursuing an associate or bachelor's degree in a health care related field The Auxiliary also contributed \$10,000 towards a permanently restricted scholarship fund UNCOMPENSATED CARE As shown above, Upper Valley Medical Center provides a significant amount of free care during the year The cost of charity care provided by the organization was \$6.8 million in 2009 The hospital also incurred \$2.2 million in unreimbursed costs for services provided to Medicaid patients, which represented approximately 16 percent of the patients served The cost of providing services to Medicaid patients is often greater than the payments received from the Medicaid program Upper Valley Medical Center informs and educates patients who may be billed for services concerning their eligibility for assistance under federal, state, or local government programs or under the Medical Center's charity care policy First, notification of such available assistance is clearly posted in all registration areas, as well as the maternity and emergency departments Next, patient financial advocates in the inpatient and emergency departments meet with uninsured and underinsured to discuss eligibility for assistance Advocates also meet with uninsured patients and those who have unpaid account balances, who are scheduled for large dollar procedures to discuss eligibility options Finally, when a patient receives a bill from Upper Valley Medical Center, the reverse side of the bill contains information about the State of Ohio Free Care Program (Care Assurance) Also included with that bill is another form which details the financial assistance options available

Identifier	Return Reference	Explanation
PROGRAM SERVICES (continued)	PART III, LINE 4A (continued)	COMMUNITY OUTREACH FOR THE BROADER COMMUNITY Thousands of individuals throughout Miami and surrounding counties benefited from Upper Valley Medical Center's health-focused programs during 2009, including health fairs, screenings, immunizations, support groups and other services Many of these programs are free to the public or offered at a reduced price Free presentations are available to area civic, service and social groups, professional organizations, schools, churches, and industries through the UVMC speaker's bureau Speakers are available on a wide variety of medical/healthcare topics and are able to provide accurate, up-to-date information to the community Upper Valley Medical Center subsidizes the outpatient services for Behavioral Health It provides traditional, private outpatient therapy and medication management for adults, adolescents and children Clients include those who either have no insurance or qualify for Medicaid services In addition, the Tri-County Crisis Center is located on the main campus of UVMC, and provides all levels of emergency intervention/assessment services 24 hours a day These are part of Upper Valley Medical Center's commitment of providing a cost effective continuum of mental health and chemical dependency services The net community benefit expense for 2009 was over \$144,000 Also included in subsidized health services are revenues and expenses related to an obstetrics clinic which is subsidized by both the Miami County Health Department and Upper Valley Medical Center The obstetrics clinic serves the prenatal, delivery and postnatal medical needs of women in the hospital's Miami County service area who either have no medical insurance or qualify for Medicaid services The net community benefit expense for 2009 was over \$76,000 Approximately 120 people attended the annual Bill and Ruth McGraw Cancer Awareness in September Prostate cancer prevention, diagnosis and treatment was the theme of the symposium, which was sponsored by the UVMC Cancer Care Center and the UVMC Foundation along with contributions from the McGraw family The event was free and open to the public The Nutrition Services department encompasses all components of food production for patient meals, cafeteria services, vending foods and internal catering The clinical team of dietitians and diet technicians accommodate inpatient and outpatient as well as community nutrition therapy and education Nutrition Services also participates in the Altrusa Mobile Meals and Piqua Meals on Wheels programs The number of meals prepared was 13,109 and the subsidy to these programs was approximately \$5,500 People of different ages have the opportunity to contribute their time and skills to various departments within the hospital such as the gift shop, emergency services, escort services, surgical services, chaplaincy, reception, etc During 2009, 195 UVMC volunteers provided 38,805 hours of service throughout the hospital system These volunteers generously give of their time to perform services that benefit our patients, visitors, and staff The UVMC Auxiliary also sponsors an important community program called Lifeline, a low-cost medical alert service designed to reduce the risk of living alone Lifeline began in 1985 with 25 clients and now serves over 600 clients in a seven county area The hospital offers this program office and storage space The hospital began using a Comfort Cart in July The purpose of the cart is to create a supportive and caring environment for families of actively dying patients It can be moved from room to room, and contains resources to support, educate and comfort families The Comfort Cart was made possible through a Sharing Plus Department Grant funded by UVMC staff The Department of Pastoral Care has staff chaplains and community clergy volunteers who provide spiritual care at all UVMC facilities 24 hours a day In addition, nondenominational worship services are provided for patients, their family members, visitors and staff There is no fee to patients for the services that the UVMC Pastoral Care staff provides Six teams from UVMC participated in the Miami County Relay for Life held in May The event celebrates cancer survivorship, helps increase awareness of cancer prevention and treatment, and raises funds for important cancer research and programs UVMC Center for Sports Medicine offers many services and special programs to the community In February, it held its first Symposium "Current Concepts in Lower Extremity Sports Injuries" at a local college that included an exceptional panel of speakers Sportsmetrics Knee Injury Reduction Program is designed to reduce the risk of injury and enhance performance for female athletes Also offered was Explosive Speed & Power for local athletes that want to improve speed, agility, vertical jump, strength, and flexibility Another example is The Bike Fit and Performance Program, which was the first and only program in the area to offer competitive and recreational cyclists an opportunity to obtain the best possible bike fit in order to improve comfort, reduce risk of injury, or improve performance The caring professionals of Upper Valley Medical Center have shown their commitment to the needs of the community through the annual United Way Fund campaign for many years Employees demonstrate their commitment to the community by contributing to the local chapters of the United Way Fund in order to benefit the many important services provided by local agencies The 2009 fund drive brought in over \$19,000 in contributions The Caring Plus Holiday Food Drive collected 642 food items, which was a record number for this annual event Items were donated to the Bethany Center in Piqua and St Patrick Soup Kitchen in Troy The hospital offers interpreters, at no cost to the patient, to serve hearing-impaired or non-English speaking patients

