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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****, and ending**

B Check if applicable: ☐ Address change ☐ Name change ☐ Initial return ☐ Terminated ☒ Amended return ☐ Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization Rockford Health Physicians		D Employer identification number
		Doing Business As		36-3907436
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite		E Telephone number
		2300 N. Rockton Ave		(815) 971-5000
City or town, state or country, and ZIP + 4		Rockford IL 61103		G Gross receipts \$ 78,589,375
F Name and address of principal officer: Gary Kaatz 2400 N Rockton Ave, Rockford, IL 61103				H(a) Is this a group return for affiliates? ☐ Yes ☒ No H(b) Are all affiliates included? ☐ Yes ☐ No If "No," attach a list. (see instructions)
I Tax-exempt status ☒ 501(c) (3) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527				
J Website: ▶ WWW.RHSNET.ORG				
K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶				
			L Year of formation: 1993	M State of legal domicile: IL

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: To improve and protect the health and welfare of the community we have 179 providers skilled at 30 specialties. Our physicians also staff the Level I Trauma Center, as well as the Brain & Spine Center, and the area's only Level III Regional Perinatal Center including a 44-bed Neonatal Intensive Care Unit. We have both adult and pediatric critical care intensivists along with our adult & pediatric Hospitalists to care for all in-house patients.		
	2 Check this box ☐ 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)	3	17
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	10
	5 Total number of employees (Part V, line 2a)	5	710
	6 Total number of volunteers (estimate if necessary)	6	12
	7a Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	0
b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	13,125	31,800
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	77,322,866	77,995,168
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	13,476	26,052
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	285,883	294,145
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	77,635,350	78,347,165
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	0	0
	16a Professional fundraising fees (Part IX, column (A), line 11e)	76,828,004	82,001,622
	b Total fundraising expenses (Part IX, column (D), line 25) ▶	0	0
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	36,677,160	39,974,779
	18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	113,505,164	121,976,401
19 Revenue less expenses. Subtract line 18 from line 12	-35,869,814	-43,629,236	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	54,702,712	55,021,629
	22 Net assets or fund balances. Subtract line 21 from line 20	77,796,102	79,248,955
		-23,093,390	-24,227,326

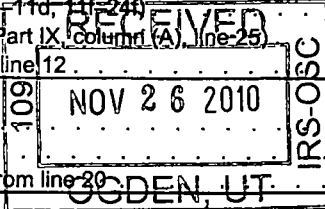
Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Date
	Henry M Seybold	11/18/10
Paid Preparer's Use Only	Type or print name and title	
	Senior Vice President of Finance & CFO	
	Preparer's signature	Date
	11/18/10	Check if self-employed ☐
Firm's name (or yours if self-employed), address, and ZIP + 4		Preparer's identifying number (see instructions)
PricewaterhouseCoopers		000438738
2001 Market St., Ste 1700, Philadelphia, PA 19103		EIN ▶ 13-4008324
		Phone no. ▶ (267) 330-3000

May the IRS discuss this return with the preparer shown above? (see instructions) ☒ Yes ☐ NoFor Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.
(HTA)Form **990** (2009)

SCANNED DEC 22 2010



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Part III Statement of Program Service Accomplishments**1** Briefly describe the organization's mission:

The goal of Rockford Health Physicians (RHPH) is to improve and protect the health and welfare of the community in accordance with our mission. "Superior Care Everyday For all our patients." We will fulfill our commitment through performance excellence, innovation, and lifelong learning."

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

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

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

If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses.

Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 91,344,158 including grants of \$ 0) (Revenue \$ 65,218,358)

Physician primary and specialty care services were provided to the community on an outpatient basis.

Physician services were also provided for hospital inpatients, adult & pediatric intensive care, inpatient and outpatient surgical services, and support to inpatients for anesthesia, high risk pregnancies, neonatology & trauma services. These services were available at 9 locations throughout the region including 2 Convenient Care locations that provide for non-life threatening emergencies after regular hours. Physicians are available & oncall 24-7 for the Level I Trauma Center. There were 406,871 office visits in 2009.

