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Form **990**Department of the Treasury  
Internal Revenue Service**Return of Organization Exempt From Income Tax**

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

OMB No 1545-0047

**2009****Open to Public Inspection**

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

<b>A</b> For the 2009 calendar year, or tax year beginning		and ending	
<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input checked="" 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	<b>C</b> Name of organization HUDSON HOSPITAL, INC.	
		Doing Business As	
		Number and street (or P.O. box if mail is not delivered to street address)	Room/suite
		405 STAGELINE ROAD	
		City or town, state or country, and ZIP + 4 HUDSON, WI 54016	
<b>D</b> Employer identification number 39-0804125		<b>E</b> Telephone number 715-531-6000	
<b>F</b> Name and address of principal officer: MARIAN M. FURLONG SAME AS C ABOVE		<b>G</b> Gross receipts \$ 46,960,739.	
<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c) ( 3 ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>J</b> Website: WWW.HUDSONHOSPITAL.ORG		<b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)	
<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		<b>H(c)</b> Group exemption number ▶	
<b>L</b> Year of formation: 1950		<b>M</b> State of legal domicile: WI	

**Part I Summary**

<b>1</b> Briefly describe the organization's mission or most significant activities: SEE SCHEDULE O - EXEMPT PURPOSE AND ACHIEVEMENTS			
<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.			
<b>3</b> Number of voting members of the governing body (Part VI, line 1a)			13
<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)			10
<b>5</b> Total number of employees (Part V, line 2a)			413
<b>6</b> Total number of volunteers (estimate if necessary)			184
<b>7a</b> Total gross unrelated business revenue from Part VIII, column (C), line 12			0.
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34			0.
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	<b>9</b> Program service revenue (Part VIII, line 2g)	44,183,895.	45,789,449.
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	356,661.	172,761.
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	796,446.	901,964.
	<b>12</b> Total revenue. Add lines 8 through 11 (must equal Part VIII, column (A), line 12)	45,337,002.	46,864,174.
	<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	
<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)			
<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		19,438,892.	21,798,199.
<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)			
<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶			
<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)		23,945,802.	22,165,440.
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)		43,384,694.	43,963,639.
<b>19</b> Revenue less expenses. Subtract line 18 from line 12		1,952,308.	2,900,535.
<b>Net Assets or Fund Balances</b>		<b>20</b> Total assets (Part X, line 16)	Beginning of Current Year
	<b>21</b> Total liabilities (Part X, line 26)	56,713,901.	59,989,870.
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	29,891,556.	29,811,610.

**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 11/12/10
	MARIAN M. FURLONG, PRESIDENT Type or print name and title		
Paid Preparer's Use Only	Preparer's signature	Date 11/11/10	Check if self-employed <input type="checkbox"/>
	Firm's name (or yours if self-employed), address, and ZIP + 4 KPMG LLP 4200 WELLS FARGO CTR., 90 S. 7TH STREET MINNEAPOLIS, MN 55402		Preparer's identifying number (see instructions) EIN ▶ Phone no. ▶ 612-305-5000

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

P 10

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

Caring for the health of our community

**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 \$ 39,630,316. including grants of \$ 0. ) (Revenue \$ 46,691,413. )  
 SEE SCHEDULE O - EXEMPT PURPOSE AND ACHIEVEMENTS

**4b** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

**4c** (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

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

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

**4e** Total program service expenses ► \$ 39,630,316.

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
<b>2</b> Is the organization required to complete Schedule B, Schedule of Contributors?		X
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
<b>4</b> <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities? <i>If "Yes," complete Schedule C, Part II</i>	X	
<b>5</b> <b>Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.</b> Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? <i>If "Yes," complete Schedule C, Part III</i>		
<b>6</b> 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? <i>If "Yes," complete Schedule D, Part I</i>	X	
<b>7</b> Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
<b>9</b> 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? <i>If "Yes," complete Schedule D, Part IV</i>		X
<b>10</b> Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	X	
<b>11</b> Is the organization's answer to any of the following questions "Yes"? <i>If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable</i>	X	
• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>		
• 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? <i>If "Yes," complete Schedule D, Part VII.</i>		
• 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? <i>If "Yes," complete Schedule D, Part VIII.</i>		
• 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? <i>If "Yes," complete Schedule D, Part IX.</i>		
• Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i>		
• 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? <i>If "Yes," complete Schedule D, Part X.</i>		
<b>12</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII.</i>		X
<b>12A</b> Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional</i>	X	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States?		X
<b>b</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? <i>If "Yes," complete Schedule F, Part I</i>		X
<b>15</b> 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? <i>If "Yes," complete Schedule F, Part II</i>		X
<b>16</b> 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? <i>If "Yes," complete Schedule F, Part III</i>		X
<b>17</b> 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? <i>If "Yes," complete Schedule G, Part I</i>		X
<b>18</b> Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
<b>19</b> Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
<b>20</b> Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>	X	

**Part IV Checklist of Required Schedules** (continued)

	Yes	No
<b>21</b> 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>		X
<b>22</b> 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 II</i>		X
<b>23</b> 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>	X	
<b>24a</b> 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>		X
<b>24b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
<b>24c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
<b>24d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
<b>25a</b> <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
<b>25b</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>		X
<b>26</b> 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>		X
<b>27</b> 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>		X
<b>28</b> 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):		
<b>28a</b> A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
<b>28b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
<b>28c</b> 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>		X
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
<b>32</b> 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>		X
<b>33</b> 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>		X
<b>34</b> 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>	X	
<b>35</b> 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>	X	
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
<b>37</b> 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>		X
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O.	X	

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**Part V Statements Regarding Other IRS Filings and Tax Compliance**

	Yes	No
<b>1a</b> Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable		
<b>1b</b> Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
<b>c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
<b>2a</b> 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		
<b>b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	X	
<b>3a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
<b>b</b> If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
<b>4a</b> 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)?		X
<b>b</b> If "Yes," enter the name of the foreign country: <u>See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.</u>		
<b>5a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
<b>b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
<b>c</b> If "Yes," to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
<b>6a</b> 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?		X
<b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
<b>7 Organizations that may receive deductible contributions under section 170(c).</b>		
<b>a</b> 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?		X
<b>b</b> If "Yes," did the organization notify the donor of the value of the goods or services provided?		
<b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
<b>d</b> If "Yes," indicate the number of Forms 8282 filed during the year		
<b>e</b> Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
<b>f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
<b>g</b> For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		
<b>h</b> For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		
<b>8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		X
<b>9 Sponsoring organizations maintaining donor advised funds.</b>		
<b>a</b> Did the organization make any taxable distributions under section 4966?		X
<b>b</b> Did the organization make a distribution to a donor, donor advisor, or related person?		X
<b>10 Section 501(c)(7) organizations.</b> Enter:		
<b>a</b> Initiation fees and capital contributions included on Part VIII, line 12		
<b>b</b> Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
<b>11 Section 501(c)(12) organizations.</b> Enter:		
<b>a</b> Gross income from members or shareholders		
<b>b</b> Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
<b>12a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?		
<b>b</b> If "Yes," enter the amount of tax-exempt interest received or accrued during the year		

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**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
<b>1a</b> Enter the number of voting members of the governing body	13	
<b>b</b> Enter the number of voting members that are independent	10	
<b>2</b> 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?		X
<b>3</b> 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?		X
<b>4</b> Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	X	
<b>5</b> Did the organization become aware during the year of a material diversion of the organization's assets?		X
<b>6</b> Does the organization have members or stockholders?	X	
<b>7a</b> Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	X	
<b>b</b> Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	X	
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b> The governing body?	X	
<b>b</b> Each committee with authority to act on behalf of the governing body?	X	
<b>9</b> 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		X

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

	Yes	No
<b>10a</b> Does the organization have local chapters, branches, or affiliates?		X
<b>b</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?		
<b>11</b> Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
<b>11A</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12a</b> Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
<b>b</b> Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
<b>c</b> Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
<b>13</b> Does the organization have a written whistleblower policy?	X	
<b>14</b> Does the organization have a written document retention and destruction policy?	X	
<b>15</b> 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?		
<b>a</b> The organization's CEO, Executive Director, or top management official	X	
<b>b</b> Other officers or key employees of the organization	X	
If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
<b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
<b>b</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?		

**Section C. Disclosure**

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

**18** Section 6104 requires an organization to make its 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: **TOM RICHARD - FINANCE & MATERIALS DIRECTOR - 715-531-6095**  
**405 STAGELINE ROAD, HUDSON, WI 54016**

**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			
JOHN CLYMER DIRECTOR - VICE CHAIR	1.00	X						130.	0.	0.
SUSAN GILBERT DIRECTOR	1.00	X						130.	0.	0.
BILL GOLD, MD DIRECTOR - CHAIR	1.00	X						130.	0.	0.
DENNIS HARTUNG, MD DIRECTOR	1.00	X						130.	0.	0.
KENNETH HEISER DIRECTOR	1.00	X						130.	0.	0.
JAY LUND DIRECTOR	1.00	X						230.	0.	0.
RUTH MISENKO DIRECTOR	1.00	X						130.	0.	0.
MIKE SELLMAN DIRECTOR	1.00	X						130.	0.	0.
MARK STANNARD, MD DIRECTOR	1.00	X						130.	0.	0.
GREG YOUNG, MD DIRECTOR	1.00	X						130.	0.	0.
MARIAN M. FURLONG DIRECTOR & PRESIDENT	50.00	X		X				130.	345,107.	49,900.
BURKE KEALEY, MD DIRECTOR	40.00	X						130.	357,715.	69,896.
BROCK D. NELSON DIRECTOR	55.00	X						130.	551,610.	160,990.
SCOTT A. SCHNUCKLE DIRECTOR	50.00	X						130.	376,675.	94,540.
DEBORAH BRISCH-CRAMER VP - CNO	48.00			X				160,041.	0.	38,512.
PAUL MCGINNIS VP - MEDICAL AFFAIRS	14.00			X				92,430.	0.	0.
STEVE MUELLERLEILE VP - PLANNING & DEVELOPM	40.00			X				211,326.	0.	31,981.



**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			
SHEILA PROEHL VP - CHIEF FINANCIAL OFF	50.00			X				0.	199,012.	35,759.
MICHELLE M. SIMPSON PHARMACIST	40.00					X		123,678.	0.	19,628.
KATHRYN M. ANDERSON REGISTERED NURSE	40.00					X		122,007.	0.	25,355.
DARLA R. KLEMENTZ MANAGER - PHARMACY	40.00					X		121,064.	0.	19,550.
THERESE A. STECHER DIRECTOR - QUALITY & SER	40.00					X		118,046.	0.	31,966.
KATHRYN A. SMITH REGISTERED NURSE	40.00					X		117,786.	0.	24,347.
<b>1b Total</b>								1,068,298.	1,830,119.	602,424.

**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 **17**

- 3** Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
<b>3</b>		X
<b>4</b>	X	
<b>5</b>		X

**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
REGIONS HOSPITAL PO BOX 64059, ST. PAUL, MN 55164	PHYSICIAN & ADMINISTRATIVE STAFFING, AND	2,754,088.
HEALTHPARTNERS, PO BOX 1450, NW3600, MINNEAPOLIS, MN 55485-3600	EMPLOYEE HEALTH & DENTAL INSURANCE	2,350,952.
WESTERN WISCONSIN ANESTHESIA ASSOCIATES 329 SOO LINE ROAD, HUDSON, WI 54016	ANESTHESIOLOGIST SERVICES	993,094.
GROUP HEALTH, INC. PO BOX 64059, ST. PAUL, MN 55164	SPECIALTY PHYSICIAN SERVICES	885,628.
COMPUTERIZED MEDICAL, 719 WEST HAMILTON AVE., EAU CLAIRE, WI 54701	NUCLEAR MEDICINE SERVICES	237,736.

**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 **11**

**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
<b>Contributions, gifts, grants and other similar amounts</b>	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f					
	g Noncash contributions included in lines 1a-1f \$						
	h <b>Total.</b> Add lines 1a-1f						
<b>Program Service Revenue</b>			<b>Business Code</b>				
	2 a PATIENT SERVICE REVENUE		623990	45,281,448.	45,281,448.		
	b OTHER HEALTH CARE REVE		623990	294,407.	294,407.		
	c DIETARY REVENUE		722210	158,704.	158,704.		
	d PROGRAM SUPPORT GRANTS		623990	54,890.	54,890.		
	e						
	f All other program service revenue						
	g <b>Total.</b> Add lines 2a-2f			45,789,449.			
<b>Other Revenue</b>	3 Investment income (including dividends, interest, and other similar amounts)			172,761.			172,761.
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross Rents	(i) Real	(ii) Personal				
	b Less: rental expenses	998,529.					
	c Rental income or (loss)	96,565.					
	d Net rental income or (loss)	901,964.		901,964.	901,964.		
	7 a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
	b Less: cost or other basis and sales expenses						
	c Gain or (loss)						
	d Net gain or (loss)						
	8 a 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						
	9 a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities						
	10 a 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							
<b>Miscellaneous Revenue</b>			<b>Business Code</b>				
11 a							
b							
c							
d All other revenue							
e <b>Total.</b> Add lines 11a-11d							
12 <b>Total revenue.</b> See instructions.				46,864,174.	46,691,413.	0.	172,761.

**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
<b>1</b> Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
<b>2</b> Grants and other assistance to individuals in the U.S. See Part IV, line 22				
<b>3</b> Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
<b>4</b> Benefits paid to or for members				
<b>5</b> Compensation of current officers, directors, trustees, and key employees	536,210.	497,973.	38,237.	
<b>6</b> Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
<b>7</b> Other salaries and wages	17,025,019.	15,818,467.	1,206,552.	
<b>8</b> Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
<b>9</b> Other employee benefits	4,236,970.	3,936,679.	300,291.	
<b>10</b> Payroll taxes				
<b>11</b> Fees for services (non-employees):				
<b>a</b> Management				
<b>b</b> Legal				
<b>c</b> Accounting				
<b>d</b> Lobbying				
<b>e</b> Professional fundraising services. See Part IV, line 17				
<b>f</b> Investment management fees				
<b>g</b> Other	4,371,872.	3,078,407.	1,293,465.	
<b>12</b> Advertising and promotion				
<b>13</b> Office expenses	2,692,678.	1,918,516.	774,162.	
<b>14</b> Information technology				
<b>15</b> Royalties				
<b>16</b> Occupancy	587,059.	444,345.	142,714.	
<b>17</b> Travel				
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials				
<b>19</b> Conferences, conventions, and meetings				
<b>20</b> Interest	1,458,714.	1,305,564.	153,150.	
<b>21</b> Payments to affiliates				
<b>22</b> Depreciation, depletion, and amortization	2,857,870.	2,433,118.	424,752.	
<b>23</b> Insurance				
<b>24</b> 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.)				
<b>a</b> MEDICAL SUPPLIES	8,742,275.	8,742,275.		
<b>b</b> BAD DEBT	1,454,972.	1,454,972.		
<b>c</b>				
<b>d</b>				
<b>e</b>				
<b>f</b> All other expenses				
<b>25</b> Total functional expenses. Add lines 1 through 24f	43,963,639.	39,630,316.	4,333,323.	0.
<b>26</b> 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) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing		<b>1</b>	
	<b>2</b> Savings and temporary cash investments	7,047,765.	<b>2</b>	9,327,709.
	<b>3</b> Pledges and grants receivable, net	92,565.	<b>3</b>	
	<b>4</b> Accounts receivable, net	6,168,774.	<b>4</b>	5,686,101.
	<b>5</b> Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		<b>5</b>	
	<b>6</b> 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		<b>6</b>	
	<b>7</b> Notes and loans receivable, net		<b>7</b>	
	<b>8</b> Inventories for sale or use	773,415.	<b>8</b>	864,440.
	<b>9</b> Prepaid expenses and deferred charges	482,502.	<b>9</b>	1,075,003.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	<b>10a</b> 51,845,735.		
	<b>b</b> Less: accumulated depreciation	<b>10b</b> 17,324,204.	34,408,190.	<b>10c</b> 34,521,531.
	<b>11</b> Investments - publicly traded securities		<b>11</b>	
	<b>12</b> Investments - other securities. See Part IV, line 11		<b>12</b>	
	<b>13</b> Investments - program-related. See Part IV, line 11	1,025,401.	<b>13</b>	1,385,860.
	<b>14</b> Intangible assets		<b>14</b>	
	<b>15</b> Other assets. See Part IV, line 11	6,715,289.	<b>15</b>	7,129,226.
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	56,713,901.	<b>16</b>	59,989,870.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses	4,719,041.	<b>17</b>	5,154,400.
	<b>18</b> Grants payable		<b>18</b>	
	<b>19</b> Deferred revenue		<b>19</b>	
	<b>20</b> Tax-exempt bond liabilities	24,905,000.	<b>20</b>	24,270,000.
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D		<b>21</b>	
	<b>22</b> Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties		<b>24</b>	
	<b>25</b> Other liabilities. Complete Part X of Schedule D	267,515.	<b>25</b>	387,210.
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25	29,891,556.	<b>26</b>	29,811,610.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets	25,422,754.	<b>27</b>	28,575,827.
	<b>28</b> Temporarily restricted net assets	1,317,901.	<b>28</b>	1,520,743.
	<b>29</b> Permanently restricted net assets	81,690.	<b>29</b>	81,690.
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds		<b>32</b>	
	<b>33</b> <b>Total net assets or fund balances</b>	26,822,345.	<b>33</b>	30,178,260.
	<b>34</b> <b>Total liabilities and net assets/fund balances</b>	56,713,901.	<b>34</b>	59,989,870.

