



See a Social Security Number? Say Something!
Report Privacy Problems to <https://public.resource.org/privacy>
Or call the IRS Identity Theft Hotline at 1-800-908-4490



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 ☐ Address change ☐ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending		Please use IRS label or print or type. See Specific Instructions.	C Name of organization SCAN Health Plan					D Employer identification number 95-3858259		
			Doing Business As					E Telephone number (562) 989-5100		
			Number and street (or P O box if mail is not delivered to street address) 3800 Kilroy Airport Way No 100				Room/suite	G Gross receipts \$ 1,661,230,905		
			City or town, state or country, and ZIP + 4 Long Beach, CA 908065616							
			F Name and address of principal officer david schmidt 3800 Kilroy Airport Way No 100 Long Beach, CA 908065616					H(a) Is this a group return for affiliates? ☐ Yes ☒ No		
								H(b) Are all affiliates included? ☐ Yes ☐ No If "No," attach a list (see instructions)		
								H(c) Group exemption number ▶		
I Tax-exempt status ☒ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527										
J Website: ▶ www.scanhealthplan.com										
K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶					L Year of formation 1983		M State of legal domicile CA			

Part I Summary				
Activities & Governance	1	Briefly describe the organization's mission or most significant activities Our mission is to find ways to enhance seniors' ability to manage their health and independence		
	2	Check this box ☒ if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3	Number of voting members of the governing body (Part VI, line 1a)	3 _____	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4 _____	
	5	Total number of employees (Part V, line 2a)	5 _____ 76	
	6	Total number of volunteers (estimate if necessary)	6 _____ 2	
	7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a _____ 0	
	b	Net unrelated business taxable income from Form 990-T, line 34	7b _____ 0	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year 4,001,132	Current Year 3,980,819
	9	Program service revenue (Part VIII, line 2g)	1,535,133,342	1,588,944,407
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-50,272,246	20,883,493
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	121,030	0
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,488,983,258	1,613,808,719
	Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	121,536
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)	69,760,777	68,699,000
16a		Professional fundraising fees (Part IX, column (A), line 11e)		0
b		Total fundraising expenses (Part IX, column (D), line 25) ☐ 0		
17		Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	1,359,715,509	1,494,508,877
18		Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	1,429,597,822	1,563,265,877
19		Revenue less expenses Subtract line 18 from line 12	59,385,436	50,542,842
Net Assets or Fund Balances			Beginning of Current Year	End of Year
	20	Total assets (Part X, line 16)	766,576,571	934,949,210
	21	Total liabilities (Part X, line 26)	185,418,945	222,856,978
	22	Net assets or fund balances Subtract line 21 from line 20	581,157,626	712,092,232

Part II		Signature Block		
Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge			
	 _____		2010-11-09 Date	
	 DAVe SCHMIDT ceo Type or print name and title			
Paid Preparer's Use Only	Preparer's signature  DELOITTE TAX LLP	Date	Check if self-employed ☒ 	Preparer's identifying number (see instructions)
	Firm's name (or yours if self-employed), address, and ZIP + 4  DELOITTE TAX LLP 655 WEST BROADWAY SUITE 700 SAN DIEGO, CA 921018590			EIN  Phone no  (619) 232-6500

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

1 Briefly describe the organization's mission

Our mission is to find ways to enhance seniors' ability to manage their health and independence

Form **990** (2009)

Part IV

Checklist of Required Schedules

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

Part IV

Checklist of Required Schedules (continued)

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

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No	
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a	3,005		
	b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b		0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes	
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a	765		
	b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)				2b
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?			3a	No
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O			3b		
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: 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	9	
b	Enter the number of voting members that are independent	1b	8	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets?	5		No
6	Does the organization have members or stockholders?	6	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a	Yes	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	Yes	
b	Each committee with authority to act on behalf of the governing body?	8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		No

Section B. Policies

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

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

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed▶CA
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. ☐ Own website ☐ Another's website ☒ Upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. 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 ▶ Rajeev Narula 3800 Kilroy Airport Way Long Beach, CA 90806 (562) 989-5100

1b	Total	7,298,671	1,569,452	916,124
-----------	------------------------	-----------	-----------	---------

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▶61

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

Section B. Independent Contractors

1

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

(A) Name and business address	(B) Description of services	(C) Compensation
Healthcare Partners Medical Group 19191 S Vermont St Ste 200 Torrance, CA 90502	Medical Services	204,970,487
Heritage Provider Network 18107 Sherman Way Suite 100 Reseda, CA 91335	Medical Services	170,130,407
Express Scripts Inc 21653 Network Place Chicago, IL 60673	pharmacy Services	164,256,970
Primecare Medical Network 3281 E Guati Rd 700 Ontario, CA 91761	Medical Services	71,329,536
Scripps Health Plan Services 10666 N Torrey Pines Rd La Jolla, CA 92037	Medical Services	42,917,904

