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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2009

Open to Public Inspection

A For the 2009 calendar year, or tax year beginning 07-01-2009 and ending 06-30-2010

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
Innovis Health LLC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
3000 32nd Ave S

City or town, state or country, and ZIP + 4
Fargo, ND 58103

D Employer identification number
26-1175213

E Telephone number
(701) 364-3300

G Gross receipts $ 254,521,008

F Name and address of principal officer
Kevin Pitzer
3000 32nd Ave S
Fargo, ND 58103

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 innovishealth com

K Form of organization ☐ Corporation ☐ Trust ☐ Association ☑ Other ▶ LLC | **L** Year of formation 2007 | **M** State of legal domicile DE

Part I Summary

1 Briefly describe the organization's mission or most significant activities
We are called to make a healthy difference in people's lives by providing exceptional and innovative healthcare through physician-led partnerships with our patients, coworkers, and communities

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	11
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	5
5	Total number of employees (Part V, line 2a)	5	2,468
6	Total number of volunteers (estimate if necessary)	6	75
7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	513,088
b	Net unrelated business taxable income from Form 990-T, line 34	7b	326,410

		Prior Year	Current Year
Revenue 8	Contributions and grants (Part VIII, line 1h)	147,592	46,385
9	Program service revenue (Part VIII, line 2g)	152,519,940	251,425,096
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-4,817,568	-1,718,966
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	276,636	2,646,881
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	148,126,600	252,399,396
Expenses 13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	51,000	74,500
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	94,525,687	142,752,550
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	68,370,416	108,490,000
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	162,947,103	251,317,050
19	Revenue less expenses Subtract line 18 from line 12	-14,820,503	1,082,346

		Beginning of Current Year	End of Year
Net Assets or Fund Balances 20	Total assets (Part X, line 16)	212,529,691	211,683,320
21	Total liabilities (Part X, line 26)	197,760,149	208,006,147
22	Net assets or fund balances Subtract line 21 from line 20	14,769,542	3,677,173

Part II Signature Block

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

Sign Here

▶ _____ 2011-04-29
Signature of officer — Date

▶ Kyle Dorow Chief Financial Officer
Type or print name and title

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-empolyed ▶ ☐	Preparer's identifying number (see instructions)
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶			EIN ▶
			Phone no ▶

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

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission

We are called to make a healthy difference in people's lives by providing exceptional and innovative healthcare through physician-led partnerships with our patients, coworkers, and communities

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

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

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

If "Yes," describe these changes on Schedule O

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ 192,170,388 including grants of $ 74,500) (Revenue $ 252,547,377)

See schedule O

4b (Code) (Expenses $ including grants of $) (Revenue $)

4c (Code) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O)

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

4e **Total program service expenses** ▶ $ 192,170,388

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		No
5	**Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.** Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? *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, line10? *If "Yes," complete Schedule D, Part VI.*			
	• Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*			
	• Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*			
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*			
	• Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*			
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? *If "Yes," complete Schedule D, Part X.*			
12	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12		No
12A	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional* — Yes / No: **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
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	Yes	

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**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? *If "Yes," complete Schedule I, Parts I and III*	**22**	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**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? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		No
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part 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? *If "Yes," complete Schedule L, Part 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? *If "Yes," complete Schedule L, Part II*	**26**	Yes	
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**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? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**	Yes	
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? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**	Yes	
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? *If "Yes," complete Schedule R, Part I*	**33**		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35**	Yes	
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**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, *Annual Summary and Transmittal of U.S. Information Returns. Enter -0-* if not applicable	1a	108		
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, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	2a	2,468		
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		Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	3a		Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*	3b		Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a			No
b	If "Yes," enter the name of the foreign country ▶ _____ See the instructions for exceptions and filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .	5a			No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b			No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c			
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?	6a			No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b			
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?	7a			No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b			
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c			No
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e			No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .	7f			No
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . .	7g			
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h			
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8			
9	**Sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?	9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b			
10	**Section 501(c)(7) organizations.** Enter				
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?	12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b			

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body . .	1a 11		
b	Enter the number of voting members that are independent . .	1b 5		
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	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	Yes	
b	Each committee with authority to act on behalf of the governing body?	8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		No

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

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

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶ DE , MN

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 ▶

KYLE DOROW
1702 SOUTH UNIVERSITY DRIVE
FARGO,ND 58103
(701) 364-3273

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

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

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

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

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

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

(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			
See add'l data										

1b Total . . . . . ▶	10,109,851	748,423	1,039,804

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 ▶ 232

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
Sodexo Inc Affiliates 4880 Paysphere Circle CHICAGO, IL 60674	Cafeteria & Hskpg	1,694,295
Spheris 13552 Collection Center Drive CHICAGO, IL 60693	Medical Transcrip	1,481,106
Mayo Collaborative Services PO Box 9146 MINNEAPOLIS, MN 55480	Lab Testing	1,225,833
Onyx MD PO Box 4715 GREENSBORO, NC 27404	Provider locums-surg	678,659
Professional Building Services PO Box 7365 FARGO, ND 58106	Housekeeping Service	600,781
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 ▶ 28		

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				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	46,385			
	g	Noncash contributions included in lines 1a-1f $ 6,147					
	h	**Total.** Add lines 1a-1f		46,385			
Program Service Revenue			Business Code				
	2a	HOSPITAL & CLINIC SERVICES	621,110	251,543,715	251,122,282	421,433	
	b	INVESTMENT IN PHARMACY	900,099	341,587	328,363	13,224	
	c	INVESTMENT IN DIALYSIS	900,099	82,665	82,665		
	d	INVESTMENT IN MEDICAL OFFICE BUILDING	900,099	-542,871	-542,871		
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f		251,425,096			
	3	Investment income (including dividends, interest and other similar amounts)		241,807			241,807
	4	Income from investment of tax-exempt bond proceeds		0			
	5	Royalties		0			
			(i) Real	(ii) Personal			
	6a	Gross Rents	226,358	78,431			
	b	Less rental expenses					
	c	Rental income or (loss)	226,358	78,431			
	d	Net rental income or (loss)		304,789		78,431	226,358
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory		154,692			
	b	Less cost or other basis and sales expenses		2,115,465			
	c	Gain or (loss)		-1,960,773			
	d	Net gain or (loss)		-1,960,773			-1,960,773
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a 7,108				
	b	Less direct expenses	b 6,147				
	c	Net income or (loss) from fundraising events		961			961
	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		0			
	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		0			
		Miscellaneous Revenue	Business Code				
	11a	CAFETERIA & VENDING SALES	722,210	732,807			732,807
	b	AFFILIATE SHARED SERVICE REVENUE	900,099	600,000	600,000		
	c	TAX REFUND	900,099	522,281	522,281		
	d	All other revenue		486,043			486,043
	e	**Total.** Add lines 11a–11d		2,341,131			
	12	**Total revenue.** See Instructions		252,399,396	252,112,720	513,088	-272,797

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	67,000	67,000		
2 Grants and other assistance to individuals in the U S See Part IV, line 22	7,500	7,500		
3 Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0			
4 Benefits paid to or for members	0			
5 Compensation of current officers, directors, trustees, and key employees	5,634,355	1,766,705	3,867,650	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7 Other salaries and wages	115,019,961	88,999,796	26,020,165	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	5,468,655	4,612,981	855,674	
9 Other employee benefits	9,998,243	8,622,858	1,375,385	
10 Payroll taxes	6,631,336	5,205,727	1,425,609	
11 Fees for services (non-employees)				
a Management	0			
b Legal	209,984		209,984	
c Accounting	166,032		166,032	
d Lobbying	0			
e Professional fundraising *See Part IV, line 17*	0			
f Investment management fees	0			
g Other	12,711,922	6,699,687	6,012,235	
12 Advertising and promotion	801,212	5,478	795,734	
13 Office expenses	42,060,688	41,322,977	737,711	
14 Information technology	890,054	48,228	841,826	
15 Royalties	0			
16 Occupancy	4,652,318	315,920	4,336,398	
17 Travel	477,789	195,450	282,339	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings	888,848	633,290	255,558	
20 Interest	3,686,646		3,686,646	
21 Payments to affiliates	0			
22 Depreciation, depletion, and amortization	10,951,163	10,951,163		
23 Insurance	2,887,776	2,887,776		
24 Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a BAD DEBT	16,628,329	16,628,329		
b EQUIPMENT MAINTENANCE	5,474,783	2,242,820	3,231,963	
c AFFILIATE SERVICE SUPPORT FEE	2,499,996		2,499,996	
d LOSS ON REFINANCING	880,176		880,176	
e UBI TAX	115,244		115,244	
f All other expenses	2,507,040	956,703	1,550,337	
25 **Total functional expenses.** Add lines 1 through 24f	251,317,050	192,170,388	59,146,662	0
26 **Joint costs.** Check here ▶ ☐ if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		6,828,349	1	0
	2	Savings and temporary cash investments		581,799	2	20,053,839
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		35,540,592	4	39,288,583
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	25,000
	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		0	7	1,193,501
	8	Inventories for sale or use		3,423,566	8	3,665,564
	9	Prepaid expenses and deferred charges		968,448	9	1,161,187
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 161,818,062			
	b	Less accumulated depreciation	10b 24,331,113	148,066,151	10c	137,486,949
	11	Investments—publicly traded securities		0	11	499,548
	12	Investments—other securities See Part IV, line 11		2,121,252	12	990,383
	13	Investments—program-related See Part IV, line 11		0	13	1,284,979
	14	Intangible assets		0	14	1,293,562
	15	Other assets See Part IV, line 11		14,999,534	15	4,740,225
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		212,529,691	16	211,683,320
Liabilities	17	Accounts payable and accrued expenses		27,195,108	17	34,655,297
	18	Grants payable			18	
	19	Deferred revenue		3,088,370	19	165,687
	20	Tax-exempt bond liabilities		148,469,832	20	152,364,636
	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		1,792,675	23	1,882,678
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities Complete Part X of Schedule D		17,214,164	25	18,937,849
	26	**Total liabilities.** Add lines 17 through 25		197,760,149	26	208,006,147
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		14,717,454	27	3,638,052
	28	Temporarily restricted net assets		52,088	28	39,121
	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		14,769,542	33	3,677,173
	34	Total liabilities and net assets/fund balances		212,529,691	34	211,683,320

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?	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	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	2c	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?	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

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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
Innovis Health LLC

Employer identification number
26-1175213

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?