Form 990 (2009)

**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?

	Yes	No
<b>2a</b>		X

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

<b>2b</b>	X	
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**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?

<b>2c</b>	X	
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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>3a</b>	X	
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**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.

<b>3b</b>	X	
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Form **990** (2009)

**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

HUDSON HOSPITAL, INC.

Employer identification number

39-0804125

**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?
- h Provide the following information about the supported organization(s).

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

(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									

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2009

**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.")						
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 <b>Total.</b> 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 <b>Public support.</b> 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. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 <b>Total support.</b> Add lines 7 through 10						
12 Gross receipts from related activities, etc. (see instructions)					12	
13 <b>First five years.</b> 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 <input type="checkbox"/>						

**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 from 2008 Schedule A, Part II, line 14	15	%
16a <b>33 1/3% support test - 2009.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b <b>33 1/3% support test - 2008.</b> 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 <input type="checkbox"/>		
17a <b>10% -facts-and-circumstances test - 2009.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b <b>10% -facts-and-circumstances test - 2008.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
18 <b>Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions <input type="checkbox"/>		

Schedule A (Form 990 or 990-EZ) 2009

**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
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
<b>2</b> 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						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total.</b> Add lines 1 through 5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</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						
<b>c</b> Add lines 7a and 7b						
<b>8 Public support</b> (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
<b>9</b> Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
<b>13 Total support</b> (Add lines 9, 10c, 11, and 12)						
<b>14 First five years.</b> 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 <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2009 (line 8, column (f) divided by line 13, column (f))	<b>15</b>	%
<b>16</b> Public support percentage for 2008 Schedule A, Part III, line 15	<b>16</b>	%

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f))	<b>17</b>	%
<b>18</b> Investment income percentage from 2008 Schedule A, Part III, line 17	<b>18</b>	%

**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 ☐



**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

OMB No 1545-0047

**2009**

Open to Public  
Inspection

▶ **Complete if the organization is described below.**

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

**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), then**

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

Name of organization <b>HUDSON HOSPITAL, INC.</b>	Employer identification number <b>39-0804125</b>
--	---

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

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

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

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

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

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

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule C (Form 990 or 990-EZ) 2009  
LHA

**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												
<b>1 a</b> Total lobbying expenditures to influence public opinion (grass roots lobbying)															
<b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying)															
<b>c</b> Total lobbying expenditures (add lines 1a and 1b)															
<b>d</b> Other exempt purpose expenditures															
<b>e</b> Total exempt purpose expenditures (add lines 1c and 1d)															
<b>f</b> Lobbying nontaxable amount. Enter the amount from the following table in both columns.															
<table border="1"> <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.														
<b>g</b> Grassroots nontaxable amount (enter 25% of line 1f)															
<b>h</b> Subtract line 1g from line 1a. If zero or less, enter -0-															
<b>i</b> Subtract line 1f from line 1c. If zero or less, enter -0-															
<b>j</b> If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?															

☐ Yes ☐ No
**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 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
<b>2 a</b> Lobbying nontaxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column(e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots nontaxable amount					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					
<b>f</b> Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2009

**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
<b>1</b> 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:			
<b>a</b> Volunteers?		X	
<b>b</b> Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		X	
<b>c</b> Media advertisements?		X	
<b>d</b> Mailings to members, legislators, or the public?		X	
<b>e</b> Publications, or published or broadcast statements?		X	
<b>f</b> Grants to other organizations for lobbying purposes?		X	
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body?		X	
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
<b>i</b> Other activities? If "Yes," describe in Part IV	X		0.
<b>j</b> Total. Add lines 1c through 1i			
<b>2a</b> Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
<b>b</b> If "Yes," enter the amount of any tax incurred under section 4912			
<b>c</b> If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
<b>d</b> 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
<b>1</b> Were substantially all (90% or more) dues received nondeductible by members?	1	
<b>2</b> Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
<b>3</b> 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."

<b>1</b> Dues, assessments and similar amounts from members	<b>1</b>	
<b>2</b> Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
<b>a</b> Current year	<b>2a</b>	
<b>b</b> Carryover from last year	<b>2b</b>	
<b>c</b> Total	<b>2c</b>	
<b>3</b> Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	<b>3</b>	
<b>4</b> 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?	<b>4</b>	
<b>5</b> Taxable amount of lobbying and political expenditures (see instructions)	<b>5</b>	

**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.

PART II-B, LINE 1(i), OTHER LOBBYING ACTIVITIES:

HUDSON HOSPITAL, INC. PAYS FOR CERTAIN CORPORATE PROFESSIONAL

ASSOCIATION MEMBERSHIPS. A PORTION OF SUCH MEMBERSHIP DUES POTENTIALLY

COULD BE USED BY THE PROFESSIONAL ASSOCIATIONS FOR LOBBYING ACTIVITIES.

**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

HUDSON HOSPITAL, INC.

Employer identification number

39-0804125

**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	6	
2 Aggregate contributions to (during year)	584,711.	
3 Aggregate grants from (during year)	281,636.	
4 Aggregate value at end of year	1,602,433.	

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).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> 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  
 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 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 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	81,690.	81,690.			
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	81,690.	81,690.			

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

- a Board designated or quasi-endowment ☐ %  
 b Permanent endowment ☒ 100.00 %  
 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)		X
3a(ii)	X	
3b	X	

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		12,127,628.		12,127,628.
b Buildings		29,471,795.	11,313,397.	18,158,398.
c Leasehold improvements				
d Equipment		9,476,387.	5,555,565.	3,920,822.
e Other		769,925.	455,242.	314,683.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				34,521,531.

Schedule D (Form 990) 2009

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

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

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

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

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

(a) Description	(b) Book value
UNAMORTIZED FINANCING COSTS	536,836.
NONCURRENT PLEDGES RECEIVABLE	353,640.
ASSETS REQUIRED FOR CURRENT MATURITIES	985,818.
ASSETS LIMITED AS TO USE	4,902,552.
OTHER RECEIVABLE	350,380.
Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) ▶	
	7,129,226.

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

1. (a) Description of liability	(b) Amount
Federal income taxes	
CAPITAL LEASE OBLIGATIONS	34,966.
THIRD-PARTY PAYOR SETTLEMENT PAYABLE	352,244.
Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ▶	
	387,210.

2. FIN 48 Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	46,864,174.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	43,963,639.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	2,900,535.
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	455,380.
9	Total adjustments (net). Add lines 4 through 8	9	455,380.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10	3,355,915.

**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	46,960,739.
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	0.
3	Subtract line 2e from line 1	3	46,960,739.
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	-96,565.
c	Add lines 4a and 4b	4c	-96,565.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	46,864,174.

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

1	Total expenses and losses per audited financial statements	1	44,060,204.
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	96,565.
e	Add lines 2a through 2d	2e	96,565.
3	Subtract line 2e from line 1	3	43,963,639.
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	43,963,639.

**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 V, LINE 4: HUDSON HOSPITAL, INC. HOLDS \$81,690 OF PERMANENTLY

RESTRICTED ASSETS RELATED TO HUDSON HOSPITAL, INC.'S BENEFICIAL INTEREST

IN THE NET ASSETS OF HUDSON HOSPITAL FOUNDATION, INC., A RELATED

ORGANIZATION OF HUDSON HOSPITAL, INC.

PART XI, LINE 8 - OTHER ADJUSTMENTS:

CONTRIBUTION OF LONG-LIVED ASSETS: 235048.

INCREASE IN INTEREST IN NET ASSETS OF HUDSON HOSPITAL FOUNDATION: 354429.

**Part XIV** Supplemental Information (continued)

TRANSFER OF NET ASSETS TO HUDSON HOSPITAL FOUNDATION: -134097.

PART XII, LINE 4B - OTHER ADJUSTMENTS:

RENTAL PROPERTY EXPENSE: -96565.

PART XIII, LINE 2D - OTHER ADJUSTMENTS:

RENTAL PROPERTY EXPENSE: 96565.



**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

HUDSON HOSPITAL, INC.

Employer identification number

39-0804125

**Part I Charity Care and Certain Other Community Benefits at Cost**

- 1a** Does the organization have a charity care policy? If "No," skip to question 6a
- 1b** If "Yes," is it a written policy?
- 2** If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals  
☐ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals  
☐ Generally tailored to individual hospitals
- 3** Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients.  
**a** Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing free care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care:  
☐ 100% ☐ 150% ☒ 200% ☐ Other \_\_\_\_\_ %  
**b** Does the organization use FPG to determine eligibility for providing discounted care to low income individuals?  
 If "Yes," indicate which of the following is the family income limit for eligibility for discounted care:  
☒ 200% ☐ 250% ☐ 300% ☐ 350% ☐ 400% ☐ Other \_\_\_\_\_ %  
**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"?
- 5a** Does the organization budget amounts for free or discounted care provided under its charity care policy?  
**b** If "Yes," did the organization's charity care expenses exceed the budgeted amount?  
**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?
- 6a** Does the organization prepare an annual community benefit report?  
**b** If "Yes," does the organization make it available to the public?

	Yes	No
<b>1a</b>	X	
<b>1b</b>	X	
<b>2</b>		
<b>3a</b>	X	
<b>3b</b>	X	
<b>3c</b>		
<b>4</b>	X	
<b>5a</b>	X	
<b>5b</b>	X	
<b>5c</b>		X
<b>6a</b>	X	
<b>6b</b>	X	

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**

	(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
<b>Charity Care and Means-Tested Government Programs</b>						
<b>a</b> Charity care at cost (from Worksheets 1 and 2)		189	298,950.		298,950.	.60%
<b>b</b> Unreimbursed Medicaid (from Worksheet 3, column a)		2,215	858,788.		858,788.	1.90%
<b>c</b> Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b)	0	0				
<b>d</b> <b>Total</b> Charity Care and Means-Tested Government Programs		2,404	1,157,738.		1,157,738.	2.50%
<b>Other Benefits</b>						
<b>e</b> Community health improvement services and community benefit operations (from Worksheet 4)	55	22,731	545,234.	34,700.	510,534.	1.20%
<b>f</b> Health professions education (from Worksheet 5)	3	76	165,594.		165,594.	.40%
<b>g</b> Subsidized health services (from Worksheet 6)	5	9,341	674,222.		674,222.	1.60%
<b>h</b> Research (from Worksheet 7)	0	0	0.			
<b>i</b> Cash and in-kind contributions to community groups (from Worksheet 8)	17	50	64,570.		64,570.	.10%
<b>j</b> <b>Total</b> Other Benefits	80	32,198	1,449,620.	34,700.	1,414,920.	3.30%
<b>k</b> <b>Total</b> . Add lines 7d and 7j	80	34,602	2,607,358.	34,700.	2,572,658.	5.80%

**Part II Community 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
1	Physical improvements and housing	42	209.		209.	.00%
2	Economic development		4,164.		4,164.	.01%
3	Community support		5,987.		5,987.	.02%
4	Environmental improvements		2,453.		2,453.	.01%
5	Leadership development and training for community members	16	670.		670.	.00%
6	Coalition building	938	155,296.	15,030.	140,266.	.36%
7	Community health improvement advocacy		286.		286.	.00%
8	Workforce development	47	676.		676.	.00%
9	Other					
10	<b>Total</b>	1,043	169,741.	15,030.	154,711.	.40%

**Part III Bad Debt, Medicare, & Collection Practices****Section A. Bad Debt Expense**

1 Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?

Yes No

1

X

2 Enter the amount of the organization's bad debt expense (at cost)

2 458,470.

3 Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy

3 100,000.

4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit.

**Section B. Medicare**

5 Enter total revenue received from Medicare (including DSH and IME)

5 9,622,715.

6 Enter Medicare allowable costs of care relating to payments on line 5

6 9,528,712.

7 Subtract line 6 from line 5. This is the surplus or (shortfall)

7 94,003.

8 Describe 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:

☐ Cost accounting system

☒ Cost to charge ratio

☐ Other

**Section C. Collection Practices**

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

9a

X

b If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI

9b

X

**Part IV Management 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					

<b>Part V Facility Information</b>	
------------------------------------	--

[illegible]

**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.
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves.
- 3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's charity care policy.
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 **Community building activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves.
- 6 Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 7 If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PART I, LINE 7: THE COSTING METHODOLOGY UTILIZES CMS MEDICARE COST

REPORT METHODOLOGY. THE BAD DEBT IS CALCULATED USING COST CHARGE RATIO

FOUND IN THE MEDICARE COST REPORT.

PART I, LINE 7G: HUDSON HOSPITAL & CLINICS IS COMMITTED TO PROVIDING

NEEDED SERVICES EVEN AT A FINANCIAL LOSS. IN 2009, LOSS ON SERVICES FOR

INPATIENT AND OUTPATIENT PROGRAM SERVICES INCLUDING RESPIRATORY THERAPY,

PHYSICAL THERAPY, ONCOLOGY, EMERGENCY ROOM, AND CARDIAC REHABILITATION

TOTALED \$674,222.

PART I, LINE 7F: "BAD DEBT" EXPENSE REPRESENTS THE UNPAID OBLIGATION

FOR CARE PROVIDED TO PATIENTS WHO HAVE BEEN DETERMINED TO BE ABLE TO PAY,

BUT HAVE NOT DEMONSTRATED A WILLINGNESS TO DO SO. BAD DEBT INCLUDES ANY

UNPAID PATIENT RESPONSIBILITY THAT MAY INCLUDE, BUT IS NOT LIMITED TO,

DEDUCTIBLES, CO-INSURANCE, CO-PAYMENTS AND NON-COVERED SERVICES.