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 ▶431

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					
	e	Government grants (contributions)	1e	3,980,819				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f					
	g	Noncash contributions included in lines 1a-1f \$ _____						
	h	Total. Add lines 1a-1f			3,980,819			
Program Service Revenue			Business Code					
	2a	Medicare Premiums	900,099	1,554,347,694	1,554,347,694			
	b	Medi-Cal Premiums	900,099	34,596,713	34,596,713			
	c							
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f			1,588,944,407			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)		23,271,203			23,271,203	
	4	Income from investment of tax-exempt bond proceeds . . .						
	5	Royalties						
	6a	(i) Real		(ii) Personal				
	b	Less rental expenses						
	c	Rental income or (loss)						
	d	Net rental income or (loss)						
	7a	(i) Securities		(ii) Other				
		45,034,476						
		47,422,186						
		-2,387,710						
	b	Less cost or other basis and sales expenses						
	c	Gain or (loss)						
	d	Net gain or (loss)		-2,387,710			-2,387,710	
	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					
	b Less cost of goods sold		b					
c	Net income or (loss) from sales of inventory . . .							
Miscellaneous Revenue		Business Code						
11a								
b								
c								
d	All other revenue							
e	Total. Add lines 11a-11d							
12	Total revenue. See Instructions			1,613,808,719	1,588,944,407	0	20,883,493	

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	58,000	58,000		
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	5,825,011	663,931	5,161,080	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	47,127,207	20,798,671	26,328,536	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	3,660,787	1,119,056	2,541,731	
9	Other employee benefits	8,050,940	2,191,273	5,859,667	
10	Payroll taxes	4,035,055	1,301,785	2,733,270	
11	Fees for services (non-employees)				
a	Management	411,162	19,044	392,118	
b	Legal	465,269		465,269	
c	Accounting	434,403		434,403	
d	Lobbying	352,833		352,833	
e	Professional fundraising See Part IV, line 17				
f	Investment management fees				
g	Other	15,563,325	712,151	14,851,174	
12	Advertising and promotion	12,043,553	480,640	11,562,913	
13	Office expenses	4,001,478	1,256,966	2,744,512	
14	Information technology	2,574,276	6,438	2,567,838	
15	Royalties				
16	Occupancy	3,968,484	11,467	3,957,017	
17	Travel	1,354,614	169,512	1,185,102	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	135,519	6,065	129,454	
20	Interest				
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	3,435,318	1,397,827	2,037,491	
23	Insurance	234,463		234,463	
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	Medical Services	1,447,445,052	1,447,445,052	0	
b	Licenses,Dues,Subscrip	585,196	258,966	326,230	
c	Employee Recruitment	451,440	0	451,440	
d	Employee Special Events	156,414	0	156,414	
e	Federal & State Taxes	105,208	0	105,208	
f	All other expenses	790,870	83,581	707,289	
25	Total functional expenses. Add lines 1 through 24f	1,563,265,877	1,477,980,425	85,285,452	0
26	Joint costs. Check here ☐ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			49,193,664	1	-2,186,485
	2	Savings and temporary cash investments			46,716,713	2	112,330,108
	3	Pledges and grants receivable, net			504,986	3	
	4	Accounts receivable, net			26,339,903	4	54,501,103
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L				5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L				6	
	7	Notes and loans receivable, net				7	
	8	Inventories for sale or use				8	
	9	Prepaid expenses and deferred charges			2,146,646	9	599,494
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	43,803,845			
	b	Less accumulated depreciation	10b	30,779,708	9,992,459	10c	13,024,137
	11	Investments—publicly traded securities			574,983,743	11	139,030,091
	12	Investments—other securities See Part IV, line 11			52,967,000	12	610,361,516
	13	Investments—program-related See Part IV, line 11				13	
	14	Intangible assets				14	3,325,000
	15	Other assets See Part IV, line 11			3,731,457	15	3,964,246
	16	Total assets. Add lines 1 through 15 (must equal line 34)			766,576,571	16	934,949,210
Liabilities	17	Accounts payable and accrued expenses			159,008,260	17	201,256,890
	18	Grants payable			169,578	18	157,484
	19	Deferred revenue			22,130,802	19	19,271,637
	20	Tax-exempt bond liabilities				20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D				21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third parties				23	
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities Complete Part X of Schedule D			4,110,305	25	2,170,967
	26	Total liabilities. Add lines 17 through 25			185,418,945	26	222,856,978
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			581,157,626	27	712,092,232
	28	Temporarily restricted net assets				28	
	29	Permanently restricted net assets				29	
	Organizations that do not follow SFAS 117, check here ☐ and complete lines 30 through 34.						
	30	Capital stock or trust principal, or current funds				30	
	31	Paid-in or capital surplus, or land, building or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other funds				32	
	33	Total net assets or fund balances			581,157,626	33	712,092,232
	34	Total liabilities and net assets/fund balances			766,576,571	34	934,949,210

Part XI **Financial Statements and Reporting**

	Yes	No
1 Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? . . .		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 ☐ Separate basis ☐ Consolidated basis ☒ Both consolidated and separated basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	Yes	
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . . .	Yes	

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization SCAN Health Plan	Employer identification number 95-3858259
--	--

