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Form 990 Department of the Treasury Internal Revenue Service	Return of Organization Exempt From Income Tax Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)	OMB No 1545-0047
	The organization may have to use a copy of this return to satisfy state reporting requirements	2009
		Open to Public Inspection

A For the 2009 calendar year, or tax year beginning 01-01-2009 and ending 12-31-2009					
B Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization CASCADE HEALTHCARE COMMUNITY INC		D Employer identification number 93-0602940	
		Doing Business As		E Telephone number (541) 706-7700	
		Number and street (or P O box if mail is not delivered to street address) Room/suite 2500 NE NEFF RD		G Gross receipts \$ 510,586,495	
		City or town, state or country, and ZIP + 4 BEND, OR 97701			
			F Name and address of principal officer JAMES A DIEGEL 2500 NE NEFF RD BEND, OR 97701		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number ▶
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (3) ◀(Insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527					
J Website: ▶ www.stcharleshealthcare.org					
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶			L Year of formation 2001		M State of legal domicile OR

Part I	Summary
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Activities & Governance	1	Briefly describe the organization's mission or most significant activities To improve the health of those we serve in the spirit of love and compassion Cascade Healthcare Community is a Health Care system of hospitals and related services		
	2	Check this box <input checked="" type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	13
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	12
	5	Total number of employees (Part V, line 2a)	5	3,307
6	Total number of volunteers (estimate if necessary)	6	594	
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	4,516,389	
b	Net unrelated business taxable income from Form 990-T, line 34	7b		
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	1,920,862	1,317,139
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	412,938,515	453,318,166
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-48,491,327	3,254,520
	12	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	14,169,982	38,651,233
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	380,538,032	496,541,058
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	692,925	1,335,813
	14	Benefits paid to or for members (Part IX, column (A), line 4)		0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	211,933,108	220,427,215
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		0
	b	Total fundraising expenses (Part IX, column (D), line 25) <u>662,280</u>		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	216,884,587	241,158,990
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	429,510,620	462,922,018
	19	Revenue less expenses Subtract line 18 from line 12	-48,972,588	33,619,040
Net Assets or Fund Balances		Beginning of Current Year	End of Year	
	20	Total assets (Part X, line 16)	483,140,724	530,818,256
	21	Total liabilities (Part X, line 26)	255,962,000	252,580,187
	22	Net assets or fund balances Subtract line 21 from line 20	227,178,724	278,238,069

Part II	Signature Block
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Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge			
	***** Signature of officer		2010-11-03 Date	
	KAREN M SHEPARD SR VP OF FINANCE & CFO Type or print name and title			
Paid Preparer's Use Only	Preparer's signature ▶	Date	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions)
	Firm's name (or yours if self-employed), address, and ZIP + 4 ▶			EIN ▶
				Phone no ▶

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

☐ Yes ☐ No

Part III

Statement of Program Service Accomplishments

1

Briefly describe the organization’s mission

To improve the health of those we serve in a spirit of love and compassion

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 \$ 261,247,478 including grants of \$ 1,239,057) (Revenue \$ 305,128,212)

ST CHARLES MEDICAL CENTER - BEND ST CHARLES - BEND PROVIDED SERVICES FOR 14,725 INPATIENTS, 1,804 BIRTHS, 15,020 SURGICAL CASES, 36,606 ER VISITS, AND 123,753 OTHER OUTPATIENT VISITS IN 2009 AS ONE OF THE PACIFIC NORTHWEST’S LEADING REGIONAL HEALTH CARE FACILITIES, ST CHARLES BEND PROVIDES SERVICES TYPICALLY FOUND IN MARKETS MANY TIMES ITS SIZE FOR NEARLY 90 YEARS, ST CHARLES BEND HAS TAKEN RESPONSIBILITY FOR THE HEALTH AND WELL-BEING OF GENERATIONS OF OREGONIANS, DEVELOPING INTO A LEVEL II REGIONAL TRAUMA CENTER WITH SPECIALIZED PARTNERSHIPS IN HEART, CANCER, ORTHOPEDICS AND NEUROSURGERY - ALL BACKED BY THE RESOURCES AND SUPPORT OF CASCADE HEALTHCARE COMMUNITY

4b

(Code) (Expenses \$ 40,569,183 including grants of \$) (Revenue \$ 52,027,336)

ST CHARLES MEDICAL CENTER - REDMOND ST CHARLES - REDMOND PROVIDED SERVICES FOR 2,130 INPATIENTS, 255 BIRTHS, 3,299 SURGICAL CASES, 17,492 ER VISITS, AND 38,328 OTHER OUTPATIENT VISITS IN 2009 AT ST CHARLES REDMOND, THE PATIENT EXPERIENCE REMAINS AT THE CENTER OF ALL WE DO AND EACH PATIENT IS EMPOWERED TO PLAY AN ACTIVE ROLE IN HIS OR HER OWN CARE AND HEALING SURGERIES ARE PERFORMED IN FOUR OF OREGON’S NEWEST AND MOST ADVANCED SURGICAL SUITES PATIENTS AND THEIR FAMILIES ENJOY THE COMFORT OF

4c

(Code) (Expenses \$ 12,918,884 including grants of \$) (Revenue \$ 21,703,901)

PIONEER MEMORIAL HOSPITAL PIONEER MEMORIAL HOSPITAL PROVIDED SERVICES FOR 752 INPATIENTS, 118 BIRTHS, 790 SURGICAL CASES, 9,203 ER VISITS, AND 25,069 OTHER OUTPATIENT VISITS IN 2009 PIONEER MEMORIAL HOSPITAL HAS PROVIDED COMPASSIONATE HEALTHCARE, WITH EXCELLENCE, TO FAMILIES IN CROOK COUNTY SINCE 1950 PMH IS A LICENSED, NON-PROFIT ACUTE CARE MEDICAL FACILITY AS A CRITICAL ACCESS HOSPITAL, IT IS LICENSED FOR 25 BEDS AND OFFER A COMPREHENSIVE RANGE OF SERVICES TO THE PEOPLE WHO LIVE, WORK AND P

4d

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

(Expenses \$ 52,048,950 including grants of \$) (Revenue \$ 74,458,717)