	Yes	No
(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? **11g(i)**		
(ii) a family member of a person described in (i) above? **11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

h Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document? Yes	(iv) No	(v) Did you notify the organization in col (i) of your support? Yes	(v) No	(vi) Is the organization in col (i) organized in the U S ? Yes	(vi) No	(vii) Amount of support?
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 III Support 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 ")						
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						
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						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
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						
c Add lines 7a and 7b						
8 **Public Support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
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)						
13 **Total support** (Add lines 9, 10c, 11 and 12)						

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
16	Public support percentage from 2008 Schedule A, Part III, line 15	16

Section D. Computation of Investment Income Percentage

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

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

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Innovis Health LLC

Employer identification number
26-1175213

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

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

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the 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

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	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

		Yes	No
(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		9,717,591		9,717,591
b Buildings		103,769,574	9,305,583	94,463,991
c Leasehold improvements		1,566,173	106,513	1,459,660
d Equipment		41,462,463	14,662,497	26,799,966
e Other		5,302,261	256,520	5,045,741
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				137,486,949

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

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

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

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

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

(a) Description	(b) Book value
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

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

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	0
PAYABLES TO RELATED TAX-EXEMPT ORG	108,523
NON CURRENT SWAP LIABILITY	9,159,755
PARK RAPIDS AREA PAYABLE	9,669,571
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	18,937,849

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

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

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

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

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

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

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

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
Schedule D, Part X		FIN 48 Footnote Essentia Health has adopted Accounting Standards Codification 740, Income Taxes (formerly known as FASB Interpretation No 48 (FIN 48), Accounting for Uncertainty in Income Tax - an interpretation of FASB Statement No 109, Accounting for Income Taxes) The adoption of this interpretation had no material impact on the consolidated financial statements and therefore, Essentia Health's consolidated financial statements for fiscal year ended June 30, 2010 no longer includes an ASC 740 footnote

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990.
▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Innovis Health LLC

Employer identification number
26-1175213

Part I Charity Care and Certain Other Community Benefits at Cost

			Yes	No
1a	Does the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☑ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients			
a	Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for free care ☐ 100% ☑ 150% ☐ 200% ☐ Other _____	3a	Yes	
b	Does the organization use FPG to determine eligibility for providing *discounted* care to low income individuals? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☑ 300% ☐ 350% ☐ 400% ☐ Other _____	3b	Yes	
c	If the organization does not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Does the organization's policy provide free or discounted care to the "medically indigent"?	4	Yes	
5a	Does the organization budget amounts for free or discounted care provided under its charity care policy?	5a	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		No
6a	Does the organization prepare an annual community benefit report?	6a	Yes	
6b	If "Yes," does the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheets 1 and 2)			2,049,006	0	2,049,006	0 870 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			27,371,423	19,631,417	7,740,006	3 300 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)			0	0	0	0 %
d **Total** Charity Care and Means-Tested Government Programs			29,420,429	19,631,417	9,789,012	4 170 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)	24	4,609	64,178	600	63,578	0 030 %
f Health professions education (from Worksheet 5)	1	35	50	0	50	0 %
g Subsidized health services (from Worksheet 6)			0	0	0	0 %
h Research (from Worksheet 7)			0	0	0	0 %
i Cash and in-kind contributions to community groups (from Worksheet 8)	11	1,000	22,451	0	22,451	0 010 %
j **Total** Other Benefits	36	5,644	86,679	600	86,079	0 040 %
k **Total.** Add lines 7d and 7j	36	5,644	29,507,108	19,632,017	9,875,091	4 210 %

Part II Community Building Activities Complete this table if the organization conducted any community building activities.

		(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing	1		2,000	0	2,000	0 %
2	Economic development	1		330	0	330	0 %
3	Community support	4	896	25,825	0	25,825	0 010 %
4	Environmental improvements			0	0	0	0 %
5	Leadership development and training for community members			0	0	0	0 %
6	Coalition building			0	0	0	0 %
7	Community health improvement advocacy			0	0	0	0 %
8	Workforce development			0	0	0	0 %
9	Other			0	0	0	0 %
10	**Total**	6	896	28,155	0	28,155	0 010 %

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Does the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1	Yes	
2	Enter the amount of the organization's bad debt expense (at cost)	2	7,177,327		
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	3	0		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	39,543,513
6	Enter Medicare allowable costs of care relating to payments on line 5	6	57,343,544
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-17,800,031
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used		

☐ Cost accounting system ☐ Cost to charge ratio ☑ Other

Section C. Collection Practices

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

Part IV Management Companies and Joint Ventures

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1	Red River Valley	Dialysis Services	10 000 %	20 000 %	65 000 %
2	Dakota Clinic Pharm	Retail Pharmacy	49 000 %	0 %	0 %
3	Park Rapids Area Hth	Clinic	50 000 %	0 %	0 %
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					

Part V Facility Information

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

Part VI Supplemental Information

Complete this part to provide the following information

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

See additional data

2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves

See additional data

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's charity care policy

See additional data

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

See additional data

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

See additional data

6 Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

See additional data

7 If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communites served

See additional data

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

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

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

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Innovis Health LLC

Employer identification number
26-1175213

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
North Dakota State University1340 Administration Ave Fargo, ND 58102	456002439	501(C)(3)	22,000				Graduate Program
United Way of Cass-ClayPO Box 1609 Fargo, ND 581071609	410810008	501(c)(3)	25,000				Matching Contrib
Fargo Marathon-Go Far Kids PO Box 2623 Fargo, ND 581082623	432043293	501(c)(3)	20,000				Sponsor Youth Fun

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

3 Enter total number of other organizations . . . . . ▶ 0

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

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
Scholarships	15	7,500			
See Additional Data Table					

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

Identifier	Return Reference	Explanation
Schedule I, Part I, Line 2		Procedures for monitoring grants Innovis Health's management reviews the grant activity by reviewing and documenting each expenditure request and approving the expense

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2009

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Innovis Health LLC

Employer identification number
26-1175213

Part I Questions Regarding Compensation

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

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

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

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

(A) Name	**(B)** Breakdown of W-2 and/or 1099-MISC compensation			**(C)** Retirement and other deferred compensation	**(D)** Nontaxable benefits	**(E)** Total of columns (B)(i)-(D)	**(F)** Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	**(ii)** Bonus & incentive compensation	**(iii)** Other reportable compensation				
See Additional Data Table							

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
Schedule J, Part I, Line 1a		Benefits provided During tax year 2009, as new employees relocating from other areas, current officer, Kyle Dorow, and current key employee, John Reike, each received a housing allowance This benefit was treated as taxable compensation to these individuals
Schedule J, Part I Line 4a		Severance payment Former officer, Larry Solberg, received payment totaling $330,115 in tax year 2009 related to his termination The termination terms are from January 17, 2008 until July 17, 2009 Mr Solberg will receive pay totaling $864,061 & benefits totaling $18,890 related to his termination Former officer, Dennis Fuhrman, received payment totaling $89,308 in tax year 2009 related to his termination The termination terms are from August 15, 2009 until February 15, 2011 Mr Fuhrman will receive pay totaling $387,000 & benefits totaling $8,202 related to his termination Former key employee, Keith Wahlund, received payment totaling $146,154 in tax year 2009 related to his termination The termination terms are from January 2, 2009 until June 30, 2010 Mr Wahlund will receive pay totaling $228,000 & benefits totaling $8,361 related to his termination
Schedule J, Part I, Line 4b		The following individuals listed in Form 990, Part VII, Section A, Line 1a received payment from a supplemental nonqualified retirement plan during the year Gregory Glasner, MD (Innovis Health, LLC) $0 Daniel McGinty (ECHC) $94,753 Kevin Pitzer (Innovis Health, LLC) $0 ECHC's nonqualified retirement plan is offered to ECHC executives There is a minimum two year vesting date, benefits are subject to income taxes upon vesting, and benefits are payable from ECHC's general assets Innovis Health, LLC's nonqualified retirement plan is offered to designated Innovis Health's executives There is a minimum two year vesting date, benefits are subject to income taxes upon vesting, and benefits are payable from Innovis Health, LLC's general assets

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Schedule K (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2009

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Name of the organization
Innovis Health LLC