4b (Code:) (Expenses \$ 3,980,719 including grants of \$ 0) (Revenue \$ 11,606,142)

Ancillary Medical Services were performed to allow physicians to provide the proper care to achieve the best outcome for each patient. There were 317,322 ancillary procedures performed during 2009.

RHPH provided 285,206 tests and procedures in clinical areas such as laboratory and radiology including CT scans and mammography. Other support services included pulmonary function testing, bone scans, and physical therapy.

4c (Code:) (Expenses \$ 416,308 including grants of \$ 0) (Revenue \$ 1,170,668)

The Clinical Research Department participates with various studies to provide additional benefits to our patients. RHPH has been involved in long term studies: one tracks the survivors of breast cancer; another pharmaceutical study that evaluates the effects of a drug that treats osteo/rheumatoid arthritis; and gout studies. RHPH also partners with neighboring schools to provide physicals and screenings. Staff and physicians participated in various health fairs and hosted educational forums in the communities to bring residents an awareness of a variety of health/wellness related topics - such as heart disease and prevention, healthy eating, children's health concerns, and aging issues.

4d Other program services. (Describe in Schedule O.)

(Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)

4e Total program service expenses ▶ 95,741,185

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1 X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	4	X
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5	
6 Did the organization maintain any donor advised funds or any 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	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	X
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	X
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 X	
• 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	X
12A Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional	12A X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III	16	X
17 Did the organization report 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	X
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	X
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	X
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20	X

Part IV Checklist of Required Schedules (continued)

	Yes	No
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	X
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	X
23 Did the organization answer "Yes" to Part VII, Section A, line 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 X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>	24a X	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	X
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	X
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	X
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a	X
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	X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26	X
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	X
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	X
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	X
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 direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	X
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	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31	X
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	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	X
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 X	
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 X	
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	X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37	X
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	X

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable.	1a	55
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a	710
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions).	2b	X
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	X
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	3b	X
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b	If "Yes," enter the name of the foreign country. See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c	If "Yes" to 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	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	X
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	X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	X
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	X
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d	
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	
8	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 line 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	17
b Enter the number of voting members that are independent	1b	10
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	X
5 Did the organization become aware during the year of a material diversion of the organization's assets?	5	X
6 Does the organization have members or stockholders?	6	X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following.		
a The governing body?	8a	X
b Each committee with authority to act on behalf of the governing body?	8b	X
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	9a	X

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	X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b	
11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11	X
11A Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	X
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	X
13 Does the organization have a written whistleblower policy?	13	X
14 Does the organization have a written document retention and destruction policy?	14	X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	15a	X
b Other officers or key employees of the organization	15b	X
If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	X

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► IL

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply

☐ Own website ☒ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► David Vola, Controller (815) 971-5000
2400 N Rockton Avenue, Rockford, IL 61103

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

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year. Use Schedule J-2 if additional space is needed.

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

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

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

(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			
Jack J. Becherer Director	0 1	X						0	0	0
James W. Breckenridge Director	35 3	X						466,305	0	117,777
Thomas D. Budd Director	1	X						0	0	0
John W. Chadwick Director	0.1	X						0	0	0
Eleanor F. Doar Director	0.5	X						0	0	0
John T. Dorsey Director	40	X						246,398	0	56,433
Pamela S. Fox Director	0 1	X						0	0	0
José L. Gonzalez Director	64 5	X						317,658	0	59,747
Alphonso N. Goode Director	0 1	X						0	0	0
John H. VanLandingham Director	0 1	X						0	0	0
Dennis T. Uehara Director	24	X						416,659	0	35,039
Connie M. Vitali Director	0.7	X						0	0	0
Curtis D. Worden Director	0.1	X						0	0	0
Paul A. Green Chairman	1			X				0	0	0
Duane R. Bach Treas/Vice-Chair	0 1			X				0	0	0
John D. Witcher ViceChair	0 1			X				0	0	0