4e

Total program service expenses

\$ 366,784,495

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)? <i>If "Yes," complete Schedule A</i>	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? <i>If "Yes," complete Schedule C, Part I</i>	3	No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities? <i>If "Yes," complete Schedule C, Part II</i>	4	No
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? <i>If "Yes," complete Schedule C, Part III</i>	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? <i>If "Yes," complete Schedule D, Part I</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? <i>If "Yes," complete Schedule D, Part II</i>	7	No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	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? <i>If "Yes," complete Schedule D, Part IV</i>	9	No
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	10	Yes
11	Is the organization's answer to any of the following questions "Yes"? <i>If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.</i>	11	Yes
	• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI.</i>		
	• Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII.</i>		
	• Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII.</i>		
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX.</i>		
	• Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i>		
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? <i>If "Yes," complete Schedule D, Part X.</i>		
12	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>	12	No
12A	Was the organization included in consolidated, independent audited financial statements for the tax year?	Yes	No
	<i>If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional</i>	12A	Yes
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13	No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If "Yes," complete Schedule F, Part I</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 ? <i>If "Yes," complete Schedule F, Part II</i>	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 ? <i>If "Yes," complete Schedule F, Part III</i>	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? <i>If "Yes," complete Schedule G, Part I</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? <i>If "Yes," complete Schedule G, Part II</i>	18	No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	No
20	Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>	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	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25</i>	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26	Yes	
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		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		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35	Yes	
36	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	574	
	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	
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	3,307	
	b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	Yes	
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O			3b	Yes
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		No
	b If "Yes," enter the name of the foreign country: <input type="text"/> See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?			5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a		No
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b	
7 Organizations that may receive deductible contributions under section 170(c).				
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		No
b If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c	No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e	No
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f	No
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required?			7g	
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?			7h	
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8	
9 Sponsoring organizations maintaining donor advised funds.				
a Did the organization make any taxable distributions under section 4966?			9a	
b Did the organization make a distribution to a donor, donor advisor, or related person?			9b	
10 Section 501(c)(7) organizations. Enter				
a Initiation fees and capital contributions included on Part VIII, line 12		10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		10b		
11 Section 501(c)(12) organizations. Enter				
a Gross income from members or shareholders		11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?			12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year		12b		

Part VI

Governance, Management, and Disclosure

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body . . .	1a	13	
b	Enter the number of voting members that are independent . . .	1b	12	
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		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . .	7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	Yes	
b	Each committee with authority to act on behalf of the governing body?	8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		No

Section B. Policies

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

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a	Yes	
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	Yes	
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▶OR
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 ▶ JENNIFER WELANDER 63047 NE LAYTON BEND, OR 97701 (541) 706-2917

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

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

Form 990 (2009)

1b Total	5,493,689	322,214
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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 **193**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
CASCADE MEDICAL IMAGING 1460 NE MEDICAL CENTER DR BEND, OR 97701	MRI Services	8,997,325
MCKESSON HBOC & CO PO BOX 98347 CHICAGO, IL 60693	Software & Implementation	4,350,547
SKANSKA USA INC 2555 SW 153RD DR BEAVERTON, OR 97006	Building Contractor	4,201,263
HEART CENTER CATH LAB LLC PO BOX 5789 BEND, OR 97708	Exam Fees	2,903,836
SOUND INPATIENT PHYSICIANS 1123 PACIFIC AVE TACOMA, WA 98402	Physician Services	2,310,928

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 **111**

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	853,761					
	e	Government grants (contributions)	1e						
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	463,378					
	g	Noncash contributions included in lines 1a-1f \$ 11,565							
	h	Total. Add lines 1a-1f		1,317,139					
Program Service Revenue			Business Code						
	2a	SCMC Bend	622,110	305,128,212	305,128,212				
	b	SCMC Redmond	622,110	52,027,336	52,027,336				
	c	Pioneer Memorial Hospital	622,110	21,703,901	21,703,901				
	d	Air Link	621,910	23,503,485	23,503,485				
	e	Home Health/Hospice	621,610	9,215,023	9,215,023				
	f	All other program service revenue		41,740,209	41,740,209				
	g	Total. Add lines 2a-2f		453,318,166					
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)		3,343,770			3,343,770		
	4	Income from investment of tax-exempt bond proceeds . . .		-24,431			-24,431		
	5	Royalties							
	6a	Gross Rents	(i) Real	(ii) Personal					
			116,818						
			116,818						
	d	Net rental income or (loss)		116,818			116,818		
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other					
			10,856,574	2,305,405					
			10,387,908	2,838,890					
			468,666	-533,485					
	d	Net gain or (loss)		-64,819			-64,819		
	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	2,770,670					
b			Less cost of goods sold	b	818,639				
c			Net income or (loss) from sales of inventory . . .		1,952,031			1,952,031	
Miscellaneous Revenue		Business Code							
11a	Healthcare JV Income (Loss)	900,099	28,197,777	28,197,777					
b	Mgmt & Other Svcs	541,610	4,757,884	241,495	4,516,389				
c	Reimbursed Salaries	900,099	2,479,299	2,479,299					
d	All other revenue		1,147,424	768,095		379,329			
e	Total. Add lines 11a-11d		36,582,384						
12	Total revenue. See Instructions		496,541,058	485,004,832	4,516,389	5,702,698			

