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Part III

Statement of Program Service Accomplishments

1

Briefly describe the organization's mission

MULTICARE'S MISSION IS TO PROVIDE QUALITY PATIENT CARE, WHICH IS ACHIEVED BY CREATING A SEAMLESS, EASY, VALUED AND SUSTAINABLE CONTINUUM OF HEALTH CARE THAT ENHANCES THE EXPERIENCE OF OUR PATIENTS, PROVIDERS, CAREGIVERS AND EMPLOYEES

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 \$ 624,520,796 including grants of \$ 4,993,305) (Revenue \$ 845,683,131)

MULTICARE HEALTH SYSTEM (MHS) OPERATES THREE COMMUNITY BASED HOSPITALS WITH 521 LICENSED ADULT BEDS AND 72 LICENSED PEDIATRIC BEDS DURING 2009 MHS HOSPITALS ADMITTED 22,848 PATIENTS FOR A TOTAL OF 101,076 PATIENT DAYS, PERFORMED 22,793 SURGERIES AND DELIVERED 3,258 BABIES THERE WERE 5,762 NEWBORN DAYS DURING 2009 THEY ALSO PROVIDED 335,453 OUTPATIENT VISITS AND 97,491 EMERGENY ROOM VISTS, OF WHICH 615 WERE TRAUMA PATIENTS

4b

(Code) (Expenses \$ 110,790,162 including grants of \$) (Revenue \$ 132,456,814)

MULTICARE HEALTH SYSTEM OPERATES MULTI-SPECIALTY CLINCS THROUGHOUT PIERCE AND SOUTH KING COUNTIES DURING 2009 THESE CLINICS PROCESSED 440,128 LABORATORY WORKLOAD UNITS, 268,887 IMAGING RELATIVE VALUE UNITS, 49,864 ONCOLOGY RELATIVE VALUE UNITS, 34,787 THERAPY VALUE UNITS AND 225,854 PHARMACY WORKLOAD UNITS

4c

(Code) (Expenses \$ 68,064,799 including grants of \$) (Revenue \$ 51,248,459)

MULTICARE HEALTH SYSTEM OPERATES PRIMARY CARE PHYSICIAN PRACTICES THROUGHOUT PIERCE AND SOUTH KING COUNTIES THESE PRACTICES PROVIDED 425,626 PATIENT VISITS DURING 2009

4d

Other program services (Describe in Schedule O)

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











4e

Total program service expenses

\$ 803,375,757

Part IV

Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1	Yes
2	Is the organization required to complete Schedule B, Schedule of Contributors? 	2	Yes
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I 	3	No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II 	4	Yes
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5	
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 	6	No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II 	7	No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9	No
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10	No
11	Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.	11	Yes
	• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.		
	• Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.		
	• Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.		
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.		
	• Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.		
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X.		
12	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII 	12	No
12A	Was the organization included in consolidated, independent audited financial statements for the tax year?	Yes	No
	If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional	12A	Yes
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
14b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I	14b	No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S ? If "Yes," complete Schedule F, Part II	15	No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S ? If "Yes," complete Schedule F, Part III	16	No
17	Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I	17	No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H 	20	Yes

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to line 25</i>	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a	831	
	b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a	7,641	
	b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)			
3a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?			3a	Yes
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O			3b	Yes
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a	Yes
b If "Yes," enter the name of the foreign country: <input checked="" type="checkbox"/> BR, CO See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts				
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .			5a	No
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b	No
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?			5c	
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?			6a	No
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b	
7 Organizations that may receive deductible contributions under section 170(c).				
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?			7a	No
b If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c	No
d If "Yes," indicate the number of Forms 8282 filed during the year			7d	
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e	No
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .			7f	No
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . .			7g	
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?			7h	
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8	
9 Sponsoring organizations maintaining donor advised funds.				
a Did the organization make any taxable distributions under section 4966?			9a	
b Did the organization make a distribution to a donor, donor advisor, or related person?			9b	
10 Section 501(c)(7) organizations. Enter				
a Initiation fees and capital contributions included on Part VIII, line 12			10a	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities			10b	
11 Section 501(c)(12) organizations. Enter				
a Gross income from members or shareholders			11a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)			11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?			12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year			12b	

Part VI

Governance, Management, and Disclosure

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body . . .	1a	11	
b	Enter the number of voting members that are independent . . .	1b	10	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . .	3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets? . . .	5		No
6	Does the organization have members or stockholders?	6	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . .	7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	Yes	
b	Each committee with authority to act on behalf of the governing body?	8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		No

Section B. Policies

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

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

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed▶WA
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ ANNA LOOMIS PO BOX 5299 TACOMA, WA 984150299 (253) 459-8125

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

• 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

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

[illegible]

1b	Total	12,258,039	0	635,175
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2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **777**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
TACOMA EMERGENCY CARE PHYSICIAN CO 4301 S PINE STREET SUITE 400 TACOMA, WA 98409	MEDICAL	9,060,096
TACOMA ANESTHESIA ASSOC INC PS 3633 PACIFIC AVE SUITE 204 TACOMA, WA 98418	MEDICAL	6,716,370
TRAUMA TRUST PO BOX 5299 TACOMA, WA 98415	MEDICAL	6,130,510
GOOD SAM DESIGN COLLABORATIVE 815 SW SECOND AVE SUITE 600 PORTLAND, OR 97204	ARCHITECTURE/DESIGN	3,161,575
EVERGREEN PERFUSION INC PMB 179 JUDSON STREET GIG HARBOR, WA 98335	MEDICAL	1,366,507

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 **67**

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d	15,264,608				
	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	Total. Add lines 1a-1f			15,264,608			
Program Service Revenue			Business Code					
	2a	HEALTHCARE SERVICES	900,099	842,269,141	840,636,911	1,632,230		
	b	OTHER AMBULATORY SERVICES	621,990	140,508,727	139,486,889	1,021,838		
	c	OFFICES OF PHYSICIANS	621,110	36,665,518	36,665,518			
	d	URGENT CARE CENTERS	621,400	8,848,619	8,848,619			
	e	HOME HEALTH	621,610	2,904,348	2,904,348			
	f	All other program service revenue		2,296,944	1,523,464	773,480		
	g	Total. Add lines 2a-2f			1,033,493,297			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)			7,161,267		7,161,267	
	4	Income from investment of tax-exempt bond proceeds . . .			20,097		20,097	
	5	Royalties						
	6a	Gross Rents	(i) Real	(ii) Personal				
			105					
			105					
	d	Net rental income or (loss)			105		105	
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			40,285,519					
				510,472				
			40,285,519	-510,472				
	d	Net gain or (loss)			39,775,047		39,775,047	
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18						
			a					
			b	Less direct expenses	b			
	c	Net income or (loss) from fundraising events . . .						
	9a	Gross income from gaming activities See Part IV, line 19						
			a					
			b	Less direct expenses	b			
c	Net income or (loss) from gaming activities . . .							
10a	Gross sales of inventory, less returns and allowances							
		a	299,390					
		b	Less cost of goods sold	b	380,659			
c	Net income or (loss) from sales of inventory . . .			-81,269		-81,269		
Miscellaneous Revenue		Business Code						
11a	OTHER INCOME	900,099	-561,100	-561,100				
b	CONSULTING FEES	900,099	-116,245	-116,245				
c								
d	All other revenue							
e	Total. Add lines 11a-11d			-677,345				
12	Total revenue. See Instructions			1,094,955,807	1,029,388,404	3,427,548	46,875,247	