Part I

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

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

- 1

☐

A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**
- 2

☐

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)
- 3

☐

A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4

☐

A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state
- 5

☐

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)
- 6

☐

A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7

☐

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 8

☐

A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9

☒

An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)
- 10

☐

An organization organized and operated exclusively to test for public safety See**section 509(a)(4).**
- 11

☐

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

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Other

e

☐

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

f

☐

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

g

☐

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

(i)

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

(ii)

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

(iii)

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

h

☐

Provide the following information about the supported organization(s)

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

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

Part II

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

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11 Total support (Add lines 7 through 10)						

12

Gross receipts from related activities, etc (See instructions)

12

13

First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

14	Public Support Percentage for 2009 (line 6 column (f) divided by line 11 column (f))	14	
15	Public Support Percentage for 2008 Schedule A, Part II, line 14	15	

16a

33 1/3% support test—2009. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here**. The organization qualifies as a publicly supported organization

b

33 1/3% support test—2008. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here**. The organization qualifies as a publicly supported organization

17a

10%-facts-and-circumstances test—2009. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here**. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization

b

10%-facts-and-circumstances test—2008. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here**. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization

18

Private Foundation If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions

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

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	8,399,077	10,015,723	106,891,539	120,674,272	38,577,532	284,558,143
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	898,445,206	1,281,189,185	1,354,670,750	1,418,460,202	1,554,347,694	6,507,113,037
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5	906,844,283	1,291,204,908	1,461,562,289	1,539,134,474	1,592,925,226	6,791,671,180
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						0
c Add lines 7a and 7b						0
8 Public Support (Subtract line 7c from line 6)						6,791,671,180

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6	906,844,283	1,291,204,908	1,461,562,289	1,539,134,474	1,592,925,226	6,791,671,180
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	12,575,701	21,447,323	31,777,755	27,231,757	20,883,493	113,916,029
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	12,575,701	21,447,323	31,777,755	27,231,757	20,883,493	113,916,029
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)	605,942	1,033,182	2,583,509	121,030		4,343,663
13 Total support (Add lines 9, 10c, 11 and 12)	920,025,926	1,313,685,413	1,495,923,553	1,566,487,261	1,613,808,719	6,909,930,872
14 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

15 Public Support Percentage for 2009 (line 8 column (f) divided by line 13 column (f))	15	98.290 %
16 Public support percentage from 2008 Schedule A, Part III, line 15	16	98.260 %

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2009 (line 10c column (f) divided by line 13 column (f))	17	1.650 %
18 Investment income percentage from 2008 Schedule A, Part III, line 17	18	1.660 %

- 19a 33 1/3% support tests—2009. If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ☒
- b 33 1/3% support tests—2008. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ☒
- 20 Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions ☒

Part IV

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

Explanation	
Schedule A , Part II, Line 12, Explanation of Other Income	MISC INCOME PRESCRIPTION REBATES THIRD PARTY LEGAL SETTLEMENT REIMBURSEMENT OF ADMIN COSTS

SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

OMB No 1545-0047

2009

Open to Public
Inspection

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

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

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

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

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

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

Name of the organization SCAN Health Plan	Employer identification number 95-3858259
--	--

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

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

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

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

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

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt funtion activities ▶ \$
- 3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ \$
- 4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No
- 5 State the names, addresses and employer identification number (EIN) of all section 527 political organizations to which payments were made For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

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

Part II-A

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

A

Check

☒

if the filing organization belongs to an affiliated group

B

Check

☐

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing Organization's Totals	(b) Affiliated Group Totals												
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)															
b Total lobbying expenditures to influence a legislative body (direct lobbying)		352,833	389,617												
c Total lobbying expenditures (add lines 1a and 1b)		352,833	389,617												
d Other exempt purpose expenditures		1,562,913,044	1,730,979,623												
e Total exempt purpose expenditures (add lines 1c and 1d)		1,563,265,877	1,731,369,240												
f Lobbying nontaxable amount Enter the amount from the following table in both columns		1,000,000	1,000,000												
<table><tr><td>If the amount on line 1e, column (a) or (b) is:</td><td>The lobbying nontaxable amount is:</td></tr><tr><td>Not over \$500,000</td><td>20% of the amount on line 1e</td></tr><tr><td>Over \$500,000 but not over \$1,000,000</td><td>\$100,000 plus 15% of the excess over \$500,000</td></tr><tr><td>Over \$1,000,000 but not over \$1,500,000</td><td>\$175,000 plus 10% of the excess over \$1,000,000</td></tr><tr><td>Over \$1,500,000 but not over \$17,000,000</td><td>\$225,000 plus 5% of the excess over \$1,500,000</td></tr><tr><td>Over \$17,000,000</td><td>\$1,000,000</td></tr></table>		If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
g Grassroots nontaxable amount (enter 25% of line 1f)		250,000	250,000												
h Subtract line 1g from line 1a If zero or less, enter -0-		0	0												
i Subtract line 1f from line 1c If zero or less, enter -0-		0	0												
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		☐ Yes ☐ No													