Part IX

Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	1,239,057	1,239,057		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	96,756	96,756		
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	5,808,851	2,802,178	3,006,673	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	162,460,514	136,105,515	25,937,110	417,889
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	6,208,302	5,229,750	958,099	20,453
9	Other employee benefits	31,482,170	25,440,483	5,952,771	88,916
10	Payroll taxes	14,467,378	12,138,717	2,305,664	22,997
11	Fees for services (non-employees)				
a	Management	0	0	0	0
b	Legal	795,875	9,227	786,648	0
c	Accounting	619,741	0	605,701	14,040
d	Lobbying	0	0	0	0
e	Professional fundraising See Part IV, line 17	0			0
f	Investment management fees	78,714	0	78,714	0
g	Other	43,459,875	33,662,899	9,796,037	939
12	Advertising and promotion	788,582	198,156	590,426	0
13	Office expenses	99,410,406	86,220,669	13,170,343	19,394
14	Information technology	10,985,650	1,471,609	9,501,871	12,170
15	Royalties	0	0	0	0
16	Occupancy	4,707,088	2,112,556	2,536,444	58,088
17	Travel	602,887	439,827	157,215	5,845
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0	0	0	0
19	Conferences, conventions, and meetings	1,014,800	704,085	309,181	1,534
20	Interest	14,001,832	0	14,001,832	0
21	Payments to affiliates	742,394	144,302	598,077	15
22	Depreciation, depletion, and amortization	30,085,249	29,454,282	630,967	0
23	Insurance	2,682,668	1,353,173	1,329,495	0
24	Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	Bad Debt Expense	27,961,254	27,961,254	0	0
b	Provider Tax	3,221,975	0	3,221,975	0
c					
d					
e					
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	462,922,018	366,784,495	95,475,243	662,280
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			-577,507	1	11,683,473
	2	Savings and temporary cash investments			21,355,955	2	2,649,453
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			75,334,363	4	75,374,402
	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			658,074	7	
	8	Inventories for sale or use			4,340,485	8	4,447,312
	9	Prepaid expenses and deferred charges			4,400,056	9	6,365,309
	10a	Land, buildings, and equipment—cost or other basis. Complete Part VI of Schedule D	10a	463,385,713			
	b	Less accumulated depreciation	10b	212,271,357	248,348,000	10c	251,114,356
	11	Investments—publicly traded securities			94,817,969	11	140,847,354
	12	Investments—other securities. See Part IV, line 11			19,193,649	12	22,074,583
	13	Investments—program-related. See Part IV, line 11			14,350,128	13	12,818,818
	14	Intangible assets			897,272	14	3,438,909
	15	Other assets. See Part IV, line 11			22,280	15	4,287
	16	Total assets. Add lines 1 through 15 (must equal line 34)			483,140,724	16	530,818,256
Liabilities	17	Accounts payable and accrued expenses			49,290,217	17	45,754,976
	18	Grants payable				18	
	19	Deferred revenue			1,592,433	19	1,351,006
	20	Tax-exempt bond liabilities			158,469,760	20	164,411,601
	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			27,525,234	23	33,626,200
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities. Complete Part X of Schedule D			19,084,356	25	7,436,404
	26	Total liabilities. Add lines 17 through 25			255,962,000	26	252,580,187
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			222,033,479	27	278,238,069
	28	Temporarily restricted net assets			4,129,895	28	
	29	Permanently restricted net assets			1,015,350	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			227,178,724	33	278,238,069
	34	Total liabilities and net assets/fund balances			483,140,724	34	530,818,256

Part XI **Financial Statements and Reporting**

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

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization CASCADE HEALTHCARE COMMUNITY INC	Employer identification number 93-0602940
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Part I

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

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

1	<input type="checkbox"/>	A church, convention of churches, or association of churches section 170(b)(1)(A)(i).
2	<input type="checkbox"/>	A school described in section 170(b)(1)(A)(ii). (Attach Schedule E)
3	<input checked="" type="checkbox"/>	A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)(iii).
4	<input type="checkbox"/>	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	<input type="checkbox"/>	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	<input type="checkbox"/>	A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).
7	<input type="checkbox"/>	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	<input type="checkbox"/>	A community trust described in section 170(b)(1)(A)(vi) (Complete Part II)
9	<input type="checkbox"/>	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	<input type="checkbox"/>	An organization organized and operated exclusively to test for public safety See section 509(a)(4).
11	<input type="checkbox"/>	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 <input type="checkbox"/> Type I b <input type="checkbox"/> Type II c <input type="checkbox"/> Type III - Functionally integrated d <input type="checkbox"/> Type III - Other
e	<input type="checkbox"/>	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	<input type="checkbox"/>	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	<input type="checkbox"/>	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	<input type="checkbox"/>	Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support?
			Yes	No	Yes	No	Yes	No	
Total									

Part II

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

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public Support. Subtract line 5 from line 4						0

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						0
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	0 %
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)						0

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	0 %
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	0 %
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 D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
CASCADE HEALTHCARE COMMUNITY INC

Employer identification number
93-0602940

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?	<input type="checkbox"/> Yes <input type="checkbox"/> No
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	<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II

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

1

Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or pleasure) ☐ Preservation of an historically 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
2a	Total number of conservation easements
2b	Total acreage restricted by conservation easements
2c	Number of conservation easements on a certified historic structure included in (a)
2d	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? ☐ Yes ☐ No

6

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

7

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

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9

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

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a

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

b

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

(i)

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

(ii)

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

2

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

a

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

b

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

Part III

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

3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

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

5

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

☐ Yes

☐ No

Part IV

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

1a

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

☐ Yes

☐ No

b

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

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

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

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a Beginning of year balance	1,164,120	1,293,647			
b Contributions	1,574,539	14,964			
c Investment earnings or losses	113,584	-144,491			
d Grants or scholarships	82,254				
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance	2,769,989	1,164,120			

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

b

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

3b

Yes

4

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

Part VI

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

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		4,731,212		4,731,212
b Buildings		208,628,962	55,788,696	152,840,266
c Leasehold improvements		2,129,706	970,120	1,159,586
d Equipment		235,609,556	150,725,684	84,883,872
e Other		12,286,277	4,786,857	7,499,420
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				251,114,356

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
Pt X		See Schedule O for FIN 48 Footnote. The adoption of FIN 48 did not have a significant impact on the Corporation's consolidated financial statements.
Pt V Line 4		Endowment Funds are reported in this section because they are held by St. Charles Foundation, a related entity of CHC. Permanently restricted endowment funds are primarily to be used for continuing education scholarships for caregivers and the professional medical community, support of CHC's Community Benefit Program,
Pt V Line 4		and in the area of greatest need. The Floyd Dement Hospital Trust Fund Testamentary Trust is administered by the Union Bank of California under a trust agreement which provides that the annual income be distributed to the Foundation for charity care to be provided to SCMC-Bend.
Pt V Line 1g		The totals in columns (a) and (b) do not match the totals on Part X Line 29. The amounts reported in Schedule D Part V are assets held by a related organization (St. Charles Foundation). A portion of the endowment funds held by St. Charles Foundation were donated by CHC and restricted by CHC, and are therefore not reported as permanently restricted assets on CHC's financial statements.