Part IX

Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	4,993,305	4,993,305		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	0	0		
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0	0		
4	Benefits paid to or for members	0	0		
5	Compensation of current officers, directors, trustees, and key employees	12,258,039	10,004,382	2,253,657	0
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0	0	0	0
7	Other salaries and wages	414,327,474	335,899,140	78,428,334	0
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	31,933,252	26,062,280	5,870,972	0
9	Other employee benefits	69,885,612	57,037,046	12,848,566	0
10	Payroll taxes	28,172,748	23,401,408	4,771,340	0
11	Fees for services (non-employees)				
a	Management	0	0	0	0
b	Legal	507,858	0	507,858	0
c	Accounting	448,028	0	448,028	0
d	Lobbying	131,114	0	131,114	0
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	0	0	0	0
g	Other	57,926,089	32,560,250	25,365,839	0
12	Advertising and promotion	827,009	827,009	0	0
13	Office expenses	141,046,366	136,796,553	4,249,813	0
14	Information technology	0	0	0	0
15	Royalties	0	0	0	0
16	Occupancy	15,162,384	12,374,759	2,787,625	0
17	Travel	3,320,221	2,238,713	1,081,508	0
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0	0	0	0
19	Conferences, conventions, and meetings	64,246	35,417	28,829	0
20	Interest	13,534,374	11,046,061	2,488,313	0
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	66,958,489	54,648,079	12,310,410	0
23	Insurance	11,925,100	9,732,654	2,192,446	0
24	Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	PROVISION FOR BAD DEBTS	63,978,272	63,978,272	0	0
b	LICENSES	12,124,858	686,879	11,437,979	0
c	RECRUITING	2,723,556	48,030	2,675,526	0
d	PROPERTY & BUSINESS TAXES	2,829,183	2,309,034	520,149	0
e	DUES	854,230	310,645	543,585	0
f	All other expenses	20,380,267	18,385,841	1,994,426	0
25	Total functional expenses. Add lines 1 through 24f	976,312,074	803,375,757	172,936,317	0
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing				1	
	2	Savings and temporary cash investments			159,105,628	2	205,018,583
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			123,835,532	4	134,104,795
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L				5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L				6	
	7	Notes and loans receivable, net				7	
	8	Inventories for sale or use			12,434,074	8	11,616,985
	9	Prepaid expenses and deferred charges			3,431,392	9	5,324,945
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	1,221,049,400			
	b	Less accumulated depreciation	10b	602,954,502	552,477,500	10c	618,094,898
	11	Investments—publicly traded securities			191,354,350	11	180,559,668
	12	Investments—other securities See Part IV, line 11				12	
	13	Investments—program-related See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets See Part IV, line 11			262,360,618	15	238,770,457
	16	Total assets. Add lines 1 through 15 (must equal line 34)			1,304,999,094	16	1,393,490,331
Liabilities	17	Accounts payable and accrued expenses			129,639,108	17	131,586,380
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities			578,445,000	20	563,354,004
	21	Escrow or custodial account liability Complete Part IV of Schedule D				21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third parties			2,501,564	23	0
	24	Unsecured notes and loans payable to unrelated third parties				24	7,734,147
	25	Other liabilities Complete Part X of Schedule D			287,808,818	25	203,534,384
	26	Total liabilities. Add lines 17 through 25			998,394,490	26	906,208,915
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			306,604,604	27	487,281,416
	28	Temporarily restricted net assets				28	
	29	Permanently restricted net assets				29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.						
	30	Capital stock or trust principal, or current funds				30	
	31	Paid-in or capital surplus, or land, building or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other funds				32	
	33	Total net assets or fund balances			306,604,604	33	487,281,416
	34	Total liabilities and net assets/fund balances			1,304,999,094	34	1,393,490,331

Part XI Financial Statements and Reporting

	Yes	No
1 Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? . . .		No
b Were the organization's financial statements audited by an independent accountant?	Yes	
c If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	Yes	
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . . .	Yes	

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization MULTICARE HEALTH SYSTEM	Employer identification number 91-1352172
---	--

Part I

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

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

1

☐

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

2

☐

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

3

☒

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

4

☐

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

5

☐

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

6

☐

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

7

☐

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

8

☐

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

9

☐

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

10

☐

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

11

☐

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

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Other

e

☐

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

f

☐

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

g

☐

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

(i)

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

(ii)

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

(iii)

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

h

☐

Provide the following information about the supported organization(s)

	Yes	No
11g(i)		
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									

Part II

Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions)					12	
13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage

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

Part IIISupport Schedule for Organizations Described in IRC 509(a)(2)
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3Gross receipts from activities that are not an unrelated trade or business under section 513						
4Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5The value of services or facilities furnished by a governmental unit to the organization without charge						
6Total. Add lines 1 through 5						
7aAmounts included on lines 1, 2, and 3 received from disqualified persons						
bAmounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
cAdd lines 7a and 7b						
8Public Support (Subtract line 7c from line 6)						

Section B. Total Support

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

17Investment income percentage for 2009 (line 10c column (f) divided by line 13 column (f))	17	
18Investment income percentage from 2008 Schedule A, Part III, line 17	18	
19a33 1/3% support tests—2009. If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization		
b33 1/3% support tests—2008. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization		
20Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions		

Part IV

Supplemental Information. Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Provide any other additional information. See instructions

SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

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

OMB No 1545-0047

2009

Open to Public
Inspection

If the organization answered “Yes,” to Form 990, Part IV, Line 3, or Form 990-EZ, Part VI, line 46 (Political Campaign Activities), then

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

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

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered “Yes,” to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, line 35a (regarding proxy tax), then

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

Name of the organization MULTICARE HEALTH SYSTEM	Employer identification number 91-1352172
---	--

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

- 1

Provide a description of the organization's direct and indirect political campaign activities in Part IV
- 2

Political expenditures ▶ \$
- 3

Volunteer hours

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

- 1

Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$
- 2

Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$
- 3

If the organization incurred a section 4955 tax, did it file Form 4720 for this year?

☐ Yes ☐ No
- 4a

Was a correction made?

☐ Yes ☐ No
- b

If "Yes," describe in Part IV

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

- 1

Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$
- 2

Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt funtion activities ▶ \$
- 3

Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ \$
- 4

Did the filing organization file **Form 1120-POL** for this year?

☐ Yes ☐ No
- 5

State the names, addresses and employer identification number (EIN) of all section 527 political organizations to which payments were made For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

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

Part II-A

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

A

Check

☐

if the filing organization belongs to an affiliated group

B

Check

☐

if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing Organization's Totals	(b) Affiliated Group Totals												
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)															
b Total lobbying expenditures to influence a legislative body (direct lobbying)															
c Total lobbying expenditures (add lines 1a and 1b)															
d Other exempt purpose expenditures															
e Total exempt purpose expenditures (add lines 1c and 1d)															
f Lobbying nontaxable amount Enter the amount from the following table in both columns															
<table><tr><td>If the amount on line 1e, column (a) or (b) is:</td><td>The lobbying nontaxable amount is:</td></tr><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
g Grassroots nontaxable amount (enter 25% of line 1f)															
h Subtract line 1g from line 1a If zero or less, enter -0-															
i Subtract line 1f from line 1c If zero or less, enter -0-															
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes	<input type="checkbox"/> No												

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B

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

		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
	a Volunteers?		No	
	b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
	c Media advertisements?		No	
	d Mailings to members, legislators, or the public?		No	
	e Publications, or published or broadcast statements?		No	
	f Grants to other organizations for lobbying purposes?		No	
	g Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		131,114
	h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
	i Other activities? If "Yes," describe in Part IV		No	
j Total lines 1c through 1i				131,114
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A

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

			Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1		
2	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2		
3	Did the organization agree to carryover lobbying and political expenditures from the prior year?	3		

Part III-B

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

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

Part IV

Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, and Part II-B, line 1.
Also, complete this part for any additional information.