Employer identification number
26-1175213

Part I Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer	
							Yes	No	Yes	No
A	Cass County North Dakota	45-6002205	148047AT0	05-02-2008	62,448,178	Series 2008 D Bonds		X		X
B	MN Agricultural and Economic Development Board	41-6007162	604920Z43	05-02-2008	42,909,274	Series 2008 E Bonds		X		X
C	Cass County North Dakota	45-6002205	148047AU7	02-25-2010	59,573,111	Series 2008 A Reoffered Bonds		X		X
D	WI Health and Education Facilities Authority	39-1337855	97710BSD5	02-25-2010	12,854,722	Series 2008 B Reoffered Bonds		X		X
E	MN Agricultural and Economic Development Board	41-6007162	6049202H0	02-25-2010	165,717,405	Series 2008 C Reoffered Bonds		X		X

Part II Proceeds

		A	B	C	D	E
1	Total proceeds of issue	62,448,178	27,898,317	22,369,703	4,826,948	62,226,886
2	Gross proceeds in reserve funds	0	0	0	0	0
3	Proceeds in refunding or defeasance escrows	0	0	0	0	0
4	Other unspent proceeds	0	0	0	0	1,370,412
5	Issuance costs from proceeds	2,362,985	1,375,120	0	0	713,185
6	Working capital expenditures from proceeds	0	0	0	0	0
7	Capital expenditures from proceeds	60,085,193	26,523,197	0	0	0
8	Year of substantial completion	2008				

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
9	Were the bonds issued as part of a current refunding issue?		X	X		X		X		X	
10	Were the bonds issued as part of an advance refunding issue?		X		X		X		X		X
11	Has the final allocation of proceeds been made?		X		X		X		X		X
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X		X	

Part III Private Business Use

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

Part III Private Business Use *(Continued)*

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

Part IV Arbitrage

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

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Innovis Health LLC

Employer identification number
26-1175213

Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1 (a) Name of disqualified person	(b) Description of transaction	(c) Corrected? Yes	(c) Corrected? No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 . . . . . ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ $

Part II Loans to and/or From Interested Persons.

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

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	(b) From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	(e) No	(f) Approved by board or committee? Yes	(f) No	(g) Written agreement? Yes	(g) No
Kyle Dorow employment incentive		X	25,000	25,000		No	Yes		Yes	
Total . . . . . ▶ $				25,000						

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues? Yes	(e) No
Kathleen Mahoney	Related to Dr Mahoney	25,178	Employee of Innovis Health		No

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SCHEDULE N (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Liquidation, Termination, Dissolution or Significant Disposition of Assets

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, lines 31 or 32 or Form 990-EZ, line 36.**
▶ **Attach certified copies of any articles of dissolution, resolutions or plans.**
▶ **Attach to Form 990 or 990-EZ.**

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Innovis Health LLC

Employer identification number
26-1175213

Part I **Liquidation, Termination or Dissolution.** Complete if the organization answered "Yes" to Form 990, Part IV, line 31, or Form 990-EZ, line 36. Use Schedule N-1 if additional space is needed.

1 (a) Description of asset(s) distributed or transaction expenses paid	(b) Date of distribution	(c) Fair market value of asset(s) distributed or amount of transaction expenses	(d) Method of determining FMV for asset(s) distributed or transaction expenses	(e) EIN of recipient	(f) Name and address of recipient	(g) IRC section of recipient(s) (if tax-exempt) or type of entity

		Yes	No
2	Did or will any officer, director, trustee, or key employee of the organization		
a	Become a director or trustee of a successor or transferee organization?	2a		
b	Become an employee of, or independent contractor for, a successor or transferee organization?	2b		
c	Become a direct or indirect owner of a successor or transferee organization?	2c		
d	Receive, or become entitled to, compensation or other similar payments as a result of the organization's liquidation, termination, or dissolution?	2d		
e	If the organization answered "Yes" to any of the questions in this line, provide the name of the person involved and explain in Part III ▶			

Part I Liquidation, Termination or Dissolution *(continued)*

			Yes	No
	Note. If the organization distributed all of its assets during the tax year, then Form 990, Part X, column (B) should equal -0-			
3	Did the organization distribute its assets in accordance with its governing instrument(s)? If "No," describe in Part III	3		
4a	Did the organization request or receive a determination letter from EO Determinations that the organization's exempt status was terminated?	4a		
b	(If "Yes," provide the date of the letter ▶ _____)			
5a	Is the organization required to notify the attorney general or other appropriate state official of its intent to dissolve, liquidate, or terminate?	5a		
b	If "Yes," did the organization provide such notice?	5b		
6	Did the organization discharge or pay all liabilities in accordance with state laws?	6		
7a	Did the organization have any tax-exempt bonds outstanding during the year?	7a		
b	Did the organization discharge or defease tax-exempt bond liabilities in accordance with the Internal Revenue Code and state laws?	7b		
c	If "Yes," describe in Part III how the organization defeased or otherwise settled these liabilities If "No," explain in Part III			

Part II Sale, Exchange, Disposition or Other Transfer of More Than 25% of the Organization's Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 32, or Form 990-EZ, line 36. Use Schedule N-1 if additional space is needed.

1 (a) Description of asset(s) distributed or transaction expenses paid	(b) Date of distribution	(c) Fair market value of asset(s) distributed or amount of transaction expenses	(d) Method of determining FMV for asset(s) distributed or transaction expenses	(e) EIN of recipient	(f) Name and address of recipient	(g) IRC section of recipient(s) (if tax-exempt) or type of entity
Software assests to related 501c3 org	06-30-2010	7,609,346	Net book value	20-0360007	Essentia Health 502 E 2nd St Duluth, MN 55805	501(C)(3)

			Yes	No
2	Did or will any officer, director, trustee, or key employee of the organization			
a	Become a director or trustee of a successor or transferee organization?	2a		
b	Become an employee of, or independent contractor for, a successor or transferee organization?	2b		
c	Become a direct or indirect owner of a successor or transferee organization?	2c		
d	Receive, or become entitled to, compensation or other similar payments as a result of the organization's significant disposition of assets?	2d		
e	If the organization answered "Yes" to any of the questions in this line, provide the name of the person involved and explain in Part III			

Part III **Supplemental Information.** Complete to provide the information required by Part I, lines 2e, 7c; Part II, line 2e; and any additional information.

Identifier	Return Reference	Explanation
Schedule N, Part II, Line 1		Description of assets transferred In 2010, Essentia Health determined it would be moving to a common electronic health record platform As a result, the software assets anticipated to be replaced upon implementation of this new platform were identified by Innovis Health, LLC, an Essentia Health supported organization, and transferred to Essentia Health The remaining useful lives of these assets were adjusted to coincide with the planned migration to the new platform

Additional Data

Software ID:
Software Version:
EIN: 26-1175213
Name: Innovis Health LLC

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SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Innovis Health LLC

Employer identification number
26-1175213

Identifier	Return Reference	Explanation
Form 990, Part III, Line 4		Program service accomplishments Innovis Health is organized and operated exclusively for charitable, scientific, and educational purposes In furtherance of its purposes, Innovis provides health care services in Minnesota and North Dakota through its 104 bed hospital and 16 clinics The hospital offers a broad range of inpatient and outpatient services for its patients, including critical care, medical surgical care, pediatric services, neonatal intensive care, and maternity care The hospital's emergency department is open 24 hours per day and is designed as a Level II Trauma Center In accordance with the Federal Emergency Medical Treatment and Active Labor Act, any person who presents at the hospital seeking treatment of an emergency medical condition is given a medical screening and necessary stabilizing treatment regardless of the person's ability to pay In addition to the hospital and clinics, Innovis also operates pharmacies, optical centers, infusion therapy centers, outpatient surgery centers, and a cancer center Beyond its clinical services, Innovis also offers educational programs for the community, such as parenting classes and child safety programs such as bicycle helmet fitting, bicycle safety, and pedestrian safety Innovis also participates in continuing education programs for health care professionals Innovis employs over 1,600 full time equivalents The hospital provided for over 28,000 hospital patient days and over 180,000 outpatient visits during the fiscal year ended June 30, 2010 The clinic had over 550,000 encounters during the same time period Innovis provided over $2,000,000 in charity care as well as an additional $7,700,000 of costs incurred in excess of Medicaid payments received during the fiscal year ended June 30, 2010 Further community benefits provided during the fiscal year include community services of over $90,000 and cash & in-kind donations of over $20,000

Identifier	Return Reference	Explanation
Form 990, Part VI, Line 6		Member of organization Essentia Health may elect one or more members of the governing body as described in Schedule O Part VI Line 7a Essentia Health has reserved powers with respect to Innovis Health, LLC as described in Schedule O Part VI Line 7b

Identifier	Return Reference	Explanation
Form 990, Part VI, Line 7a		Member with right to elect governing body According to its Operating Agreement, Essentia Health shall elect Innovis Health, LLC's board of managers