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
CASCADE HEALTHCARE COMMUNITY INC

Employer identification number
93-0602940

Part I

Charity Care and Certain Other Community Benefits at Cost

		Yes	No
1a	Does the organization have a charity care policy? If "No," skip to question 6a	1a Yes	
b	If "Yes," is it a written policy?	1b Yes	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals <div><input checked="" type="checkbox"/> Applied uniformly to all hospitals <input type="checkbox"/> Generally tailored to individual hospitals</div> <div><input type="checkbox"/> Applied uniformly to most hospitals</div>		
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients		
a	Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing <i>free</i> care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care <div><input type="checkbox"/> 100%<input type="checkbox"/> 150%<input checked="" type="checkbox"/> 200%<input type="checkbox"/> Other _____</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 checked="" type="checkbox"/> 400%<input type="checkbox"/> Other _____</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 Yes	
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	No
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)			18,806,882		18,806,882	4 060 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			41,955,073	17,481,329	24,473,744	5 290 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)						
d Total Charity Care and Means-Tested Government Programs			60,761,955	17,481,329	43,280,626	9 350 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)		30,402	275,531	1,201	274,330	0 060 %
f Health professions education (from Worksheet 5)			145,469	160,441	-14,972	0 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)			164,381		164,381	0 040 %
j Total Other Benefits		30,402	585,381	161,642	423,739	0 100 %
k Total. Add lines 7d and 7j		30,402	61,347,336	17,642,971	43,704,365	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
1	Physical improvements and housing					
2	Economic development					
3	Community support					
4	Environmental improvements					
5	Leadership development and training for community members					
6	Coalition building					
7	Community health improvement advocacy					
8	Workforce development					
9	Other					
10	Total					

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

			Yes	No
1	Does the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No. 15?	1	Yes	
2	Enter the amount of the organization's bad debt expense (at cost)	2	13,701,014	
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	3		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit.			

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	88,028,359	
6	Enter Medicare allowable costs of care relating to payments on line 5	6	108,172,993	
7	Subtract line 6 from line 5. This is the surplus or (shortfall).	7	-20,144,634	
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other			

Section C. Collection Practices

9a	Does the organization have a written debt collection policy?	9a	Yes	
9b	If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI.	9b	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 CASCADE MEDICAL IMAGING LLC	Diagnostic Imaging	70.000 %		30.000 %
2 CENTRAL OREGON MAGNETIC RESONANCE IMAGING	Magnetic Resonance Imaging	33.000 %		67.000 %
3 HEART CENTER OF THE CASCADES LLC	Owns & manages a medical building	50.000 %		50.000 %
4 CASCADE SURGICENTER LLC	Outpatient surgery	50.000 %	2.275 %	47.725 %
5 INSTITUTE OF THE CASCADES LLC	Administration & Marketing	50.000 %		50.000 %
6 CASCADE MEDICAL BUILDINGS LLC	Owns & manages a medical building	50.000 %	3.570 %	46.430 %
7 CASCADE PROPERTY HOLDINGS LLC	Owns bare land for investment	50.000 %	2.700 %	47.300 %
8 PHYSICAL THERAPY ASSOC	Physical Therapy	50.000 %		0 %
9 HEART CENTER CATH LAB LLC	Cath Lab Services	51.000 %		49.000 %
10SEE PART VI				
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

Part VI

Supplemental Information

Complete this part to provide the following information

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

OUR ANNUAL COMMUNITY BENEFIT REPORT IS PREPARED FOR THE HEALTH SYSTEM AS A WHOLE AND IS AVAILABLE FOR REVIEW UPON REQUEST IT INCLUDES INFORMATION FOR THREE HOSPITALS

CHC DOES NOT PROVIDE ANY SUBSIDIZED HEALTH SERVICES THAT WOULD QUALIFY TO BE REPORTED IN SECTION 7G

THE TOTAL EXPENSE FROM FORM 990 PART IX LINE 25 COLUMN (A) WAS \$462,922,018 THE BAD DEBT EXPENSE INCLUDED IN THIS AMOUNT WAS \$27,961,254 THE REMAINING TOTAL EXPENSE OF \$434,960,764 WAS USED FOR THE PURPOSES OF CALCULATING LINE 7 COLUMN (F)

PATIENT ACCOUNTS RECEIVABLE, ALLOWANCE FOR DOUBTFUL ACCOUNTS, AND OTHER RECEIVABLES THE COLLECTION OF RECEIVABLES FROM THIRD-PARTY PAYORS AND PATIENTS IS CHC'S PRIMARY SOURCE OF CASH AND IS CRITICAL TO ITS OPERATING PERFORMANCE WHEN CHC PROVIDES CARE TO PATIENTS, IT DOES NOT REQUIRE COLLATERAL, HOWEVER, IT MAINTAINS AN ESTIMATED ALLOWANCE FOR DOUBTFUL ACCOUNTS ADDITIONALLY, CHC ADJUSTS ACCOUNTS RECEIVABLE BALANCES TO ESTIMATED COLLECTIBLE BALANCES BASED ON THE TERMS OF CONTRACTS IN PLACE WITH THIRD-PARTY PAYORS THE PRIMARY COLLECTION RISKS RELATE TO UNINSURED PATIENT ACCOUNTS AND PATIENT ACCOUNTS FOR WHICH THE PRIMARY INSURANCE PAYOR HAS PAID, BUT PATIENT RESPONSIBILITY AMOUNTS (GENERALLY DEDUCTIBLES AND CO-PAYMENTS) REMAIN OUTSTANDING THE ALLOWANCE FOR DOUBTFUL ACCOUNTS IS ESTIMATED BASED PRIMARILY UPON CHC'S HISTORICAL COLLECTION EXPERIENCE, THE AGE OF THE PATIENT'S ACCOUNT, MANAGEMENT'S ESTIMATE OF THE PATIENT'S ECONOMIC ABILITY TO PAY, AND THE EFFECTIVENESS OF COLLECTION EFFORTS PATIENT ACCOUNTS RECEIVABLE BALANCES ARE ROUTINELY REVIEWED IN CONJUNCTION WITH HISTORICAL COLLECTION RATES AND OTHER ECONOMIC CONDITIONS WHICH MIGHT ULTIMATELY AFFECT THE COLLECTIBILITY OF PATIENT ACCOUNTS WHEN CONSIDERING THE ADEQUACY OF THE AMOUNTS RECORDED IN THE ALLOWANCE FOR DOUBTFUL ACCOUNTS ACTUAL WRITE-OFFS HAVE HISTORICALLY BEEN WITHIN MANAGEMENT'S EXPECTATIONS SIGNIFICANT CHANGES IN PAYOR MIX, BUSINESS OFFICE OPERATIONS, ECONOMIC CONDITIONS, OR TRENDS IN FEDERAL AND STATE GOVERNMENTAL HEALTHCARE COVERAGE COULD AFFECT CHC'S COLLECTION OF PATIENT ACCOUNTS RECEIVABLE, CASH FLOWS, AND RESULTS OF OPERATIONS