Identifier	Return Reference	Explanation
EXPLANATION OF OTHER LOBBYING ACTIVITIES	PART II-B, LINE 1	LOBBYING ACTIVITIES CONDUCTED BY MULTICARE HEALTH SYSTEM CONSISTED OF PAYMENTS TO LOBBYING FIRMS (INDEPENDENT CONTRACTORS) TO ACT AS OUR LIAISON WITH STATE AND FEDERAL GOVERNMENTS ON HEALTH CARE ISSUES AND THE PORTION OF MEMBERSHIP DUES PAID TO HOSPITAL ASSOCIATIONS WHICH IS USED FOR LEGISLATIVE AND LOBBYING ACTIVITIES

SCHEDULE D
(Form 990)

Supplemental Financial Statements

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization MULTICARE HEALTH SYSTEM	Employer identification number 91-1352172
---	--

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

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate contributions to (during year)	
3	Aggregate grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <div>YesNo</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <div>YesNo</div>	

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

1

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

☐ Preservation of land for public use (e g , recreation or pleasure)

☐ Preservation of an historically importantly land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

2

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

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

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶

4

Number of states where property subject to conservation easement is located ▶

5

Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

YesNo

6

Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ▶

7

Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

YesNo

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

▶ \$

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

Cat No 52283D

Schedule D (Form 990) 2009

Part III

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

3

Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

a

☐

Public exhibition

b

☐

Scholarly research

c

☐

Preservation for future generations

d

☐

Loan or exchange programs

e

☐

Other

4

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

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☐ No

Part IV

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

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

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

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a	Beginning of year balance				
b	Contributions				
c	Investment earnings or losses				
d	Grants or scholarships				
e	Other expenditures for facilities and programs				
f	Administrative expenses				
g	End of year balance				

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶ %

b

Permanent endowment ▶ %

c

Term endowment ▶ %

3a

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

(i) unrelated organizations

3a(i)

Yes

No

(ii) related organizations

3a(ii)

Yes

No

b

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

3b

Yes

No

4

Describe in Part XIV the intended uses of the organization's endowment funds

Part VI

Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land	0	40,357,892		40,357,892
b Buildings		471,041,538	190,754,968	280,286,570
c Leasehold improvements		34,215,172	74,094	34,141,078
d Equipment		529,761,691	412,125,438	117,636,253
e Other		145,673,105	0	145,673,105
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				618,094,898

Schedule D (Form 990) 2009

Part XI

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

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

Part XII

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

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

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

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

Part XIV

Supplemental Information

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

Identifier	Return Reference	Explanation
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	MULTICARE HEALTH SYSTEM IS INCLUDED IN CONSOLIDATED AUDITED FINANCIAL STATEMENTS. THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS OF MULTICARE HEALTH SYSTEM FOOTNOTE READS "EFFECTIVE JANUARY 1, 2007, MHS ADOPTED FASB ASC TOPIC 740-10 - INCOME TAXES, WHICH CLARIFIES THE ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES. RECOGNIZED IN MHS' CONSOLIDATED FINANCIAL STATEMENTS. ASC TOPIC 740-10 ALSO PRESCRIBES A RECOGNITION THRESHOLD AND MEASUREMENT STANDARD FOR THE FINANCIAL STATEMENT RECOGNITION AND MEASUREMENT OF AN INCOME TAX POSITION TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN. ONLY TAX POSITIONS THAT MEET THE MORE-LIKELY-THAN-NOT RECOGNITION THRESHOLD AT THE EFFECTIVE DATE MAY BE RECOGNIZED OR CONTINUE TO BE RECOGNIZED UPON ADOPTION. IN ADDITION, ASC TOPIC 740-10 PROVIDES GUIDANCE ON DERECOGNITION, CLASSIFICATION, INTEREST AND PENALTIES, ACCOUNTING IN INTERIM PERIODS, DISCLOSURE, AND TRANSITION. ASC TOPIC 740-10, RELATING TO ACCOUNTING FOR UNCERTAIN TAX POSITIONS, DID NOT HAVE A SIGNIFICANT IMPACT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MHS. OTHER THAN MEDIS, INC., A TAXABLE CORPORATION, AND GOOD SAMARITAN SURGERY CENTER, LLC, A LIMITED LIABILITY COMPANY. ALL OF THE OTHER ENTITIES HAVE OBTAINED DETERMINATION LETTERS FROM THE INTERNAL REVENUE SERVICE THAT THEY ARE EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE, EXCEPT FOR TAX ON UNRELATED BUSINESS INCOME."

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
MULTICARE HEALTH SYSTEM

Employer identification number
91-1352172

Part I

Charity Care and Certain Other Community Benefits at Cost

		Yes	No	
1a	Does the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals <div><input type="checkbox"/> Applied uniformly to all hospitals</div> <div><input checked="" type="checkbox"/> Applied uniformly to most hospitals</div> <div><input type="checkbox"/> Generally tailored to individual hospitals</div>			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients			
a	Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing <i>free</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care <div><input type="checkbox"/> 100%<input type="checkbox"/> 150%<input type="checkbox"/> 200%<input checked="" type="checkbox"/> Other 20040 %</div>	3a	Yes	
b	Does the organization use FPG to determine eligibility for providing <i>discounted</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care <div><input type="checkbox"/> 200%<input type="checkbox"/> 250%<input type="checkbox"/> 300%<input type="checkbox"/> 350%<input type="checkbox"/> 400%<input checked="" type="checkbox"/> Other 50040 %</div>	3b	Yes	
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"?	4	Yes	
5a	Does the organization budget amounts for free or discounted care provided under its charity care policy?	5a	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b		No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5c		
6a	Does the organization prepare an annual community benefit report?	6a	Yes	
6b	If "Yes," does the organization make it available to the public?	6b	Yes	
Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H				

7 Charity Care and Certain Other Community Benefits at Cost						
Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheets 1 and 2)			8,739,572		8,739,572	0 900 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			174,431,941	118,584,803	55,847,138	5 720 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)			3,858,208	2,460,375	1,397,833	0 140 %
d Total Charity Care and Means-Tested Government Programs			187,029,721	121,045,178	65,984,543	6 760 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)	18	37,487	13,963,337	5,754,693	8,208,644	0 840 %
f Health professions education (from Worksheet 5)	3	50	6,974,756	1,518,793	5,455,963	0 560 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)	3	183	2,130,934		2,130,934	0 220 %
i Cash and in-kind contributions to community groups (from Worksheet 8)	3	774	669,681		669,681	0 070 %
j Total Other Benefits	27	38,494	23,738,708	7,273,486	16,465,222	1 690 %
k Total. Add lines 7d and 7j	27	38,494	210,768,429	128,318,664	82,449,765	0

Part IICommunity Building Activities

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1Physical improvements and housing	1	687	387,330	33,891	353,439	0 040 %
2Economic development						
3Community support	10	2,667	4,987,597	615,035	4,372,562	0 450 %
4Environmental improvements						
5Leadership development and training for community members						
6Coalition building	4	25,468	1,777,999	11,458	1,766,541	0 180 %
7Community health improvement advocacy	7	14,917	6,715,602	1,907,209	4,808,393	0 490 %
8Workforce development	1	1	32,496		32,496	
9Other						
10Total	23	43,740	13,901,024	2,567,593	11,333,431	1 160 %

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1Does the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No. 15?	1	Yes	
2Enter the amount of the organization's bad debt expense (at cost)	2	17,299,000	
3Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	3	2,307,000	
4Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit.			