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

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
Gary E. Kaatz President	2.5			X				0	835,606	154,735
Henry M. Seybold Treasurer	5			X				0	439,228	66,248
Julie A. Peterson Secretary	1.5			X				0	71,707	25,167
Kevin Ruggles Chief Phy Exec	25			X				570,616	0	92,837
John Rhoades COO	40			X				337,391	0	48,898
James Sturm Physician	40					X		1,053,992	0	279,939
Theodore Eller Physician	40					X		819,703	0	27,015
Thomas Dahlberg Physician	40					X		773,320	0	155,523
Arthur Rettig Physician	40					X		695,475	0	46,263
Paula Melone Physician	40					X		640,083	0	10,144
Dennis Oltz VP of Finance	40						X	192,624	0	54,528
								0	0	0
1b Total								6,530,224	1,346,541	1,230,293

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 **▶ 164**

3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual

	Yes	No
3	X	
4	X	
5		X

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

5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
Rock Valley Industries 5549 International Drive, Rockford, IL 61109	Janitorial Services	619,219
SPI America LLC PO Box 7247-6482, Philadelphia, PA 19170	Transcription Services	428,272
Medisync 4700 Smith Rd, Ste A, Cincinnati, OH 45212	Consulting/Training	497,468
Integrity Rehab Group In 1945 Scottsville Rd B-2 PMB356, Bowling Green, OH 43403	Healthcare Services	446,174
Staff Care 6000 Feldwood Rd, College Park, GA 30349	Healthcare Services	373,733
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 ▶ 23		

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	0				
	b Membership dues	1b	0				
	c Fundraising events	1c	0				
	d Related organizations	1d	22,688				
	e Government grants (contributions)	1e	0				
	f All other contributions, gifts, grants, and similar amounts not included above	1f	9,112				
	g Noncash contributions included in lines 1a-1f: \$		0				
	h Total. Add lines 1a-1f			31,800			
Program Service Revenue		Business Code					
	2a Physician Medical Services	621110	43,864,159	43,864,159			
	b Ancillary Medical Services	621400	7,805,987	7,805,987			
	c Medicare/Medicaid	900099	25,154,354	25,154,354			
	d Clinical Research	900099	95,143	95,143			
	e IDPH Incentives	621400	472,659	472,659			
	f All other program service revenue		602,866	602,866			
g Total. Add lines 2a-2f			77,995,168				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		25,897				25,897
	4 Income from investment of tax-exempt bond proceeds		0				
	5 Royalties		0				
	6a Gross Rents	(i) Real	483,963				
	b Less: rental expenses	(ii) Personal	242,210				
	c Rental income or (loss)		241,753	0			
	d Net rental income or (loss)			241,753			241,753
	7a Gross amount from sales of assets other than inventory	(i) Securities	0	0			
	b Less: cost or other basis and sales expenses	(ii) Other	0	0			
	c Gain or (loss)		155	0			
	d Net gain or (loss)			155			155
	8a Gross income from fundraising events (not including \$ 0 of contributions reported on line 1c). See Part IV, line 18		0				
	b Less: direct expenses		0				
	c Net income or (loss) from fundraising events			0			
	9a Gross income from gaming activities. See Part IV, line 19		0				
	b Less: direct expenses		0				
	c Net income or (loss) from gaming activities			0			
10a Gross sales of inventory, less returns and allowances		0					
b Less: cost of goods sold		0					
c Net income or (loss) from sales of inventory			0				
Miscellaneous Revenue		Business Code					
11a Partnership Income	621300	27,397				27,397	
b Purchase Discounts	900099	6,951				6,951	
c Support Services	561499	0					
d All other revenue		18,044				18,044	
e Total. Add lines 11a-11d			52,392				
12 Total revenue. See instructions			78,347,165	77,995,168	0	320,197	