COSTING METHODOLOGY MEDICARE ALLOWABLE COSTS WERE CALCULATED USING A COST-TO-CHARGE RATIO AS DETERMINED BY THE MEDICARE COST REPORTS COMMUNITY BENEFIT CARINGFOR MEDICARE PATIENTS FULFILLS A COMMUNITY NEED AND RELIEVES A GOVERNMENT BURDEN AS THESE PATIENTS TYPICALLY HAVE LOW AND/OR FIXED INCOMES MEDICARE DOES NOT PROVIDE SUFFICIENT REIMBURSEMENT TO COVER THE COST OF PROVIDING CARE FOR THESE PATIENTS AND THAT SHORTFALL SHOWN ON LINE 7 SHOULD BE COUNTED AS COMMUNITY BENEFIT

COLLECTION POLICIES ARE THE SAME FOR ALL PATIENTS PATIENTS ARE SCREENED FOR ELIGIBILITY FOR FINANCIAL ASSISTANCE BEFORE COLLECTION PROCEDURES BEGIN IF AT ANY POINT IN THE COLLECTION PROCESS, DOCUMENTATION IS RECEIVED THAT INDICATES THE PATIENT IS POTENTIALLY ELIGIBLE FOR FINANCIAL ASSISTANCE BUT HAS NOT APPLIED FOR IT, THE ACCOUNT IS REFERRED BACK FOR A FINANCIAL ASSISTANCE REVIEW

2 Needs assessment. Describe how the organization assesses the health care needs of the communities it serves
CHC GATHERS DATA FROM STATE, COUNTY, AND AGENCY REPORTS, RANKINGS, AND RESEARCH DATA WHICH ARE BASED ON HEALTH OUTCOMES SUCH AS MORBIDITY AND MORTALITY, AS WELL AS HEALTH FACTORS INCLUDING BEHAVIORAL, CLINICAL, SOCIAL, ECONOMIC, AND ENVIRONMENTAL FACTORS THESE FINDINGS ARE STUDIED AND COMPARED TO CHC'S RANKING AND RESULTS, AND ARE USED TO DEVELOP A REGIONAL NEEDS ASSESSMENT WHICH DRIVES THE COMMUNITY BENEFIT AREA OF FOCUS THROUGH FEEDBACK, MONITORING, AND TRACKING, THE REGIONAL NEEDS ASSESSMENT IS ADJUSTED OVER TIME TO ENSURE ITS ACCURACY AND PERFORMANCE

3 Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's charity care policy
THE FINANCIAL ASSISTANCE POLICY IS COMMUNICATED IN BOTH ENGLISH AND SPANISH IN A VARIETY OF WAYS COMMUNICATIONS INCLUDE BILINGUAL SIGNAGE THROUGHOUT THE HOSPITAL, INCLUDING THE EMERGENCY DEPARTMENT AND OUTPATIENT REGISTRATION AREAS, DISTRIBUTION OF BROCHURES DESCRIBING THE POLICY AND HOW TO APPLY FOR ASSISTANCE, POSTING OF THE POLICY AND APPLICATION ON THE WEBSITE, A STATEMENT ADDED TO ALL PUBLICATIONS INDICATING THE AVAILABILITY OF CHARITY CARE, THROUGH APPOINTMENTS WITH FINANCIAL COUNSELORS, AND IS INCLUDED WITH EACH BILL INTERPRETATION SERVICES ARE AVAILABLE FOR PATIENTS NEEDING INFORMATION IN LANGUAGES OTHER THAN ENGLISH AND SPANISH

4 Community information. Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
CHC IS THE ONLY HEALTHCARE SYSTEM IN THE AREA SERVING TWO COUNTIES AND SURROUNDING AREAS THE SERVICE AREA INCLUDES SMALL CITIES AND SURROUNDING SUBURBS, SMALL TOWNS AND RURAL AGRICULTURAL AREAS THE POPULATION INCLUDES A SIGNIFICANT NUMBER OF RETIRED CITIZENS AND A LARGE MINORITY POPULATION, BOTH HISPANIC AND NATIVE AMERICAN

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

6 Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)
A MAJORITY OF CHC'S GOVERNING BODY IS COMPRISED OF PERSONS WHO RESIDE IN THE ORGANIZATION'S PRIMARY SERVICE AREA WHO ARE NEITHER EMPLOYEES NOR CONTRACTORS OF THE ORGANIZATION CHC EXTENDS MEDICAL STAFF PRIVILEGES TO ALL QUALIFIED PHYSICIANS IN THE COMMUNITY FOR SOME OR ALL OF ITS DEPARTMENTS

7 If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communites served
CHC IS A 501(C)(3) CORPORATION OTHER AFFILIATES INCLUDE ST CHARLES FOUNDATION, A 501(C)(3), AND CERTAIN HEALTHCARE-RELATED JOINT VENTURES IN ADDITION TO COMMUNITY BENEFIT ACTIVITIES OF THE HOSPITAL SYSTEM, THE ST CHARLES FOUNDATION FUNDS COMMUNITY BENEFIT AND COMMUNITY WELLNESS INITIATIVES, INCLUDING THE OPERATIONAL OR FINANCIAL SUPPORT OF CLINICS SERVING AN INDIGENT POPULATION