Section B. Medicare

5Enter total revenue received from Medicare (including DSH and IME)	5	110,636,000	
6Enter Medicare allowable costs of care relating to payments on line 5	6	147,773,000	
7Subtract line 6 from line 5. This is the surplus or (shortfall)	7	-37,137,000	
8Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input checked="" type="checkbox"/> Other			

Section C. Collection Practices

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

Part IVManagement Companies and Joint Ventures

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

Part V **Facility Information**

Name and address	Other (Describe)
	ER-other
	ER-24 hours
	Research facility
	Critical access hospital
	Teaching hospital
	Children's hospital
	General medical & surgical
	Licensed hospital

See Additional Data Table

Additional Data

Software ID:
Software Version:
EIN: 91-1352172
Name: MULTICARE HEALTH SYSTEM

Form 990 Schedule H, Part V - Facility Information[illegible]

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization
MULTICARE HEALTH SYSTEM

Employer identification number
91-1352172

Part I General Information on Grants and Assistance

1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No

2

Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed ☐

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
MARY BRIDGE CHILDREN'S FOUNDATIONPO BOX 5299 TACOMA, WA 98415	943030039	501(c)(3)	3,247,099				ASSISTANCE FOR OPERATING EXPENSES
MULTICARE HEALTH FOUNDATIONPO BOX 5299 TACOMA, WA 98415	911514257	501(C)(3)	1,746,206				ASSISTANCE FOR OPERATING EXPENSES

2

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

2

3

Enter total number of other organizations

0

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2009

Open to Public Inspection

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

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

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization
MULTICARE HEALTH SYSTEM

Employer identification number
91-1352172

Part I

Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
	<div><div><input type="checkbox"/> First-class or charter travel</div><div><input checked="" type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div> <div><div><input checked="" type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input checked="" type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain	1b	Yes
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	Yes
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply		
	<div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Form 990 of other organizations</div></div> <div><div><input checked="" type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
a	Receive a severance payment or change-of-control payment?	4a	No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	Yes
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c	No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a	The organization?	5a	No
b	Any related organization?	5b	No
	If "Yes," to line 5a or 5b, describe in Part III		
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a	The organization?	6a	Yes
b	Any related organization?	6b	Yes
	If "Yes," to line 6a or 6b, describe in Part III		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	Yes
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	8	No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	9	

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

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
DIANE CECCHETTINI	(i)	786,629	941,497	422,607	20,580	12,297	2,183,610	0
	(ii)	0	0	0	0	0	0	0
JOHN LONG	(i)	437,851	337,698	479,767	19,219	10,672	1,285,207	0
	(ii)	0	0	0	0	0	0	0
VINCENT SCHMITZ	(i)	440,981	300,441	345,697	42,580	17,166	1,146,865	0
	(ii)	0	0	0	0	0	0	0
WILLIAM STOVER	(i)	351,046	236,788	11,284	31,435	19,170	649,723	0
	(ii)	0	0	0	0	0	0	0
KATHERINE SMITH	(i)	285,890	118,983	1,774	20,580	10,689	437,916	0
	(ii)	0	0	0	0	0	0	0
FLORENCE CHANG	(i)	277,062	141,629	1,556	42,356	21,708	484,311	0
	(ii)	0	0	0	0	0	0	0
SHELLY MULLIN	(i)	234,493	73,839	37,268	37,705	17,381	400,686	0
	(ii)	0	0	0	0	0	0	0
MADLYN MURREY	(i)	169,272	54,999	15,250	28,336	10,349	278,206	0
	(ii)	0	0	0	0	0	0	0
CHRISTI MCCARREN	(i)	161,128	40,666	45,817	25,972	10,444	284,027	0
	(ii)	0	0	0	0	0	0	0
ELISE FORNADLEY	(i)	154,588	18,700	2,427	21,735	9,655	207,105	0
	(ii)	0	0	0	0	0	0	0
DAVID COONS	(i)	966,482	410,406	23,111	12,896	28,585	1,441,480	0
	(ii)	0	0	0	0	0	0	0
JOHN HUNG	(i)	589,246	543,230	12,757	11,157	21,509	1,177,899	0
	(ii)	0	0	0	0	0	0	0
WILLIAM MORRIS	(i)	738,909	194,492	31,862	26,135	20,925	1,012,323	0
	(ii)	0	0	0	0	0	0	0
RONALD WOODS	(i)	737,199	123,284	18,390	27,202	19,588	925,663	0
	(ii)	0	0	0	0	0	0	0
CALVIN WALLACE	(i)	280,276	136,619	524,149	20,580	16,569	978,193	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
SCHEDULE J, PART I, LINE 1		TRAVEL FOR COMPANIONS - THE CHIEF EXECUTIVE OFFICER'S SPOUSE IS REQUIRED TO ATTEND THE ANNUAL BOARD EDUCATION SEMINAR HIS TRAVEL EXPENSES ARE PROVIDED BY MULTICARE HEALTH SYSTEM AND ARE INCLUDED IN COLUMN D ON SCHEDULE J AS A NONTAXABLE BENEFIT FOR DIANE CECCHETTINI COUNTRY CLUB DUES ARE PAID FOR TWO OFFICERS - DIANE CECCHETTINI AND VINCENT SCHMITZ DIANE CECCHETTINI'S COUNTRY CLUB DUES ARE FOR SOCIAL MEMBERSHIP ONLY THE PERSONAL USE OF THE CLUB DUES ARE ADDED TO THEIR TAXABLE WAGES AND REPORTED ON THEIR W-2 HOUSING ALLOWANCE IS PAID TO JOHN LONG THE AMOUNT IS ADDED TO HIS TAXABLE WAGES AND REPORTED ON HIS W-2
SCHEDULE J, PART I, LINE 4B		THE FOLLOWING REPORTED PEOPLE PARTICIPATED IN OR RECEIVED PAYMENTS FROM A 457(F) DEFERRED COMPENSATION PLAN VINCENT SCHMITZ - \$87,772 ELISE FORNADLEY - \$18,630 FLORENCE CHANG - \$29,413 SHELLY MULLIN - \$9,550 CHRISTI MCCARREN - \$9,550
SCHEDULE J, PART I, LINE 6		THE COMPENSATION COMMITTEE SETS ANNUAL GOALS FOR THE INCENTIVE COMPENSATION PLAN COVERING SENIOR VICE PRESIDENTS, VICE PRESIDENTS, ADMINISTRATORS, DIRECTORS, MANAGERS AND SUPERVISORS THE SYSTEM WIDE OPERATING MARGIN GOAL MUST BE MET, ALONG WITH TARGETS IN QUALITY OF CARE, PATIENT SAFETY, CUSTOMER SERVICE AND PEOPLE AND PERFORMANCE, IN ORDER FOR THE INCENTIVE COMPENSATION PLAN PAYMENTS TO BE MADE THE INCENTIVE COMPENSATION PLAN IS THEN CALCULATED AND PAID BASED ON THE NUMBER OF TARGETS ACHIEVED
SCHEDULE J, PART I, LINE 7		DR COONS, DR HUNG, DR MORRIS AND DR WALLACE ARE COMPENSATED BASED ON THEIR ACTUAL PRODUCTION
SCHEDULE J, PART III	SUPPLEMENTAL INFORMATION	THE REPORTABLE COMPENSATION FOR THE OFFICERS OF THE CORPORATION AND KEY EMPLOYEES IS BASED ON THE TOTAL AMOUNT PAID DURING THE FISCAL YEAR FOR MANAGEMENT AND LEADERSHIP OF MULTICARE HEALTH SYSTEM AND GOOD SAMARITAN ENTITIES (91-1352172, 91-1514257, 94-3030039, 91-0961134, 91-1203564 AND 91-2004312), INCLUDING CURRENT YEAR PAYMENTS OF AMOUNTS REPORTED IN PRIOR YEARS AS CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS AND DEFERRED COMPENSATION PLANS, TOGETHER WITH INVESTMENT EARNINGS FROM THOSE PRIOR YEAR CONTRIBUTIONS AS A RESULT, CERTAIN AMOUNTS HAVE BEEN REPORTED TWICE, BOTH IN PRIOR YEARS WHEN EARNED OR ACCRUED, AND AGAIN IN THE CURRENT YEAR WHEN PAID THE INVESTMENT EARNINGS FROM THE PRIOR YEAR CONTRIBUTIONS REPRESENT A SUBSTANTIAL PORTION OF THE CURRENT YEAR PAYMENTS THE AMOUNTS UNDER OTHER COMPENSATION REPORTED INCLUDES UP TO TWENTY (20) YEARS OF DEFERRED COMPENSATION, AND INCLUDES THE VALUE OF MEDICAL, DENTAL, LIFE AND DISABILITY INSURANCE, PENSION BENEFITS, ETC COMPENSATION ON THIS TAX RETURN INCLUDES AMOUNTS THAT ARE NOT VESTED, ARE SUBJECT TO SUBSTANTIAL RISK OF FORFEITURE AND MAY NOT BE PAID OUT IN THE FUTURE THE PROCESS FOR DETERMINING EXECUTIVE COMPENSATION AT MULTICARE HEALTH SYSTEM (I) COMPLIES WITH IRS GUIDELINES FOR TAX-EXEMPT ORGANIZATIONS, (II) IS DETERMINED BY A SEPARATE COMMITTEE OF THE BOARD OF DIRECTORS WHOSE MEMBERS ARE ALL INDEPENDENT, DO NOT HAVE A CONFLICT OF INTEREST, AND ARE NON-PAID, AND (III) IS ANNUALLY EVALUATED IN THE CONTEXT OF COMPENSATION DATA GATHERED BY INDEPENDENT EXTERNAL CONSULTANTS FROM A PEER GROUP COMPRISED OF SIMILAR HIGH PERFORMING HEALTHCARE INSTITUTIONS, PRIMARILY INTEGRATED HEALTHCARE ORGANIZATIONS COMPENSATION PAID IS DETERMINED TO BE REASONABLE AND NECESSARY BY THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS AND THE INDEPENDENT EXTERNAL CONSULTANT IN ADDITION, A SIGNIFICANT PORTION OF COMPENSATION IS AT RISK AND BASED ON ACHIEVEMENT OF GOALS SET BY THE BOARD OF DIRECTORS AT THE START OF EACH FISCAL YEAR IN AREAS SUCH AS PATIENT SAFETY, QUALITY, WORKFORCE DEVELOPMENT, FINANCE AND OTHER MISSION-RELATED AREAS THE BOARD PLACES A HIGH PRIORITY ON THE NEED TO RECRUIT AND RETAIN A STRONG LEADERSHIP TEAM AND TO CREATE A HIGHLY MOTIVATED AND ENGAGED WORKFORCE TO DRIVE SUPERIOR ORGANIZATIONAL PERFORMANCE IN ORDER TO ACHIEVE TOP TIER INTEGRATED CARE DELIVERY SYSTEM STATUS THE COMPENSATION COMMITTEE ROUTINELY REVIEWS BENEFITS AND RETIREMENT PROGRAMS TO ENSURE THE PLANS ARE MARKET-BASED AND OTHERWISE CONSISTENT WITH IRS GUIDELINES THE OFFICERS OF MULTICARE HEALTH SYSTEM, 91-1352172, ALSO FULFILL OFFICER AND EXECUTIVE FUNCTIONS FOR ITS RELATED ENTITIES COMPENSATION DISCLOSED IS REPORTED TO THE RELATED ENTITIES TAX RETURNS IN ACCORDANCE WITH IRS REGULATIONS, BUT IS NOT CHARGED TO THE SUBSIDIARY OR AFFILIATE AN OFFICER LISTED DEVOTES AN AVERAGE OF 60 HOURS PER WEEK TO PERFORM HIS OR HER RESPONSIBILITIES