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).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(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	0			
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	2,764,758	2,378,469	386,289	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	66,658,690	59,741,091	6,917,599	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	2,966,003	2,714,850	251,153	
9 Other employee benefits	6,482,909	5,411,701	1,071,208	
10 Payroll taxes	3,129,262	2,783,369	345,893	
11 Fees for services (non-employees):				
a Management	2,337,073		2,337,073	
b Legal	658,207		658,207	
c Accounting	78,841		78,841	
d Lobbying	0			
e Professional fundraising services See Part IV, line 17	0			
f Investment management fees	0			
g Other	5,219,593	3,713,158	1,506,435	
12 Advertising and promotion	670,287	4,166	666,121	
13 Office expenses	1,146,246	1,063,200	83,046	
14 Information technology	1,285,522	1,244,232	41,290	
15 Royalties	0			
16 Occupancy	4,719,887	591,140	4,128,747	
17 Travel	76,681	45,622	31,059	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	69,930	42,628	27,302	
20 Interest	857,169		857,169	
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	3,269,111	578,657	2,690,454	0
23 Insurance	2,906,611	2,667,233	239,378	
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a Bad Debt	5,559,325	5,563,515	-4,190	
b Drugs and Medical Supplies	3,842,532	3,841,453	1,079	
c Other Purchased Services	5,978,669	2,768,045	3,210,624	
d				
e				
f All other expenses	1,299,095	588,656	710,439	
25 Total functional expenses. Add lines 1 through 24f	121,976,401	95,741,185	26,235,216	0
26 Joint costs. Check here ☐ if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year	
Assets	1 Cash—non-interest-bearing	13,915	1	14,265	
	2 Savings and temporary cash investments	1,465,503	2	2,577,702	
	3 Pledges and grants receivable, net	0	3	0	
	4 Accounts receivable, net	7,484,505	4	7,316,396	
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5		
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L	0	6		
	7 Notes and loans receivable, net	0	7	0	
	8 Inventories for sale or use	212,541	8	474,037	
	9 Prepaid expenses and deferred charges	1,643,732	9	1,121,536	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	81,919,600		
	b Less: accumulated depreciation	10b	41,652,358	10c	40,267,242
	11 Investments—publicly traded securities	1,815	11	0	
	12 Investments—other securities. See Part IV, line 11	0	12	0	
	13 Investments—program-related. See Part IV, line 11	345,147	13	332,857	
	14 Intangible assets	0	14	0	
	15 Other assets. See Part IV, line 11	2,053,721	15	2,917,594	
16 Total assets. Add lines 1 through 15 (must equal line 34)	54,702,712	16	55,021,629		
Liabilities	17 Accounts payable and accrued expenses	49,778,871	17	51,231,724	
	18 Grants payable		18		
	19 Deferred revenue		19		
	20 Tax-exempt bond liabilities	28,017,231	20	28,017,231	
	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	0	22		
	23 Secured mortgages and notes payable to unrelated third parties	0	23	0	
	24 Unsecured notes and loans payable to unrelated third parties	0	24	0	
	25 Other liabilities. Complete Part X of Schedule D	0	25	0	
	26 Total liabilities. Add lines 17 through 25	77,796,102	26	79,248,955	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.				
	27 Unrestricted net assets	-23,093,390	27	-24,227,326	
	28 Temporarily restricted net assets		28		
	29 Permanently restricted net assets		29		
	Organizations that do not follow SFAS 117, check here ☐ and complete lines 30 through 34.				
	30 Capital stock or trust principal, or current funds		30		
	31 Paid-in or capital surplus, or land, building, or equipment fund		31		
	32 Retained earnings, endowment, accumulated income, or other funds		32		
	33 Total net assets or fund balances	-23,093,390	33	-24,227,326	
34 Total liabilities and net assets/fund balances	54,702,712	34	55,021,629		

Part XI Financial Statements and Reporting

- 1** Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ 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?

- b** Were the organization's financial statements audited by an independent accountant?

- c** If "Yes" to line 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.

- 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

☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate 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?

- 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.

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

SCHEDULE A
(Form 990 or 990-EZ)

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

Rockford Health Physicians

Employer identification number

36-3907436

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 described in **section 170(b)(1)(A)(i)**.
- 2 ☐ A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 ☒ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 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 supported organization?
- (ii) A family member of a person described in (i) above?
- (iii) A 35% controlled entity of a person described in (i) or (ii) above?