Identifier	Return Reference	Explanation
PROGRAM SERVICES (continued)	PART III, LINE 4A (continued)	<p>EDUCATION Both the Ohio Board of Nursing and the Ohio Counselor/Social Worker Board approve Upper Valley Medical Center as a provider of continuing education credits. This distinction enables the Education and Development Department to meet its responsibility to assist in the maintenance and improvement of healthcare education. This is significant for those in search of opportunities to maintain and improve their professional skills and fulfill educational needs and requirements. The department coordinates education programs, provides resources and satellite teleconferences, and provides continuing education credits for a variety of disciplines. The scope of the department's services includes coordination of Advanced Cardiac Life Support Education Fair, Continuing Education In-Services, CPR Nursing Orientation. Education on managing diabetes is available for inpatients and outpatients who have the disease. This department also teaches community diabetes classes and coordinates a support group. The subsidy for offering all of the above programs was \$289,510 in 2009. The Health Sciences Library, located on the Lower Level, is open to the public during normal business hours, or by making special arrangements with the librarian. A Health Education Center, adjacent to the Library, offers educational materials to help promote wellness and understanding about diseases. Information is available via computer, videos, and pamphlets. The subsidy for offering this service was \$60,426. EMS Education provides initial training and continuing education that local EMS providers require. First Responder is a 40-hour program designed to fit the needs of those who are often "first-on-the-scene", such as police officers and industrial health personnel. A 130-hour class provides the foundation for pre-hospital care for a basic Emergency Medical Technician. Refresher classes are also offered for EMS levels. This program was subsidized by the hospital in the amount of \$88,250 in 2009.</p> <p>RESEARCH PROGRAMS UVMC Cancer Care Center partners with the Dayton Clinical Oncology Program (DCOP) for clinical trials to investigate cancer prevention and evaluate agents and drugs for the prevention of cancer. One type of study is a "chemo-prevention trial." This type of study is conducted by recruiting healthy, cancer-free individuals who are at risk for developing cancer. Chemo-prevention trials use medications, vitamins, and other substances which have been tested for preventing the development of a specific type of cancer. DCOP develops and investigates new drugs, and new combinations of surgery, chemotherapy, and radiation treatments for cancer. As a result of this affiliation, our patients can receive the latest in cancer treatments and participate in clinical trials from several research bases such as NSABP Foundation, Southwest Oncology Group (SWOG), Radiation Therapy Oncology Group (RTOG), and MD Anderson Cancer Center. Through participation in clinical trials, cancer patients benefit from, as well as contribute to, how this disease is treated.</p> <p>AWARDS AND RECOGNITION Upper Valley Medical Center (UVMC) has received many awards and recognitions that demonstrate our commitment to excellence, to our patients, and to our employees.</p> <ul style="list-style-type: none">- The Ohio Department of Health (ODH) scheduled survey of the Cardiac Catheterization Lab resulted in zero findings. The survey was the first check for compliance with new Ohio Revised Code quality rules.- An ODH scheduled survey of the Cancer Registry Quality Assurance Review, by the Ohio Cancer Incidence Surveillance System (OCISS), resulted in a preliminary quality score of 96%.- An ODH scheduled survey of HDR (High Dose Rate) brachytherapy brought zero findings.- Pulmonary rehabilitation and cardiac rehabilitation received full re-certification of both programs from the American Association of Cardiovascular and Pulmonary Rehabilitation, with zero findings.- An unscheduled TJC (The Joint Commission) survey brought full accreditation for the Upper Valley Medical Center, Behavioral Health and Home Care. Home Care also underwent a simultaneous CMS Deeming Survey, with full status awarded.- The UVMC Home Health was recognized in The 2009 HomeCare Elite, which is a compilation of the most successful home care providers in the country. The study is based on publically available information on quality, improvement and financial performance.- Allen Roseberry, DO, Emergency Physician, was honored as Premier Health Care Services' Physician of the Year. The physician group staffs the Emergency Departments of regional hospitals, including Upper Valley. The Physician of the Year award recognizes a physician who exemplifies the highest standards of professional service and quality health care. Dr. Roseberry has been an emergency physician in Miami County for over 17 years.- The Renal Network recognized UVMC Dialysis for a Fistula rate of 58% which is significantly higher than the State and Network at 47% and the Nation at 51%. The Fistula First Program, consisting of the Centers for Medicare & Medicaid Services (CMS), ESRD Networks and the entire renal community, works together to ensure that every suitable patient receives the most optimal form of vascular access. In most cases, this will be a native arteriovenous (AV) fistula. This quality outcome focuses on reducing catheter use, vascular complications, and infection rates.- Anthem Hospital Quality Scorecard - Upper Valley Medical Center received 96% on the annual scorecard, a regional measure of medical care quality conducted by Anthem Blue Cross and Blue Shield. <p>GROWTH AND ENHANCEMENTS Upper Valley Medical Center invested over \$10 million in important technological advancements to enhance the range of services offered. Highlights include Cardiac Cath Lab Upgrade, Nuclear Medicine Camera, MRI Digital Mammography Upgrade, Pyxis Pharmacy System Upgrade, Inpatient Behavioral Health Center Expansion. Also included are project expenditures to be completed in 2010 for Information Systems.</p>