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As Filed Data -

DLN: 93493319041680

Schedule K
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
MULTICARE HEALTH SYSTEM

Supplemental Information on Tax Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O (Form 990).
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public
Inspection

Employer identification number
91-1352172

Part I

Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer	
							Yes	No	Yes	No
A	WASHINGTON HEALTH CARE FACILITIES SERIES 2004 A	91-1108929	93978EL83	05-15-2008	50,000,000	SEE SCHEDULE O		X		X
B	WASHINGTON HEALTH CARE FACILITIES SERIES 2004 B	91-1108929	93978EM74	05-15-2008	50,000,000	SEE SCHEDULE O		X		X
C	WASHINGTON HEALTH CARE FACILITIES SERIES 2004 C	91-1108929	93978EN65	05-15-2008	50,000,000	SEE SCHEDULE O		X		X
D	WASHINGTON HEALTH CARE FACILITIES SERIES 2007 A	91-1108929	93978EQ54	05-15-2008	78,725,000	SEE SCHEDULE O		X		X
E	WASHINGTON HEALTH CARE FACILITIES SERIES 2007 B	91-1108929	93978ES45	05-15-2008	78,725,000	SEE SCHEDULE O		X		X

Part II

Proceeds

		A		B		C		D		E	
1	Total proceeds of issue	50,000,000		50,000,000		50,000,000		78,725,000		78,725,000	
2	Gross proceeds in reserve funds										
3	Proceeds in refunding or defeasance escrows										
4	Other unspent proceeds										
5	Issuance costs from proceeds	2,344,811		2,344,811		2,344,811		1,981,663		1,981,663	
6	Working capital expenditures from proceeds										
7	Capital expenditures from proceeds	47,655,189		48,439,399		48,439,399		76,743,337		76,743,337	
8	Year of substantial completion	2005		2005		2005					
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
9	Were the bonds issued as part of a current refunding issue?		X		X		X		X		X
10	Were the bonds issued as part of an advance refunding issue?		X		X		X		X		X
11	Has the final allocation of proceeds been made?	X		X		X		X		X	
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X		X	

Part III

Private Business Use

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

Part III

Private Business Use (Continued)

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts with respect to the financed property which may result in private business use?		X		X		X		X		X
3b	Are there any research agreements with respect to the financed property which may result in private business use?	X		X		X		X		X	
3c	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?	X		X		X		X		X	
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government		0 %		0 %		0 %		0 %		0 %
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government		0 320 %		0 320 %		0 320 %		0 440 %		0 440 %
6	Total of lines 4 and 5		0 320 %		0 320 %		0 320 %		0 440 %		0 440 %
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X		X		X		X	

Part IV

Arbitrage

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?	X		X		X		X		X	
2	Is the bond issue a variable rate issue?		X		X		X		X		X
3a	Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records?		X		X		X		X		X
b	Name of provider										
c	Term of hedge										
4a	Were gross proceeds invested in a GIC?		X		X		X	X		X	
b	Name of provider	XL					XL		XL		
c	Term of GIC		1 92						1 92		1 92
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?	X						X		X	
5	Were any gross proceeds invested beyond an available temporary period?		X		X		X		X		X
6	Did the bond issue qualify for an exception to rebate?		X		X		X		X		X

Schedule L
(Form 990 or 990-EZ)

Transactions with Interested Persons
▶ Complete if the organization answered
"Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c,
or Form 990-EZ, Part V lines 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047
2009
Open to Public Inspection

Name of the organization MULTICARE HEALTH SYSTEM	Employer identification number 91-1352172
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Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).
Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?
			Yes No
2	Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ▶ \$		
3	Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$		

Part II Loans to and/or From Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
Total ▶ \$										

Part III Grants or Assistance Benefitting Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of grant or type of assistance

Part IV Business Transactions Involving Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
WESTERN WASHINGTON PATHOLOGY PS	ROB ROTH/VICE CHAIRMAN	533,541	PROFESSIONAL SERVICES		No
CAROLINE RUTTER MD	DAUGHTER OF VICE CHAIRMAN	440,062	EMPLOYEE OF MHS		No