Identifier	Return Reference	Explanation
Form 990, Part VI, Line 7b		Member with right to approve governing body decision Innovis Health, LLC is a subsidiary of Essentia Health, whose Board of Directors has reserved powers with respect to this corporation and its subsidiaries, and all of the other direct and indirect subsidiaries of Essentia Health (collectively, the "System") Essentia Health's reserved powers are as follows Strategic and Business Plans Authority to create, and to approve, the System's strategic and business plans Mission Authority to create, and to approve, the mission, purpose and vision statements for all entities in the System by the affirmative vote of at least 67% of the Essentia Health board of directors Debt Approval of the incurrence of debt by, and the creation of all mortgages, liens, security interests, or other encumbrances on the assets of, all entities in the System in excess of the single or annual aggregate dollar limits prescribed in writing by the Essentia Health board of directors, and the authority to cause all entities in the System to participate in System borrowing Governing Instruments Authority to cause, and to approve, amendments of the articles of incorporation and bylaws of all entities in the System Mergers and Acquisitions Authority to cause, and to approve, all mergers, consolidations, and dissolutions of all entities in the System Affiliations and Joint Ventures Authority to cause, and to approve, all affiliations, joint ventures and other alliances with third parties of all entities in the System Transfer of Assets Within the System Authority to transfer assets, including cash, between and among entities within the System, provided, however, that Essentia Health shall not have authority to require any entity in the System to transfer assets (a) that would cause such entity to be in default of its covenants or obligations under any bond or other financing documents, (b) from the Catholic entities to the secular entities or from the secular entities to the Catholic entities in a manner or to an extent that would cause the Catholic entities to be in violation of the Ethical and Religious Directives for Catholic Health Care Services in the judgment of the local ordinary, or (c) such that money generated by services at secular facilities within the System by procedures that are contrary to the Ethical and Religious Directives for Catholic Health Care Services would be used at the Catholic entities or money generated by Catholic entities would be used in the providing of services contrary to the Ethical and Religious Directives for Catholic Health Care Services at secular facilities within the System Transfer of Assets Outside the System Authority to cause, and to approve, the sale, lease or other transfer of assets of all entities in the System to parties outside of the System when the asset's value exceeds the single or annual aggregate dollar limits prescribed in writing by the Essentia Health board of directors Services Authority to cause, and to approve, the addition of new services and service locations and the discontinuance of services and service locations within all entities in the System Budgets Approval of capital and operating budgets of all entities in the System Professional Services Selection of the general legal counsel and external auditors of all entities in the System Acquisitions Authority to cause, and to approve, all acquisitions by and formations of entities in the System Marketing, Authority to implement System-wide marketing and promotional activities Compliance Plans Authority to create, and to approve, corporate compliance, safety and risk management plans for entities within the System Quality Plan Authority to create, and to approve, the System's quality plan Non-Budgeted Purchases Approval of non-budgeted capital purchases and leases in excess of the single or annual aggregate dollar limits prescribed in writing by Essentia Health for entities within the System Human Resources Authority to create human resource policies and procedures within the System Reserved Powers Authority to create additional Essentia Health reserved powers by the affirmative vote of at least 80% of the Essentia Health board of directors (excluding the Essentia Health CEO), provided, however, that any additional Essentia Health reserved powers shall not contravene or hinder the reserved powers of Benedictine Sisters Benevolent Association

Identifier	Return Reference	Explanation
Form 990, Part VI, Line 11a		Form 990 review process The 2009 Form 990 including all schedules was reviewed by Innovis Health's management and the West Region governing body on Tuesday, April 5th, 2011 prior to filing with the Internal Revenue Service Innovis Health's Chief Financial Officer led the review of the form and schedules and any questions were discussed Each current director of the governing body received a copy of the 2009 Form 990

Identifier	Return Reference	Explanation
Form 990, Part VI, Line 12c		Monitoring and enforcing Conflict of Interest policy Interested persons shall annually disclose relationships which might lead to a conflict of interest by completing a conflict of interest disclosure form Interested persons include any person in a position to exercise substantial influence over the organization It includes but is not limited to any director, officer, management, employee, or committee member of Essentia Health or any of its affiliates Essentia shall be responsible for the annual distribution of conflict of interest forms and review of disclosures for the governing bodies of Essentia and Essentia Operating Members and for senior management employees of Essentia Transactions with parties with whom a conflict of interest exists may be undertaken only if all of the following are observed the conflict of interest is fully disclosed, the interested person with the conflict of interest doesn't participate in the approval of such transactions, if practical or appropriate, a competitive bid or comparable valuation is obtained, and the board or committee of the board has determined that the transaction is in the best interest of the organization Disclosure by any interested person other than a board or committee member should be made to the Chief Executive Officer (or if she/he is the one with the conflict, then to the board chair), who shall bring the matter to the attention of the board or an appropriate committee of the board Disclosure involving board or committee members shall be made to the board chair (or if she/he is the one with the conflict, then to the board vice chair), who shall bring these matters to the board or an appropriate committee of the board The board or committee of the board shall determine whether a conflict exists and if so, whether the contemplated transaction may be authorized as just, fair, and reasonable to Essentia or its affiliate(s) The decision of the board or a duly constituted committee of the board on these matters will be at its sole discretion, and its concern must be the welfare of Essentia and its affiliate(s) and the advancement of its purposes The decision of the board is final If the board determines a conflict does not exist, the interested person may proceed with the transaction, however, he/she will not be eligible to vote on related issues should they arise If the board determines a conflict does exist, the interested person will be notified of the decision regarding whether the contemplated transaction will be authorized as just, fair, and reasonable

Identifier	Return Reference	Explanation
Form 990, Part VI, Line 15 A & B		Process for determining compensation Innovis Health's President and Chief Administrative Officer's compensation is reviewed and approved by The Executive Compensation Committee of Essentia Health The Executive Compensation Committee of Essentia Health's board of directors is authorized to fulfill the board's responsibilities regarding executive compensation consistent with Essentia's mission, values & tax-exempt status, & the Executive Compensation Committee's Charter The Executive Compensation Committee meets at least twice annually to carry out its responsibilities, which include, but are not limited to, establishing, reviewing & modifying, as appropriate, reasonable compensation & benefits for Essentia's Executives The Executive Compensation Committee engages qualified independent compensation advisors to provide objective & impartial comparative data & to express opinions on total compensation reasonableness The Executive Compensation Committee may request its independent advisors to monitor comparability data & marketplace trends, make appropriate recommendations regarding salary ranges, & periodically review the market competitiveness of Essentia executive compensation packages Prior to establishing or adjusting executive compensation, the Executive Compensation Committee will obtain & rely upon appropriate data as to comparability of the proposed compensation or adjustments The Executive Compensation Committee will adequately document the basis for its determination concurrently with making those determinations The Executive Compensation Committee minutes shall include the terms of the approved compensation & the date approved, the Executive Compensation Committee members present during the review, discussion & approval of the proposed compensation & those who voted on the proposed compensation, identification of the comparability data obtained & relied upon by the Executive Compensation Committee & how the data was obtained, any actions by a member of the Executive Compensation Committee having a conflict of interest, & documentation of the basis for the determination The year this process was last undertaken for Innovis Health's President and Chief Administrative Officer was 2008 The compensation of other Innovis Health senior leadership is recommended by the President and CAO of Innovis Health and approved by the Executive Committee of the Innovis Health Board of Directors The annual compensation review process begins with an industry compensation survey completed by an external consulting group retained by the Essentia Health Board of Directors The consultant's report encompasses current compensation trends, significant market factors, regional/national salary surveys and the consultant's recommended changes to compensation levels and compensation plan methodology Based on this data, the CEO of Essentia Health will make recommendation of compensation adjustments to the Executive Committee who will then act on these recommendations A similar process is followed at Innovis Health, with the senior dyad of the President and CAO recommending compensation adjustments to the Executive Committee of the Innovis Health Board of Directors who will then act on these recommendations The year this process was last undertaken for Innovis Health's senior leadership was 2009

Identifier	Return Reference	Explanation
Form 990, Part VI, Line 19		Availability of governing documents, conflict of interest policy, and financial statements to the public Innovis Health, LLC makes its governing documents, conflict of interest policy, and financial statements available to the public Innovis Health, LLC's governing documents, conflict of interest policy, and financial statements are available to the public upon request Innovis Health, LLC is part of Essentia Health's consolidated financial statements which are included in Essentia Health's annual report posted on Essentia Health's web site

Identifier	Return Reference	Explanation
Part VII, Section A, Line 1a, Column B		Hours devoted to related organizations The following individuals listed in Form 990, Part VII, Section A, Line 1a also devoted time each week to related organizations James Anderson approximately 1 hour Neal Hessen approximately 15 hours Abigail Ring, MD is employed by Innovis Health, LLC as St Mary's Innovis Health's Chief Medical Officer 100% of her time is spent furthering the purpose of St Mary's Innovis Health and its' related organizations Daniel McGinty is employed as ECHC's Chief Executive Officer 100% of his time is spent furthering the purpose of ECHC and all related organizations Francis Cormier, MD is employed by Innovis Health, LLC as St Mary's Innovis Health's Orthopedic Surgeon 100% of his time is spent furthering the purpose of St Mary's Innovis Health and its' related organizations