DID THE ORGANIZATION HAVE MEMBERS OR STOCKHOLDERS? PART VI, QUESTION 6 Upper Valley Medical Center has two members. One member is UVMC, the parent company of the hospital. The second member is Premier Health Partners, an Ohio nonprofit corporation, formed pursuant to the Joint Operating Agreement. UVMC has the sole authority to elect the Board of Trustees of the corporation. Premier Health Partners has the general authority to operate and manage the operations of the Premier Health Partners activities of the corporation.

Identifier	Return Reference	Explanation
MEMBERS/STOCKHOLDERS WHO MAY ELECT GOVERNING BODY MEMBERS	PART VI, QUESTION 7A	UVMC has the sole authority to elect the board of trustees for Upper Valley Medical Center (hospital). UVMC has the authority to remove trustees at any regular or special board meeting or by written consent. In addition to removal by UVMC, a trustee may be removed from office with approval by UVMC, by the affirmative vote of not less than two-thirds of the entire board of trustees. Premier Health Partners (PHP) has the right to request that UVMC remove a trustee of the corporation if PHP has determined that such trustee is frustrating the goals and purposes of the Premier Health Partners network. Such request shall not be unreasonably refused by UVMC.

APPROVAL OF GOVERNING BODY DECISIONS PART VI, QUESTION 7B Premier Health Partners (PHP) develops and oversees the implementation of the strategic plan for Upper Valley Medical Center (hospital), which addresses such matters as location of clinical and administrative services and the consolidation of such services. Hospital shall comply with and implement this plan and shall not take any action that materially departs from this plan without PHP approval. Hospital develops and submits an annual capital and operating budget to PHP for approval. Hospital shall adopt and implement the capital and operating budget so approved and/or revised for it by PHP. Hospital periodically develops and submits a business plan to PHP for approval. Hospital shall implement the business plan approved by PHP. PHP is the sole agent to negotiate all relationships with payors on behalf of hospital with all third party payors and alternative delivery systems including, but not limited to insurers. Hospital must have approval from PHP to borrow in any fiscal year, guarantee in any year, or incur any lien or other encumbrance on any property in an amount equal to or greater than \$500,000. Hospital must seek PHP approval for any acquisitions, sale or transfer of any material asset used in PHP activities. REVIEW OF FORM 990 PART VI, LINE 11 The 990 tax return and attached schedules are prepared by staff members of the UVMC Finance department. It is submitted to Ernst & Young, LLP for processing and review. After draft returns and review notes are made available to the Finance department, changes are made, and then the return is reviewed by the Budget and Reimbursement Manager, Controller and Chief Financial Officer. A revised version of the return is sent to Ernst & Young for a final evaluation. An electronic version of the return is provided to the UVMC Board of Directors at least one week prior to the board meeting. At that meeting, the Chief Financial Officer of UVMC presents detailed information on compensation and community benefits, as well as addresses questions from the board. The board then approves the return and associated schedules for filing. The tax return is also shared with the audit committee of Premier Health Partners (PHP). An electronic version is sent out at least one week prior to the meeting. At the meeting, the Vice President/Controller of PHP shares detailed information on compensation and community benefits, as well as addresses any questions from the committee. The Audit Committee then approves the return and schedules for filing. CONFLICTS OF INTEREST PROCESS PART VI, LINE 12C Premier Health Partners (PHP), of which Upper Valley Medical Center is included, requires all board members, officers, executives and management personnel to annually review the PHP Comprehensive Conflict of Interest Statement, an explanatory memorandum, the Antitrust Compliance Policy and complete an individual questionnaire disclosing any potential conflicts as defined in the Conflicts of Interest