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

h Provide the following information about the 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	
									0
									0
									0
									0
									0
									0
Total									0

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 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.")	0	0				0
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0	0				0
3 The value of services or facilities furnished by a governmental unit to the organization without charge	0	0				0
4 Total. Add lines 1 through 3	0	0	0	0	0	0
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						0

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	0	0	0	0	0	0
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	0	0				0
9 Net income from unrelated business activities, whether or not the business is regularly carried on						0
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	0	0				0
11 Total support. Add lines 7 through 10						0

12 Gross receipts from related activities, etc. (see instructions)	12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ ☐		

Section C. Computation of Public Support Percentage

14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f))	14	0.00%
15 Public support percentage from 2008 Schedule A, Part II, line 14	15	0.00%
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 a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ ☐		
17a 10%-facts-and-circumstances test–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 III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 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.")	0	0				0
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	0	0				0
3 Gross receipts from activities that are not an unrelated trade or business under section 513						0
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0	0				0
5 The value of services or facilities furnished by a governmental unit to the organization without charge	0	0				0
6 Total. Add lines 1 through 5	0	0	0	0	0	0
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0
b Amounts 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						0
c Add lines 7a and 7b	0	0	0	0	0	0
8 Public support. (Subtract line 7c from line 6.)						0

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6	0	0	0	0	0	0
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						0
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						0
c Add lines 10a and 10b	0	0	0	0	0	0
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						0
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)	0	0				0
13 Total support. (Add lines 9, 10c, 11, and 12.)	0	0	0	0	0	0
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ ☐						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	15	0.00%
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	0.00%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	17	0.00%
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	0.00%
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. Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Provide any other additional information. See instructions.

[illegible]

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

Rockford Health Physicians

Employer identification number

36-3907436

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		☐ Yes ☐ No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can 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?		☐ Yes ☐ No

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

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

☐ Preservation of land for public use (e g , recreation or pleasure) ☐ Preservation of an historically important land area

☐ Protection of natural habitat ☐ Preservation of a certified historic structure

☐ Preservation of open space

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

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

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax 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? ☐ Yes ☐ No

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 section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

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

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8

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

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

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

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

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

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

b Assets included in Form 990, Part X ▶ \$

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

3 Using the organization's acquisition, 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

d ☐ Loan or exchange programs

b ☐ Scholarly research

e ☐ Other

c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1c	0
1d	
1e	
1f	0

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	0				
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	0	0			

2 Provide the estimated percentage of the year end balance held as:

a Board designated or quasi-endowment ☐ %

b Permanent endowment ☐ %

c Term endowment ☐ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations

(ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

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

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	1,539,430	5,528,678		5,557,337
b Buildings	0	60,045,452	27,558,874	32,486,578
c Leasehold improvements	0	0	0	0
d Equipment	0	14,702,073	12,582,713	2,119,360
e Other	0	103,967	0	103,967
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c))				40,267,242

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	78,347,165
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	121,976,401
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	-43,629,236
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	42,495,301
9	Total adjustments (net). Add lines 4 through 8	9	42,495,301
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	-1,133,935

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	78,589,375
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	242,210
e	Add lines 2a through 2d	2e	242,210
3	Subtract line 2e from line 1	3	78,347,165
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	0
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	78,347,165

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

1	Total expenses and losses per audited financial statements	1	122,218,610
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	242,210
e	Add lines 2a through 2d	2e	242,210
3	Subtract line 2e from line 1	3	121,976,400
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	0
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	121,976,400

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, line 2; 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.

Part X Line 2 - Audit Footnote for FIN 48: "Rockford Health Physicians (RHPH) as a part of

the System, Rockford Health System (RHS), adopted FIN 48 in 2007 and the impact was not

material. The System did not record any additional liabilities due to the implementation

of FIN 48 for the years ended December 31, 2009 and 2008."

Part XI Line 8 - The following were adjusting items in the Audited Income Statement

Pension related changes other than periodic pension cost (141,565), Post retirement

medical benefit changes other than post retirement medical benefit cost (175,953); Net

Part XIV Supplemental Information (continued)

assets released from restrictions and used for capital (11,489), and Transfers to or from

affiliates 42,801,330 (The difference is due to rounding to thousands for the audit)

Part XII Line 2d - Rental expenses deducted from Income, netted in Part VIII

Part XIII Line 2d - Rental Expenses were not included with other 990 Part IX expense