PART III, LINE 4: THE FOOTNOTE IN HUDSON HOSPITAL'S FINANCIAL

STATEMENTS READS AS FOLLOWS: "THE HOSPITAL PROVIDES AN ALLOWANCE FOR

UNCOLLECTIBLE ACCOUNTS BASED ON MANAGEMENT'S JUDGEMENT. PATIENTS AND

RESIDENTS ARE NOT REQUIRED TO PROVIDE COLLATERAL FOR SERVICES PROVIDED.

PAYMENT FOR SERVICES IS REQUIRED WITHIN 30 DAYS OF RECEIPT OF INVOICE.

**Part VI** Supplemental Information

PAST-DUE ACCOUNTS ARE INDIVIDUALLY ANALYZED FOR COLLECTIBILITY AND THEN

TURNED OVER TO COLLECTION AGENTS. ACCOUNTS FOR WHICH NO PAYMENTS HAVE

BEEN RECEIVED ARE ANALYZED AND AFTER APPROVAL ARE WRITTEN OFF. IN

ADDITION, AN ALLOWANCE IS ESTIMATED FOR OTHER ACCOUNTS BASED ON HISTORICAL

EXPERIENCE OF THE HOSPITAL."

PART III, LINE 8: PART III, SECTION B, LINES 7 & 8

LINE 7 REPRESENTS THE ADDITIONAL 1% OF ALLOWABLE COST THAT CRITICAL ACCESS

HOSPITALS RECEIVE.

LINE 8 - HUDSON HOSPITAL & CLINICS BASES ITS MEDICARE COSTING METHODOLOGY

ON THE CMS MEDICARE COST REPORT METHODOLOGY; COST TO CHARGE RATIO.

PART III, LINE 9B: HUDSON HOSPITAL & CLINICS DEBT COLLECTION POLICY

CONTAINS PROVISIONS ON COLLECTION PRACTICES TO BE FOLLOWED FOR PATIENTS

WHO ARE KNOWN TO BE ELIGIBLE FOR CHARITY CARE OR FINANCIAL ASSISTANCE.

HUDSON HOSPITAL & CLINICS BELIEVES THAT DEBT COLLECTION POLICIES, WHETHER

IMPLEMENTED BY HOSPITAL STAFF OR HOSPITAL'S AGENTS, SHOULD REFLECT THE

HOSPITAL'S MISSION AND VALUES. THE HOSPITAL WILL NOT TOLERATE ABUSIVE,

HARASSING, OPPRESSIVE, FALSE, DECEPTIVE, OR MISLEADING LANGUAGE OR

COLLECTIONS CONDUCT BY ITS DEBT COLLECTION, ATTORNEY AND AGENCY, AND THEIR

AGENTS AND EMPLOYEES, AND HOSPITAL EMPLOYEES RESPONSIBLE FOR COLLECTING

MEDICAL DEBT FROM PATIENTS.

HUDSON HOSPITAL & CLINICS WILL NOT REFER ANY ACCOUNT TO A THIRD PARTY DEBT

COLLECTION AGENCY UNLESS IT HAS CONFIRMED THAT:

- THERE IS REASONABLE BASIS TO BELIEVE THAT THE PATIENT OWES THE DEBT.

- ALL KNOWN THIRD-PARTY PAYERS HAVE BEEN PROPERLY BILLED, AND THE PATIENT

**Part VI. Supplemental Information**

IS RESPONSIBLE FOR THE REMAINING DEBT.

- IF THE PATIENT HAS INDICATED AN INABILITY TO PAY THE FULL AMOUNT, THE

PATIENT HAS BEEN OFFERED A REASONABLE PAYMENT PLAN. THE HOSPITAL WILL NOT

REFER PATIENTS TO DEBT COLLECTION AGENCIES WHO ARE PERFORMING AS SPECIFIED

IN THEIR PAYMENT PLANS.

- THE PATIENT HAS BEEN GIVEN AN OPPORTUNITY TO SUBMIT A (FINANCIAL

ASSISTANCE) CHARITY CARE APPLICATION. IF THE PATIENT HAS SUBMITTED AN

APPLICATION FOR CHARITY CARE, ALL COLLECTION ACTIVITY WILL BE SUSPENDED

UNTIL THE APPLICATION HAS BEEN PROCESSED.

- THE LEVEL OF AUTHORITY REQUIRED TO MAKE DECISIONS REGARDING AUTHORIZING

LITIGATION, PAYMENT PLANS, AND CHARITY CARE IS:

- BALANCES OVER \$25,000 - CEO

- BALANCES BETWEEN \$10,000 AND \$25,000 - CFO

- BALANCES BETWEEN \$1 AND \$10,000 - DIRECTOR OF BUSINESS OPERATIONS

SCHEDULE H, PART I, LINE 6A - COMMUNITY BENEFIT REPORT

AS A NOT-FOR-PROFIT HOSPITAL, WE NEED TO BE ACCOUNTABLE FOR OUR TAX

EXEMPTION STATUS - ACCOUNTABLE TO OUR BOARD, STAFF, PHYSICIANS, DONORS, KEY

STAKEHOLDERS, COMMUNITY PARTNERS AND MOST OF ALL TO THE COMMUNITIES WE

SERVE. THE 2009 REPORT TO COMMUNITY MICRO SITE (+ PRINT REPORT)

COMMUNICATES THE ACCOMPLISHMENTS AND CHARITABLE WORKS OF THE HOSPITAL IN

SUPPORT OF OUR MISSION - CARING FOR THE HEALTH OF OUR COMMUNITY AND THE

FOUNDATION'S COMMITMENT AND SUPPORT IN THESE EFFORTS. THE REPORT ALLOWS US

TO TELL OUR STORY IN A PERSONAL AND INTERACTIVE WAY. THE STORIES SHARED ARE

IMPORTANT AND TOUCHING REMINDERS OF HUDSON HOSPITAL & CLINICS' AND HUDSON

HOSPITAL FOUNDATION'S COMMITMENT TO MAKE A DIFFERENCE IN THE LIVES OF THOSE

WE SERVE. THESE REAL-LIFE STORIES ARE POWERFUL WHEN TOLD BY THE PEOPLE

WHOSE LIVES WERE SAVED, CHANGED, OR SIMPLY TOUCHED BY HOSPITAL AND

**Part VI** Supplemental Information

FOUNDATION EFFORTS AND DEMONSTRATE COMMUNITY BENEFIT IN ACTION.

SCHEDULE H, PART VI, LINE 8 - COMMUNITY BENEFIT REPORTS, ADDITIONAL

INFORMATION

HUDSON HOSPITAL & CLINICS, AS WELL AS WESTFIELDS HOSPITAL (SISTER HOSPITAL

IN NEW RICHMOND, WI), FILES A COMMUNITY BENEFIT REPORT IN THE STATE OF

WISCONSIN, PER THE CATHOLIC HEALTH ASSOCIATION (CHA) COMMUNITY BENEFIT

REPORTING GUIDELINES AND IN ACCORDANCE WITH WISCONSIN HOSPITAL ASSOCIATION

(WHA) REPORTING REQUIREMENTS. REGIONS HOSPITAL, SISTER HOSPITAL LOCATED IN

ST. PAUL, MN, FILES A COMMUNITY BENEFIT REPORT IN THE STATE OF MINNESOTA.

AS FAMILY MEMBERS OF HEALTHPARTNERS, THE THREE HOSPITALS WITHIN THE SYSTEM

- REGIONS, WESTFIELDS, AND HUDSON HOSPITAL & CLINICS COLLABORATE ACROSS

MULTIPLE HEALTH INITIATIVES, ALONG WITH OTHER MEMBERS OF THE HEALTHPARTNERS

FAMILY OF ORGANIZATIONS, TO IMPROVE THE HEALTH OF MEMBERS, PATIENTS AND THE

COMMUNITY.

SCHEDULE H, PART I, LINE 7F - HEALTH PROFESSIONS EDUCATION

HUDSON HOSPITAL & CLINICS STAFF PROVIDED CLINICAL TRAINING FOR 50 NURSES

AND NURSING STUDENTS AND 22 HEALTH PROFESSIONALS FROM SEVEN INSTITUTIONS AT

A COST OF \$161,594. IN ADDITION, THE HOSPITAL VOLUNTARILY PARTICIPATED IN

THE WISCONSIN NURSE RESIDENCY PROGRAM (WNRP). THE PROGRAM IS A STRUCTURED

LEARNING EXPERIENCE FOR NEWLY LICENSED REGISTERED NURSES DESIGNED TO

PROMOTE EFFECTIVE TRANSITION INTO PROFESSIONAL PRACTICE. THREE NURSES,

PAIRED WITH EXPERIENCED HOSPITAL NURSES ACTING AS COACH/SUPPORT PERSON,

COMPLETED THE 12-MONTH PROGRAM. EACH YEAR, IN ADDITION, HUDSON HOSPITAL

FOUNDATION PROVIDES (2) \$2,000 SCHOLARSHIPS TO LOCAL HIGH SCHOOL SENIORS

PURSUING HEALTH-RELATED EDUCATION AND CAREERS.

**Part VI** Supplemental Information

PART VI, LINE 2: THE MISSION OF HUDSON HOSPITAL & CLINICS IS CARING FOR THE HEALTH OF OUR COMMUNITY. TO BETTER UNDERSTAND AND ADDRESS THE NEEDS OF THOSE HUDSON HOSPITAL & CLINICS SERVES, THE ORGANIZATION REMAINED COMMITTED TO ITS PARTNERSHIP WITH ST. CROIX COUNTY PUBLIC HEALTH AND THE COMMUNITY HEALTH IMPROVEMENT PROCESS (CHIP). CHIP, FACILITATED BY BOTH ORGANIZATIONS, IS A STRATEGIC, ONGOING, COMMUNITY-BASED APPROACH FOR CREATING AND MAINTAINING HEALTHY COMMUNITIES. A STEERING COMMITTEE OF 25+ DIVERSE MEMBERS REPRESENTING ORGANIZATIONS AND AGENCIES FROM ACROSS THE COUNTY PROVIDES OVERSIGHT AND GUIDANCE. TOGETHER, THE COMMITTEE REGULARLY ASSESSES THE STATE OF THE COUNTY'S HEALTH.

IN 2009, A FORMAL COMMUNITY NEEDS ASSESSMENT COMPRISED OF QUALITATIVE AND QUANTITATIVE RESEARCH WAS COMPLETED RESULTING IN THE ST. CROIX COUNTY COMMUNITY HEALTH IMPROVEMENT PLAN 2009-2014. THE PLAN USES THE STATE HEALTH PLAN, HEALTHIEST WISCONSIN 2010, AS ITS GUIDE FOR IMPROVEMENT. OF THE 11 HEALTH PRIORITIES REPRESENTED WITHIN, ST. CROIX COUNTY WILL FOCUS ON FIVE: ACCESS TO PRIMARY AND PREVENTIVE HEALTH SERVICES; OVERWEIGHT, OBESITY AND LACK OF PHYSICAL ACTIVITY; ADEQUATE & APPROPRIATE NUTRITION; ALCOHOL AND OTHER SUBSTANCE USE AND ADDICTION; AND TOBACCO USE AND EXPOSURE.

THE EXECUTIVE SUMMARY AND FULL REPORT ARE PUBLICLY AVAILABLE ON THE HOSPITAL'S WEB SITE ([WWW.HUDSONHOSPITAL.ORG/COMMUNITY](http://WWW.HUDSONHOSPITAL.ORG/COMMUNITY)).

PART VI, LINE 3: HUDSON HOSPITAL & CLINICS SERVES ALL PATIENTS REGARDLESS OF THEIR ABILITY TO PAY. IN 2009 ALONE, THE HOSPITAL PROVIDED \$298,950 IN CHARITY CARE. HUDSON HOSPITAL & CLINICS DEFINES CHARITY CARE AS THE COST OF CARE DELIVERED TO PATIENTS WHO ARE WILLING, BUT UNABLE, TO



**Part VI** Supplemental Information

PAY FOR THE SERVICES THEY RECEIVE. THIS INCLUDES PATIENTS WHOSE CHARGES

ARE FORGIVEN OR REDUCED BECAUSE OF INABILITY TO PAY, PATIENTS WHO ARE

UNABLE TO PAY THE BALANCE LEFT BY ANY PAYER, AND PATIENTS FOR WHOM UNUSUAL

CIRCUMSTANCES OR SPECIAL FINANCIAL HARDSHIP WARRANT SPECIAL CONSIDERATION.

TO INFORM AND EDUCATE PATIENTS ON ITS FINANCIAL ASSISTANCE PROGRAM,

CHARITY CARE POLICY, AND GOVERNMENT PROGRAMS, HUDSON HOSPITAL & CLINICS

HAS DEVELOPED AN EXTENSIVE FINANCIAL COUNSELING PROGRAM. WHEN A PATIENT

VISITS THE HOSPITAL'S EMERGENCY DEPARTMENT OR IS ADMITTED TO THE HOSPITAL,

BASIC INFORMATION ABOUT INSURANCE STATUS IS REQUESTED. IF A PATIENT DOES

NOT HAVE HEALTH INSURANCE, PATIENT FINANCIAL SERVICES IS CONTACTED TO MEET

OR FOLLOW-UP WITH THE PATIENT. ALL PATIENTS WITHOUT INSURANCE

AUTOMATICALLY QUALIFY FOR A DISCOUNT OF 20%, REGARDLESS OF INCOME. IF THE

PATIENT IS INTERESTED IN DETERMINING IF THEY ARE ELIGIBLE FOR FURTHER

DISCOUNTS, THEY WILL BE REQUESTED TO PROVIDE ADDITIONAL INFORMATION.

ENROLLMENT ASSISTANCE, INFORMATION, AND REFERRAL SERVICES ARE AVAILABLE TO

HELP SECURE A PAYMENT SOURCE FOR UNINSURED AND UNDER INSURED PATIENTS.

PATIENT FINANCIAL SERVICES, ADMINISTERED BY THE HOSPITAL'S BUSINESS

OPERATIONS, EMPLOYS ONE PATIENT FINANCIAL SERVICES REPRESENTATIVE TO

OVERSEE ITS FINANCIAL ASSISTANCE PROGRAM AND, ALONG WITH SUPPORT FROM

DEPARTMENT STAFF, HELPS PATIENTS ENROLL IN GOVERNMENT PROGRAMS, FIND OTHER

SOURCES OF PAYMENT, OR ACCESS SERVICES BEYOND MEDICAL CARE.

IN 2009, HUDSON HOSPITAL & CLINICS SPENT \$3,167 IN STAFF TIME TO ASSIST

500 PATIENTS ENROLL IN PUBLIC MEDICAL PROGRAMS; \$12,496 IN STAFF TIME TO

GUIDE OR REFER 1500 PEOPLE TO COMMUNITY SERVICES/PUBLIC HEALTH ASSISTANCE;

AND \$44,004 IN STAFF TIME TO GUIDE OR REFER 3,400 PATIENTS TO FINANCIAL

**Part VI** Supplemental Information

ASSISTANCE.

FINANCIAL INFORMATION (PAYMENT, BILLING AND INSURANCE COVERAGE) AND

FINANCIAL ASSISTANCE OPPORTUNITIES ARE NOTED ON THE HOSPITAL'S WEB SITE

AND IN THE PATIENT INFORMATION GUIDE, DISTRIBUTED TO ALL NEW PATIENTS.

IN ADDITION TO FINANCIAL COUNSELING, THE HOSPITAL HAS STAFF SOCIAL WORKERS

AND CASE MANAGERS TO HANDLE CRISIS INTERVENTIONS, EMERGENCY ROOM NEEDS,

AND PATIENT AFTERCARE.