Identifier	Return Reference	Explanation
Schedule K		Additional information/comments relating to the reporting of liabilities by related organizations Essentia Health has an Obligated Group created under the Master Indenture which is composed of the following Members Essentia Health, ECHC, St Mary's Duluth Clinic Health System, St Joseph's Medical Center, St Mary's Regional Health Center, St Mary's Medical Center, Inc , SMDC Medical Center, formerly known as Miller-Dwan Medical Center, Inc , Nat G Polinsky Memorial Rehabilitation Center, Inc , St Mary's Hospital of Superior, Brainerd Medical Center, Inc , Brainerd Lakes Integrated Health System, St Mary's Innovis Health, The Duluth Clinic, Ltd and Innovis Health, LLC (the "Obligated Group Members" or the "Members of the Obligated Group") The Members of the Obligated Group are jointly and severally obligated on all indebtedness evidenced or secured by Notes issued under the Master Indenture The Series 2008D bonds are secured by Notes issued under the Master Indenture The Obligated Group Members The Duluth Clinic, Ltd and Essentia Health are the conduit borrowers of the Series 2008D bonds The Obligated Group Member, Innovis Health, LLC, is an indirect beneficiary of the Series 2008D borrowing and has recorded the bond liability on its balance sheet which is consolidated with Essentia Health The Series 2008E bonds are secured by Notes issued under the Master Indenture The Obligated Group Members St Mary's Duluth Clinic Health System, The Duluth Clinic, Ltd , Essentia Health, St Mary's Medical Center, Inc and SMDC Medical Center are the conduit borrowers of the Series 2008E bonds The conduit borrower, The Duluth Clinic, Ltd , has recorded a portion of the bond liability on its balance sheet which is consolidated with Essentia Health The Obligated Group Member, Innovis Health, LLC, is an indirect beneficiary of a portion of the Series 2008E borrowing and has recorded a portion of the bond liability on its balance sheet which is consolidated with Essentia Health The Series 2008A reoffered bonds are secured by Notes issued under the Master Indenture Essentia Health is the conduit borrower of the Series 2008A reoffered bonds The Obligated Group Members, ECHC, Innovis Health, LLC, The Duluth Clinic, Ltd , and St Mary's Regional Health Center, are indirect beneficiaries of the Series 2008A reoffered borrowing and have recorded the bond liability on their balance sheets which are consolidated with Essentia Health The Series 2008B reoffered bonds are secured by Notes issued under the Master Indenture The Obligated Group Members The Duluth Clinic, Ltd , Essentia Health and St Mary's Hospital of Superior are the conduit borrowers of the Series 2008B reoffered bonds The conduit borrower, The Duluth Clinic, Ltd , has recorded a portion of the bond liability on its balance sheet which is consolidated with Essentia Health The Obligated Group Members, ECHC, Innovis Health, LLC, and St Mary's Regional Health Center, are indirect beneficiaries of a portion of the Series 2008B reoffered borrowing and have recorded a portion of the bond liability on their balance sheets which are consolidated with Essentia Health The Series 2008C reoffered bonds are secured by Notes issued under the Master Indenture The Obligated Group Members St Mary's Duluth Clinic Health System, St Joseph's Medical Center, St Mary's Regional Health Center, The Duluth Clinic, Ltd , Essentia Health, and St Mary's Medical Center, Inc are the conduit borrowers of the Series 2008C reoffered bonds The conduit borrowers, St Mary's Regional Health Center and The Duluth Clinic, Ltd , have recorded a portion of the bond liability on their balance sheets which are consolidated with Essentia Health The Obligated Group Members, ECHC and Innovis Health, LLC, are indirect beneficiaries of a portion of the Series 2008C reoffered borrowing and have recorded a portion of the bond liability on their balance sheets which are consolidated with Essentia Health The Series 2010 bonds are secured by Notes issued under the Master Indenture The Obligated Group Members The Duluth Clinic, Ltd , Essentia Health, St Joseph's Medical Center, St Mary's Duluth Clinic Health System, St Mary's Medical Center, Inc and St Mary's Regional Health Center are the conduit borrowers of the Series 2010 bonds The conduit borrowers, The Duluth Clinic, Ltd , Essentia Health, St Joseph's Medical Center, and St Mary's Regional Health Center, have recorded a portion of the bond liability on their balance sheets which are consolidated with Essentia Health The Obligated Group Members, ECHC and Innovis Health, LLC, are indirect beneficiaries of a portion of the Series 2010 borrowing and have recorded a portion of the bond liability on their balance sheets which are consolidated with Essentia Health

Identifier	Return Reference	Explanation
Schedule K, Part I, Column (e)		Issue price Series 2008E, Series 2008A Reoffered, Series 2008B Reoffered, Series 2008C Reoffered, and Series 2010 bonds were issued by the Essentia Health Obligated Group The issue price listed in Innovis Health's Schedule K Part I Column (e) represents the Essentia Health Obligated Group's total borrowing

Identifier	Return Reference	Explanation
Schedule K, Part I, Column (f)		Description of purpose Series 2008D Refinance a portion of the acquisition of certain assets of Innovis Health in connection with the affiliation of Essentia Health and Innovis Health Series 2008E Refinance Series 1997 bonds issued December 18, 1997 to finance equipment purchases in Duluth, MN Series 2008A Reoffered Refund Series 2008 A-1 and A-2 bonds issued March 4, 2008 to refinance a portion of the acquisition of certain assets of Innovis Health in connection with the affiliation of Essentia Health with Innovis Health Series 2008B Reoffered Refund Series 2008 B-1 bonds issued March 4, 2008 to refund Series 1999B bonds issued May 18, 1999 for construction projects and equipment purchases in Superior, WI and various Duluth Clinic locations in northwestern Wisconsin Series 2008C Reoffered Refund Series 2008 C-5 and 2008 C-4A bonds issued March 4, 2008 to refund Series 2004 bonds issued March 19, 2004 for various acquisitions, construction projects, capital improvements and equipment purchases in Duluth, Brainerd, and Detroit Lakes, MN and refund Series 1999A bonds issued May 18, 1999 for various acquisitions, construction projects, capital improvements and equipment purchases in Brainerd, Detroit Lakes and Duluth, MN and various Duluth Clinic sites in northern Minnesota Series 2010 Refund Series 1993C and 1993E bonds issued January 15, 1993 and refund Series 2008 C-3 and 2008 C-4B bonds issued March 4, 2008 to refund Series 2004 bonds issued March 19, 2004 for various acquisitions, construction projects, capital improvements and equipment purchases in Duluth, Brainerd, and Detroit Lakes, MN and various Duluth Clinic sites in northern Minnesota and finance various construction projects, capital improvements and equipment purchased in Brainerd, Detroit Lakes and Duluth, MN and various Duluth Clinic sites in northern Minnesota

Identifier	Return Reference	Explanation
Schedule K, Part II, Lines 1 through 7		Proceeds Series 2008E, Series 2008A Reoffered, Series 2008B Reoffered, Series 2008C Reoffered, and Series 2010 bonds were issued by the Essentia Health Obligated Group A portion of the Series 2008E, Series 2008A Reoffered, Series 2008B Reoffered, Series 2008C Reoffered, and Series 2010 borrowing were allocated to Innovis Health, an Essentia Health Obligated Group Member The proceeds listed in Innovis Health's Schedule K Part II Lines 2 through 7 represent Innovis Health's allocated portion of the proceeds

Identifier	Return Reference	Explanation
Schedule K, Part II, Line 5		Identify portions of the amount entered relating to issuance costs and credit enhancement fees Sereies 2008D Of the total amount reported in Part II Line 5, $882,145 represents the amount of proceeds used to pay bond issuance costs and $1,480,840 represents the amount used to pay fees for credit enhancement Series 2008E Of the total amount reported in Part II Line 5, $744,111 represents the amount of proceeds used to pay bond issuance costs and $631,009 represents the amount used to pay fees for credit enhancement Series 2008C Reoffered The total amount reported in Part II Line 5 represents the amount of proceeds used to pay bond issuance costs Series 2010 The total amount reported in Part II Line 5 represents the amount of proceeds used to pay bond issuance costs

Identifier	Return Reference	Explanation
Schedule K, Part II, Line 8		Year of substantial completion N/A

Identifier	Return Reference	Explanation
Schedule K, Part III, Line 3c		Routinely engage bond counsel to review management, service contracts, or research agreements None

Identifier	Return Reference	Explanation
Schedule R, Part V, Column C		Method used to determine value of services, cash, and other assets The methods used to determine the amounts in Schedule R Part V Column C were Reimbursement of actual costs Fee based upon expected costs Actual amounts transferred

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
Innovis Health LLC

Employer identification number
26-1175213

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II **Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity
See Additional Data Table					

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? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No
PMC-Gateway Imaging LLC 109 Court Ave S Sandstone, MN55072 26-1634764	Imaging Services	MN	NA	NONE	0	0			0		

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
East Range Clinics Ltd 910 6th Ave N Virginia, MN55792 41-0909915	Clinics	MN	NA	C	0	0	0 %
Essentia Health Insurance Services SPC Buckingham Sq 720 W Bay Rd PO 69 Grand Cayman, Cayman Islands KY1-1102 CJ 000000000	Insurance	CJ	NA	Foreign Corp	0	0	0 %