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) Total
2a Lobbying non-taxable amount	1,000,000	1,000,000	1,000,000	1,000,000	4,000,000
b Lobbying ceiling amount (150% of line 2a, column(e))					6,000,000
c Total lobbying expenditures	412,321	247,337	229,896	389,617	1,279,171
d Grassroots non-taxable amount	250,000	250,000	250,000	250,000	1,000,000
e Grassroots ceiling amount (150% of line 2d, column (e))					1,500,000
f Grassroots lobbying expenditures					

Part II-B

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

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

Part III-A

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

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

Part III-B

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

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

Part IV

Supplemental Information

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

Identifier	Return Reference	Explanation

SCHEDULE D
(Form 990)

Supplemental Financial Statements

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

OMB No 1545-0047

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization SCAN Health Plan	Employer identification number 95-3858259
--	--

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

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

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

1	Purpose(s) of conservation easements held by the organization (check all that apply) ☐ Preservation of land for public use (e g , recreation or pleasure) ☐ Preservation of an historically 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											
		<table><tr><td></td><td>Held at the End of the Year</td></tr><tr><td>a</td><td>Total number of conservation easements</td></tr><tr><td>b</td><td>Total acreage restricted by conservation easements</td></tr><tr><td>c</td><td>Number of conservation easements on a certified historic structure included in (a)</td></tr><tr><td>d</td><td>Number of conservation easements included in (c) acquired after 8/17/06</td></tr></table>		Held at the End of the Year	a	Total number of conservation easements	b	Total acreage restricted by conservation easements	c	Number of conservation easements on a certified historic structure included in (a)	d	Number of conservation easements included in (c) acquired after 8/17/06
	Held at the End of the Year											
a	Total number of conservation easements											
b	Total acreage restricted by conservation easements											
c	Number of conservation easements on a certified historic structure included in (a)											
d	Number of conservation easements included in (c) acquired after 8/17/06											
3	Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____											
4	Number of states where property subject to conservation easement is located ▶ _____											
5	Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ 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				
b	Contributions				
c	Investment earnings or losses				
d	Grants or scholarships				
e	Other expenditures for facilities and programs				
f	Administrative expenses				
g	End of year balance				

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶ %

b

Permanent endowment ▶ %

c

Term endowment ▶ %

3a

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

(i)

unrelated organizations

3a(i)

☐

☐

(ii)

related organizations

3a(ii)

☐

☐

b

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

3b

☐

☐

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				
b Buildings				
c Leasehold improvements		7,330,858	3,459,370	3,871,488
d Equipment		36,472,987	27,320,338	9,152,649
e Other				
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				13,024,137

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)	11,613,808,719
2	Total expenses (Form 990, Part IX, column (A), line 25)	1,563,265,877
3	Excess or (deficit) for the year Subtract line 2 from line 1	50,542,842
4	Net unrealized gains (losses) on investments	80,391,764
5	Donated services and use of facilities	
6	Investment expenses	
7	Prior period adjustments	
8	Other (Describe in Part XIV)	
9	Total adjustments (net) Add lines 4 - 8	80,391,764
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	130,934,606

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return		
1	Total revenue, gains, and other support per audited financial statements	11,694,200,483
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12	
a	Net unrealized gains on investments2a80,391,764	
b	Donated services and use of facilities2b	
c	Recoveries of prior year grants2c	
d	Other (Describe in Part XIV)2d	
e	Add lines 2a through 2d2e80,391,764	
3	Subtract line 2e from line 13	1,613,808,719
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 7b4a	
b	Other (Describe in Part XIV)4b	
c	Add lines 4a and 4b4c0	
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)5	1,613,808,719

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return		
1	Total expenses and losses per audited financial statements	1,563,265,877
2	Amounts included on line 1 but not on Form 990, Part IX, line 25	
a	Donated services and use of facilities2a	
b	Prior year adjustments2b	
c	Other losses2c	
d	Other (Describe in Part XIV)2d	
e	Add lines 2a through 2d2e0	
3	Subtract line 2e from line 13	1,563,265,877
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 7b4a	
b	Other (Describe in Part XIV)4b	
c	Add lines 4a and 4b4c0	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)5	1,563,265,877

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
		PART X, FIN 48 FOOTNOTE TO FINANCIAL STATEMENTS In June 2006, the FASB issued FASB ASC 740, Income Taxes, as amended. FASB ASC 740 clarifies the accounting for uncertainty in income taxes. FASB ASC 740 prescribes a recognition threshold and measurement attribute for financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return and also provides guidance on various related matters, such as derecognition, interest and penalties, and disclosure. The Company adopted FASB ASC 740, as amended, during the year ended December 31, 2009. The Company evaluated its tax positions, including its tax-exempt status and any potential unrelated business income, and determined that adoption of FASB ASC 740 had no impact on the Company's financial position or changes in net assets.