PART VI, LINE 4: HUDSON HOSPITAL & CLINICS SERVES RESIDENTS FROM ST.

CROIX AND PIERCE COUNTIES IN WESTERN WISCONSIN AND AREAS OF NEIGHBORING

MINNESOTA. OUR PRIMARY SERVICE AREA IS HUDSON, WI 54016 (INCLUDES HUDSON,

HUDSON TOWNSHIP, TROY, ST. JOSEPH'S AND NORTH HUDSON). OUR SECONDARY

SERVICE AREA INCLUDES WI (BALDWIN, HAMMOND, HOULTON, PRESCOTT, RIVER

FALLS, ROBERTS AND SOMERSET) AND MN (AFTON, BAYPORT, LAKE ELMO, STILLWATER

AND WOODBURY).

2010 CENSUS LISTS THE POPULATION OF ST. CROIX COUNTY AT 83,351, A 32.0%

POPULATION GROWTH SINCE 2000. RAPID GROWTH CONTINUES WITHIN ST. CROIX

COUNTY, MUCH IN PART DUE TO ITS CLOSE PROXIMITY TO THE TWIN CITIES

(MINNEAPOLIS/ST. PAUL) WHERE MANY RESIDENTS COMMUTE TO WORK.

ST. CROIX COUNTY'S POPULATION IS COMPRISED OF: 7.4% UNDER 5 YEARS OLD,

25.9% UNDER 18, 10% 65 YEARS AND OVER, AND 49.7% FEMALE. THE POPULATION IS

96.8% WHITE, 0.7% BLACK, 0.3% AMERICAN INDIAN, 1.3% ASIAN AND 1.4%

HISPANIC OR LATINO. ST. CROIX COUNTY HAS A HIGH MEDIAN INCOME

COMPARATIVELY WITHIN THE STATE - \$69,682 AND A POVERTY RATE APPROXIMATELY

**Part VI** Supplemental Information

HALF THAT OF THE REST OF THE STATE - 5.2%.

PART VI, LINE 5: HUDSON HOSPITAL & CLINICS, BOTH ALONE AND IN

PARTNERSHIP WITH OTHER ORGANIZATIONS, WORKED TO ADDRESS THE ROOT CAUSES OF

HEALTH PROBLEMS AND IMPROVE THE HEALTH AND QUALITY OF LIFE IN THE

COMMUNITY AND SURROUNDING AREA. EXAMPLES INCLUDE THE TOBACCO COALITION,

HEALTHWATCH OF ST. CROIX COUNTY, WISCONSIN YOUTH APPRENTICESHIP PROGRAM,

WEST CENTRAL REGIONAL TRAUMA ADVISORY COUNCIL (RTAC), EMERGENCY

PREPAREDNESS EFFORTS, GREEN INITIATIVES INCLUDING THE RECYCLING PROGRAM,

COMMUNITY SHARPS DISPOSAL SITE, COMMUNITY GARDENS AND LABYRINTH, AND

HEART2HEART - SAVING LIVES TOGETHER.

HEART2HEART IS A COLLABORATION BETWEEN HUDSON HOSPITAL & CLINICS, HUDSON

HOSPITAL FOUNDATION, ST. CROIX EMS & RESCUE AND THE HUDSON SCHOOL

DISTRICT. THE PROGRAM OFFERS FREE AND LOW-COST CPR/AED CLASSES FOR

COMMUNITY MEMBERS, IN-SCHOOL PRESENTATIONS FOR LOCAL STUDENTS AND

WORKPLACE TRAINING FOR LOCAL BUSINESSES. IT ALSO WORKS TO PLACE AUTOMATED

EXTERNAL DEFIBRILLATORS (AEDS) THROUGHOUT THE COMMUNITY WHERE LARGE GROUPS

GATHER - SIX MORE WERE PLACED IN 2009, NOW TOTALLY 60+ UNITS IN THE AREA.

OVER 900 RESIDENTS, STUDENTS AND TARGETED BUSINESS RESPONDERS WERE TRAINED

AND/OR CERTIFIED IN 2009.

PART VI, LINE 6: HUDSON HOSPITAL & CLINICS, A STATE LICENSED 25-BED,

LEVEL IV CRITICAL ACCESS HOSPITAL (CAH), CONTINUES TO BE AN INTEGRAL PART

OF THE HUDSON COMMUNITY AND SURROUNDING AREA - A VITAL AND NECESSARY

COMMUNITY RESOURCE SINCE 1953.

SERVICES INCLUDE A REGIONALLY POPULAR BIRTH CENTER AND THE REGION'S ONLY

**Part VI Supplemental Information**

ACUTE CARE FOR THE ELDERLY PROGRAM. OTHER SERVICES INCLUDE THE EMERGENCY

CENTER (WITH MEDICAL HELICOPTER TRANSPORT AVAILABLE), IMAGING CENTER,

REHABILITATION CENTER, SURGERY & PROCEDURE CENTER, CANCER CARE, HEART

CARE, NEUROLOGY, ORTHOPAEDICS AND MORE. THE CAMPUS IS DESIGNED WITH THE

LATEST TECHNOLOGY AND AMENITIES TO SUPPORT WHOLE HEALTH AND HEALING FOR

PATIENTS AND THEIR FAMILIES - INCLUDING A NATIONALLY ACCLAIMED HEALING

ARTS PROGRAM.

HUDSON HOSPITAL & CLINICS IS GOVERNED BY A COMMUNITY-BASED BOARD OF

DIRECTORS AND THE MEDICAL STAFF IS ORGANIZED IN THE PUBLIC'S INTEREST.

WHILE 2009 WAS A YEAR OF CHANGE, CHALLENGES AND CHOICES FOR HUDSON

HOSPITAL & CLINICS, IT WAS ALSO ONE OF CONTINUED COMMUNITY SUPPORT.

CHARITABLE TRADITION CONTINUED AS THE HOSPITAL REACHED OUT TO THOSE IN

NEED OF ITS SERVICES. THE HOSPITAL ENGAGED IN COMMUNITY PARTNERSHIPS WITH

SCHOOLS, BUSINESSES, AGENCIES AND OTHER HEALTH PROVIDERS AND INVESTED IN

COMMUNITY PROGRAMS AND SERVICES THAT POSITIVELY SUPPORT AND STRENGTHEN

COMMUNITY HEALTH, EDUCATION, ECONOMIC DEVELOPMENT, AND CULTURE. THESE

PROGRAMS AND PARTNERSHIPS ARE ALL CENTRAL TO THE HOSPITAL'S MISSION OF

"CARING FOR THE HEALTH OF OUR COMMUNITY".

AS A COMMUNITY-FOCUSED HOSPITAL, HUDSON HOSPITAL & CLINICS IS DRIVEN TO

PROVIDE THE HIGHEST QUALITY, COST-EFFECTIVE HEALTH CARE IN A NURTURING

SETTING TO THOSE WHO NEED HELP, REGARDLESS OF THEIR ABILITY TO PAY. THE

HOSPITAL EXTENDS THIS COMMITMENT TO THE BROADER COMMUNITY BY MAKING

CONTRIBUTIONS OF MANY KINDS. THE TOTAL 2009 COMMUNITY BENEFIT CONTRIBUTION

EQUALED \$2,727,369 WHICH REPRESENTS 5.6% OF NET OPERATING REVENUE. THIS

FIGURE IS REPORTED AT COST PER THE CATHOLIC HEALTH ASSOCIATION (CHA)

**Part VI** Supplemental Information

COMMUNITY BENEFIT REPORTING GUIDELINES AND IN ACCORDANCE WITH WISCONSIN

HOSPITAL ASSOCIATION (WHA) REPORTING REQUIREMENTS.

THE HOSPITAL RECOGNIZES THE IMPORTANCE OF THE COMMUNITY BENEFIT PROGRAM

AND INTEGRATES IT INTO THE ANNUAL ORGANIZATIONAL PLAN UNDERSTANDING THERE

IS A DIRECT LINK BETWEEN COMMUNITY NEED, ACUTE CARE PRIORITIES, AND

COMMUNITY OUTREACH.

PART VI, LINE 7: HUDSON HOSPITAL & CLINICS IS A WISCONSIN NON-PROFIT

ORGANIZATION. IN 2009, HUDSON HOSPITAL & CLINICS JOINED THE HEALTHPARTNERS

FAMILY OF ORGANIZATIONS, A TAX-EXEMPT INTEGRATED HEALTH CARE DELIVERY

SYSTEM THAT PROVIDES COMPREHENSIVE HEALTH CARE SERVICES FOR THE BENEFIT OF

COMMUNITY MEMBERS IN MINNESOTA AND WESTERN WISCONSIN. HEALTHPARTNERS IS

THE CONNECTION POINT FOR THE VARIOUS COMPONENTS OF THIS INTEGRATED SYSTEM

OF HEALTH FINANCING, CARE DELIVERY, AND SUPPORT SERVICES.

HUDSON HOSPITAL & CLINICS IS ALSO THE SOLE CORPORATE MEMBER OF HUDSON

HOSPITAL FOUNDATION, A FOUNDATION WHOSE PURPOSE IS TO SUPPORT HUDSON

HOSPITAL & CLINICS. GROUP HEALTH PLAN, INC. AND RH-WISCONSIN, INC. ARE

CORPORATE MEMBERS OF HUDSON HOSPITAL & CLINICS AND WESTFIELDS HOSPITAL,

INC., A NON-PROFIT CRITICAL ACCESS HOSPITAL IN NEW RICHMOND, WISCONSIN.

HUDSON HOSPITAL & CLINICS, HUDSON HOSPITAL FOUNDATION, WESTFIELDS

HOSPITAL, INC., GROUP HEALTH PLAN, INC. AND RH-WISCONSIN, INC. ARE ALL

PART OF THE HEALTHPARTNERS FAMILY OF ORGANIZATIONS.

THE HEALTHPARTNERS FAMILY OF ORGANIZATIONS SEEKS TO BE THE BEST AND MOST

TRUSTED PROVIDER OF HEALTH CARE, HEALTH PROMOTION, HEALTH CARE FINANCING

AND HEALTH CARE ADMINISTRATION IN THE UNITED STATES. ACTING IN CONCERT,

**Part VI** Supplemental Information

THIS FAMILY OF ORGANIZATIONS IS WORKING TO TRANSFORM HEALTH CARE BY

DELIVERING OUTSTANDING CARE AND SERVICE THAT IS CONSISTENT WITH THE

INSTITUTE FOR HEALTHCARE IMPROVEMENT'S "TRIPLE AIM" INITIATIVE. THE

"TRIPLE AIM" SEEKS TO SIMULTANEOUSLY OPTIMIZE THE HEALTH OF THE

POPULATION, THE EXPERIENCE OF EACH INDIVIDUAL AND REDUCE PER CAPITA HEALTH

CARE COSTS.

BEING PART OF AN INTEGRATED ORGANIZATION ALLOWS ENTITIES TO ADOPT AND

SHARE IMPROVEMENTS SUCH AS BEST PRACTICES AND PATIENT EDUCATION MATERIALS

ACROSS THE SYSTEM.

HEALTHPARTNERS AND HUDSON HOSPITAL & CLINICS ALSO PARTNER WITH OTHER

PLANS, CARE PROVIDERS AND NON-PROFIT ORGANIZATIONS IN THE REGION AND

THROUGHOUT THE NATION; TO INCREASE ACCESS, CREATE AND DISSEMINATE QUALITY

MEASURES AND INITIATIVES, PARTICIPATE IN DEVELOPMENT OF PUBLIC POLICY AND

COLLABORATE ON SYSTEM IMPROVEMENTS.

PART VI, LINE 8, LIST OF STATES RECEIVING COMMUNITY BENEFIT REPORT:

WI, MN

**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**

HUDSON HOSPITAL, INC.

**Employer identification number**

39-0804125

**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.

- |  |  |
|--|--|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees   |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> 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.

- |   |   |
|---|---|
| <input type="checkbox"/> Compensation committee                         | <input checked="" type="checkbox"/> Written employment contract                     |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study                    |
| <input type="checkbox"/> Form 990 of other organizations                | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a, 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

2

4a

4b

4c

5a

5b

6a

6b

7

8

9

X

X

X

X

X

X

X

X

X

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

Schedule J (Form 990) 2009





**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 4B: DEFERRED COMPENSATION IN COLUMN C OF SCHEDULE J, PART II

INCLUDES AMOUNTS FROM A NONQUALIFIED 457(F) PLAN FOR THE FOLLOWING

**DIRECTORS:**

BROCK D. NELSON \$ 35,821

SCOTT A. SCHNUCKLE 9,093

-----

TOTAL \$ 44,914

PART I, LINE 6: THE HOSPITAL'S PRESIDENT AND CHIEF FINANCIAL OFFICER (CFO)

ARE EMPLOYEES OF REGIONS HOSPITAL (REGIONS), A RELATED ORGANIZATION. THE

HOSPITAL'S OTHER OFFICERS ARE EMPLOYEES OF THE HOSPITAL. BOTH REGIONS AND

THE HOSPITAL HAVE MANAGEMENT INCENTIVE PROGRAMS WHICH INCENT AND REWARD

BUSINESS LEADERS WHO HELP THE ORGANIZATION ACHIEVE STATED BUSINESS AND/OR

HEALTH IMPROVEMENT GOALS FOR A SPECIFIC FISCAL YEAR. THE PROGRAM IS A KEY

ELEMENT OF THE PARTICIPANT'S TOTAL COMPENSATION PACKAGE.

THE MANAGEMENT INCENTIVE PROGRAM REWARDS ARE BASED ON POSITION IN THE

ORGANIZATION (E.G. VICE PRESIDENT, DIRECTOR, MANAGER, OTHER SPECIFICALLY

IDENTIFIED LEADERS) AND THE ACHIEVEMENT OF BUSINESS AND HEALTH IMPROVEMENT

**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.

GOALS ESTABLISHED IN A VARIETY OF AREAS. GOALS WILL BE RELATED TO THE

ORGANIZATION'S STRATEGIC PLAN AND WILL BE BALANCED. THESE AREAS MAY

INCLUDE BUT ARE NOT LIMITED TO PATIENT SATISFACTION, EMPLOYEE SATISFACTION,

WORK ENVIRONMENT, EMPLOYEE AND/OR LEADERSHIP DEVELOPMENT, CARE DELIVERY,

PATIENT EDUCATION, SIX AIMS, MARKET SHARE, STRATEGIC CAPABILITIES,

FINANCIAL PERFORMANCE (NET MARGIN), ETC., AND WILL BE DEFINED ANNUALLY FOR

EACH YEAR'S PROGRAM.

A NET MARGIN THRESHOLD MUST BE MET FOR ANY PAYMENT TO BE MADE FROM THE PLAN

AND THERE IS A CAP ON THE MAXIMUM INCENTIVE POTENTIALLY AVAILABLE TO EACH

PARTICIPANT.

**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

HUDSON HOSPITAL, INC.

Employer identification number

39-0804125

FORM 990, PART VI, SECTION A, LINE 4: EFFECTIVE JANUARY 1, 2009, THE

ARTICLES OF INCORPORATION AND BYLAWS OF THE HOSPITAL WERE AMENDED. SEE

COPIES ATTACHED.

THE NAME OF THE HOSPITAL WAS CHANGED FROM HUDSON MEMORIAL HOSPITAL, INC. TO

HUDSON HOSPITAL, INC.