Policy. This is accomplished with a memo sent out annually from the Chairman of the Board and Chief Executive Officer of PHP to all board members, executive directors, management personnel, purchasing department staff and authorized purchasers. This memo includes a Comprehensive Conflicts of Interest Statement that each individual must sign. It also includes an explanatory memorandum of specific activities that might give cause to a conflict and an individual questionnaire to disclose all such activities. This questionnaire must be completed and signed by the individual. Last, this memo includes a copy of the Antitrust Compliance Policy that must be signed by the individual. All of these documents are sent to the Corporate Compliance Officer. The Corporate Compliance Department ensures all forms are returned and retains the documents for five years. In addition, at each meeting of the Board or any Board committee, following approval of the minutes, the Board Committee Chair shall request any board member who perceives a potential conflict of interest on any of the meeting's agenda items to disclose such conflict. Additionally, any Board or Board Committee meeting where the subject of conflicts of interest is discussed, the normally taken minutes shall contain the name of the party discussing a potential conflict of interest, the nature of the potential conflict of interest and whether a conflict of interest was found to exist. If a conflict of interest does exist, the board member will be excused from participating in any discussion or voting on the particular agenda item. The Corporate Compliance Officer reports the results of the PHP Conflicts of Interest questionnaires no less than annually to the Board of Trustees by way of the Compliance and Audit Committee. This review is documented in the minutes of the meeting. Periodically, the Internal Audit department will review a sample of completed Conflict of Interest questionnaires and report the results to the Compliance and Audit Committee. The annual conflicts of interest questionnaires are summarized by person in a word document and sent electronically to the Finance department for any necessary disclosures required on the 990 tax return. OFFICES & POSITIONS FOR WHICH PROCESS WAS USED, & YEAR PROCESS WAS BEGUN PART VI, LINE 15A & 15B Premier Health Partners, of which UVMC is a part, follows a market-based compensation philosophy designed to attract and retain the executive talent required to meet the high performance standards of our board and our community. PHP annually reviews executive compensation survey data for a national peer group of systems and hospitals that are similar in size and complexity to PHP and its subsidiaries. The data for the survey is provided by a third party consultant group that is independent of PHP. The report includes comparability for key executives, vice presidents and director level positions. The independent comparability data is reviewed by the executive compensation committee on an annual basis. This committee is comprised of three members, all of which are independent. This committee reviews in detail the compensation for the PHP CEO, PHP CFO and the hospital CEOs. Other positions are reviewed at a high level for reasonableness. All the meeting minutes are documented and kept on file along with any comparability data and the consultant report. After the compensation committee reviews and approves the compensation actions, the process is audited by the internal audit department. The executive compensation committee presents the compensation actions to the PHP board annually. AVAILABILITY OF DOCUMENTS PART VI, LINE 19 The governing documents, conflict of interest policy, and financial statements are made available to the public when required by law or for accreditation purposes. ESTIMATED AMOUNT OF OTHER COMPENSATION PART VII, SECTION A, COLUMN F FOR DAVID MECKSTROTH, \$25,215 OF THIS AMOUNT REPRESENTS THE INCREASE IN THE ACTUARIAL VALUE OF THE PENSION BENEFITS IN THE QUALIFIED DEFINED BENEFIT RETIREMENT PLAN. THERE WAS NO INCREASE IN THE BENEFITS DUE TO ADDITIONAL BENEFIT ACCRUALS. AUDITED FINANCIALS PART XI, LINE 2B The financial statements of Premier Health Partners (PHP) are subject to audit by Ernst & Young U.S. LLP of which Upper Valley Medical Center is included.