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - |

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
SCAN Health Plan

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

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

DLN: 93493314025100

OMB No 1545-0047

2009

Open to Public
Inspection

Employer identification number
95-3858259

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
CA State University Long Beach Foundation1250 Bellflower Blvd HSD 100 Long Beach, CA 90840	956108694	501(c)(3)	5,000				General Support for the "Learning Opps for Individuals 50 Years of Age and Older" program
Los Angeles Caregiver Resource Center3715 McClintok Ave Los Angeles, CA 900890191	956108694	Gov't Entity	10,000				General support for the organization's commitment to senior community
Partners in Care Foundation732 Mott Street Suite 150 San Fernando, CA 91340	953954057	501(c)(3)	8,000				General support for the organization's commitment to senior community
UC Regents10945 Le Conte Avenue Suite 2339 Los Angeles, CA 900951687	956006143	Gov't Entity	30,000				Educational grant for the Leadership and Management in Geriatrics Courses
Alzheimer's Family Services Center9451 Indianapolis Avenue Huntington Beach, CA 92646	953463975	501(c)(3)	5,000				General support for the organization's commitment to senior community

2

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

5

3

Enter total number of other organizations

0

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

Cat No 50055P

Schedule I (Form 990) 2009

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 SCAN Health Plan	Employer identification number 95-3858259
--	--

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		
☐ First-class or charter travel		
☐ Travel for companions		
☐ Tax idemnification and gross-up payments		
☐ Discretionary spending account		
☐ Housing allowance or residence for personal use		
☐ Payments for business use of personal residence		
☐ Health or social club dues or initiation fees		
☐ Personal services (e g , maid, chauffeur, chef)		
1b 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		
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?		
3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply		
☒ Compensation committee		
☒ Independent compensation consultant		
☒ Form 990 of other organizations		
☒ Written employment contract		
☒ Compensation survey or study		
☒ Approval by the board or compensation committee		
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
a Receive a severance payment or change-of-control payment?		No
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	Yes	
c Participate in, or receive payment from, an equity-based compensation arrangement?	Yes	
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?		No
b Any related organization?		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?		No
b Any related organization?		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		No
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		No
9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?		

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

[illegible]

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
	Part I, Line 4a	The Company provides a supplemental non-qualified retirement plan to only senior executives of the company. Senior V.P. and officers are eligible to participate in the section 457(f) plan. The following individuals participated in the Company's section 457(f) during the year 2009: David Schmidt, Dennis Eder, Timothy Schwab, Douglas Jaques, Marc Radner, Sherry Stainslaw, Roger Lapp, Henry Osowski, Deborah Miller, Merlin Swackhammer, Rebecca Learner and Elizabeth Russell. Compensation pursuant to the terms and conditions of the section 457(f) plan, a Participant becomes 100% vested in the Employer contribution upon the occurrence of any of the following while the Participant is an Employee: (i) The Participant has ten years of continuous employment, counting only service after December 31, 2005; (ii) The Participant reaches the age of 62 and has five years of continuous employment; (iii) The Participant's involuntary termination; (iv) The Participant's disability; or (v) The Participant's death. There were 3 individuals that received payments out of the section 457(f) plan during the year: (1) David Schmidt, \$354,607; (2) Henry Osowski, \$75,877; and Roger Lapp, \$12,535. Part 1, line 4c: The following individuals participated in SCAN Health Plan's KEYSOP Plan during the taxable year: Timothy Schwab and Rebecca Learner. The plan is now frozen and no employees are being newly added as participants.