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

Additional Data

Software ID:
Software Version:
EIN: 93-0602940
Name: CASCADE HEALTHCARE COMMUNITY INC

Form 990 Schedule H, Part V - Facility Information

[illegible]

Name of the organization
CASCADE HEALTHCARE COMMUNITY INC

Employer identification number
93-0602940

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
DESCHUTES COUNTY HEALTH DEPARTMENT 1340 NW WALL ST BEND, OR 97701	936002292	DESCHUTES CO HEALTH	187,917				Prenatal care
HEALTH MATTERS OF CENTRAL OREGONPO BOX 5729 BEND, OR 97708	208230296	501(c)(3)	35,000				Medical Assistance
KIDS CENTER1375 NW KINGSTON BEND, OR 97701	943169200	501(c)(3)	75,000				Prevent Abuse
VOLUNTEERS IN MEDICINE2300 NE NEFF RD BEND, OR 97701	931327847	501(c)(3)	25,947	78,047	FMV	Space & Supplies	Medical Assistance
MT VIEW HOSPITAL DISTRICT470 A STREET MADRAS, OR 97741	930554475	MT VIEW HOSPITAL DIS		666,590	Book	IT Expense	IT System
TOUR DES CHUTESPO BOX 8056 BEND, OR 97708	203006038	501(c)(3)	7,500				Cancer Fundraiser
ST CHARLES FOUNDATION2500 NE NEFF RD BEND, OR 97701	943076293	501(c)(3)	1,997,324				Hospital support
BESTCARE TREATMENT SERVICESPO BOX 1710 REDMOND, OR 97756	931269087	501(c)(3)		69,978	FMV	Subsidized rent	Addiction Treatment

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

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance
Scholarships	63	96,756			
See Additional Data Table					

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

[illegible]

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2009

Open to Public Inspection

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

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

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization
CASCADE HEALTHCARE COMMUNITY INC

Employer identification number
93-0602940

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"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input checked="" type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Discretionary spending account</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain	1b	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"/> Written employment contract</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input type="checkbox"/> Form 990 of other organizations</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
a	Receive a severance payment or change-of-control payment?	4a	Yes
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	No
b	Any related organization?	6b	No
	If "Yes," to line 6a or 6b, describe in Part III		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	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				
DIEGEL JAMES A	(i) (ii)	428,928		16,500	14,700	21,182	481,310	
SHEPARD KAREN M	(i) (ii)	257,789		60,501		13,870	332,160	
HENRY JAMES	(i) (ii)	244,161		67,119	12,816	19,055	343,151	
WINNENBERG WILLIAM	(i) (ii)	241,855		39,738	600	14,959	297,152	
ERTLE ALAN	(i) (ii)	293,825			14,700	8,502	317,027	
VITCOVICH KATHERINE	(i) (ii)	231,492			9,334	18,995	259,821	
KORNFELD STEVE MD	(i) (ii)	489,486		133,223	2,250	16,930	641,889	
MARTIN WILLIAM MD	(i) (ii)	419,362		149,723	5,450	21,011	595,546	
MURPHY THOMAS MD	(i) (ii)	512,819		16,500	14,700	20,978	564,997	
HARLESS KEITH MD	(i) (ii)	480,780		16,500	14,700	20,942	532,922	
BOONE ROBERT MD	(i) (ii)	432,756		16,500		16,930	466,186	
LUSSIER JAMES	(i) (ii)	203,695		11,657		223	215,575	
SMITH JOSEPH	(i) (ii)	309,111				2,934	312,045	
SAFLEY THOMAS	(i) (ii)			157,456		178	157,634	
MARTIN RICHARD	(i) (ii)	211,242				27,100	238,342	

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
Pt I Line 4b		457(f) contributions. Each of the following individuals contributed \$16,500 in 2009: James A. Diegel, Karen M. Shepard, James Henry, William Winnenberg, Dr. William Martin, Dr. Thomas Murphy, Dr. Keith Harless, and Dr. Rob Boone. There were no distributions from the 457(f) plan in 2009.
Pt I Line 7		CHC accrued incentive compensation for certain executives in 2009, which was calculated using several operating targets which focused on the following areas: Implement EMR in order to provide clinical data for quality improvement; Improve patient satisfaction; Improve physician satisfaction; Reduce employee turnover; Meet financial targets to ensure a sustainable Health System.
Pt I Line 4a		The total reported in Part II, column iii for Thomas Safley was severance pay.
Part I Line 1a		Three executives received grossed-up housing allowances which were treated as taxable earnings. Two physicians received forgiveness of a portion of debt in 2009, which was treated as grossed-up taxable earnings. Such loans are reported on Schedule L.

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

Name of the organization		Employer identification number
CASCADE HEALTHCARE COMMUNITY INC		93-0602940

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	HOSPITAL FACILITY AUTHORITY DESCHUTES CO OR	93-0991182	250336CV4	12-23-2008	101,284,230	See Schedule O		X		X
B	HOSPITAL FACILITY AUTHORITY DESCHUTES CO OR	93-0991182	250336BY9	12-21-2005	51,800,000	See Schedule O		X		X

Part II

Proceeds

	A	B	C	D	E
1	Total proceeds of issue	101,152,743	53,449,239		
2	Gross proceeds in reserve funds	9,996,936			
3	Proceeds in refunding or defeasance escrows				
4	Other unspent proceeds				
5	Issuance costs from proceeds	2,025,685	489,902		
6	Working capital expenditures from proceeds				
7	Capital expenditures from proceeds	51,937,672	51,937,672		
8	Year of substantial completion	2007	2007		
	YesNo	YesNo	YesNo	YesNo	YesNo
9	Were the bonds issued as part of a current refunding issue?	X	X		
10	Were the bonds issued as part of an advance refunding issue?	X	X		
11	Has the final allocation of proceeds been made?	X	X		
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X	X		