Identifier	Return Reference	Explanation
Purpose of Bond	Schedule K, Part I	The bond issue of 6/29/2006 was used to refund the 1996 series bonds and to provide capital for hospital improvements and equipment purchases.

FILINGS FOR ARBITRAGE PURPOSES SCHEDULE K, PART IV, LINE 1 The Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate for the Series 2006 Bonds will be filed after a normal 5 year review in 2011. GROSS PROCEEDS INVESTED BEYOND AN AVAILABLE TEMPORARY PERIOD SCHEDULE K, PART IV, LINE 5 On June 1, 2006, Upper Valley Medical Center issued \$56,130,000 of Hospital Facilities Revenue Refunding and Improvement Bonds Series 2006 for the purpose of financing the acquisition, construction, renovation and installation of Hospital Facilities (approximately \$17M) and for refunding the current 1996A, B & C issues (approximately \$39M). The bond series included funding a debt service reserve for the Series 2006 Bonds and paying certain issuance costs in connection with the Series 2006 Bonds. By the end of July, 2006, the Series 1996 A, B & C were refunded. At the time of the issuance, it was expected that the approximately \$17M intended for the acquisition, construction, renovation and installation of Hospital Facilities would be fully expended by May 15, 2008. Of the \$17M, \$13.2M was intended for a building expansion for Medical/Surgical and Behavioral Health Units to the existing acute care hospital facility. The remaining \$4.25M was earmarked for certain specified capital equipment purchases. After the bond issuance in 2006, as Upper Valley Medical Center began to prepare and plan for the expansion, market conditions changed. Management and the Board of Directors of Upper Valley Medical Center made the decision to re-evaluate the need for the expansion to the existing acute care facility. Upon further analysis, it was determined that the Medical/Surgical expansion would not be a prudent business decision and that the Behavioral Health Unit could be accomplished through an addition and renovation of the existing Youth Services Building on a much smaller scale and at a much lower cost. On October 29, 2007, the board approved a revised plan to spend approximately \$5.5M of the original \$13.2M to renovate and expand the Youth Services Building for Behavioral Health Services. The remaining \$7.7M would then be used for other capital acquisitions. Between September 2006 and November 2009, all of the \$17M and the interest earned thereon, was spent on capital acquisitions, construction, renovation and installation of Hospital Facilities.