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

		Yes	No
1 During the tax year, did the orgranization 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	1a		No
b Gift, grant, or capital contribution to other organization(s)	1b		No
c Gift, grant, or capital contribution from other organization(s)	1c		No
d Loans or loan guarantees to or for other organization(s)	1d		No
e Loans or loan guarantees by other organization(s)	1e		No
f Sale of assets to other organization(s)	1f		No
g Purchase of assets from other organization(s)	1g	Yes	
h Exchange of assets	1h		No
i Lease of facilities, equipment, or other assets to other organization(s)	1i	Yes	
j Lease of facilities, equipment, or other assets from other organization(s)	1j	Yes	
k Performance of services or membership or fundraising solicitations for other organization(s)	1k	Yes	
l Performance of services or membership or fundraising solicitations by other organization(s)	1l	Yes	
m Sharing of facilities, equipment, mailing lists, or other assets	1m		No
n Sharing of paid employees	1n		No
o Reimbursement paid to other organization for expenses	1o	Yes	
p Reimbursement paid by other organization for expenses	1p	Yes	
q Other transfer of cash or property to other organization(s)	1q	Yes	
r Other transfer of cash or property from other organization(s)	1r	Yes	

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

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

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) Disproprtionate 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

Additional Data

Software ID:
Software Version:
EIN: 26-1175213
Name: Innovis Health LLC

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			
Larry Leadbetter MD Director	40 0	X						211,094	0	36,689
Thomas Mohs MD Director	40 0	X						279,730	0	44,964
Abigail Ring MD Director	60 0	X						195,332	0	35,842
Jerry Rogers MD Director	40 0	X						156,973	0	31,540
Michael Sheldon MD Director	40 0	X						327,408	0	42,245
James Anderson Director	1 0	X						2,100	0	0
Neal Hessen Director	1 0	X						2,100	19,650	0
Daniel McGinty Director	60 0	X						300	593,938	112,597
Kevin Moug Board Vice Chair	1 0	X		X				1,500	0	0
Gene Taylor Director	1 0	X						2,100	0	0
H Patrick Weir Board Chair	1 0	X		X				2,100	0	0
Helen Keezer Director	1 0	X						1,500	0	0
Gregory Glasner MD President	60 0	X		X				713,780	0	103,779
Kevin Pitzer Chief Administrative Officer	60 0			X				450,107	0	119,981
Dennis Fuhrman Vice President/CFO	40 0			X				254,985	0	13,756
Kyle Dorow Chief Financial Officer	40 0			X				16,533	134,835	24,179
Ken Gilles VP CIO	40 0				X			229,912	0	42,555
Peter Jacobson VP Operations	50 0				X			193,200	0	30,539
Kris Olson VP Mktg/Quality/Phy Srvcs	40 0				X			177,104	0	28,091
John Rieke VP Operations	40 0				X			193,922	0	16,574
Michael Briggs MD Chief Medical Officer	40 0				X			323,949	0	38,954
Timothy Mahoney MD Chief Medical Officer	40 0				X			644,044	0	51,674
Marc Eichler MD Neurosurgeon	40 0					X		1,056,454	0	32,824
Francis Cormier MD Orthopedic Surgeon	40 0					X		1,038,957	0	40,174
Jerome Sampson MD Radiologist	40 0					X		1,022,464	0	48,066

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			
Mehendra Gupta MD Medical Oncology	40 0					X		1,009,472	0	45,066
Daniel Smith MD Surgeon	40 0					X		989,475	0	40,566
Larry Solberg CEO	0 0						X	330,115	0	7,038
Keith Wahlund VP Human Resources	0 0						X	175,457	0	23,586
Nancy Korth VP Patient Care	40 0						X	107,684	0	28,525

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

Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
BAD DEBT	16,628,329	16,628,329		
EQUIPMENT MAINTENANCE	5,474,783	2,242,820	3,231,963	
AFFILIATE SERVICE SUPPORT FEE	2,499,996		2,499,996	
LOSS ON REFINANCING	880,176		880,176	
UBI TAX	115,244		115,244	

Additional Data

Software ID:
Software Version:
EIN: 26-1175213
Name: Innovis Health LLC

Form 990 Schedule H, Part V - Facility Information

Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
Innovis Health LLC 3000 32nd Ave SW Fargo, ND 58103	X	X					X		Multi-Specialty Clinic
Innovis Health LLC - Day Surgery 275 South 11th Street Wahpeton, ND 58075									Licensed ASC Surgical Center
Innovis Health 1702 South University Drive Fargo, ND 58103									Multi-Specialty Clinic
Innovis Health - Casselton 5 9th Avenue North Casselton, ND 58102									Primary Care Clinic
Innovis Health - Fosston 102 Sather Drive Fosston, MN 56542									Primary Care Clinic
Innovis Health - Hankinson 501 South Main Hankinson, ND 58041									Primary Care Clinic
Innovis Health - Jamestown 401 3rd Street SE Jamestown, ND 58401									Primary Care Clinic
Innovis Health - Libson 819 Main Street Lisbon, ND 58054									Primary Care Clinic
Innovis Health - Medina 600 Water Street East Medina, ND 58467									Primary Care Clinic
Innovis Health - Menahga 212 Aspen Ave NE Menahga, MN 56464									Primary Care Clinic
Innovis Health - Moorhead 420 Center Avenue Moorhead, MN 56560									Primary Care Clinic
Innovis Health - Park Rapids 705 Pleasant Avenue Park Rapids, MN 56470									Primary Care Clinic
Innovis Health - Valley City 132 4th Ave NE Valley City, ND 58072									Primary Care Clinic
Innovis Health - Wahpeton 275 South 11th Street Wahpeton, ND 58075									Primary Care Clinic
Innovis Health - Walker Highway 371 Walker, MN 56484									Primary Care Clinic
Innovis Health - West Acres 3902 13th Avenue South Fargo, ND 58103									Primary Care Clinic
Innovis Health - West Fargo 1401 13th Avenue East West Fargo, ND 58078									Primary Care Clinic

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

The organization uses federal poverty guidelines

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

Innovis Health's community benefit information is consolidated into the Essentia Health community benefit information which is included in the Essentia Health annual report The annual report is made available to the public via the website at www essentiahealth org Essentia Health, headquartered in Duluth, Minn , is an integrated health system serving patients in Minnesota, Wisconsin, North Dakota and Idaho and is Innovis Health's parent corporation

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

The cost to charge ratio derived from Worksheet 2, Ratio of Patient Care Cost-to-Charges was used to calculate the costs for the following community benefits Charity Care and Unreimbursed Medicaid Actual costs were used for the remainder of the community benefits reported

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

Not Applicable

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

Bad debt expense that was subtracted from total expense to obtain the % of community benefit to total expense amounted to $16,628,329

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

The costing methodology used to report bad debt expense at cost was the cost to charge ratio from Worksheet 2, Ratio of Patient Care Cost-to-Charges The rationale for using the Cost-to-Charge ratio is that it is the most efficient way to calculate bad debt at cost We believe this method materially represents the cost of bad debt Discounts and charity care are accounted for as reductions to revenue where bad debts are accounted for as operating expenses Bad debt expense on patient accounts would be identified as any balance on the account, less any previous payments and discounts, that has aged and is absent of any payments If, during the collection process, it becomes known that the patient qualifies for charity care, the amounts included within bad debt expense would be reclassified to charity care (reduction of revenue) Because this is our practice, we believe there is no known charity care within bad debt expense (Excerpt from the parent company's audit) The provision for uncollectible accounts is based upon management's assessment of historical and expected net collections considering historical business and economic conditions, trends in health care coverage, and other collection indicators Periodically throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon historical write-off experience by payor category The results of this review are then used to make any modifications to the provision for uncollectible accounts After satisfaction of amounts due from insurance, Essentia Health follows established guidelines for placing certain past-due patient balances with collection agencies, subject to the terms of certain restrictions on collection efforts as determined by Essentia

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

The costing methodology used in determining the Medicare Allowable Cost reported in the organization's Medicare Cost Report is to take total Medicare costs from the general ledger system and then follow the instructions provided by Centers for Medicare Services (CMS) to back off all costs not allowable From the Medicare allowable costs, any costs attributable to subsidized health services and costs attributable to GME were subtracted, if applicable Innovis Health is a part of a larger organization, Essentia Health Essentia Health and its member organizations incorporate the full value of the Medicare shortfall as a community benefit The rationale for the organization's opinion is similar to the rationale used by the American Hospital Association Providing care for the elderly and serving Medicare patients is an essential part of the community benefit standard Medicare, like Medicaid, does not pay the full cost of care and it is likely to get worse Many Medicare beneficiaries are poor and are eligible for Medicaid in addition to Medicare Medicare underpayment must be shouldered by the hospital in order to continue treating the community's elderly and poor These underpayments represent a real cost of serving the community Part III, line 9b - At any stage of the patient experience, including collections, a determination may be made that the patient qualifies for Charity Care All collection efforts must be suspended while a patient's Charity Care application is being considered and until the patient is notified regarding the determination of eligibility The Charity Care Program policy will govern the handling of that patient's balance

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

At any stage of the patient experience, including collections, a determination may be made that the patient qualifies for Charity Care All collection efforts must be suspended while a patient's Charity Care application is being considered and until the patient is notified regarding the determination of eligibility The Charity Care Program policy will govern the handling of that patient's balance