SCHEDULE O

(Form 990)

Department of the Treasury

Internal Revenue Service

Supplemental Information to Form 990

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

► Attach to Form 990.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization

MULTICARE HEALTH SYSTEM

Employer identification number

91-1352172

Identifier	Return Reference	Explanation
FORM 990, PART VI, LINE 6	CLASSES OF MEMBERS	THE MEMBERS OF MULTICARE HEALTH SYSTEM ARE THE INDIVIDUALS THAT MAKE UP THE BOARD OF DIRECTORS
FORM 990, PART VI, LINE 11	PROCESS USED BY MANAGEMENT AND/OR GOVERNING BODY TO REVIEW 990	THE FORM 990 IS PREPARED AND REVIEWED BY AN OUTSIDE ACCOUNTING FIRM WITH INFORMATION PROVIDED BY THE ORGANIZATION'S INTERNAL TAX STAFF. INITIAL REVIEWS WERE PERFORMED BY LEVELS OF MANAGEMENT IN VARIOUS DEPARTMENTS THROUGHOUT THE ORGANIZATION, THE CHIEF EXECUTIVE OFFICER, AND THE CHIEF FINANCIAL OFFICER. A REVIEW WAS THEN PERFORMED BY THE AUDIT COMMITTEE OF THE MULTICARE HEALTH SYSTEM BOARD, AND INCLUDED A PRESENTATION BY THE OUTSIDE ACCOUNTING FIRM. LASTLY, A COPY OF THE FINAL FORM 990, INCLUDING ALL REQUIRED SCHEDULES, WAS PROVIDED TO EACH VOTING MEMBER OF THE BOARD OF DIRECTORS FOR REVIEW, PRIOR TO ITS FILING WITH THE IRS.
FORM 990, PART VI, LINE 12C	PROCESS USED TO MONITOR TRANSACTIONS FOR CONFLICTS OF INTEREST	THE BOARD OF DIRECTORS HAS ACCOUNTABILITY FOR OVERSIGHT OF THE PROCESS FOR DISCLOSURE, EVALUATION, AND MANAGEMENT OF CONFLICTS OF INTEREST INVOLVING ANY DIRECTOR ON THE BOARD, EXECUTIVE LEADERSHIP, OR KEY EMPLOYEE. IN ACCORDANCE WITH THE CONFLICTS OF INTEREST POLICY, THESE INDIVIDUALS ARE REQUIRED TO COMPLETE THE CONFLICTS OF INTEREST QUESTIONNAIRE AT LEAST ANNUALLY, AND HAVE AN ONGOING OBLIGATION TO UPDATE THE DISCLOSURE IN THE EVENT AN ACTUAL OR POTENTIAL CONFLICT OF INTEREST ARISES. THE CONFLICTS OF INTERESTS QUESTIONNAIRE INCLUDES A STATEMENT THAT THE PERSON HAS RECEIVED A COPY OF THE CONFLICTS OF INTEREST POLICY, HAS READ AND UNDERSTANDS THE POLICY, HAS AGREED TO COMPLY WITH THE POLICY, AND UNDERSTANDS THAT THE ORGANIZATION MUST ENGAGE PRIMARILY IN ACTIVITIES THAT FURTHER ITS TAX-EXEMPT PURPOSES. WRITTEN DISCLOSURES ARE REVIEWED BY THE COMPLIANCE OFFICER, AND IN CERTAIN CIRCUMSTANCES, THERE IS FURTHER REVIEW BY THE GENERAL COUNSEL AND MEMBER. NO PERSON WITH A CONFLICT OF INTEREST PARTICIPATES IN AN ACTIVITY RELATED TO THE CONFLICT OF INTEREST UNLESS DISCLOSED, RESOLVED, AND PERMITTED IN ACCORDANCE WITH THE CONFLICT OF INTEREST POLICY. CONFLICTS OF INTEREST ARE DOCUMENTED.
FORM 990, PART VI, LINE 15A	PROCESS USED TO DETERMINE COMPENSATION OF CEO	THE BOARD, THROUGH UTILIZATION OF THE COMPENSATION COMMITTEE, CONSISTING OF INDEPENDENT, NON-PAID, MHS BOARD MEMBERS, IS ACCOUNTABLE FOR ENSURING AND APPROVING A REASONABLE TOTAL COMPENSATION PACKAGE, CONSISTENT WITH ITS COMPENSATION PHILOSOPHY, FOR PRESIDENT FOR HIS MANAGEMENT AND LEADERSHIP OF MULTICARE HEALTH SYSTEM AND GOOD SAMARITAN ENTITIES (91-1352172, 91-1514257, 94-3030039, 91-0961134, AND 91-2004312). THE COMPENSATION COMMITTEE DIRECTS THE DEVELOPMENT AND IT APPROVES ANNUAL GOALS AND PERFORMANCE CRITERIA THAT ARE USED TO DETERMINE VARIABLE COMPENSATION OPPORTUNITIES FOR THE PRESIDENT. THE COMPENSATION COMMITTEE ASSESSES PERFORMANCE AGAINST THESE GOALS AND PERFORMANCE CRITERIA, WHICH INCLUDE IMPROVING PATIENT CARE, CARE ACCESS TO THE UNDERSERVED, CLINICAL OUTCOMES, AND PATIENT SAFETY, AS WELL AS EARNING AN OPERATING MARGIN TO ENABLE INVESTMENT IN PEOPLE, TECHNOLOGY, AND FACILITIES. THE COMPENSATION COMMITTEE SELECTS AND ENGAGES A QUALIFIED INDEPENDENT COMPENSATION CONSULTANT EACH YEAR TO REVIEW AND ANALYZE THE TOTAL COMPENSATION PACKAGE FOR ALIGNMENT WITH APPROPRIATE PRACTICES FOR SIMILAR NOT-FOR-PROFIT HEALTH CARE SYSTEMS. THE COMPENSATION COMMITTEE, AS PART OF ITS ANALYSIS, OBTAINS FROM THE INDEPENDENT CONSULTANT APPROPRIATE COMPARABILITY DATA, INCLUDING TOTAL COMPENSATION PAID BY SIMILARLY SITUATED NOT-FOR-PROFIT HEALTH CARE ORGANIZATIONS FOR POSITIONS THAT ARE FUNCTIONALLY COMPARABLE. THE COMPENSATION DELIBERATION AND DECISIONS ARE CONTEMPORANEOUSLY DOCUMENTED.
FORM 990, PART VI, LINE 15B	PROCESS USED TO DETERMINE COMPENSATION OF OTHER OFFICERS AND KEY EMPLOYEES	THE BOARD, THROUGH UTILIZATION OF THE COMPENSATION COMMITTEE, CONSISTING OF INDEPENDENT, NON-PAID, MHS BOARD MEMBERS, IS ACCOUNTABLE FOR ENSURING REASONABLE TOTAL COMPENSATION PACKAGES FOR THE OTHER OFFICERS OR KEY EMPLOYEES WHO MANAGE AND LEAD GOOD SAMARITAN ENTITIES (91-0961134, 91-1203564, AND 91-2004312). THE COMPENSATION COMMITTEE ESTABLISHED AND APPROVED THE COMPENSATION PHILOSOPHY, WHICH IT PERIODICALLY REVEWS. THE COMPENSATION PHILOSOPHY SETS PARAMETERS FOR REASONABLE TOTAL COMPENSATION FOR OTHER OFFICERS AND KEY EMPLOYEES. THE COMPENSATION COMMITTEE DIRECTS THE DEVELOPMENT AND IT APPROVES ANNUAL GOALS AND PERFORMANCE CRITERIA, WHICH INCLUDE IMPROVING PATIENT CARE, CARE ACCESS TO THE UNDERSERVED, CLINICAL OUTCOMES AND PATIENT SAFETY, AS WELL AS EARNING AN OPERATING MARGIN TO ENABLE INVESTMENT IN PEOPLE, TECHNOLOGY, AND FACILITIES. THE COMPENSATION COMMITTEE SELECTS AND ENGAGES A QUALIFIED INDEPENDENT COMPENSATION CONSULTANT EACH YEAR TO REVIEW AND ANALYZE THE TOTAL COMPENSATION PACKAGES FOR THE OTHER OFFICERS OR KEY EMPLOYEES FOR ALIGNMENT WITH APPROPRIATE PRACTICES FOR SIMILAR NOT-FOR-PROFIT HEALTHCARE SYSTEMS. THE COMPENSATION COMMITTEE OBTAINS FROM THE INDEPENDENT COMPENSATION CONSULTANT APPROPRIATE COMPARABILITY DATA, INCLUDING TOTAL COMPENSATION PAID BY SIMILARLY SITUATED NOT-FOR-PROFIT HEALTH CARE ORGANIZATIONS FOR POSITIONS THAT ARE FUNCTIONALLY COMPARABLE. THE COMPENSATION DELIBERATION DECISIONS ARE CONTEMPORANEOUSLY DOCUMENTED.