Part III

Private Business Use

	A	B	C	D	E
	YesNo	YesNo	YesNo	YesNo	YesNo
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		
2	Are there any lease arrangements with respect to the financed property which may result in private business use?	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							
3b	Are there any research agreements with respect to the financed property which may result in private business use?	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							
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		0 730 %		2 930 %						
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 %		0 %						
6	Total of lines 4 and 5		0 730 %		2 930 %						
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	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						
2	Is the bond issue a variable rate issue?		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						
b	Name of provider										
c	Term of hedge										
4a	Were gross proceeds invested in a GIC?		X		X						
b	Name of provider										
c	Term of GIC										
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
5	Were any gross proceeds invested beyond an available temporary period?		X		X						
6	Did the bond issue qualify for an exception to rebate?		X	X							

Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

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2009

Open to Public Inspection

Name of the organization CASCADE HEALTHCARE COMMUNITY INC	Employer identification number 93-0602940
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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

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c)Original principal amount	(d)Balance due	(e) In default?		(f) Approved by board or committee?		(g)Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
DR WILLIAM MARTIN See Schedule O		X	200,000	133,333		No		No	Yes	
DR STEVE KORNFELD See Schedule O		X	200,000	133,333		No		No	Yes	
DR ROB BOONE See Schedule O		X	200,000	200,000		No		No	Yes	
Total ▶ \$				466,666						

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

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
CASCADE HEALTHCARE COMMUNITY INC

Employer identification number
93-0602940

Identifier	Return Reference	Explanation
Pt VI-B, Line 11A		The 990 was prepared internally and reviewed by an external consultant. It was
Pt VI-B, Line 11A		reviewed by the organization's Director of Accounting and the Sr. VP of Finance/CFO,
Pt VI-B, Line 11A		both CPAs. It was presented to the Audit Committee on behalf of the Board of
Pt VI-B, Line 11A		Directors for final review and approval before filing.
Pt VI-B, Line 12c		The Audit Committee is responsible for monitoring conflicts of interest.
Pt VI-B, Line 15		Compensation for the CEO is determined by the Board Compensation and
Pt VI-B, Line 15		Governing Committee. Salary ranges for other officers and key employees
Pt VI-B, Line 15		are monitored by the CEO. CHC utilizes an independent outside consultant.

Identifier	Return Reference	Explanation
Pt VI-B, Line 15		to provide comparability data.

Pt VI-C, Line 19 Governing documents are available upon request The Conflict of Interest policy Pt VI-C, Line 19 is available to employees through a shared document management system Pt VI-C, Line 19 Financial reports are shared with employees monthly Audited financial statements Pt VI-C, Line 19 are available to the public upon request Parts IV, VI & VII A questionnaire was sent to all persons listed in Part VII Parts IV, VI & VII for purposes of Part IV, Line 28, Part VII, Column (E) and (F) for related Parts IV, VI & VII organizations, for Schedule L, and for Part VI, Line 2

Identifier	Return Reference	Explanation
Part VIII, Line 2f		All Other Program Service Revenue consists of

Part VIII, Line 2f \$24,581,411 Clinics Part VIII, Line 2f \$6,371,723 Sleep Lab Part VIII, Line 2f \$5,641,602 Sage View Psychiatric Center Part VIII, Line 2f \$2,109,612 Psychiatric Emergency Part VIII, Line 2f \$1,863,468 Rent from Affiliates Part VIII, Line 2f \$1,084,665 Behavioral Health Part VIII, Line 2f \$87,728 AHEC Education

Identifier	Return Reference	Explanation
Part IX, Line 11g		Other Fees for services include physician professional fees and standby pay,

Part IX, Line 11g purchased exam fees, provider tax, send-out lab tests, consulting & planning, Part IX, Line 11g collection services, medical director services, recruiting, transcription, Part IX, Line 11g janitorial fees, and other fees Part IX, Line 13 "Office Expenses" include Medical & non-medical supplies, office supplies, minor Part IX, Line 13 equipment, postage & shipping, publications, educational materials & forms, Part IX, Line 13 utilities & telephone, lease & rental of equipment, pharmaceuticals, medical gases, Part IX, Line 13 repair & maintenance of equipment, vehicle fuel & maintenance, food, and

Identifier	Return Reference	Explanation
Part IX, Line 13		employee recognition & safety

Sch K, Part I (A) The proceeds of the Bonds were used to refund, redeem, or defease the Sch K, Part I (A) Series 2005A Bonds, and to pay financing and legal expenses associated Sch K, Part I (A) therewith Sch K, Part I (B) The proceeds of the Bonds were used to finance certain capital additions Sch K, Part I (B) and improvements to St Charles Medical Center-Bend and to St Charles Sch K, Part I (B) Medical Center-Redmond, and to pay costs of issuance on the bonds Sch R, Part I A separate balance sheet was not maintained for Cascade Medical Group Assets are

Identifier	Return Reference	Explanation
Sch R, Part I		included in the total CHC assets

Sch R, Part I The Heart Center Cath Lab joint venture was listed in Part III on the 2008 Sch R, Part I 990, but was purchased by CHC in 2009 and is therefore now listed Sch R, Part I as a disregarded entity in Part I Sch R, Part V Amounts in Line 2 column (c) were reported at book value Sch L, Part II CHC paid certain expenses on behalf of physicians upon employment Sch L, Part II These advances were treated as loans, which will be forgiven over Sch L, Part II a three-year period as long as the physicians remain employed in good

Identifier	Return Reference	Explanation
Sch L, Part II		standing over the forgiveness period This method is consistent with

Sch L, Part II CHC's normal business practices Sch L, Part II The Board has delegated the authority to executive management Sch L, Part II to make such loans to physicians, and the loans are reviewed Sch L, Part II by legal counsel Part VI (B) Lines 12-16 Affirmative answers on Lines 12-16 also apply to the disregarded Part VI (B) Lines 12-16 entities reported on Schedule R, Part I Sch R, Part III CHC sold its share of Physical Therapy Associates effective

Identifier	Return Reference	Explanation
Sch R, Part III		September 21, 2009

Sch D Pt X Ln 2 Recently adopted Accounting Standards The Corporation adopted Sch D Pt X Ln 2 FABS ASC 740-10-25, which was previously referenced as FASB Interpretation Sch D Pt X Ln 2 No 48, Accounting for Uncertainty in Income Taxes - an interpretation Sch D Pt X Ln 2 of FASB Statement No 109 (FIN 48), on January 1, 2008 FIN 48 clarifies the Sch D Pt X Ln 2 accounting for uncertainty in income taxes recognized in an enterprise's Sch D Pt X Ln 2 consolidated financial statements in accordance with FASB Statement No 109, Sch D Pt X Ln 2 Accounting for Income Taxes FIN 48 also prescribes a recognition