Form 990 Schedule H, Part VI - Supplemental Information, Line 1

Not applicable

Form 990 Schedule H, Part VI - Supplemental Information, Line 2

Describe how the organization assesses the health care needs of the communities it serves We assess the community's needs through programs we offer, requests we receive, and staff involvement in their own communities We collaborate with other community organizations such as Dakota Medical Foundation (DMF), The United Way, TNT Fitness, Go Far Events and the FM Chamber, in common efforts to address community needs For example, Dakota Medical Foundation researches and studies the educational needs for children around healthy lifestyles The results of these studies are presented to Innovis and, if a demonstrated need is identified, Innovis then financially supports the initiatives that are suggested by DMF in promoting these lifestyle program changes through diet and exercise and education in a program called Healthy Kids Go Far Events and TNT Fitness are other organizations that Innovis has worked with collaboratively in the fight against childhood obesity Through financial donations from Innovis, as well as staff time for educational seminars, both Go Far Events and TNT Fitness are able to continue to promote healthy lifestyle changes to help eliminate obesity in children through equipment purchases, education in the schools and after-school programs TNT studies have shown that the support Innovis provides helps in reducing local costs in our healthcare systems as well as increasing student achievement in the classroom Innovis also sponsors specific programs through Go Far Events to help address children's health by financially supporting the Go Far Kids Program (a year-long program promoting physical activity) and the Youth Run at the annual Fargo Marathon We also provide financial support to the United Way of Cass Clay based on their ongoing assessments of community needs, including (but not limited to) health-related issues in children and adults

Form 990 Schedule H, Part VI - Supplemental Information, Line 3

Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's charity care policy Innovis Health has brochures which include charity care information as well as the charity care application located in all emergency room, urgent care, clinic, and surgery waiting areas They are also located in the financial counseling offices During the patient intake process, a patient screening is completed If it is determined that the patient would be in need of assistance, information about charity care as well as governmental financial assistance programs would be provided Innovis Health has financial counselors on staff who have had training through local county agencies and the state (both MN and ND) to assist patients in Medicaid, Medicare and other assistance programs (including the charity care program) that may be available to them Annual visits to divisional locations are made by the supervisor of the financial counseling staff to educate staff All hospital staff have been trained to refer patients to the financial counselor The financial counselors often assist patients with the application process, mailing and follow up The financial assistance information will be provided patients upon discharge if a financial counselor was used during the patient's stay Finally, the billing statements indicate that financial assistance is available and lists the financial counselor's contact information

Form 990 Schedule H, Part VI - Supplemental Information, Line 4

Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves Innovis Health is located in Fargo, North Dakota Innovis Health is a part of the larger Essentia Health System which is defined in Part VI, Line 7 Innovis consists of 1 hospital and 16 clinics that service the greater Fargo, ND and Moorhead, MN region ND communities and surrounding areas included in this area are Fargo, Casselton, Hankinson, Jamestown, Lisbon, Medina, Valley City and Wahpeton MN communities and surrounding areas included are Moorhead, Detroit Lakes, Fosston, Frazee, Lake Park, Mahnomen, Menahga, Park Rapids and Walker The overall community is classified as a combination of suburban and rural communities Innovis Health and its related clinics cover a population of over 540,000 people The service region is most densely populated in the Fargo-Moorhead region and then scattered across the rural counties/cities mentioned above Demographically, the population has a wide age distribution and a male to female ratio of close to 1 There is a low percentage of ethnic diversity overall, although there are some pockets throughout the coverage area with a high Native American population The average income of the service area is slightly above $55,000 Approximately 7 4% of the population falls below federal poverty guidelines Innovis Health, along with the rest of Essentia Health, is committed to serve patients regardless of their ability to pay 3 3% of patients seen by Innovis Health or their corresponding clinics were uninsured patients In addition, slightly fewer than 12% of their patients were Medicaid recipients As mentioned above, Innovis Health is part of a larger system, Essentia Health Essentia Health staffs hospitals and clinics in federally-recognized underserved areas and supports the health of its communities through an active outreach program that brings specialists like oncologists, cardiologists, neurologists and others into its smaller communities This eliminates barriers to care for many patients, particularly those who are elderly, living on low incomes, or are faced with other challenges that make it difficult to travel long distances for care There are 13 other hospitals outside of the Essentia Health umbrella that service the community

Form 990 Schedule H, Part VI - Supplemental Information, Line 5

Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves Innovis works with various groups in the area to promote child helmet, bike and car seat safety, farm safety, and flood fighting efforts In addition, there are numerous non profits under the umbrella of the United Way that Innovis and our employees can designate their donations to directly The United Way Campaign keeps those funds local and utilizes criteria, based on healthy living/communities, for those non profits to even be considered under the United Way umbrella Two examples of community building activities that Innovis sponsors is Tender Transitions and Safe Kids Coalition Tender Transitions is a program offered to all new mothers in the Red River Valley region (regardless of their healthcare affiliation) that educates them on the importance of breastfeeding Birthing Center Lactation Consultants and Registered Nurses are available to offer the continued support and answer any questions that new mothers may have Safe Kids Fargo/Moorhead's mission is to reduce and prevent accidental injuries to children by creating and supporting child safe communities through educating families and children, providing safety devices, and advocating for public policy change Safe Kids Fargo/Moorhead consists of health care providers, law enforcement, public health, and other private and public organizations committed to preventing accidental injuries in children ages birth to 14 years old Innovis provides education in the following areas of injury prevention for the children in Cass (ND) and Clay (MN) counties Child Passenger/Motor Vehicle Safety, Wheeled Sports (bike, scooter, in-line skating, skateboarding), Playground Safety, Infant Equipment, Home Safety, Fall Prevention, Fire and Burn Prevention, Water Safety We also serve as an active sponsor for numerous local/regional non-profits that hold national recognition for events that they put on locally These affiliations include the American Heart Association, American Diabetes Association, American Cancer Society, and the Arthritis Foundation Examples of events that we sponsor include the American Heartwalk, Heartball, the Stepout Walk and the Jingle Bell Run To assist in benefitting their fundraising efforts, we promote both internal and external events, have staff participation, and offer internal fundraising campaigns

Form 990 Schedule H, Part VI - Supplemental Information, Line 6

Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community Many physicians, staff and senior administration of Innovis Health serve on local boards/committees and donate their services free of charge or at a discounted rate The Innovis board is comprised of 6 Innovis physicians, 2 members from outside the area and 5 volunteer local member of the community Innovis serves Innovis Health has an open Medical Staff, so any qualified physician of the community is allowed to apply All applicants that apply must meet the credentialing standards and be approved by our governing board in order to come and provide services in our system Any surplus funds at Innovis Health have historically been re-directed back to our Capital Committee for allocation to pre-identified areas of need such as expansion and equipment needs Examples of such projects include improved patient access to our Ophthalmology Dept, Neonatal Intensive Care Unit expansion, and the building of a new Medical/Surgical wing Innovis is active in community fundraising and sponsorship of events that promote healthy lifestyles and healthy communities Surplus supplies are often donated to charities in need and different service lines are offered to the general public at no cost, i e Tender Transitions, Diabetes Support Group, Gastric Bypass Support Groups Innovis Health is part of a larger system, Essentia Health As a non-profit organization, Essentia Health is focused on reinvesting surplus revenues into programs and technology that improve patient care One of the most significant investments has been in the area of electronic health records, which are being rolled out across the health system's network of hospitals and clinics The majority of Essentia hospitals and clinics will be linked via one central EHR by the end of 2011, thanks in part to significant investments made in 2010 We also continue to replace and upgrade technology, ranging from CT scanners to robotic surgery devices that ensure patients in our predominantly rural communities have access to these needed services in their home communities We are also investing in the development of medical homes, which are designed to improve health outcomes for patients, particularly those with chronic diseases Much of this work is currently not reimbursed by state or federal programs, so Essentia Health assumes responsibility for medical home costs Essentia also supports the health of our communities through active research and clinical trials through the Essentia Institute of Rural Health Various Essentia Health organizations contributed almost $1 5 million in support to the Institute over the past year The Institute conducts clinical, translational and health services research with a primary focus on the needs of rural Americans

Form 990 Schedule H, Part VI - Supplemental Information, Line 7

If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served Innovis Health is part of Essentia Health, an integrated health system of 17 hospitals, over 60 clinics and several long-term care facilities in four states Minnesota, Wisconsin, North Dakota and Idaho The health system serves a predominantly rural population whose median incomes generally fall below averages of the states where they live The presence of our clinics and hospitals ensures that people with few economic resources don't have to drive an hour or more to receive basic (and in some cases live-saving) medical care In addition to staffing hospitals and clinics in federally-recognized underserved areas, we support the health of our communities through an active outreach program that brings specialists like oncologists, cardiologists, neurologists and others into our smaller communities This eliminates barriers to care for many patients, particularly those who are elderly, living on low incomes, or are faced with other challenges that make it difficult to travel long distances for care Our size and integrated structure allow us to offer patients services often found only in larger urban settings Services ranging from chemotherapy and cancer clinical trials to congestive heart failure management and hospice are available to patients in many of the rural communities we serve Essentia Health also supports the health of our communities through active research and clinical trials, through the Essentia Institute of Rural Health The Institute conducts clinical, translational and health services research with a primary focus on the needs of rural Americans Essentia Health is also serving patients through the aggressive implementation of the Epic electronic health record (EHR) Already in use in a number of Essentia Health's rural clinics and some hospitals, a fully-integrated EHR is scheduled to connect patients across the Essentia service region by 2012 A common electronic health record allows health professionals to share test results and consult with colleagues in real time across great distances Medical information is no longer lost in the shuffle of paper records - an important consideration in a region where patients must often be transferred to a larger Essentia facility for complex surgeries or medical care Essentia is also actively working with government agencies and insurers to develop innovative, cost-effective approaches to care that will improve health outcomes while reducing overall costs to patients and insurers This innovation can be found in our use of remote home monitors for patients with congestive heart failure to a focus on using a team-based approach to helping patients manage chronic diseases Essentia Health is committed to helping patients and their families lead active and fulfilling lives in the small and large communities where they live We hope to become a model of health care delivery, particularly in rural areas, in the years to come