THE CORPORATE MEMBERSHIP PREVIOUSLY HELD BY HUDSON HEALTH CORPORATION WAS

TRANSFERRED TO RH-WISCONSIN, INC. CONSEQUENTLY, AS OF JANUARY 1, 2009, THE

CORPORATE MEMBERS OF THE HOSPITAL ARE GROUP HEALTH PLAN, INC. AND

RH-WISCONSIN, INC. THESE SAME ENTITIES ARE ALSO THE CORPORATE MEMBERS OF

WESTFIELDS HOSPITAL, INC., A CRITICAL ACCESS HOSPITAL IN NEW RICHMOND,

WISCONSIN.

GROUP HEALTH PLAN, INC. AND RH-WISCONSIN, INC. ARE PART OF THE

HEALTHPARTNERS FAMILY OF ORGANIZATIONS. HEALTHPARTNERS, INC., A MINNESOTA

NON-PROFIT CORPORATION AND LICENSED HEALTH MAINTENANCE ORGANIZATION (HMO)

RECOGNIZED AS EXEMPT FROM FEDERAL INCOME TAX UNDER INTERNAL REVENUE CODE

(IRC) SECTION 501(C)(4), IS THE SOLE CORPORATE MEMBER OF, AMONG OTHER

CORPORATIONS, GROUP HEALTH PLAN, INC. AND HPI-RAMSEY, BOTH OF WHICH ARE

MINNESOTA NON-PROFIT CORPORATIONS RECOGNIZED AS EXEMPT FROM FEDERAL INCOME

TAX UNDER IRC SECTION 501(C)(3).

GROUP HEALTH PLAN, INC. IS A MINNESOTA LICENSED STAFF MODEL HMO. GROUP

HEALTH PLAN, INC. IS ALSO THE SOLE CORPORATE MEMBER OF HEALTHPARTNERS

RESEARCH FOUNDATION AND CENTRAL MINNESOTA GROUP HEALTH, INC., BOTH OF

WHICH ARE MINNESOTA NON-PROFIT CORPORATIONS EXEMPT FROM FEDERAL INCOME TAX

UNDER SECTION 501(C)(3). GROUP HEALTH PLAN, INC. IS ALSO THE SOLE

CORPORATE MEMBER OF WESTERN WISCONSIN EMERGENCY MEDICAL SERVICES CO., A

WISCONSIN NON-PROFIT CORPORATION THAT IS EXEMPT FROM FEDERAL INCOME TAX

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

932211  
02-03-10

Schedule O (Form 990) 2009

**SCHEDULE O**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990**

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OMB No 1545-0047

**2009**

Open to Public  
Inspection

Name of the organization

HUDSON HOSPITAL, INC.

Employer identification number

39-0804125

UNDER SECTION 501(C)(3) AND OF PHYSICIANS NECK & BACK CLINICS, A MINNESOTA

NON-PROFIT CORPORATION THAT HAS APPLIED FOR FEDERAL TAX-EXEMPTION UNDER

SECTION 501(C)(3). SEE FORM 990 FOR GROUP HEALTH PLAN, INC. FOR

ADDITIONAL INFORMATION ABOUT ITS ACTIVITIES.

HPI-RAMSEY IS THE SOLE CORPORATE MEMBER OF RH-WISCONSIN, INC. AND

RH-WISCONSIN, INC.'S SISTER ORGANIZATIONS, REGIONS HOSPITAL, REGIONS

HOSPITAL FOUNDATION, NORTH ST PAUL TRANSITIONAL CARE CENTER, AND RAMSEY

INTEGRATED HEALTH SERVICES. RH-WISCONSIN, INC. IS A WISCONSIN NON-PROFIT

CORPORATION THAT IS EXEMPT FROM FEDERAL INCOME TAX UNDER IRC SECTION

501(C)(3). RH-WISCONSIN, INC.'S SISTER CORPORATIONS ARE MINNESOTA

NON-PROFIT CORPORATIONS ALL OF WHICH ARE EXEMPT FROM FEDERAL INCOME TAX

UNDER IRC SECTION 501(C)(3). SEE FORM 990 FOR RH-WISCONSIN, INC. FOR

ADDITIONAL INFORMATION ABOUT ITS ACTIVITIES.

SEVERAL OTHER CHANGES TO THE BYLAWS ALSO WERE MADE EFFECTIVE JANUARY 1,

2009 (I.E. PROVISION FOR ELECTRONIC NOTICES OF MEMBER MEETINGS, REMOVAL OF

REFERENCES TO A TERMINATED DISPUTE RESOLUTION AGREEMENT, SUBSTITUTION OF

RH-WISCONSIN FOR HUDSON HOSPITAL CORPORATION THROUGHOUT, REDUCTION IN THE

NUMBER OF REQUIRED REGULAR MEETINGS OF THE BOARD FROM SIX TO FOUR ANNUALLY,

PROVISION FOR ACTION IN WRITING BY AUTHORIZATION OF AT LEAST TWO-THIRDS OF

THE BOARD MEMBERS RATHER THAN REQUIRING AUTHORIZATION BY ALL BOARD MEMBERS,

REMOVAL OF CERTAIN SUPERMAJORITY VOTING REQUIREMENTS FOR BOARD ACTION,

PROVISION FOR CORPORATE MEMBERS TO APPOINT BOARD CHAIR, RESTATEMENT OF THE

MEDICAL STAFF SECTION). OTHER CHANGES TO THE BYLAWS ARE DESCRIBED IN

THE NARRATIVE RESPONSES FOR LINES 7A AND 7B BELOW.

ADDITIONALLY, EFFECTIVE JANUARY 1, 2010, THE HOSPITAL MADE OTHER

NON-MATERIAL CHANGES TO THE HOSPITAL'S BYLAWS (I.E. TERMINATION OF THE

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

932211  
02-03-10

Schedule O (Form 990) 2009

**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

HUDSON HOSPITAL, INC.

Employer identification number

39-0804125

BOARD'S HUMAN RESOURCES COMMITTEE AND EXPANSION OF THE SCOPE OF THE BOARD'S

EXECUTIVE COMMITTEE TO INCLUDE REVIEW AND RECOMMENDATIONS TO THE BOARD, AND

NECESSARY ACTIONS BETWEEN BOARD MEETINGS, RELATING TO HUMAN RESOURCES AND

COMPLIANCE ISSUES).

FORM 990, PART VI, SECTION A, LINE 6: EFFECTIVE JANUARY 1, 2009, THE

ARTICLES OF INCORPORATION AND BYLAWS OF THE HOSPITAL WERE AMENDED. SEE

COPIES ATTACHED.

THE NAME OF THE HOSPITAL WAS CHANGED FROM HUDSON MEMORIAL HOSPITAL, INC. TO

HUDSON HOSPITAL, INC.

THE CORPORATE MEMBERSHIP PREVIOUSLY HELD BY HUDSON HEALTH CORPORATION WAS

TRANSFERRED TO RH-WISCONSIN, INC. CONSEQUENTLY, AS OF JANUARY 1, 2009, THE

CORPORATE MEMBERS OF THE HOSPITAL ARE GROUP HEALTH PLAN, INC. AND

RH-WISCONSIN, INC. THESE SAME ENTITIES ARE ALSO THE CORPORATE MEMBERS OF

WESTFIELDS HOSPITAL, INC., A CRITICAL ACCESS HOSPITAL IN NEW RICHMOND,

WISCONSIN.

GROUP HEALTH PLAN, INC. AND RH-WISCONSIN, INC. ARE PART OF THE

HEALTHPARTNERS FAMILY OF ORGANIZATIONS. HEALTHPARTNERS, INC., A MINNESOTA

NON-PROFIT CORPORATION AND LICENSED HEALTH MAINTENANCE ORGANIZATION (HMO)

RECOGNIZED AS EXEMPT FROM FEDERAL INCOME TAX UNDER INTERNAL REVENUE CODE

(IRC) SECTION 501(C)(4), IS THE SOLE CORPORATE MEMBER OF, AMONG OTHER

CORPORATIONS, GROUP HEALTH PLAN, INC. AND HPI-RAMSEY, BOTH OF WHICH ARE

MINNESOTA NON-PROFIT CORPORATIONS RECOGNIZED AS EXEMPT FROM FEDERAL INCOME

TAX UNDER IRC SECTION 501(C)(3).

GROUP HEALTH PLAN, INC. IS A MINNESOTA LICENSED STAFF MODEL HMO. GROUP

HEALTH PLAN, INC. IS ALSO THE SOLE CORPORATE MEMBER OF HEALTHPARTNERS

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

Schedule O (Form 990) 2009

**SCHEDULE O**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990**

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OMB No 1545-0047

**2009**

Open to Public  
Inspection

Name of the organization

HUDSON HOSPITAL, INC.

Employer identification number

39-0804125

RESEARCH FOUNDATION AND CENTRAL MINNESOTA GROUP HEALTH, INC. , BOTH OF

WHICH ARE MINNESOTA NON-PROFIT CORPORATIONS EXEMPT FROM FEDERAL INCOME TAX

UNDER SECTION 501(C)(3). GROUP HEALTH PLAN, INC. IS ALSO THE SOLE

CORPORATE MEMBER OF WESTERN WISCONSIN EMERGENCY MEDICAL SERVICES CO., A

WISCONSIN NON-PROFIT CORPORATION THAT IS EXEMPT FROM FEDERAL INCOME TAX

UNDER SECTION 501(C)(3) AND OF PHYSICIANS NECK & BACK CLINICS, A MINNESOTA

NON-PROFIT CORPORATION THAT HAS APPLIED FOR FEDERAL TAX-EXEMPTION UNDER

SECTION 501(C)(3). SEE FORM 990 FOR GROUP HEALTH PLAN, INC. FOR

ADDITIONAL INFORMATION ABOUT ITS ACTIVITIES.

HPI-RAMSEY IS THE SOLE CORPORATE MEMBER OF RH-WISCONSIN, INC. AND

RH-WISCONSIN, INC.'S SISTER ORGANIZATIONS, REGIONS HOSPITAL, REGIONS

HOSPITAL FOUNDATION, NORTH ST PAUL TRANSITIONAL CARE CENTER, AND RAMSEY

INTEGRATED HEALTH SERVICES. RH-WISCONSIN, INC. IS A WISCONSIN NON-PROFIT

CORPORATION THAT IS EXEMPT FROM FEDERAL INCOME TAX UNDER IRC SECTION

501(C)(3). RH-WISCONSIN, INC.'S SISTER CORPORATIONS ARE MINNESOTA

NON-PROFIT CORPORATIONS ALL OF WHICH ARE EXEMPT FROM FEDERAL INCOME TAX

UNDER IRC SECTION 501(C)(3). SEE FORM 990 FOR RH-WISCONSIN, INC. FOR

ADDITIONAL INFORMATION ABOUT ITS ACTIVITIES.

SEVERAL OTHER CHANGES TO THE BYLAWS ALSO WERE MADE EFFECTIVE JANUARY 1,

2009 (I.E. PROVISION FOR ELECTRONIC NOTICES OF MEMBER MEETINGS, REMOVAL OF

REFERENCES TO A TERMINATED DISPUTE RESOLUTION AGREEMENT, SUBSTITUTION OF

RH-WISCONSIN FOR HUDSON HOSPITAL CORPORATION THROUGHOUT, REDUCTION IN THE

NUMBER OF REQUIRED REGULAR MEETINGS OF THE BOARD FROM SIX TO FOUR ANNUALLY,

PROVISION FOR ACTION IN WRITING BY AUTHORIZATION OF AT LEAST TWO-THIRDS OF

THE BOARD MEMBERS RATHER THAN REQUIRING AUTHORIZATION BY ALL BOARD MEMBERS,

REMOVAL OF CERTAIN SUPERMAJORITY VOTING REQUIREMENTS FOR BOARD ACTION,

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

9322211  
02-03-10

Schedule O (Form 990) 2009

**SCHEDULE O**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990**

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Form 990 or to provide any additional information.  
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OMB No 1545-0047

**2009**

Open to Public  
Inspection

Name of the organization

HUDSON HOSPITAL, INC.

Employer identification number

39-0804125

PROVISION FOR CORPORATE MEMBERS TO APPOINT BOARD CHAIR, RESTATEMENT OF THE

MEDICAL STAFF SECTION). OTHER CHANGES TO THE BYLAWS ARE DESCRIBED IN

THE NARRATIVE RESPONSES FOR LINES 7A AND 7B BELOW.

ADDITIONALLY, EFFECTIVE JANUARY 1, 2010, THE HOSPITAL MADE OTHER

NON-MATERIAL CHANGES TO THE HOSPITAL'S BYLAWS (I.E. TERMINATION OF THE

BOARD'S HUMAN RESOURCES COMMITTEE AND EXPANSION OF THE SCOPE OF THE BOARD'S

EXECUTIVE COMMITTEE TO INCLUDE REVIEW AND RECOMMENDATIONS TO THE BOARD, AND

NECESSARY ACTIONS BETWEEN BOARD MEETINGS, RELATING TO HUMAN RESOURCES AND

COMPLIANCE ISSUES).

FORM 990, PART VI, SECTION A, LINE 7A: THE HOSPITAL'S BOARD OF DIRECTORS

IS COMPRISED OF NOT MORE THAN THIRTEEN (13) PERSONS APPOINTED AS FOLLOWS

(AMENDED BYLAWS, ART. II, SECT. 2):

- SEVEN (7) COMMUNITY DIRECTORS NOMINATED BY THE BOARD'S NOMINATING

COMMITTEE AND APPOINTED BY RH-WISCONSIN, INC.

- THREE (3) DIRECTORS APPOINTED BY GROUP HEALTH PLAN, INC., ONE OF WHOM

MAY BE A PHYSICIAN AND ONE OF WHOM MAY BE THE CHIEF EXECUTIVE OFFICER OF

REGIONS HOSPITAL

- ONE (1) DIRECTOR WHO IS A MEMBER OF THE ACTIVE MEDICAL STAFF OF THE

HOSPITAL AND APPOINTED BY WESTERN WISCONSIN MEDICAL ASSOCIATES, S.C. OR BY

THE LARGEST ACTIVE PRIMARY CARE PHYSICIAN GROUP SERVING THE HOSPITAL.

- ONE (1) DIRECTOR SHALL BE THE HOSPITAL'S CHIEF OF STAFF

- ONE (1) DIRECTOR SHALL BE A PHYSICIAN NOMINATED BY THE BOARD'S

NOMINATING COMMITTEE AND APPOINTED BY RH-WISCONSIN, INC.

FORM 990, PART VI, SECTION A, LINE 7B: THE HOSPITAL'S CORPORATE MEMBERS -

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

932211  
02-03-10

Schedule O (Form 990) 2009

**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

HUDSON HOSPITAL, INC.