Software ID:
Software Version:
EIN: 95-3858259
Name: SCAN Health Plan

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

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
David Schmidt	(i) 635,104 (ii) 0	(i) 526,645 (ii) 0	(i) 393,151 (ii) 0	(i) 118,940 (ii) 0	(i) 12,876 (ii) 0	(i) 1,686,716 (ii) 0	(i) 354,607 (ii) 0
Dennis Eder	(i) 342,092 (ii) 0	(i) 206,370 (ii) 0	(i) 36,571 (ii) 0	(i) 58,361 (ii) 0	(i) 24,545 (ii) 0	(i) 667,939 (ii) 0	(i) 0 (ii) 0
Timothy Schwab	(i) 329,614 (ii) 0	(i) 216,711 (ii) 0	(i) 59,881 (ii) 0	(i) 69,629 (ii) 0	(i) 2,792 (ii) 0	(i) 678,627 (ii) 0	(i) 0 (ii) 0
Douglas Jaques	(i) 0 (ii) 264,661	(i) 0 (ii) 128,518	(i) 0 (ii) 34,510	(i) 0 (ii) 43,311	(i) 0 (ii) 31,421	(i) 0 (ii) 502,421	(i) 0 (ii) 0
Marc Radner	(i) 0 (ii) 227,716	(i) 0 (ii) 110,384	(i) 0 (ii) 34,195	(i) 0 (ii) 36,669	(i) 0 (ii) 7,774	(i) 0 (ii) 416,738	(i) 0 (ii) 0
Sherry Stanislaw	(i) 208,213 (ii) 0	(i) 97,125 (ii) 0	(i) 34,115 (ii) 0	(i) 33,045 (ii) 0	(i) 8,806 (ii) 0	(i) 381,304 (ii) 0	(i) 0 (ii) 0
Roger Lapp	(i) 178,408 (ii) 0	(i) 83,469 (ii) 0	(i) 52,424 (ii) 0	(i) 29,521 (ii) 0	(i) 5,200 (ii) 0	(i) 349,022 (ii) 0	(i) 12,535 (ii) 0
Henry W Oowski	(i) 251,323 (ii) 0	(i) 124,990 (ii) 0	(i) 112,861 (ii) 0	(i) 46,143 (ii) 0	(i) 19,979 (ii) 0	(i) 555,296 (ii) 0	(i) 75,877 (ii) 0
Deborah Miller	(i) 221,766 (ii) 0	(i) 111,435 (ii) 0	(i) 35,333 (ii) 0	(i) 36,858 (ii) 0	(i) 22,303 (ii) 0	(i) 427,695 (ii) 0	(i) 0 (ii) 0
Merlin Swackhammer	(i) 0 (ii) 281,508	(i) 0 (ii) 122,651	(i) 0 (ii) 37,333	(i) 0 (ii) 48,077	(i) 0 (ii) 1,473	(i) 0 (ii) 491,042	(i) 0 (ii) 0
Rebecca Learner	(i) 0 (ii) 196,240	(i) 0 (ii) 94,430	(i) 0 (ii) 33,706	(i) 0 (ii) 59,879	(i) 0 (ii) 16,124	(i) 0 (ii) 400,379	(i) 0 (ii) 0
Elizabeth Russell	(i) 272,249 (ii) 0	(i) 127,437 (ii) 0	(i) 35,849 (ii) 0	(i) 43,479 (ii) 0	(i) 24,372 (ii) 0	(i) 503,386 (ii) 0	(i) 0 (ii) 0
BEVANN MORELAND	(i) 172,971 (ii) 0	(i) 88,858 (ii) 0	(i) 42,877 (ii) 0	(i) 4,880 (ii) 0	(i) 3,077 (ii) 0	(i) 312,663 (ii) 0	(i) 0 (ii) 0
James Hendrickson	(i) 216,565 (ii) 0	(i) 71,181 (ii) 0	(i) 35,045 (ii) 0	(i) 17,150 (ii) 0	(i) 24,233 (ii) 0	(i) 364,174 (ii) 0	(i) 0 (ii) 0
Russell Brower	(i) 239,859 (ii) 0	(i) 81,371 (ii) 0	(i) 34,330 (ii) 0	(i) 17,150 (ii) 0	(i) 2,034 (ii) 0	(i) 374,744 (ii) 0	(i) 0 (ii) 0
Asha Chopra	(i) 232,518 (ii) 0	(i) 79,764 (ii) 0	(i) 36,596 (ii) 0	(i) 17,150 (ii) 0	(i) 7,913 (ii) 0	(i) 373,941 (ii) 0	(i) 0 (ii) 0
Rajeev Narula	(i) 216,589 (ii) 0	(i) 69,976 (ii) 0	(i) 31,265 (ii) 0	(i) 17,150 (ii) 0	(i) 3,810 (ii) 0	(i) 338,790 (ii) 0	(i) 0 (ii) 0

efile GRAPHIC print - DO NOT PROCESS		As Filed Data -		DLN: 93493314025100	
SCHEDULE O (Form 990)	Supplemental Information to Form 990				OMB No 1545-0047
					2009
	Complete to provide information for responses to specific questions on Form 990 or to provide any additional information. ▶ Attach to Form 990.				
Name of the organization SCAN Health Plan				Employer identification number 95-3858259	