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 26-1175213
Name: Innovis Health LLC

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				
Larry Leadbetter MD	(I)	196,936	12,865	1,293	17,209	19,480	247,783	0
	(II)	0	0	0	0	0	0	0
Thomas Mohs MD	(I)	238,021	40,366	1,343	21,092	23,872	324,694	0
	(II)	0	0	0	0	0	0	0
Abigail Ring MD	(I)	186,757	7,184	1,391	17,596	18,246	231,174	0
	(II)	0	0	0	0	0	0	0
Jerry Rogers MD	(I)	135,830	19,592	1,551	13,283	18,257	188,513	0
	(II)	0	0	0	0	0	0	0
Michael Sheldon MD	(I)	249,384	76,711	1,313	21,973	20,272	369,653	0
	(II)	0	0	0	0	0	0	0
Daniel McGinty	(I)	300	0	0	0	0	300	0
	(II)	366,961	131,156	95,821	72,695	39,902	706,535	94,753
Gregory Glasner MD	(I)	407,826	298,904	7,050	80,842	22,937	817,559	0
	(II)	0	0	0	0	0	0	0
Kevin Pitzer	(I)	355,972	90,565	3,570	99,312	20,669	570,088	0
	(II)	0	0	0	0	0	0	0
Dennis Fuhrman	(I)	129,540	29,025	96,420	0	13,756	268,741	0
	(II)	0	0	0	0	0	0	0
Kyle Dorow	(I)	12,499	1,531	2,503	0	1,384	17,917	0
	(II)	134,835	0	0	0	22,795	157,630	0
Ken Gilles	(I)	197,455	31,000	1,457	21,726	20,829	272,467	0
	(II)	0	0	0	0	0	0	0
Peter Jacobson	(I)	165,928	25,815	1,457	7,077	23,462	223,739	0
	(II)	0	0	0	0	0	0	0
Kris Olson	(I)	153,045	23,251	808	15,440	12,651	205,195	0
	(II)	0	0	0	0	0	0	0
Nancy Korth	(I)	106,325	0	1,359	15,152	13,373	136,209	0
	(II)	0	0	0	0	0	0	0
John Rieke	(I)	168,200	17,337	8,385	0	16,574	210,496	0
	(II)	0	0	0	0	0	0	0
Michael Briggs MD	(I)	271,036	51,500	1,413	22,694	16,260	362,903	0
	(II)	0	0	0	0	0	0	0
Timothy Mahoney MD	(I)	419,401	223,092	1,551	22,694	28,980	695,718	0
	(II)	0	0	0	0	0	0	0
Marc Eichler MD	(I)	1,038,288	16,921	1,245	15,344	17,480	1,089,278	0
	(II)	0	0	0	0	0	0	0
Francis Cormier MD	(I)	1,037,664	0	1,293	22,694	17,480	1,079,131	0
	(II)	0	0	0	0	0	0	0
Jerome Sampson MD	(I)	564,632	456,321	1,511	22,694	25,372	1,070,530	0
	(II)	0	0	0	0	0	0	0
Mehendra Gupta MD	(I)	804,554	203,605	1,313	22,694	22,372	1,054,538	0
	(II)	0	0	0	0	0	0	0
Daniel Smith MD	(I)	749,816	238,268	1,391	22,694	17,872	1,030,041	0
	(II)	0	0	0	0	0	0	0
Larry Solberg	(I)	0	0	330,115	0	7,038	337,153	0
	(II)	0	0	0	0	0	0	0
Keith Wahlund	(I)	7,767	15,200	152,490	2,051	21,535	199,043	0
	(II)	0	0	0	0	0	0	0

Additional Data Return to Form

Software ID:
Software Version:
EIN: 26-1175213
Name: Innovis Health LLC

Form 990, Schedule R, Part II - Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Exempt Code section	(e) Public charity status (if 501(c)(3))	(f) Direct Controlling Entity
Brainerd Lakes Integrated Health System 2024 S 6th St Brainerd, MN56401 37-1532145	Supporting Or	MN	501(c)(3)	11 II	ECHC
Brainerd Medical Center Inc 2024 S 6th St Brainerd, MN56401 37-1532148	Clinic	MN	501(c)(3)	3	BLIHS
Bridges Medical Center 201 9th St W Ada, MN56510 20-0479568	Clinic/Hosp	MN	501(c)(3)	3	ECHC
Clearwater Valley Hospital and Clinics 301 Cedar Orofino, ID83544 82-0497771	Clinic/Hosp	ID	501(c)(3)	3	ECHC
Divine Medical Services 709 N Lincoln Jerome, ID83338 20-2773717	Emerg Svcs	ID	501(c)(3)	3	SBFMC
DL Surgery Center 1027 Washington Ave Detroit Lakes, MN56501 26-3837203	Amb Surgical	MN	501(c)(3)	3	ECHC
ECHC Foundation 502 E 2nd St Duluth, MN55805 26-3359418	Foundation	MN	501(c)(3)	11 I	ECHC
ECHC 503 E 3rd St Ste 400 Duluth, MN55805 26-1219624	Supporting Or	MN	501(c)(3)	11 II	Essentia
First Care Medical Services 900 Hilligross Blvd SE Fosston, MN56542 41-0706143	Clinic/Hosp	MN	501(c)(3)	3	ECHC
Minnesota Valley Health Center Inc 621 S 4th St LeSueur, MN56058 41-0837659	Hospital/NH	MN	501(c)(3)	3	ECHC
St Benedict's Family Medical Center 709 N Lincoln Jerome, ID83338 82-0227163	Clinic/Hosp	ID	501(c)(3)	3	ECHC
St Joseph's Medical Center 523 N 3rd St Brainerd, MN56401 41-0695602	Hospital	MN	501(c)(3)	3	BLIHS
St Mary's EMS 1027 Washington Ave Detroit Lakes, MN56501 41-1805811	Emerg Svcs	MN	501(c)(3)	9	SMRHC
St Mary's Hospital & Clinics Inc PO Box 137 Cottonwood, ID83522 82-0226453	Clinic/Hosp	ID	501(c)(3)	3	ECHC
St Mary's Innovis Health 1027 Washington Ave Detroit Lakes, MN56501 26-2861321	Clinic	MN	501(c)(3)	3	ECHC
St Mary's Regional Health Center 1027 Washington Ave Detroit Lakes, MN56501 41-1620386	Clinic/Hosp	MN	501(c)(3)	3	ECHC
Essentia Health 502 E 2nd St Duluth, MN55805 20-0360007	Supporting Or	MN	501(c)(3)	11 III-FI	NA
Essentia Institute of Rural Health 502 E 2nd St Duluth, MN55805 27-1291124	Research	MN	501(c)(3)	4	Essentia
Innovis Health Foundation 502 E 2nd St Duluth, MN55805 27-1984704	Foundation	MN	501(c)(3)	7	Innovis
Midwest Medical Equipment & Supply Inc 4418 Haines Rd Duluth, MN55811 41-1674021	Med Equip	MN	501(c)(3)	9	SMDC
Pine Medical Center 109 Court Ave S Sandstone, MN55072 41-1884597	Clinic/Hosp	MN	501(c)(3)	3	SMDC
Polinsky Medical Rehabilitation Center 530 E 2nd St Duluth, MN55805 41-0691275	Clinic/Hosp	MN	501(c)(3)	3	SMMC
SMDC Medical Center 502 E 2nd St Duluth, MN55805 41-1878730	Clinic/Hosp	MN	501(c)(3)	3	SMDC
St Mary's Duluth Clinic Foundation 400 E 3rd St Duluth, MN55805 41-2016979	Foundation	MN	501(c)(3)	7	SMDC
St Mary's Duluth Clinic Health System 407 E 3rd St Duluth, MN55805 41-1836633	Clinic/Hosp	MN	501(c)(3)	3	Essentia
St Mary's Hospital of Superior 3500 Tower Ave Superior, WI54880 41-1811073	Clinic/Hosp	WI	501(c)(3)	3	SMMC
St Mary's Medical Center 407 E 3rd St Duluth, MN55805 41-0695604	Clinic/Hosp	MN	501(c)(3)	3	SMDC
The Duluth Clinic Ltd 400 E 3rd St Duluth, MN55805 41-0883623	Clinic/Hosp	MN	501(c)(3)	3	SMDC

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)
(1)	St Mary's Innovis Health	p	10,480,760
(2)	St Mary's Innovis Health	i	184,810
(3)	St Mary's Innovis Health	j	60,600
(4)	First Care Medical Services	o	117,758
(5)	St Mary's Regional Health Center	k	169,049
(6)	SMDC Medical Center	l	50,546
(7)	ECHC	o	5,361,505
(8)	Essentia Health	o	4,761,081
(9)	Essentia Health	l	2,499,996
(10)	Essentia Health	g	244,783
(11)	Essentia Health	q	946,918
(12)	Essentia Health	r	8,957,788
(13)	First Care Medical Services	p	421,291