Related Organizations and Unrelated Partnerships

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 33, 34, 35, 36, or 37.**
▶ **Attach to Form 990.** ▶ **See separate instructions.**

Name of the organization
Upper Valley Medical Center

Employer identification number

31-0537095

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

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

See Additional Data Table

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

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
UVMC MANAGEMENT CORPORATION 3130 NORTH COUNTY ROAD 25A TROY, OH45373 31-1360489	MGT COMPANY	OH	NA	C CORP			
After Hours Family Care Inc 450 North Hyatt STE 201 Tipp City, OH45371 31-1269483	Health Care	OH	UVPC	C Corp			

Schedule R (Form 990) 2009

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

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

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

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

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

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

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

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

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

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

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

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

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

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

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

Yes

No

1a Yes

1b Yes

1c

1d

1e Yes

1f

1g

1h

1i

1j Yes

1k Yes

1l Yes

1m

1n Yes

1o Yes

1p Yes

1q Yes

1r Yes

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

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

Schedule R (Form 990) 2009

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]

Software ID:
Software Version:
EIN: 31-0537095
Name: Upper Valley Medical Center

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Exempt Code section	(e) Public charity status (if 501(c)(3))	(f) Direct Controlling Entity
UVMC 3130 NORTH COUNTY ROAD 25A TROY, OH45373 34-1850683	PARENT	OH	501 (C)(3)	11, I	NA
UVMC Foundation 3130 North County Road 25A Troy, OH45373 31-1581859	Foundation	OH	501 (c)(3)	11, III-O	NA
Miami County Mental Health Center 3130 North County Road 25A Troy, OH45373 26-0841036	MENTAL HEALTH	OH	501 (c)(3)	9	UVMC
Med-Terra Inc 3130 North County Road 25A Troy, OH45373 31-1232074	HOLDING CO	OH	501 (c)(2)	N/A	UVMC
Premier Health Partners 40 West Fourth Street Dayton, OH45402 31-1446699	JOA Parent	OH	501 (c)(3)	11, I	NA
Upper Valley Professional Corporation 3130 North County Road 25A Troy, OH45373 31-1400963	Health Care	OH	501 (c)(3)	9	UVMC
UVPC Specialists Inc 3130 North County Road 25A Troy, OH45373 20-3687536	Health Care	OH	501 (c)(3)	9	UVPC
UVMC NURSING CARE INC 3130 NORTH COUNTY ROAD 25A TROY, OH45373 31-1224064	NURSING HOME	OH	501(C)(3)	9	UVMC

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

(a) Name of other organization		(b) Transaction type(a-r)	(c) Amount Involved (\$)
(1)	Med-Terra Inc	a (i)	40,365
(2)	Med-Terra Inc	b	275,000
(3)	Med-Terra Inc	j	730,236
(4)	Med-Terra Inc	o	211,412
(5)	Med-Terra Inc	p	185,959
(6)	Med-Terra Inc	q	132,255
(7)	Med-Terra Inc	r	843,615
(8)	Miami County Mental Health Center	a (iv)	103,884
(9)	Miami County Mental Health Center	b	400,000
(10)	Miami County Mental Health Center	l	79,140
(11)	Miami County Mental Health Center	n	72,689
(12)	Miami County Mental Health Center	p	139,117
(13)	Miami County Mental Health Center	r	71,135
(14)	Upper Valley Professional Corp	a(iv)	16,000
(15)	Upper Valley Professional Corp	b	1,500,000
(16)	Upper Valley Professional Corp	e	6,500,000
(17)	Upper Valley Professional Corp	p	373,106
(18)	Upper Valley Professional Corp	q	6,500,000
(19)	UVMC Management Corp	a(iv)	24,000
(20)	UVMC Management Corp	l	1,118,841
(21)	UVMC Management Corp	p	62,348
(22)	UVMC Management Corp	r	71,893
(23)	UVMC Nursing Care Inc	p	92,886
(24)	UVMC Nursing Care Inc	r	1,680,000
(25)	UVMC Nursing Care Inc	k	105,270
(26)	UVPC Specialists Inc	l	139,000
(27)	UVPC Specialists Inc	p	61,038