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 6		THE SOLE MEMBER OF THE ORGANIZATION IS SCAN GROUP, A CALIFORINA NONPROFIT ORGANIZATION
Form 990, Part VI, Section A, line 7a		THE SOLE MEMBER HAS THE POWER TO APPOINT THE MEMBERS OF THE BOARD OF DIRECTORS
Form 990, Part VI, Section B, line 11		The Form 990 is prepared by Deloitte Tax LLP, working in conjunction with SCAN's finance department. SCAN Health Plan's Director of ACCOUNTING has direct responsibility for this effort, subject to supervision by the SCAN Health Plan Controller. After an initial draft of the Form 990 is prepared, it is circulated for review and comment by relevant members of the executive team who have responsibility and/or knowledge about the various matters disclosed and/or described in the Form. The General Counsel, in particular, reviews the Form 990 and ensures accuracy of descriptions and that disclosure is complete. The draft Form 990 is reviewed by the Audit Committee of the Board of Directors of SCAN Group, and is shared with all members of the Board of Directors after it is ready for filing but before it is filed.
Form 990, Part VI, Section B, line 12c		SCAN Health Plan regularly and consistently monitors and enforces compliance with its conflict of interest policy through annual circulation of a conflict of interest questionnaire which is required to be answered by all members of the Board of Directors, officers and members of executive management. In addition, there is regular education and enforcement through oversight of such policy and the SCAN Health Plan Gift and Business Courtesies Policy with respect to each department by members of the senior executive team with responsibility for such department. The Legal Department of SCAN group reviews all contractual relationships entered into by the organization and the General Counsel of SCAN group is responsible for monitoring conflicts of interest through the annual circulation and review of the conflict of interest questionnaire. Accordingly, the Legal Department of scan group through the General Counsel is in a position to monitor and enforce compliance with the policy on an ongoing basis.
Form 990, Part VI, Section B, line 15		15a The process for determining the compensation of the Chief Executive Officer of SCAN Health Plan is conducted by the Compensation Committee of the Board of Directors of SCAN group, all of the voting members of which are independent persons. In determining the Chief Executive Officer's compensation, the Compensation Committee works with and relies upon the counsel and expertise of Ernst & Young, a consultant with well established experience and expertise in the area of nonprofit organization executive compensation and compliance with the intermediate sanctions requirements applicable to such compensation. Ernst & Young provides an "Executive Compensation Report" to the Compensation Committee each year which furnishes the basis for the establishment of the Chief Executive Officer's compensation package during the following year. The Ernst & Young Executive Compensation Report is based on a review of the executive compensation practices of a variety of organizations that are considered comparable to SCAN health plan based on various metrics. The Compensation Committee deliberates on the issue of the Chief Executive Officer's compensation package in light of the Ernst & Young Executive Compensation Report and questions are asked of, and answered by Ernst & Young, regarding such report and other matters relevant to such package. Based on such deliberations, the Compensation Committee makes a recommendation to the Board of Directors of SCAN GROUP regarding the compensation package for the following year. The full Board of Directors of SCAN GROUP deliberates on and then votes on such recommendation, the Chief Executive Officer is recused for the entirety of such deliberations and vote. The minutes of the Compensation Committee and the Board of Directors for these meetings are prepared substantially contemporaneously and substantiate such deliberations and decisions. 15b The process for determining the compensation of officers or other key employees of SCAN Health Plan is conducted by the Human Resources Department and Chief Executive Officer of SCAN health plan, and the Compensation Committee of the Board of Directors of SCAN Group, all of the voting members of such committee are independent persons. In determining such employee's compensation, the Human Resources Department and Compensation Committee works with and relies upon the counsel and expertise of Ernst & Young, a consultant with well established experience and expertise in the area of nonprofit organization executive compensation and compliance with the intermediate sanctions requirements applicable to such compensation. Ernst & Young provides an "Executive Compensation Report" to the Human Resources Department and Compensation Committee each year which furnishes the basis for the establishment of such employees' compensation package during the following year. The Ernst & Young Executive Compensation Report is based on a review of the executive compensation practices of a variety of organizations that are considered comparable to SCAN Health Plan based on various metrics. The Chief Executive Officer makes a recommendation to the Compensation Committee with respect to each of such employees' compensation package in light of the Ernst & Young Executive Compensation Report. At the Compensation Committee meeting addressing such matters, questions are asked of, and answered by Ernst & Young, regarding such report and other matters relevant to such package. Based on such deliberations, the Compensation Committee makes a decision regarding the compensation package for such employees for the following year. The minutes of the Compensation Committee for this meeting are prepared substantially contemporaneously and substantiate such deliberations and decisions.
Form 990, Part VI, Section C, line 19		SCAN Health Plan's governing documents and conflict of interest policy are not made available to the public. SCAN Health Plan's audited financial statements are available on the Department of Managed Health Care's website and tax returns are available on request.
Form 990, Part VII	AvG hours devoted to related org(s) when related compensation IS REPORTED	Part VII, Section A, Column D reports compensation paid by SCAN Health Plan for services provided to SCAN Health Plan and affiliates. Column B includes total hours for all affiliates. Below is a breakdown per affiliate. The following Officers, Key Employees, and board members of SCAN Health Plan also devote the following time to The Scan Foundation: Colleen Cain - 26 hours per week; Ryan Trimble - 13 hours per week; Linda Strike - 14 hours per week; Kim Hunter - 14 hours per week; Patrick Seaver - 19 hours per week; Thomas Higgins - 44 hours per week; David Schmidt - 15 hours per week; Dennis Eder - 20 hours per week; Thomas McDaniel - 18 hours per week; Douglas Jaques - 20 hours per week. The following Officers, Key Employees, and board members of SCAN Health Plan also devote the following time to SCAN Group: Colleen Cain - 162 hours per week; Ryan Trimble - 73 hours per week; Michael Noel - 86 hours per week; Linda Strike - 65 hours per week; Kim Hunter - 71 hours per week; Patrick Seaver - 67 hours per week; Thomas McDaniel - 68 hours per week; Thomas Higgins - 105 hours per week. SCAN HEALTH PLAN AND SCAN GROUP ARE OPERATED JOINTLY. THEREFORE, THE FOLLOWING INDIVIDUALS SPEND AN AVERAGE OF 40 HOURS PER WEEK BETWEEN THE TWO ORGANIZATIONS: David Schmidt; Rajeev Narula; DENNIS EDER; Douglas Jaques; REBECCA LEARNER. The following Officers, Key Employees, and board members of SCAN Health Plan also devote the following time to SCAN Health Plan Arizona and SCAN Long Term Care: Linda Strike - 08 hours per week; Rajeev Narula - 100 hours per week; Timothy Schwab - 08 hours per week; David Schmidt - 08 hours per week; Dennis Eder - 08 hours per week; Douglas Jaques - 08 hours per week.