Identifier	Return Reference	Explanation
Sch D Pt X Ln 2		threshold and measurement for the financial statement recognition

Sch D Pt X Ln 2 and measurement of an income tax position taken or expected to be taken Sch D Pt X Ln 2 in a tax return Only tax positions that meet the more-likely-than-not recognition Sch D Pt X Ln 2 threshold at the effective date may be recognized or continue to be recognized Sch D Pt X Ln 2 upon adoption In addition, FIN 48 provides guidance on derecognition, Sch D Pt X Ln 2 classification, interest and penalties, accounting in interim periods, Sch D Pt X Ln 2 disclosure, and transition The adoption of FIN 48 did not have Sch D Pt X Ln 2 a significant impact on the Corporation's consolidated financial

Identifier	Return Reference	Explanation
Sch D Pt X Ln 2		statements

Sch R Pt III The section for Physical Therapy Assoc of Bend does not contain Sch R Pt III K-1 information because it had not been received at the time Sch
R Pt III this Form 990 was prepared

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

Cat No 51056K

Schedule O (Form 990) 2009

Part IIIPart 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
CASCADE MEDICAL IMAGING LLC												
1460 NE MEDICAL CENTER DR BEND, OR97701 93-1320712	Scanning Services	OR	NA		Related	3,190,984	12,614,880	No			Yes	
HEART CENTER OF THE CASCADES												
2500 NE NEFF RD BEND, OR97701 38-3724947	Medical Building	OR	NA		Related	-100,961	4,897,015	No			Yes	
PHYSICAL THERAPY ASSOC OF BEND												
7100 FORT DENT WAY STE 220 SEATTLE, WA98188 93-1062007	Physical Therapy	WA	NA		Related			No			Yes	

Part IVPart III

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
---	-------------------------	---	-------------------------------------	--	---------------------------------	--	--------------------------------

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

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

No

Yes

No

No

No

No

Yes

Yes

Yes

Yes

No

No

No

No

No

Yes

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

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

Schedule R (Form 990) 2009

Part VI **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

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

Software ID: 09000048

Software Version:

EIN: 93-0602940

Name: CASCADE HEALTHCARE COMMUNITY INC

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved (\$)
(1)	CASCADE MEDICAL IMAGING LLC	i	131,883
(2)	CASCADE MEDICAL IMAGING LLC	k	1,856,000
(3)	CASCADE MEDICAL IMAGING LLC	l	8,336,000
(4)	HEART CENTER OF THE CASCADES LLC	j	778,000
(5)	HEART CENTER OF THE CASCADES LLC	k	275,894
(6)	HEART CENTER OF THE CASCADES LLC	i	30,106
(7)	HEART CENTER OF THE CASCADES LLC	d	4,700,000
(8)	HEART CENTER OF THE CASCADES LLC	r	67,645
(9)	CASCADE MEDICAL IMAGING LLC	r	2,735,529
(10)	PHYSICAL THERAPY ASSOCIATES	r	257,000

Additional Data

Software ID:
Software Version:
EIN: 93-0602940
Name: CASCADE HEALTHCARE COMMUNITY INC

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

4d. Other program services			
(Code) (Expenses \$	52,048,950	including grants of \$ (Revenue \$ 74,458,717)
Air Link, Home Health & Hospice, Heart Center Cath Lab, Sage View mental health, Clinics, Sleep Lab, Psychiatric Sage View mental health, Clinics, Sleep Lab, Psychiatric			

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			
TAYLOR TODD Chairman	10 00	X		X				0	0	0
SAYEG THOMAS Vice Chairman	6 00	X		X				0	0	0
BURGER BRUCE Director	12 00	X						0	0	0
WOODARD-KOZIMOR CAROL Director	5 00	X						0	0	0
SCHUETTE DAN Director	5 00	X						0	0	0
DEMPSEY DENNIS Director	2 00	X						0	0	0
PALMER DEREK MD Director	2 00	X						0	0	0
DOWNER DOUG Director	2 00	X						0	0	0
HAKALA ROBERT MD Director	2 00	X						0	0	0
BOILEAU MICHEL MD Director	4 00	X						0	0	0
BUEHLER KNUTE MD Director	8 00	X						0	0	0
MILLER LAURI Director	7 00	X						0	0	0
GOULD ROBERT Director	2 00	X						0	0	0
DIEGEL JAMES A President/CEO	60 00	X		X				445,428	0	35,882
SHEPARD KAREN M Sr VP Finance/CFO	60 00			X				318,290	0	13,870
HENRY JAMES CEO SCMC-Bend	60 00				X			311,280	0	31,871
WINNENBERG WILLIAM CIO	60 00				X			281,593	0	15,559
ERTLE ALAN Sr VP Medical Affairs	60				X			293,825		23,202
VITCOVICH KATHERINE Sr VP Human Resources	60				X			231,492		28,329
KORNFELD STEVE MD Physician	50					X		622,709		19,180
MARTIN WILLIAM MD Physician	80					X		569,085		26,461
MURPHY THOMAS MD Physician	40					X		529,319		35,678
HARLESS KEITH MD Physician	70					X		497,280		35,642
BOONE ROBERT MD Physician	50					X		449,256		16,930
LUSSIER JAMES President Emeritus	0						X	215,352		223

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			
SMITH JOSEPH CEO PMH	50						X	309,111		2,934
SAFLEY THOMAS Sr VP Financial Svcs	0						X	157,456		178
BRYANT RON Corporate Secretary from May09	5			X						
MARTIN RICHARD VP Service Lines	50				X			211,242		27,100
DRYDEN PATSY Corporate Secretary to Apr09	40			X				50,971		9,175

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
SCMC Bend	622,110	305,128,212	305,128,212		
SCMC Redmond	622,110	52,027,336	52,027,336		
Pioneer Memorial Hospital	622,110	21,703,901	21,703,901		
Air Link	621,910	23,503,485	23,503,485		
Home Health/Hospice	621,610	9,215,023	9,215,023		