Employer identification number

39-0804125

RH-WISCONSIN, INC. AND GROUP HEALTH PLAN, INC. - JOINTLY APPROVE THE

FOLLOWING ACTIONS OF THE BOARD OF DIRECTORS OR INITIATE THESE ACTIONS

DIRECTLY (AMENDED BYLAWS, ART. III, SECT. 1):

- AMENDMENT OF THE ARTICLES, BYLAWS OR OTHER GOVERNING DOCUMENTS

- APPROVAL OF THE ADDITION OR DELETION OF MAJOR SERVICE LINES

- SALE, LEASE, MORTGAGE OR PLEDGE OF ANY REAL ESTATE OR INTEREST THEREIN,

OR OF ALL OR SUBSTANTIALLY ALL OF THE ASSETS

- ADOPTION OF AMENDMENT OF A STRATEGIC PLAN, AND CAPITAL AND OPERATING

BUDGETS

- APPROVAL OF UNBUDGETED CAPITAL EXPENDITURES

- APPROVAL OF BORROWING OR LENDING OF FUNDS IN EXCESS OF ONE MILLION

DOLLARS

- MERGER, CONSOLIDATION, AFFILIATION OR JOINT VENTURE WITH ANY OTHER

ENTITY AND TRANSFER OR CONTRIBUTION OF ASSETS AND FUNDS TO SEPARATE

ENTITIES

- ESTABLISHMENT OR DIVESTITURE OF ENTITIES OF WHICH THE HOSPITAL HAS AN

EQUITY OR MANAGEMENT INTEREST, OR ESTABLISHMENT OF ANY SIGNIFICANT AND

CONTINUING RELATIONSHIP WITH ANY ENTITY

- APPOINTMENT AND REMOVAL OF THE HOSPITAL'S PRESIDENT AND CHAIR OF THE

BOARD OF DIRECTORS

- DISSOLUTION AND DISTRIBUTION OF ASSETS

FORM 990, PART VI, SECTION B, LINE 11: THE HOSPITAL'S 990 RETURN HAS A

COMPREHENSIVE REVIEW PROCESS THAT IS FOLLOWED BEFORE IT IS PRESENTED TO THE

GOVERNING BODY OF THE HOSPITAL. THE REVIEW PROCESS INCLUDES A LAYERED

REVIEW BY THE TAX DEPARTMENT OF GROUP HEALTH PLAN, INC. (GHI), THE

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

932211  
02-03-10

Schedule O (Form 990) 2009



**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

HUDSON HOSPITAL, INC.

Employer identification number

39-0804125

MANAGEMENT TEAM OF THE HOSPITAL, GHI'S INTERNAL LEGAL DEPARTMENT AND

HEALTHPARTNERS, INC.'S OUTSIDE INDEPENDENT ACCOUNTANTS. EACH ONE OF THOSE

AREAS HAS AN OPPORTUNITY TO REVIEW, ASK QUESTIONS AND MAKE COMMENTS BACK TO

THE TAX DEPARTMENT BEFORE THE FORM 990 IS COMPLETED AND PRESENTED TO THE

GOVERNING BODY OF THE HOSPITAL. ONCE THAT REVIEW PROCESS HAS BEEN

COMPLETED, IT IS THE POLICY OF THE HOSPITAL TO MAKE AVAILABLE TO THE

FINANCE AND AUDIT COMMITTEE OF IT'S BOARD OF DIRECTORS, AND TO IT'S BOARD

OF DIRECTORS, A COPY OF THE 990 PRIOR TO THE FILING OF THE 990 RETURN.

THIS COPY WILL BE PROVIDED IN A MAILING TO THE BOARD MEMBERS PRIOR TO THE

FILING OF THE 990. EACH BOARD MEMBER WILL HAVE AN OPPORTUNITY TO COMMENT

OR ASK QUESTIONS ABOUT THE 990 BEFORE IT IS FILED. THIS PROCESS WILL BE

NOTED AND DOCUMENTED IN THE FILES OF THE BOARD OF DIRECTORS MEETING

MINUTES.

FORM 990, PART VI, SECTION B, LINE 12C: AS REQUIRED BY THE BYLAWS OF THE

HOSPITAL, THE BOARD MONITORS POTENTIAL CONFLICTS OF INTEREST ON THE PART OF

ITS BOARD MEMBERS, OFFICERS AND KEY EMPLOYEES BY MAINTAINING A CONFLICT OF

INTEREST POLICY. UNDER THE POLICY, ALL BOARD MEMBERS, PRINCIPAL OFFICERS,

MEMBERS OF A COMMITTEE WITH BOARD DELEGATED POWERS AND KEY EMPLOYEES

ANNUALLY ARE PROVIDED WITH A COPY OF THE POLICY AND REQUESTED TO COMPLETE A

QUESTIONNAIRE IDENTIFYING ANY POTENTIAL CONFLICTS OF INTEREST. THE GENERAL

COUNSEL WILL SUMMARIZE THE FINDINGS FOLLOWING REVIEW OF THE QUESTIONNAIRE

AND SUBMIT A REPORT TO THE CHAIR AND HOSPITAL PRESIDENT. BOARD AGENDAS AND

EXECUTIVE DECISIONS ARE MONITORED IN RELATION TO THIS POLICY.

FORM 990, PART VI, SECTION B, LINE 15: THE HOSPITAL'S PRESIDENT AND CHIEF

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

932211  
02-03-10

Schedule O (Form 990) 2009

**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

HUDSON HOSPITAL, INC.

Employer identification number

39-0804125

FINANCIAL OFFICER (CFO) ARE EMPLOYEES OF REGIONS HOSPITAL (REGIONS), A

RELATED ORGANIZATION WHICH HAS AN ANNUAL PROCESS TO REVIEW THE MARKET

COMPARABILITY OF THE TOTAL COMPENSATION OF THE HOSPITAL'S PRESIDENT AND

CFO. EACH YEAR, UNDER THE DIRECTION OF THE REGIONS BOARD OF DIRECTORS'

COMPENSATION COMMITTEE, AN ANNUAL TOTAL COMPENSATION MARKET REVIEW IS

COMPLETED. THE REVIEW INCLUDES ALL COMPONENTS OF COMPENSATION; BASE

SALARY, ANNUAL INCENTIVES, BENEFITS AND PERQUISITES. THE MARKET SURVEY

RESULTS ARE PRESENTED TO, REVIEWED BY AND APPROVED BY THE COMPENSATION

COMMITTEE OF REGIONS. THE COMPENSATION COMMITTEE'S MARKET REVIEW PROCESS

AND SUBSEQUENT DECISIONS INCLUDE THE FOLLOWING ELEMENTS:

- INDEPENDENT BODY

- COMMITTEE MEMBERS COMPLETE AN ANNUAL CONFLICT OF INTEREST SURVEY TO

ASSURE THE COMMITTEE MEMBERS' INDEPENDENCE

- STAFF IS NOT IN ROOM DURING DELIBERATIONS OR VOTE INCLUDING EXECUTIVE

SESSIONS

- AUTHORIZED BODY

- REGIONS' BOARD OF DIRECTORS HAS DELEGATED TO THE COMPENSATION COMMITTEE

THE ACCOUNTABILITY AND AUTHORITY TO REVIEW AND APPROVE THE COMPARABILITY

DATA OF ALL OFFICERS AND ASSOCIATE MEDICAL DIRECTORS

- REGIONS' BOARD OF DIRECTORS HAS DELEGATED TO THE EXECUTIVE COMMITTEE THE

ACCOUNTABILITY TO CONDUCT AN ANNUAL PERFORMANCE EVALUATION AND TO DETERMINE

THE COMPENSATION OF ALL OFFICERS BASED ON THE PERFORMANCE REVIEW AND THE

MARKET COMPARABILITY DATA.

- COMPARABILITY DATA

- EVERY THREE YEARS, THE COMPENSATION COMMITTEE RETAINS AN INDEPENDENT

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Open to Public  
Inspection

Name of the organization

HUDSON HOSPITAL, INC.

Employer identification number

39-0804125

COMPENSATION EXPERT TO CONDUCT AN EXTENSIVE MARKET COMPARABILITY SURVEY FOR

ALL OFFICERS OF THE ORGANIZATION. WITH THE INPUT OF THE CONSULTANT, THE

COMMITTEE DETERMINES APPROPRIATE PEER GROUPS INCLUDING BOTH LOCAL AND

NATIONAL PEER GROUPS. THE SURVEY CONSIDERS EACH ELEMENT OF TOTAL

COMPENSATION AND AGGREGATE TOTAL COMPENSATION. BASED ON THIS DATA, THE

COMMITTEE DETERMINES MINIMUM AND MAXIMUM TOTAL COMPENSATION RANGES FOR EACH

OFFICER. IN INTERIM YEARS, THE REGIONS HR DEPARTMENT, UNDER THE

COMMITTEE'S DIRECTION USES THE SAME RECOGNIZED THIRD PARTY SALARY SURVEYS

TO DETERMINE MEDIAN SALARY STRUCTURE CHANGES AND AVERAGE SALARY INCREASES.

BASED ON THIS UPDATED DATA, THE COMMITTEE DETERMINES THE TOTAL COMPENSATION

RANGES FOR EACH OFFICER.

- THE ELEMENTS OF TOTAL COMPENSATION ARE SALARY, INCENTIVES, BENEFITS AND

PERQUISITES.

- PROPER CONTEMPORANEOUS DOCUMENTATION

- MINUTES OF THE COMPENSATION COMMITTEE ARE PREPARED AFTER EACH MEETING

AND APPROVED AT THE NEXT MEETING.

- TOTAL COMPENSATION IS APPROPRIATELY REPORTED ON THE FORM 990 AND ON THE

EMPLOYEE'S W-2.

THE HOSPITAL'S OTHER OFFICERS ARE EMPLOYEES OF THE HOSPITAL. THE HOSPITAL

COMPENSATION PROGRAM CONSISTS OF:

KEY POINTS:

- SALARY RANGES ARE DETERMINED BY UTILIZING PUBLISHED SALARY SURVEY DATA

AND LOCAL JOB MARKET INFORMATION (TYPICALLY HRRAM'S ANNUAL SURVEY).

- RANGES ARE UPDATED ANNUALLY DURING MAY BY THE HR DEPARTMENT.

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- RANGES ARE POSITION SPECIFIC AND ARE 95-100% OF THE TWIN CITY MARKET OR

100% OF THE WI DATA (THE HIGHER OF THE TWO).

- REGIONS HOSPITAL COMPENSATION DEPARTMENT IS REFERENCED FOR NON-MATCHING

POSITIONS WITH HRRAM DATA.

- WISCONSIN HOSPITAL ASSOCIATION (WHA) SALARY SURVEY IS ALSO REFERENCED

FOR SENIOR LEADERS AND EXECUTIVE POSITIONS.

- PLACEMENT IN THE RANGE IS DETERMINED BY JOB DESCRIPTION REQUIREMENTS,

INCLUDING EDUCATION, TRAINING, EXPERIENCE, LENGTH OF TIME IN THE POSITION,

AND PERFORMANCE IN THE POSITION.

- POSITIONS WITHIN MANAGEMENT COUNCIL UTILIZE THE COMPA-RATIO FOR REVIEW

OF SALARY RANGES. TYPICALLY MANAGERS WILL BE 0.90 OR GREATER, DEPENDING ON

SKILLS, MANAGEMENT EXPERIENCE, ETC.

- INTERNAL EQUITY IS NOT NECESSARILY BASED ONLY ON TIME WITH THE COMPANY

OR WITHIN THE DEPARTMENT, BUT INCLUDES THE ABOVE NOTED FACTORS.

- INTERNAL EQUITY DOES NOT REQUIRE THAT NEW EMPLOYEES BE PAID LESS THAN

EXISTING EMPLOYEES. IN FACT, NEWLY HIRED EMPLOYEES MAY BE PAID ABOVE

EXISTING STAFF IF THEIR QUALIFICATIONS SUPPORT SUCH ACTIONS.

- A CANDIDATE OR CURRENT EMPLOYEE WHO MEETS MINIMUM REQUIREMENTS OF THE

POSITION MAY BE PLACED AT THE MINIMUM OR LOWER END OF THE SALARY RANGE.

- CANDIDATES OR EMPLOYEES WITH MINIMAL DIRECTLY RELATED EXPERIENCE MAY BE

PLACED AT THE MINIMUM OR LOWER END OF THE SALARY RANGE.

- EMPLOYEES WITH PERFORMANCE ISSUES OR MARGINAL PERFORMANCE, WHO HAVE

EXPERIENCE, EVEN MANY YEARS, MAY BE PLACED LOWER IN THE SALARY RANGE.

- EXCEPTIONAL CANDIDATES OR EMPLOYEES WITH SUBSTANTIAL EXPERIENCE MAY BE

PLACED ABOVE THE MIDPOINT OF THE SALARY RANGE.

- EXCEPTIONS MAY ALSO OCCUR BECAUSE OF AGGRESSIVE MARKETS FOR PARTICULAR

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TECHNICAL OR SPECIALIZED POSITIONS.

- SALARY OFFERS ARE DETERMINED BY HUMAN RESOURCES AND ARE BASED ON A FAIR

BASE WAGE - NOT THE LOWEST PAY AN INDIVIDUAL WILL ACCEPT.

- SALARY OFFERS MAY INCLUDE CONSIDERATION OF COMPARISON BETWEEN A

CANDIDATE'S CURRENT TOTAL COMPENSATION PACKAGE AND/OR CURRENT OFFERS FROM

OTHER PROSPECTIVE EMPLOYERS.

- REGISTERED NURSES - WAGES ARE DETERMINED BY STEP LEVEL IN THE MNA

CONTRACT.

TECHNICAL ADJUSTMENTS MAY BE WARRANTED IN THE EVENT THERE IS A DEMONSTRATED

INTERNAL EQUITY PROBLEM OR A DOCUMENTED EXTERNAL MARKET ISSUE. ACTUAL

TECHNICAL ADJUSTMENT AMOUNTS ARE BASED ON CAREFUL REVIEW OF ALL EMPLOYEES

IN RELATED JOB CLASSIFICATIONS AND FINANCIAL IMPACT ON THE ORGANIZATION.

CHANGES IN JOB DESCRIPTION/AFFECT ON COMPENSATION:

ADDITIONAL DUTIES ARE INCLUDED - "OTHER DUTIES AS ASSIGNED"

ROLES EVOLVES & MAY NECESSITATE ADDITIONAL DUTIES OR DIFFERENT DUTIES OR

PROCESSES IN HOW THE WORK GETS DONE; UNLESS IT INVOLVES NEW REQUIREMENTS

AND CHANGES TO ANOTHER DEFINABLE ROLE, DOES NOT NECESSARILY RESULT IN NEW

SALARY RANGE OR INCREASE IN HOURLY RATE.

SALARY RANGE WENT DOWN:

THIS DOES HAPPEN ON OCCASION, DEPENDING ON CHANGES IN THE WORKFORCE AND THE

JOB MARKET; E.G. EFFECTS OF RETIRING WORKFORCE MAY RESULT IN LESS

EXPERIENCED STAFF IN JOBS - MAY DECREASE REPORTED RANGE INFORMATION.

EVEN IF RANGE CHANGES, WE DO NOT DECREASE CURRENT STAFF SALARY, SO MINIMAL

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IMPACT UNLESS REACHING THE TOP OF THE RANGE - IN THAT EVENT, WE DO PROVIDE

AN INCREASE IN A "LUMP SUM."

FORM 990, PART VI, SECTION C, LINE 19: HOSPITAL FINANCIAL STATEMENTS AND

990 RETURNS ARE MADE AVAILABLE TO ANY PERSON WHO REQUESTS THE INFORMATION

FROM THE HOSPITAL. THE HOSPITAL'S ARTICLES OF INCORPORATION ARE AVAILABLE

TO ANY PERSON WHO REQUESTS THE INFORMATION THROUGH THE WISCONSIN SECRETARY

OF STATE'S OFFICE. THE HOSPITAL'S CONFLICT OF INTEREST POLICY CAN BE

VIEWED THROUGH THE HUDSON HOSPITAL.ORG WEBSITE.

FORM 990, PART III, LINE 4A

EXEMPT PURPOSE AND ACHIEVEMENTS

(PART 1 OF 2)

I. CORPORATE STRUCTURE, PURPOSE, GOVERNANCE

HUDSON HOSPITAL, INC., D/B/A HUDSON HOSPITAL & CLINICS IS A WISCONSIN

NON-PROFIT ORGANIZATION EXEMPT FROM FEDERAL INCOME TAX UNDER IRC

SECTION 501(C)(3). ON JANUARY 1, 2009 HUDSON HOSPITAL & CLINICS JOINED

THE HEALTHPARTNERS FAMILY OF ORGANIZATIONS, A TAX-EXEMPT INTEGRATED

HEALTH CARE DELIVERY AND FINANCING SYSTEM THAT PROVIDES COMPREHENSIVE

HEALTH CARE SERVICES FOR THE BENEFIT OF COMMUNITY MEMBERS IN MINNESOTA

AND WESTERN WISCONSIN.