FORM 990, PART VI, LINE 19		THE ORGANIZATION MAKES ITS GOVERNMENT DOCUMENTS, CONFLICT OF INTEREST POLICY AND AUDITED CONSOLIDATED FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.
FORM 990, PART VII	HOURS DEVOTED TO RELATED ORGANIZATIONS	DIANE CECCHETTINI IS THE PRESIDENT AND CEO OF MULTICARE HEALTH SYSTEM AND AFFILIATES. SHE IS COMPENSATED BY MULTICARE HEALTH SYSTEM (MHS) AND DEVOTES A TOTAL OF 60 HOURS PER WEEK TO MHS AND ITS AFFILIATES AS FOLLOWS: 1 HOUR PER WEEK TO MARY BRIDGE CHILDREN'S FOUNDATION (MBCF), 1 HOUR PER WEEK TO MULTICARE HEALTH FOUNDATION (MHF), 1 HOUR PER WEEK TO GOOD SAMARITAN FOUNDATION (GSF), 1 HOUR PER WEEK TO GOOD SAMARITAN OUTREACH SERVICES (GSOS), 11 HOURS PER WEEK TO GOOD SAMARITAN HOSPITAL (GSH), AND 45 HOURS PER WEEK TO MULTICARE HEALTH SYSTEM (MHS). VINCENT SCHMITZ IS THE CFO OF MULTICARE HEALTH SYSTEM AND AFFILIATES. HE IS COMPENSATED BY MHS AND DEVOTES A TOTAL OF 60 HOURS PER WEEK TO MHS AND ITS AFFILIATES AS FOLLOWS: 1 HOUR PER WEEK TO MBCF, 1 HOUR PER WEEK TO MHF, 1 HOUR PER WEEK TO GSF, 1 HOUR PER WEEK TO GSOS, 11 HOURS PER WEEK TO GSH, AND 45 HOURS PER WEEK TO MHS. JOHN LONG IS THE PRESIDENT OF GOOD SAMARITAN HOSPITAL. HE IS COMPENSATED BY MHS AND DEVOTES A TOTAL OF 60 HOURS PER WEEK TO MHS AND ITS AFFILIATES AS FOLLOWS: 2 HOURS PER WEEK TO GSF, 1 HOUR PER WEEK TO GSOS, 38 HOURS PER WEEK TO GSH, AND 19 HOURS PER WEEK TO MHS.
SCHEDULE K		PART I, COLUMN (E) SUPPLEMENTAL INFORMATION. SERIES 2004A - JOINT PREMIUM 2004 A,B,C OF \$977,057 AT REISSUANCE 5/15/2008. ORIGINAL ISSUE 6/22/2004. SERIES 2004B - JOINT PREMIUM 2004 A,B,C OF \$977,057 AT REISSUANCE 5/15/2008. ORIGINAL ISSUE 6/22/2004. SERIES 2004C - JOINT PREMIUM 2004 A,B,C OF \$977,057 AT REISSUANCE 5/15/2008. ORIGINAL ISSUE 6/22/2004. SERIES 2007A - JOINT PREMIUM 2007 A,B,C OF \$1,042,602 AT REISSUANCE 5/15/2008. ORIGINAL ISSUE 2/15/2007. SERIES 2007B - JOINT PREMIUM 2007 A,B,C OF \$1,042,602 AT REISSUANCE 5/15/2008. ORIGINAL ISSUE 2/15/2007. SERIES 2007C - JOINT PREMIUM 2007 A,B,C OF \$1,042,602 AT REISSUANCE 5/15/2008. ORIGINAL ISSUE 2/15/2007. SERIES 2008A - JOINT PREMIUM 2008 A,B OF \$81,316 AT REISSUANCE 2/26/2009. ORIGINAL ISSUE 5/15/2008. SERIES 2008B - JOINT PREMIUM 2008 A,B OF \$81,316 AT REISSUANCE 2/26/2009. ORIGINAL ISSUE 5/15/2008. PART I, COLUMN (F) SUPPLEMENTAL INFORMATION. SERIES 2004A (A) WASHINGTON HEALTH CARE FACILITIES AUTHORITY REVENUE BONDS, SERIES 2004A (MULTICARE HEALTH SYSTEM REISSUANCE) (F) CONSTRUCTION AND EQUIPMENT - TACOMA GENERAL L WING AND MARY BRIDGE CLINIC. SERIES 2004B (A) WASHINGTON HEALTH CARE FACILITIES AUTHORITY REVENUE BONDS, SERIES 2004B (MULTICARE HEALTH SYSTEM REISSUANCE) (F) CONSTRUCTION AND EQUIPMENT - TACOMA GENERAL L WING AND MARY BRIDGE CLINIC. SERIES 2004C (A) WASHINGTON HEALTH CARE FACILITIES AUTHORITY REVENUE BONDS, SERIES 2004C (MULTICARE HEALTH SYSTEM REISSUANCE) (F) CONSTRUCTION AND EQUIPMENT - TACOMA GENERAL L WING AND MARY BRIDGE CLINIC. SERIES 2007A (A) WASHINGTON HEALTH CARE FACILITIES AUTHORITY REVENUE BONDS, SERIES 2007A (MULTICARE HEALTH SYSTEM REISSUANCE) (F) CONSTRUCTION AND EQUIPMENT - TACOMA GENERAL EMERGENCY DEPARTMENT, STEAM PLANT, AND GIG HARBOR MEDICAL PARK. SERIES 2007B (A) WASHINGTON HEALTH CARE FACILITIES AUTHORITY REVENUE BONDS, SERIES 2007B (MULTICARE HEALTH SYSTEM REISSUANCE) (F) CONSTRUCTION AND EQUIPMENT - TACOMA GENERAL EMERGENCY DEPARTMENT, STEAM PLANT, AND GIG HARBOR MEDICAL PARK. SERIES 2007C (A) WASHINGTON HEALTH CARE FACILITIES AUTHORITY REVENUE BONDS, SERIES 2007C (MULTICARE HEALTH SYSTEM REISSUANCE) (F) CONSTRUCTION AND EQUIPMENT - TACOMA GENERAL EMERGENCY DEPARTMENT, STEAM PLANT, AND GIG HARBOR MEDICAL PARK. SERIES 2007D (A) WASHINGTON HEALTH CARE FACILITIES AUTHORITY REVENUE BONDS (SERIES 2007D (MULTICARE HEALTH SYSTEM REISSUANCE) (F) CONSTRUCTION AND EQUIPMENT - TACOMA GENERAL EMERGENCY DEPARTMENT, STEAM PLANT, AND GIG HARBOR MEDICAL PARK. SERIES 2008A (A) WASHINGTON HEALTH CARE FACILITIES AUTHORITY REVENUE BONDS, SERIES 2008A (F) CONSTRUCTION OF GOOD SAMARITAN HOSPITAL TOWER. SERIES 2008B (A) WASHINGTON HEALTH CARE FACILITIES AUTHORITY REVENUE BONDS, SERIES 2008B (F) CONSTRUCTION OF GOOD SAMARITAN HOSPITAL TOWER. SERIES 2008C (A) WASHINGTON HEALTH CARE FACILITIES AUTHORITY REVENUE BONDS, SERIES 2008C (F) CONSTRUCTION OF GOOD SAMARITAN HOSPITAL TOWER. SERIES 2009A (A) WASHINGTON HEALTH CARE FACILITIES AUTHORITY REVENUE BONDS, SERIES 2009A (F) CONSTRUCTION OF GOOD SAMARITAN HOSPITAL TOWER. SERIES 2009B (A) WASHINGTON HEALTH CARE FACILITIES AUTHORITY REVENUE BONDS, SERIES 2009B (F) CONSTRUCTION OF GOOD SAMARITAN HOSPITAL TOWER.