Additional Data

Software ID:

Software Version:

EIN: 31-0537095

Name: Upper Valley Medical Center

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			
Douglas R Murray Chair	1 0	X						0	0	0
Rowan R Nickol MD First Vice Chair	1 0	X						0	297,704	28,404
Craig C Bundschuh Second Vice Chair/Secretary	1 0	X						0	0	0
Fayez D Abboud MD Director	1 0	X						23,750	0	0
Cliff R Alexander Director	1 0	X						0	0	0
Thomas G Breitenbach Director	1 0	X						0	0	0
Arthur R Disbrow Director	1 0	X						0	0	0
Eva Fine RN Director	1 0	X						0	0	0
Ronald R Fox Director	1 0	X						0	0	0
Daniel P French Director	1 0	X						0	0	0
Gail Haddad RN Director	1 0	X						0	0	0
R Douglas Haines Director	1 0	X						0	0	0
L Stewart Lowry MD Director	1 0	X						39,993	266,754	25,627
William E Lukens Director	1 0	X						0	0	0
Peter E Nims MD Director	1 0	X						0	0	0
Victoria O'Campo MD Director	1 0	X						10,416	0	0
James Pancoast Director	1 0	X						0	0	0
Peter Thompson Director	1 0	X						0	0	0
Michael R Tinkler DDS Director	1 0	X						0	0	0
Ray Wagoner Director	1 0	X						0	0	0
Joel H Walker Director	1 0	X						0	0	0
Mary Patricia Wampler RN Director	1 0	X						0	0	0
Michael J Maiberger President/CEO	40 0	X		X				322,490	49,143	68,712
David Meckstroth CEO - SEE SCHEDULE O	40 0			X				60,206	9,175	26,520
Thomas Parker Executive Vice President/COO	40 0			X				248,900	0	51,244

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			
Timothy Snider Vice President/CFO	40 0			X				234,051	0	39,138
Randal P Lennartz Senior Vice President	40 0				X			297,185	45,288	30,514
Barbara Evert MD Vice President	40 0				X			298,676	0	36,698
Judith Snyder Vice President	40 0				X			183,474	0	61,661
Rececca Rice Vice President	40 0				X			181,881	0	58,175
Keith Achor Vice President	40 0				X			179,683	0	20,083
James Hurak Vice President	40 0				X			166,621	0	65,133
Shakil Rahman MD Physician	40 0					X		270,430	0	30,534
Rafay Atiq MD Physician	40 0					X		212,002	0	25,502
William Watercutter Director of IT	40 0					X		129,608	0	23,196
Thomas Bigley Director of Pharmacy	40 0					X		129,463	0	32,051
William Smith PhD Psychologist	40 0					X		119,640	0	44,056

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

	Business Code	(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
NET MEDICARE / MEDICAID	621,300	75,945,641	75,945,641		
NET PATIENT CARE SERVICES	212,000	64,346,616	64,346,616		
JOINT HOSPITAL SERVICES - LAUNDRY	812,300	661,176	645,778	15,398	
Training & Education	561,499	176,132	176,132		
Rental from Affiliates	532,000	146,044	146,044		

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
OPERATING SUPPLIES	13,251,993	13,240,487	11,506	
JOINT OPERATING AGREEMENT	9,425,000	9,425,000		
PURCHASED SERVICES	6,244,469	3,676,116	2,568,353	
BAD DEBTS	3,193,790	3,193,790		
HOSPITAL FRANCHISE TAX	409,464	409,464		