HUDSON HOSPITAL & CLINICS IS THE SOLE CORPORATE MEMBER OF HUDSON

HOSPITAL FOUNDATION, A FOUNDATION WHOSE PURPOSE IS TO SUPPORT HUDSON

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HOSPITAL & CLINICS, GROUP HEALTH PLAN, INC. AND RH-WISCONSIN, INC. ARE

CORPORATE MEMBERS OF HUDSON HOSPITAL & CLINICS AND WESTFIELDS HOSPITAL,

INC., A NON-PROFIT CRITICAL ACCESS HOSPITAL IN NEW RICHMOND, WISCONSIN.

HUDSON HOSPITAL & CLINICS, HUDSON HOSPITAL FOUNDATION, WESTFIELDS

HOSPITAL, INC., GROUP HEALTH PLAN, INC. AND RH-WISCONSIN, INC., AMONG

OTHERS, ARE ALL PART OF THE HEALTHPARTNERS FAMILY OF ORGANIZATIONS.

HUDSON HOSPITAL & CLINICS, A STATE LICENSED 25-BED, LEVEL IV CRITICAL

ACCESS HOSPITAL (CAH), IS AN INTEGRAL PART OF THE HUDSON COMMUNITY AND

SURROUNDING AREA - A VITAL AND NECESSARY COMMUNITY RESOURCE SINCE 1953.

SERVICES INCLUDE A REGIONALLY POPULAR BIRTH CENTER AND THE REGION'S

ONLY ACUTE CARE FOR THE ELDERLY PROGRAM. OTHER SERVICES INCLUDE THE

EMERGENCY CENTER (WITH MEDICAL HELICOPTER TRANSPORT AVAILABLE), IMAGING

CENTER, REHABILITATION CENTER, SURGERY & PROCEDURE CENTER, CANCER CARE,

HEART CARE, NEUROLOGY, ORTHOPAEDICS AND MORE.

THE CAMPUS IS DESIGNED WITH THE LATEST TECHNOLOGY AND AMENITIES TO

SUPPORT WHOLE HEALTH AND HEALING FOR PATIENTS AND THEIR FAMILIES -

INCLUDING A NATIONALLY ACCLAIMED HEALING ARTS PROGRAM. THE HEALING ARTS

PROGRAM, A COLLABORATION BETWEEN THE PHIPPS CENTER FOR THE ARTS AND

HUDSON HOSPITAL & CLINICS, RECEIVED THE 2009 GOVERNOR'S AWARD IN

SUPPORT OF THE ARTS. SINCE THE AWARD PROGRAM'S INCEPTION IN 1980, ONLY

TWO HEALTH CARE ORGANIZATIONS HAVE RECEIVED THIS HONOR.

A PATIENT'S WILLINGNESS TO RECOMMEND IS A LEADING INDICATOR OF

SUCCESSFUL CUSTOMER SERVICE. HUDSON HOSPITAL & CLINICS INPATIENT SCORES

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REMAIN HIGH AT THE 95TH PERCENTILE NATIONAL RANKING AMONG PRESS GANEY

HOSPITALS OF COMPARABLE SIZE. PRESS GANEY IS THE COUNTRY'S LARGEST

HOSPITAL DATABASE OF PATIENT SATISFACTION SURVEY DATA.

HUDSON HOSPITAL & CLINICS IS GOVERNED BY A COMMUNITY-BASED BOARD OF

DIRECTORS. AS REQUIRED BY ITS BYLAWS, THE BOARD MONITORS POTENTIAL

CONFLICTS OF INTEREST ON THE PART OF ITS BOARD MEMBERS, OFFICERS AND

KEY EMPLOYEES, BY MAINTAINING A CONFLICT OF INTEREST POLICY.

ANNUALLY, ALL BOARD MEMBERS, PRINCIPAL OFFICERS, MEMBERS WITH BOARD

DELEGATED POWERS AND KEY EMPLOYEES ARE PROVIDED WITH A COPY OF THE

POLICY AND ARE REQUIRED TO COMPLETE A QUESTIONNAIRE IDENTIFYING ANY

POTENTIAL CONFLICTS OF INTEREST. THE FULL BOARD IS ADVISED OF ANY

POTENTIAL CONFLICTS AND THE PROCESS TO BE FOLLOWED IN RESOLVING THE

CONFLICT AS RECOMMENDED BY THE CHAIR, CEO AND GENERAL COUNSEL. BOARD

AGENDAS AND EXECUTIVE DECISIONS ARE MONITORED IN RELATION TO THIS

POLICY.

**II. BENEFITS TO PATIENTS AND THE COMMUNITY IN 2009**

WHILE 2009 WAS A YEAR OF CHANGE, CHALLENGES AND CHOICES FOR HUDSON

HOSPITAL & CLINICS, IT WAS ALSO ONE OF CONTINUED COMMUNITY SUPPORT.

CHARITABLE TRADITION CONTINUED AS THE HOSPITAL REACHED OUT TO THOSE IN

NEED OF ITS SERVICES. THE HOSPITAL ENGAGED IN COMMUNITY

PARTNERSHIPS WITH SCHOOLS, BUSINESSES, AGENCIES AND OTHER HEALTH

PROVIDERS INVESTED IN COMMUNITY PROGRAMS AND SERVICES THAT POSITIVELY

SUPPORT AND STRENGTHEN COMMUNITY HEALTH, EDUCATION, ECONOMIC

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DEVELOPMENT, AND CULTURE. THESE PROGRAMS AND PARTNERSHIPS ARE ALL

CENTRAL TO THE HOSPITAL'S MISSION OF "CARING FOR THE HEALTH OF OUR

COMMUNITY".

TO BETTER UNDERSTAND AND ADDRESS THE NEEDS OF THOSE HUDSON HOSPITAL &

CLINICS SERVES, THE ORGANIZATION REMAINED COMMITTED TO ITS PARTNERSHIP

WITH ST. CROIX COUNTY PUBLIC HEALTH AND THE COMMUNITY HEALTH

IMPROVEMENT PROCESS (CHIP). CHIP, FACILITATED BY BOTH ORGANIZATIONS, IS

A STRATEGIC, ONGOING, COMMUNITY-BASED APPROACH FOR CREATING AND

MAINTAINING HEALTHY COMMUNITIES. A STEERING COMMITTEE OF 25+ DIVERSE

MEMBERS REPRESENTING ORGANIZATIONS AND AGENCIES FROM ACROSS THE COUNTY

PROVIDES OVERSIGHT AND GUIDANCE. TOGETHER, THE COMMITTEE REGULARLY

ASSESSES THE STATE OF THE COUNTY'S HEALTH.

IN 2009, A FORMAL COMMUNITY NEEDS ASSESSMENT COMPRISED OF QUALITATIVE

AND QUANTITATIVE RESEARCH WAS COMPLETED RESULTING IN THE ST. CROIX

COUNTY COMMUNITY HEALTH IMPROVEMENT PLAN 2009-2014. THE PLAN USES THE

STATE HEALTH PLAN, HEALTHIEST WISCONSIN 2010, AS ITS GUIDE FOR

IMPROVEMENT. OF THE 11 HEALTH PRIORITIES IDENTIFIED IN THE REPORT, ST.

CROIX COUNTY WILL FOCUS ON FIVE: ACCESS TO PRIMARY AND PREVENTIVE

HEALTH SERVICES; OVERWEIGHT, OBESITY AND LACK OF PHYSICAL ACTIVITY;

ADEQUATE & APPROPRIATE NUTRITION; ALCOHOL AND OTHER SUBSTANCE USE AND

ADDICTION; AND TOBACCO USE AND EXPOSURE.

THE EXECUTIVE SUMMARY AND FULL REPORT ARE PUBLICLY AVAILABLE ON THE

HOSPITAL'S WEBSITE.

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AS A COMMUNITY-FOCUSED HOSPITAL, HUDSON HOSPITAL & CLINICS IS DRIVEN TO

PROVIDE THE HIGHEST QUALITY, COST-EFFECTIVE HEALTH CARE IN A NURTURING

SETTING TO THOSE WHO NEED HELP, REGARDLESS OF THEIR ABILITY TO PAY. THE

HOSPITAL EXTENDS THIS COMMITMENT TO THE BROADER COMMUNITY BY MAKING

CONTRIBUTIONS OF MANY KINDS. THE TOTAL 2009 COMMUNITY BENEFIT

CONTRIBUTION EQUALED \$2,727,369 WHICH REPRESENTS 5.6% OF NET OPERATING

REVENUE. THIS FIGURE IS REPORTED AT COST PER THE CATHOLIC HEALTH

ASSOCIATION (CHA) COMMUNITY BENEFIT REPORTING GUIDELINES AND IN

ACCORDANCE WITH WISCONSIN HOSPITAL ASSOCIATION (WHA) REPORTING

REQUIREMENTS.

TRADITIONAL CHARITY CARE AND HEALTHCARE ACCESS FOR LOW-INCOME

INDIVIDUALS - \$298,950

CHARITY CARE IS DEFINED AS THE COST OF CARE DELIVERED TO PATIENTS WHO

ARE WILLING, BUT UNABLE, TO PAY FOR THE SERVICES THEY RECEIVE. THIS

INCLUDES PATIENTS WHOSE CHARGES ARE FORGIVEN OR REDUCED BECAUSE OF

INABILITY TO PAY, PATIENTS WHO ARE UNABLE TO PAY THE BALANCE LEFT BY

ANY PAYER, AND PATIENTS FOR WHOM UNUSUAL CIRCUMSTANCES OR SPECIAL

FINANCIAL HARDSHIP WARRANT SPECIAL CONSIDERATION. HUDSON HOSPITAL &

CLINICS PROVIDED \$298,950 IN FREE OR DISCOUNTED CARE TO 189 LOW INCOME

AND UNINSURED PATIENTS. CHARITY CARE REPRESENTS ABOUT 0.7% OF THE

HOSPITAL'S TOTAL OPERATING EXPENSES.

CARE FOR MEDICAID PATIENTS - \$858,788

HUDSON HOSPITAL & CLINICS PROVIDES INPATIENT AND OUTPATIENT CARE,

INCLUDING EMERGENCY DEPARTMENT SERVICES, TO MEDICAID PATIENTS. PAYMENTS

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RECEIVED FOR THESE SERVICES ARE BELOW THE COST OF CARE PROVIDED. HUDSON

HOSPITAL & CLINICS' EXPENSE TO COVER UNREIMBURSED MEDICAID COSTS FOR

2,215 PATIENTS TOTALED \$858,788.

SUBSIDIZED HEALTH SERVICES - \$674,222

HUDSON HOSPITAL & CLINICS IS COMMITTED TO PROVIDING NEEDED SERVICES

EVEN AT A FINANCIAL LOSS. IN 2009, LOSS ON SERVICES FOR INPATIENT AND

OUTPATIENT PROGRAM SERVICES INCLUDING RESPIRATORY THERAPY, PHYSICAL

THERAPY, ONCOLOGY, EMERGENCY ROOM, AND CARDIAC REHABILITATION TOTALED

\$674,222.

COMMUNITY HEALTH IMPROVEMENT SERVICES - \$337,038

THE FOLLOWING ACTIVITIES OR PROGRAMS WERE CARRIED OUT AND SUPPORTED BY

HUDSON HOSPITAL & CLINICS IN 2009 FOR THE EXPRESS PURPOSE OF IMPROVING

COMMUNITY HEALTH:

- COMMUNITY BASED CLINICAL SERVICES (\$7,217)

HOSPITAL STAFF ASSISTED ST. CROIX COUNTY PUBLIC HEALTH WITH H1N1

CLINICS TO ADMINISTER IMMUNIZATIONS TO 2,030 HUDSON HIGH SCHOOL AND

MIDDLE SCHOOL STUDENTS INCURRING STAFF TIME/MILEAGE EXPENSE OF \$1,949.

IN ADDITION, THE HOSPITAL HOSTED NUMEROUS BLOOD DRIVES IN SUPPORT OF

THE AMERICAN RED CROSS AND CONDUCTED FREE BLOOD PRESSURE SCREENS

THROUGHOUT THE YEAR AT A COST OF \$5,268.

(SEE CONTINUATION AT PART 2 OF 2)

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**EXEMPT PURPOSE AND ACHIEVEMENTS**

(PART 2 OF 2)

- COMMUNITY HEALTH EDUCATION (\$168,146)

OVER 9,700 PEOPLE ATTENDED EDUCATIONAL PROGRAMS, CLASSES, SPECIAL

EVENTS, HEALTH FAIRS OR SUPPORT GROUPS TAUGHT OR HOSTED BY MEDICAL AND

CLINICS STAFF AND CAMPUS PARTNERS. TOTAL COMMUNITY HEALTH EDUCATION

EXPENSES TOTALED \$168,146.

CLASSES INCLUDED ADVANCED DIRECTIVES, PRENATAL/FAMILY PLANNING,

BREASTFEEDING, BABY SIGN LANGUAGE, BABY MASSAGE, BABYSITTING CLASSES,

FIRST-AID TRAINING, FAMILY/PARENTING/SIBLING EDUCATION, MEDICATION

SAFETY, MENTAL HEALTH AND DEPRESSION, NUTRITION/WEIGHT MANAGEMENT,

SCHOOL-BASED HEALTH EDUCATION - HAND HYGIENE, EFFECTS OF SMOKING,

CAREER DAY, ETC., WORKFORCE DEVELOPMENT, AND YMCA PRESCHOOL SAFETY

PROGRAM - RISK WATCH. IN ADDITION, OVER 650 PEOPLE ATTENDED 22 FREE

HEALTH SEMINARS ON RELEVANT HEALTH TOPICS.

SPECIAL HEALTH EDUCATION PROGRAMS AND EVENTS WERE PRESENTED TO AREA BOY

SCOUTS, GIRL SCOUTS, HUDSON HIGH SCHOOL STUDENTS (MOCK CRASH - THE

CONSEQUENCES OF DRINKING AND DRIVING), REHABILITATION THERAPY

CLINICIANS FROM MN/WI (ORTHOPAEDICS CONFERENCE), SENIOR CITIZENS, AND

AS PART OF LEADERSHIP HUDSON - A PROGRAM DEDICATED TO PROMOTING AND

DEVELOPING DYNAMIC BUSINESS AND COMMUNITY LEADERS.

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SCHOOL AND COMMUNITY-BASED HEALTH FAIRS ATTRACTED OVER 650 PEOPLE WHO

LEARNED ABOUT THE 100 CALORIE CLUB (HEALTHY SNACKS), PORTION CONTROL,

RECREATION THERAPY, THE IMPORTANCE OF CPR/AED TRAINING, MEDICATION

SAFETY, HEALTH CARE POWER OF ATTORNEY, AND THE BENEFITS OF MOTION AND

MOVEMENT.

SUPPORT GROUPS FACILITATED BY HOSPITAL STAFF INCLUDED CANCER, NEW

PARENT, WEIGHT AND WELLNESS, AND SLEEP APNEA. 166 PEOPLE PARTICIPATED.

OTHER SUPPORT GROUPS OFFERED ON CAMPUS BY COMMUNITY PARTNERS INCLUDED

CARDIOVASCULAR DISEASE, CELIAC & SPRUE, CROHN'S & COLITIS, DIABETES,

AND PARKINSON'S DISEASE.