SCHEDULE J
(Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

Rockford Health Physicians

Employer identification number

36-3907436

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|---|
| ☐ First-class or charter travel | ☐ Housing allowance or residence for personal use |
| ☐ Travel for companions | ☐ Payments for business use of personal residence |
| ☐ Tax indemnification and gross-up payments | ☒ Health or social club dues or initiation fees |
| ☐ Discretionary spending account | ☐ Personal services (e.g., maid, chauffeur, chef) |

b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- | | |
|---|---|
| ☒ Compensation committee | ☒ Written employment contract |
| ☒ Independent compensation consultant | ☒ Compensation survey or study |
| ☐ Form 990 of other organizations | ☒ Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?
- c** Participate in, or receive payment from, an equity-based compensation arrangement?
- If "Yes" to any of lines 4a–c, list the persons and provide the applicable amounts for each item in Part III

Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5–9.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

- a** The organization?
- b** Any related organization?
- If "Yes" to line 5a or 5b, describe in Part III

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?
- b** Any related organization?
- If "Yes" to line 6a or 6b, describe in Part III

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Yes No

1b X

2 X

4a X

4b X

4c X

5a X

5b X

6a X

6b X

7 X

8 X

9

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

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

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

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) 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				
James W Breckenridge	(i) 222,615 (ii) 0	142,752 0	100,939 0	99,749 0	18,028 0	584,083 0	77,314 0
John T. Dorsey	(i) 168,074 (ii) 0	16,716 0	61,608 0	49,053 0	7,380 0	302,831 0	10,121 0
José L. Gonzalez	(i) 281,310 (ii) 0	0 0	36,347 0	45,212 0	14,535 0	377,404 0	0 0
Dennis T. Uehara	(i) 156,571 (ii) 0	27,840 0	231,248 0	20,000 0	15,039 0	450,698 0	0 0
Gary E. Kaatz	(i) 622,224 (ii) 0	193,610 0	19,771 0	131,283 0	23,452 0	990,340 0	68,750 0
Henry M. Seybold	(i) 318,826 (ii) 0	114,044 0	6,358 0	45,989 0	20,258 0	505,475 0	20,865 0
Kevin Ruggles	(i) 435,028 (ii) 0	133,249 0	2,339 0	76,649 0	16,188 0	663,453 0	38,498 0
John Rhoades	(i) 265,480 (ii) 0	65,612 0	6,300 0	25,195 0	23,703 0	386,290 0	18,682 0
James Sturm	(i) 513,666 (ii) 0	534,446 0	5,880 0	262,761 0	17,178 0	1,333,931 0	237,398 0
Theodore Eller	(i) 797,555 (ii) 0	20,000 0	2,148 0	15,000 0	12,015 0	846,718 0	0 0
Thomas Dahlberg	(i) 513,642 (ii) 0	259,048 0	630 0	138,321 0	17,202 0	928,843 0	136,738 0
Arthur Rettig	(i) 667,502 (ii) 0	0 0	27,974 0	22,026 0	24,237 0	741,739 0	0 0
Paula Melone	(i) 493,750 (ii) 0	0 0	146,333 0	10,000 0	144 0	650,227 0	0 0
Dennis Oltz	(i) 164,166 (ii) 0	25,525 0	2,932 0	13,322 0	19,206 0	225,151 0	3,399 0
	(i) 0 (ii) 0	0 0	0 0	0 0	0 0	0 0	0 0
	(i) 0 (ii) 0	0 0	0 0	0 0	0 0	0 0	0 0
	(i) 0 (ii) 0	0 0	0 0	0 0	0 0	0 0	0 0

Part III Supplemental Information

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

Part I Line 1a - By policy, Membership to the YWCA is paid for the CEO. Two social club memberships are paid for by the

organization for the CEO and any personal use of these facilities is reimbursed in full. The actual cost of these memberships is

prorated for personal vs business use and that percentage is added to taxable wages

Part I Line 4b - The executive team receives annual additions to a non-qualified retirement plan. These amounts, accrued for 2009,

are included in compensation and listed in detail in Part II for: Gary Kaatz 80,358.75, John Rhoades 21,978.25, Kevin Ruggles