Part III

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	
							Yes	No		Yes	No

Part IV

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
---	-------------------------	---	-------------------------------------	--	---------------------------------	--	--------------------------------

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

No

No

No

No

No

No

No

No

No

No

No

Yes

Yes

No

No

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved
(1)	SCAN Group	O	32,329,477
(2)	SCAN Health Plan Arizona	P	1,003,071
(3)	SCAN LONG TERM CARE	P	2,274,117
(4)	THE SCAN FOUNDATION	P	214,563
(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

TY 2009 Affiliated Group Schedule

Name: SCAN Health Plan
EIN: 95-3858259

Affiliated Group Business Name:		THE SCAN FOUNDATION
Address. Either US or Foreign Type:		3800 KILROY AIRPORT WAY SUITE 100 LONG BEACH, CA 90806
EIN:		45-0552845
Electing Organization Checkbox:		☒
Total Grassroots Lobbying:	0	
Total Direct Lobbying:	0	
Total Lobbying Expenditures:	0	
Other Exempt Purpose Expenditures:	12,873,186	
Total Exempt Purpose Expenditures:	12,873,186	
Lobbying Nontaxable Amount:	793,659	
Grassroots Nontaxable Amount:	198,415	
Tot Lobbying Grassroot Minus Non Tx:	0	
Tot Lobby Expend Mns Lobbying Non Tx:	0	
Share Of Excess Lobbying:	0	
Affiliated Group Business Name:		SCAN GROUP
Address. Either US or Foreign Type:		3800 KILROY AIRPORT WAY SUITE 100 LONG BEACH, CA 90806
EIN:		95-3826037
Electing Organization Checkbox:		☒
Total Grassroots Lobbying:	0	
Total Direct Lobbying:	36,874	
Total Lobbying Expenditures:	36,874	
Other Exempt Purpose Expenditures:	13,193,375	
Total Exempt Purpose Expenditures:	13,230,249	
Lobbying Nontaxable Amount:	811,512	
Grassroots Nontaxable Amount:	202,878	
Tot Lobbying Grassroot Minus Non Tx:	0	
Tot Lobby Expend Mns Lobbying Non Tx:	0	
Share Of Excess Lobbying:	0	

Additional Data

Software ID:

Software Version:

EIN: 95-3858259

Name: SCAN Health Plan

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			
David Schmidt President/CEO & DIRECTOR	40 00	X		X				1,554,900	0	131,816
Michael Noel Director	1 00	X						107,100	0	0
Linda Strike director	1 10	X						114,654	0	0
Kim Hunter director	1 10	X						111,654	0	0
Colleen Cain CHAIRPERSON	3 30	X						137,850	0	0
Thomas Higgins director	1 50	X						139,458	3,600	0
Thomas McDaniel director	1 10	X						107,250	0	0
Patrick Seaver director	1 00	X						116,304	0	0
Ryan Trimble director	1 00	X						121,500	0	0
Dennis Eder Chief Financial Officer	40 00			X				585,033	0	82,906
Timothy Schwab Chief Medical Officer	40 00			X				606,206	0	72,421
Douglas Jaques Secretary, Sr VP-Legal	40 00			X				0	427,689	74,732
Marc Radner Sr VP - Human Resources	40 00				X			0	372,295	44,443
Sherry Stanislaw Sr VP-Service Operation	40 00				X			339,453	0	41,851
Roger Lapp Sr VP-Membership	40 00				X			314,301	0	34,721
Henry W Osowski Sr VP-Bus Development	40 00				X			489,174	0	66,122
Deborah Miller Sr VP-Healthcare Service	40 00				X			368,534	0	59,161
Merlin Swackhammer Chief Information Office	40 00				X			0	441,492	49,550
Rebecca Learner Sr VP-Compliance	40 00				X			0	324,376	76,003
Elizabeth Russell Sr VP-Network Management	40 00				X			435,535	0	67,851
BEVANN MORELAND VP-CLAIMS	40 00					X		304,706	0	7,957
James Hendrickson Medical Director	40 00					X		322,791	0	41,383
Russell Brower Medical Director	40 00					X		355,560	0	19,184
Asha Chopra Medical Director	40 00					X		348,878	0	25,063
Rajeev Narula VP-Controller	40 00					X		317,830	0	20,960

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

<i>Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
Medical Services	1,447,445,052	1,447,445,052	0	
Licenses,Dues,Subscrip	585,196	258,966	326,230	
Employee Recruitment	451,440	0	451,440	
Employee Special Events	156,414	0	156,414	
Federal & State Taxes	105,208	0	105,208	