- HEALTH CARE SUPPORT SERVICES - (\$161,675)

IN 2009, OVER 10,700 PEOPLE REALIZED THE BENEFIT OF HEALTH CARE SUPPORT

SERVICES AVAILABLE INCLUDING TRANSLATION/INTERPRETER SERVICES,

BICYCLE SAFETY CLINIC, LIFELINE HOME MONITORING SYSTEM, AND DISCOUNTED

OR FREE PRESCRIPTIONS. MORE SPECIFICALLY:

HUDSON HOSPITAL & CLINICS OPERATED THE HEALTH RESOURCE CENTER (HRC) AT

A COST OF \$12,841. NEARLY 1000 PEOPLE UTILIZED MATERIALS OR SERVICES.

THE HRC IS A LENDING LIBRARY WHERE PATIENTS, THEIR FAMILY AND FRIENDS,

STAFF AND COMMUNITY MEMBERS CAN ACCESS HEALTH AND WELLNESS INFORMATION

FROM PRINT RESOURCES, INTERNET SITES, ORGANIZED EVENTS, AND STAFF

ASSISTANCE FROM A REGISTERED NURSE. OVER 1200 BOOKS AND MAGAZINES ARE

CHECKED OUT ANNUALLY. WELLNESS CLASSES ARE OPEN TO THE COMMUNITY AT NO

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OR LOW COST.

ASK-A-NURSE IS A COMMUNITY RESOURCE PROVIDED BY THE HRC. FREE EDUCATION

CONSULTS, CUSTOM-RESEARCHED HEALTH INFORMATION, AND REFERRAL TO

COMMUNITY SERVICES ARE PROVIDED BY REQUEST VIA DROP-IN OR BY TELEPHONE.

ASK-A-NURSE AVERAGES 100 REQUESTS PER MONTH. SERVICE WAS PROVIDED AT A

COST OF \$11,421.

THE HOSPITAL'S GOOD SAMARITAN FUND, SUPPORTED BY HUDSON HOSPITAL

FOUNDATION AND EMPLOYEE GIVING, DONATED \$1,569 TO HELP 21 INDIVIDUALS

RECEIVING CARE ON THE HEALTH CAMPUS. FUNDS PROVIDED WERE FOR URGENT AND

EMERGENT NEEDS RELATED TO THEIR HEALTH INCLUDING: DURABLE EQUIPMENT,

NON-NARCOTIC PRESCRIPTION DRUGS, GAS CARDS, CLOTHING, ETC.

ENROLLMENT ASSISTANCE, INFORMATION AND REFERRAL SERVICES WERE AVAILABLE

TO HELP SECURE A PAYMENT SOURCE FOR UNINSURED AND UNDERINSURED

PATIENTS. PATIENT FINANCIAL SERVICES, ADMINISTERED BY THE HOSPITAL'S

BUSINESS OPERATIONS, EMPLOYS ONE PATIENT FINANCIAL SERVICES

REPRESENTATIVE TO OVERSEE ITS FINANCIAL ASSISTANCE PROGRAM AND, ALONG

WITH SUPPORT FROM DEPARTMENT STAFF, HELPS PATIENTS ENROLL IN GOVERNMENT

PROGRAMS, FIND OTHER SOURCES OF PAYMENT, OR ACCESS SERVICES BEYOND

MEDICAL CARE.

IN 2009, HUDSON HOSPITAL & CLINICS SPENT \$3,167 IN STAFF TIME TO ASSIST

500 PATIENTS ENROLL IN PUBLIC MEDICAL PROGRAMS; \$12,496 IN STAFF TIME

TO GUIDE OR REFER 1500 PEOPLE TO COMMUNITY SERVICES/PUBLIC HEALTH

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

932211  
02-03-10

Schedule O (Form 990) 2009

**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

HUDSON HOSPITAL, INC.

Employer identification number

39-0804125

ASSISTANCE; AND \$44,004 IN STAFF TIME TO GUIDE OR REFER 3,400 PATIENTS

TO FINANCIAL ASSISTANCE.

THE HOSPITAL FITNESS CENTER, AN ONSITE COMMUNITY FITNESS CENTER USED BY

120 COMMUNITY MEMBERS INCLUDING PHASE 3 CARDIAC REHAB PROGRAM

PARTICIPANTS, WAS AVAILABLE FOR USE. OPERATING COSTS OF \$74,337

INCLUDED STAFF TIME TO ADMINISTER

FITNESS PROGRAMS, SPACE USAGE, AND REDUCED FACILITY MEMBERSHIP FEES.

PROGRAMS FOR CHANGE, THE HOSPITAL'S OUTPATIENT CHEMICAL ADDICTION

TREATMENT AND RECOVERY CARE PROGRAM, OFFERED PARENTS AND FAMILY MEMBERS

THE OPPORTUNITY TO PARTICIPATE IN EDUCATIONAL LECTURES, GROUP

DISCUSSION, AND FAMILY TREATMENT GROUPS FREE OF CHARGE IN SUPPORT OF

THEIR LOVED ONE. HUDSON HOSPITAL & CLINICS PROVIDED \$34,589 IN STAFF

TIME TO SUPPORT THE 249 ATTENDEES.

VAN TRANSPORT SERVICES WERE AVAILABLE TO COMMUNITY RESIDENTS WITHIN A

15-MILE RADIUS UPON REQUEST. OPERATING COSTS FOR THE PROGRAM TOTALED

\$12,300. OVER 1,500 RESIDENTS TOOK ADVANTAGE OF THE SERVICES.

HEALTH PROFESSIONS EDUCATION - \$165,594

HUDSON HOSPITAL & CLINICS STAFF PROVIDED CLINICAL TRAINING FOR 50

NURSES AND NURSING STUDENTS AND 22 HEALTH PROFESSIONALS FROM SEVEN

INSTITUTIONS AT A COST OF \$161,594. IN ADDITION, THE HOSPITAL

VOLUNTARILY PARTICIPATED IN THE WISCONSIN NURSE RESIDENCY PROGRAM

(WNRFP). THE PROGRAM IS A STRUCTURED LEARNING EXPERIENCE FOR NEWLY

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LICENSED REGISTERED NURSES DESIGNED TO PROMOTE EFFECTIVE TRANSITION

INTO PROFESSIONAL PRACTICE. THREE NURSES, PAIRED WITH EXPERIENCED

HOSPITAL NURSES ACTING AS COACH/SUPPORT PERSON, COMPLETED THE 12-MONTH

PROGRAM.

CASH DONATIONS - \$7,870

HUDSON HOSPITAL & CLINICS' CASH DONATIONS TO OTHER TAX-EXEMPT COMMUNITY

ORGANIZATIONS IN THE FORM OF SPONSORSHIPS OR MEMBERSHIP DUES TOTALED

\$7,870.

IN-KIND DONATIONS - \$56,700

IN-KIND SERVICES PROVIDED INCLUDED STAFF HOURS SPENT IN SUPPORT OF

BOARD OR COMMITTEE WORK (HUDSON ROTARY CLUB, ST. CROIX EMS & RESCUE,

ST. CROIX ECONOMIC DEVELOPMENT COUNCIL, ST. CROIX COUNTY SUBSTANCE

ABUSE ADVISORY COMMITTEE, UW-RIVER FALLS CHANCELLOR ADVISORY COUNCIL,

ST. CROIX VALLEY VISUAL ARTS COUNCIL, AND WISCONSIN HOSPITAL

ASSOCIATION); EQUIPMENT AND SUPPLIES (OLD HOSPITAL TRANSPORT VAN, FIRST

AID SUPPLIES, ETC.); SPECIAL EVENTS PLANNING (HEARTWALK, NAMIWALK,

RELAY FOR LIFE); AND OVERHEAD EXPENSES OF SPACE PROVIDED TO

NOT-FOR-PROFIT COMMUNITY GROUPS FOR MEETINGS..

COMMUNITY-BUILDING ACTIVITIES - \$154,711

HUDSON HOSPITAL & CLINICS, BOTH ALONE AND IN PARTNERSHIP WITH OTHER

ORGANIZATIONS, WORKED TO ADDRESS THE ROOT CAUSES OF HEALTH PROBLEMS AND

IMPROVE THE HEALTH AND QUALITY OF LIFE IN THE COMMUNITY AND SURROUNDING

AREA. EXAMPLES INCLUDE THE TOBACCO COALITION, HEALTHWATCH OF ST. CROIX

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932211  
02-03-10

Schedule O (Form 990) 2009



**SCHEDULE O**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

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HUDSON HOSPITAL, INC.

Employer identification number

39-0804125

COUNTY, WISCONSIN YOUTH APPRENTICESHIP PROGRAM, WEST CENTRAL REGIONAL

TRAUMA ADVISORY COUNCIL (RTAC), EMERGENCY PREPAREDNESS EFFORTS, GREEN

INITIATIVES INCLUDING THE RECYCLING PROGRAM, COMMUNITY SHARPS DISPOSAL

SITE, COMMUNITY GARDENS AND LABYRINTH, AND HEART2HEART - SAVING LIVES

TOGETHER.

HEART2HEART IS A COLLABORATION BETWEEN HUDSON HOSPITAL & CLINICS,

HUDSON HOSPITAL FOUNDATION, ST. CROIX EMS & RESCUE AND THE HUDSON

SCHOOL DISTRICT. THE PROGRAM OFFERS FREE AND LOW-COST CPR/AED CLASSES

FOR COMMUNITY MEMBERS, IN-SCHOOL PRESENTATIONS FOR LOCAL STUDENTS AND

WORKPLACE TRAINING FOR LOCAL BUSINESSES. IT ALSO WORKS TO PLACE

AUTOMATED EXTERNAL DEFIBRILLATORS (AEDS) THROUGHOUT THE COMMUNITY WHERE

LARGE GROUPS GATHER - SIX MORE WERE PLACED IN 2009, NOW TOTALLY 60+

UNITS IN THE AREA. OVER 900 RESIDENTS, STUDENTS AND TARGETED BUSINESS

RESPONDERS WERE TRAINED AND/OR CERTIFIED IN 2009.

FINANCIAL SUPPORT FOR THE PROGRAM WAS PROVIDED BY THE RURAL HOSPITAL

FLEXIBILITY PROGRAM THROUGH THE WISCONSIN OFFICE OF RURAL HEALTH

(THROUGH AUGUST 2009) AND THE BAILEY FOUNDATION IN CONJUNCTION WITH

HOSPITAL FINANCIAL AND IN-KIND CONTRIBUTIONS. TOTAL COMMUNITY BENEFIT

CONTRIBUTION WAS \$111,620.

COMMUNITY BENEFIT OPERATIONS - \$173,496

COSTS ASSOCIATED WITH DEDICATED STAFF, PROGRAM OPERATIONS, RESOURCE

EXPENSES, TRAINING, COMMUNITY NEEDS ASSESSMENT, COST OF FUNDRAISING FOR

COMMUNITY BENEFIT PROGRAMS, ANNUAL COMMUNITY BENEFIT REPORT 2009 REPORT

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932211  
02-03-10

Schedule O (Form 990) 2009

**SCHEDULE O**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

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OMB No 1545-0047

**2009**

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Name of the organization

HUDSON HOSPITAL, INC.

Employer identification number  
39-0804125

TO COMMUNITY (AVAILABLE ON THE HOSPITAL'S WEBSITE) AND OTHER PROGRAM

OPERATION EXPENSES TOTALED \$173,496. THIS INVESTMENT REFLECTS THE

ORGANIZATION'S COMMITMENT TO THE COMMUNITY BENEFIT PROGRAM AND

REPORTING PROCESS.

**SCHEDULE R**  
**(Form 990)**

**(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.

Name of the organization

**HUDSON HOSPITAL, INC.**

**Employer identification number**  
39-0804125

**Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)**[illegible]

**Part III.** 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
HEALTHPARTNERS, INC. - 41-1693838	HYBRID STAFF MODEL/NETWORK MODEL HEALTH MAINTENANCE ORGANIZATION	MINNESOTA	501(C)(4)		N/A
8170 33RD AVENUE SOUTH PO BOX 1309					
MINNEAPOLIS, MN 55440-1309					
GROUP HEALTH PLAN, INC. - 41-0797853	STAFF MODEL HEALTH MAINTENANCE ORGANIZATION	MINNESOTA	501(C)(3)	170(B)(1) (A)(III)	N/A
8170 33RD AVENUE SOUTH PO BOX 1309					
MINNEAPOLIS, MN 55440-1309					
HUDSON HOSPITAL FOUNDATION, INC. -	PROVIDE HOSPITAL PROGRAM FINANCIAL SUPPORT	WISCONSIN	501(C)(3)	170(B)(1) (A)(VI)	N/A
99-1279567, 8170 33RD AVENUE SOUTH PO BOX					
1309, MINNEAPOLIS, MN 55440-1309					
HR-WISCONSIN - 20-2287016	CORPORATE PLANNING AND OVERSIGHT	WISCONSIN	501(C)(3)	509(A)(3) TYPE II	N/A
8170 33RD AVENUE SOUTH PO BOX 1309					
MINNEAPOLIS, MN 55440-1309					

**104-HA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.**

Schedule R (Form 990) 2009



**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(s)	(b) Transaction type (a-r)	(c) Amount involved
(1) HUDSON HOSPITAL FOUNDATION, INC.	B	134,097.
(2) HUDSON HOSPITAL FOUNDATION, INC.	C	235,048.
(3) HUDSON HOSPITAL FOUNDATION, INC.	L	0.
(4) HUDSON HOSPITAL FOUNDATION, INC.	M	0.
(5) HUDSON HOSPITAL FOUNDATION, INC.	N	0.
(6)		

## Part VI

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):

[illegible]

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II and check this box ☒ **X**

**Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868

- If you are filing for an **Automatic 3-Month Extension**, complete only Part I (on page 1)

**Part II Additional (Not Automatic) 3-Month Extension of Time.** Only file the original (no copies needed).

Type or print  File by the extended due date for filing the return. See instructions.	Name of Exempt Organization		Employer identification number
	HUDSON HOSPITAL, INC.		39-0804125
	Number, street, and room or suite no. If a P.O. box, see instructions.		For IRS use only
	405 STAGELINE ROAD		
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.		
	HUDSON, WI 54016		

**Check type of return to be filed** (File a separate application for each return):

- ☒ Form 990   
 ☐ Form 990-EZ   
 ☐ Form 990-T (sec. 401(a) or 408(a) trust)   
 ☐ Form 1041-A   
 ☐ Form 5227   
 ☐ Form 8870  
☐ Form 990-BL   
☐ Form 990-PF   
☐ Form 990-T (trust other than above)   
☐ Form 4720   
☐ Form 6069

**STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.**

TOM RICHARD - FINANCE & MATERIALS D

- The books are in the care of ☒ 405 STAGELINE ROAD - HUDSON, WI 54016

Telephone No. ☒ 715-531-6095

FAX No. ☐

- If the organization does not have an office or place of business in the United States, check this box ☐

- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ☐. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until NOVEMBER 15, 2010

5 For calendar year 2009, or other tax year beginning                     , and ending                     

6 If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

7 State in detail why you need the extension

**MORE TIME IS REQUESTED TO ACQUIRE ALL INFORMATION NEEDED TO COMPLETE AND FILE AN ACCURATE RETURN**

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$
c	Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFIPS (Electronic Federal Tax Payment System). See instructions.	8c	\$ N/A

**Signature and Verification**

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ☒ K. J. Belt

Title ☒ DIRECTOR OF FINANCE

Date ☒ 8-10-10

Form 8868 (Rev. 4-2009)