54,696.75, and Henry Seybold 36,027

Part I Line 7 - Physician compensation for productivity-based providers is calculated using wRVU (worked Relative Value Units as

defined by CMS-Centers for Medicare/Medicaid Services). Short term incentive opportunities, designating threshold, target and

maximum annual awards are established for all executives, driven by the strategic initiatives and priorities of RHS. If incentive

thresholds are not met, CEO may grant discretionary bonuses for outstanding performance within certain parameters

**SCHEDULE K
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

Rockford Health Physicians

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

A Illinois Finance Authority

86-1091967

45000GFS5

12/11/2008

29,792,000

Refund 1994 Series Bonds, Issuance Costs, SWAP Payment

Yes No

Yes No

B

Yes No

Yes No

C

Yes No

Yes No

D

Yes No

Yes No

E

Yes No

Yes No

Part II Proceeds

1 Total proceeds of issue

29,792,000

Yes No

Yes No

2 Gross proceeds in reserve funds

Yes No

Yes No

3 Proceeds in refunding or defeasance escrows

Yes No

Yes No

4 Other unspent proceeds

464,742

Yes No

Yes No

5 Issuance costs from proceeds

Yes No

Yes No

6 Working capital expenditures from proceeds

Yes No

Yes No

7 Capital expenditures from proceeds

Yes No

Yes No

8 Year of substantial completion

2008

Yes No

Yes No

9 Were the bonds issued as part of a current refunding issue?

Yes No

Yes No

10 Were the bonds issued as part of an advance refunding issue?

Yes No

Yes No

11 Has the final allocation of proceeds been made?

Yes No

Yes No

12 Does the organization maintain adequate books and records to support the final allocation of proceeds?

Yes No

Yes No

Part III Private Business Use

1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?

Yes No

Yes No

2 Are there any lease arrangements with respect to the financed property which may result in private business use?

Yes No

Yes No

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

Schedule K (Form 990) 2009

OMB No 1545-0047

2009

Open to Public Inspection

Employer identification number

36-3907436

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?										
b Are there any research agreements with respect to the financed property which may result in private business use?										
c Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?										
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government . . . ▶		%				%		%		%
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government . . . ▶		%				%		%		%
6 Total of lines 4 and 5		%				%		%		%
7 Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?										

Part IV Arbitrage

	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?										
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	JP Morgan Chase									
c Term of hedge	9.60									
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 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

Rockford Health Physicians

Employer identification number

36-3907436

Form 990 Part VI Section A Line 6,7a,b - Rockford Health System (RHS) is the sole corporate member of Rockford Health Physicians (RHPH) and has the authority to elect members to the board and ultimately has the authority to approve or deny all RHPH board actions

Form 990 Part VI Section B Line 11 - The data was gathered by the accounting staff with input from RHPH and RHS executive staffs. The data was reviewed and the Form 990 prepared by the RHPH tax analyst. Once the Form 990 was completed, it was reviewed by an independent accounting firm. A copy of the Form 990 was made available to all board members on a secure intracompany website. A presentation of the return was made to the RHPH Finance Committee and at a meeting of the Board of Directors before filing.

Form 990 Part VI Section B Line 12 - RHS Compliance Department (acting on behalf of RHPH) annually sends out a copy of the policy with the Conflict of Interest form included. Each member completes the Financial Interest Disclosure Statement which is a part of the policy. The RHS Compliance Department reviews and retains these statements. If a conflict is identified, all affected parties are informed, potential conflicts are reviewed and appropriate actions are taken as a result of the review. Employees are given the policy and a statement to complete at the beginning of the year or as a new party is hired or joins the RHPH board.

Form 990 Part VI Section B Line 15 a,b - Compensation for executives is governed by the RHS Board of Directors. The RHS Board has established a total compensation philosophy that directs the compensation practices for all executives from all related entities (including RHPH). This Board has established a Compensation Committee to establish and review all executive compensation annually based on the established philosophy. An independent external executive compensation firm provides consulting on RHS (including RHPH) salary ranges and compensation philosophy. The appropriate peer group for compensation comparison purposes is other not-for-profit healthcare systems similar in size and complexity. RHS generally conducts an analysis of total compensation every three years but may choose to vary from this schedule as

Name of the organization

Employer identification number

Rockford Health Physicians

36-3907436

determined by the Compensation Committee. The RHPH board of directors concedes the authority to set compensation to

Form 990 Part VI Section B Line 15 a,b RHS as the sole corporate member

Form 990 Part VI Section C Line 19 - Financial statements are available through the Illinois

Attorney General's Office. Governing documents are available by request from Board Secretary.