Part III

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)		(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	
								Yes	No		Yes	No
GOOD SAMARITAN SURGERY CENTER LLC	MEDICAL SERVICES	WA	NA		RELATED	264,386	1,230,324	No	0			No
1322 3RD ST SE STE 100 PUYALLUP, WA98372 91-1456609												

Part IV

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
MEDIS CORPORATION 315 S K STREET TACOMA, WA98405 91-1111928	MEDICAL BUILDING	WA		C CORP	1,730,540	2,109,979	100 000 %

Part V

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

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

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

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

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

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

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

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

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

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

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

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

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

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

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

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

Yes

No

1a Yes

1b Yes

1c Yes

1d Yes

1e

1f No

1g No

1h No

1i No

1j Yes

1k Yes

1l No

1m No

1n Yes

1o No

1p Yes

1q No

1r No

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

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

Schedule R (Form 990) 2009

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a)	(b)	(c)	(d)		(e)	(f)		(g)	(h)	
Name, address, and EIN of entity	Primary activity	Legal domicile (state or foreign country)	Are all partners section 501(c)(3) organizations?		Share of end-of-year assets	Disproportionate allocations?		Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	General or managing partner?	
			Yes	No		Yes	No		Yes	No

Software ID:

Software Version:

EIN: 91-1352172

Name: MULTICARE HEALTH SYSTEM

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved (\$)
(1)	MEDIS CORP	A	29,881
(2)	MULTICARE HEALTH FOUNDATION	B	1,746,205
(3)	MARY BRIDGE CHILDREN'S FOUNDATION	B	3,247,099
(4)	MULTICARE HEALTH FOUNDATION	C	4,399,278
(5)	MARY BRIDGE CHILDREN'S FOUNDATION	C	10,806,168
(6)	GOOD SAMARITAN FOUNDATION	C	59,161
(7)	GOOD SAMARITAN HOSPITAL	E	24,557,168
(8)	MEDIS CORP	J	181,686
(9)	MULTICARE HEALTH FOUNDATION	K	864,689
(10)	MARY BRIDGE CHILDREN'S FOUNDATION	K	503,796
(11)	GOOD SAMARITAN HOSPITAL	N	712,001
(12)	MULTICARE HEALTH FOUNDATION	P	884,900
(13)	MARY BRIDGE CHILDREN'S FOUNDATION	P	1,381,492
(14)	MEDIS CORP	P	172,339

Additional Data

Software ID:

Software Version:

EIN: 91-1352172

Name: MULTICARE HEALTH SYSTEM

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
BISHOP DAVID WOLD DIRECTOR	2 0	X						0	0	0
GRAHAM A TASH JR DIRECTOR	2 0	X						0	0	0
JOHN P FOLSOM CHAIR	2 0	X		X				0	0	0
JOHN WIBORG TREASURER	2 0	X		X				0	0	0
KAREN J LYNCH SECRETARY	2 0	X		X				0	0	0
L DALE SOWELL DIRECTOR	2 0	X						0	0	0
RICHARD S DEVINE DIRECTOR	2 0	X						0	0	0
ROB R ROTH MD VICE CHAIRMAN	2 0	X		X				0	0	0
ROBERT A YOST DIRECTOR	2 0	X						0	0	0
ROBERT CORLISS MD DIRECTOR	2 0	X						0	0	0
SALLY B LEIGHTON DIRECTOR	2 0	X						0	0	0
WW PHILIP DIRECTOR	2 0	X						0	0	0
DIANE CECCHETTINI PRESIDENT & CEO	45 0			X				2,150,733	0	32,877
JOHN LONG PRESIDENT GOOD SAMARITAN	19 0			X				1,255,316	0	29,891
VINCENT SCHMITZ CHIEF FINANCIAL OFFICER	45 0			X				1,087,119	0	59,746
WILLIAM STOVER SR VICE PRESIDENT	60 0				X			599,118	0	50,605
KATHERINE SMITH SR VICE PRESIDENT	60 0				X			406,647	0	31,269
FLORENCE CHANG SR VICE PRESIDENT	60 0				X			420,247	0	64,064
SHELLY MULLIN VICE PRESIDENT	60 0				X			345,600	0	55,086
MADLYN MURREY VICE PRESIDENT	60 0				X			239,521	0	38,685
CHRISTI MCCARREN VICE PRESIDENT	60 0				X			247,611	0	36,416
ELISE FORNADLEY VICE PRESIDENT	60 0				X			175,715	0	31,390
DAVID COONS PHYSICIAN	50 0					X		1,399,999	0	41,481
JOHN HUNG PHYSICIAN	50 0					X		1,145,233	0	32,666
WILLIAM MORRIS PHYSICIAN	50 0					X		965,263	0	47,060

(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			
RONALD WOODS PHYSICIAN	50 0					X		878,873	0	46,790
CALVIN WALLACE PHYSICIAN	50 0					X		941,044	0	37,149

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

	Business Code	(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
HEALTHCARE SERVICES	900,099	842,269,141	840,636,911	1,632,230	
OTHER AMBULATORY SERVICES	621,990	140,508,727	139,486,889	1,021,838	
OFFICES OF PHYSICIANS	621,110	36,665,518	36,665,518		
URGENT CARE CENTERS	621,400	8,848,619	8,848,619		
HOME HEALTH	621,610	2,904,348	2,904,348		

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

<i>Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
PROVISION FOR BAD DEBTS	63,978,272	63,978,272	0	0
LICENSES	12,124,858	686,879	11,437,979	0
RECRUITING	2,723,556	48,030	2,675,526	0
PROPERTY & BUSINESS TAXES	2,829,183	2,309,034	520,149	0
DUES	854,230	310,645	543,585	0

Additional Data

Software ID:
Software Version:
EIN: 91-1352172
Name: MULTICARE HEALTH SYSTEM

Form 990, Schedule D, Part IX, - Other Assets

(a) Description	(b) Book value
CURRENT LIMITED USE OF ASSETS	19,800
BOARD DESIGNATED	13,270,581
DONOR DESIGNATED	4,843,850
UNAMORTIZED BOND ISSUE COSTS	9,204,675
OTHER ASSETS	21,720,544
GOODWILL	96,980
DUE FROM AFFILIATES	186,314,463
MARK TO MARKET BASIS SWAP	3,299,564