Form 990 Part VII Section A - These members of the board were compensated by related

organizations for other duties as well as unpaid service as board members. James Breckenridge

13.4 hrs (Chair of Anesthesiology at Rockford Memorial Hospital (RMH) and service to RMH and

RHS boards), John Dorsey 3 hrs (Lead Physician for Quality & Internal Medicine and RMH and RHS

boards), Jose Gonzalez 8 (Medical Director-Neonatology, RMH and RHS boards), Dennis Uehara 17

hrs (Chairperson - Emergency Department, RMH and RHS and Foundation (RMDF) boards), Gary Kaatz

had 41.4 additional hrs as President and CEO, Julie Peterson had 45.13 hrs as an executive

secretary, and Henry Seybold had 37 hrs as CFO & Sr VP of Finance; these employees'

compensation includes duties within the RHPH organization and for supporting all of the

related entities (RHS/RMH/RMDF/VNA).

Form 990 Part XI Section 2 Line c - RHPH is included as part of a consolidated audit performed

for RHS by independent accountants. The RHS audit committee selects and recommends the

independent auditors to the RHS board and annually reviews the audit.

Form 990 Part Heading Line B Amended Return - This return was amended to correct the

information on Schedule K. The bond issue amount indicated on the original return was the full

value of the proceeds of this bond; it was actually split between two related tax exempt

organizations. When filed originally, all proceeds were listed on Sch K, corrected amounts are

now indicated in Parts I-II-IV, representing only the amounts held by RHPH

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Name of the organization

Rockford Health Physicians

Employer identification number

36-3907436

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
-----			0	0	
-----			0	0	
-----			0	0	
-----			0	0	
-----			0	0	
-----			0	0	
-----			0	0	
-----			0	0	

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to 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
Rockford Memorial Hospital 36-2167847	Healthcare	IL	501(c)(3)	3	Rockford Health S
2400 N Rockton Ave, Rockford, IL 61103					
Rockford Memorial Development Foundation 36-3197918	Support of Healthcare	IL	501(c)(3)	11	Rockford Health S
2400 N Rockton Ave, Rockford, IL 61103					
Visiting Nurses Assn of the Rockford Area 36-2167945	Healthcare	IL	501(c)(3)	9	Rockford Health S
2400 N Rockton Ave, Rockford, IL 61103					
Rockford Health System 36-3197915	Support of Healthcare	IL	501(c)(3)	11	N/A
2400 N Rockton Ave, Rockford, IL 61103					

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

(HTA)

Schedule R (Form 990) 2009

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to 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		
Van Matre Rehabilitation Center 3660 Grandview Pkwy, Burr Ridge, IL 60511	Healthcare	IL	N/A	NA	0	0		X	0	X
-----					0	0			0	
-----					0	0			0	
-----					0	0			0	
-----					0	0			0	
-----					0	0			0	
-----					0	0			0	
-----					0	0			0	
-----					0	0			0	

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" to 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
Rockford Health Insurance, LTD Wellesley House So, 2nd Flr, 90 Pitts Bay Rd, Pembroke, MA 01969	Insurance	Bermuda	N/A	C Corp	0	0	%
-----					0	0	%
-----					0	0	%
-----					0	0	%
-----					0	0	%
-----					0	0	%
-----					0	0	%
-----					0	0	%
-----					0	0	%

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

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule	
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 or (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)
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)	Rockford Memorial Hospital	k	2,276,863
(2)	Rockford Memorial Hospital	l	245,398
(3)	Rockford Memorial Hospital	m	401,340
(4)	Rockford Memorial Hospital	n	6,394,822
(5)	Rockford Memorial Hospital	o	1,006,271
(6)			0

