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

A For the 2009 calendar year, or tax year beginning 07-01-2009 and ending 06-30-2010									
B Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending		Please use IRS label or print or type. See Specific Instructions.		C Name of organization WA Foote Memorial Hospital dba Allegiance Health				D Employer identification number 38-2027689	
				Doing Business As Allegiance Health				E Telephone number (517) 788-4800	
				Number and street (or P O box if mail is not delivered to street address) 205 N East Avenue			Room/suite	G Gross receipts \$ 863,208,335	
				City or town, state or country, and ZIP + 4 Jackson, MI 49201					
		F Name and address of principal officer Georgia Fojtasek 205 N East Avenue Jackson, MI 49201				H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (3) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527				H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)					
J Website: ► allegiancehealth.org				H(c) Group exemption number ►					
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ►						L Year of formation 1970		M State of legal domicile MI	

Part I		Summary		
Activities & Governance	1	Briefly describe the organization's mission or most significant activities We lead our community to better health and well-being at every stage of life		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3	Number of voting members of the governing body (Part VI, line 1a)	3 1	
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	
	5	Total number of employees (Part V, line 2a)	5 3,80	
	6	Total number of volunteers (estimate if necessary)	6 95	
	7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a 4,371,88	
	b	Net unrelated business taxable income from Form 990-T, line 34	7b 107,99	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year 160,421	Current Year 329,296
	9	Program service revenue (Part VIII, line 2g)	359,431,379	398,700,557
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-19,268,044	6,581,716
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	6,054,444	5,781,789
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	346,378,200	411,393,358
	Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	660,000
14		Benefits paid to or for members (Part IX, column (A), line 4)		0
15		Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	176,631,318	196,367,464
16a		Professional fundraising fees (Part IX, column (A), line 11e)		0
b		Total fundraising expenses (Part IX, column (D), line 25) <input type="checkbox"/> 0		
17		Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	191,554,103	203,579,989
18		Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	368,845,421	400,577,453
19		Revenue less expenses Subtract line 18 from line 12	-22,467,221	10,815,905
Net Assets or Fund Balances			Beginning of Current Year	End of Year
	20	Total assets (Part X, line 16)	422,295,582	431,509,319
	21	Total liabilities (Part X, line 26)	275,277,554	277,912,504
	22	Net assets or fund balances Subtract line 21 from line 20	147,018,028	153,596,815

Part II Signature Block	
Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge
	<div> <div></div> <div>Signature of officer</div> </div> <div> <div></div> <div>2011-04-12</div> </div> <div> <div></div> <div>Date</div> </div>
	<div> <div></div> <div>Georgia Fojtasek President & CEO</div> </div> <div> <div></div> <div>Type or print name and title</div> </div>
Paid Preparer's Use Only	<div> <div>Preparer's signature</div> <div></div> </div> <div> <div>Date</div> <div></div> </div> <div> <div>Check if self-employed</div> <div><input checked="" type="checkbox"/></div> </div> <div> <div>Preparer's identifying number (see instructions)</div> <div></div> </div>
	<div> <div>Firm's name (or yours if self-employed), address, and ZIP + 4</div> <div>Ernst & Young LLP</div> </div> <div> <div></div> <div>41 South High Street</div> </div> <div> <div></div> <div>Columbus, OH 43215</div> </div>
	<div> <div>EIN</div> <div></div> </div> <div> <div>Phone no</div> <div>(614) 224-5678</div> </div>

Part III

Statement of Program Service Accomplishments

1

Briefly describe the organization’s mission

Our MissionWe lead our community to better health and well-being at every stage of life O ur ValuesCompetence expertise in carrying out responsibilities and inspiring others to have confidence in you Integrity behavior that is honest, fair, trustworthy and sincere, strength of character and respect for others Teamwork working together in an environment of mutual respect Diversity respect for individual beliefs, uniqueness, and differences Quality committment to excellence in care Compassion acknowledging the feelings of others with empathy, support, encouragement, and sensitivity Listening and responding to individual needs in a patient and caring manner Customer Service taking pride in providing service beyond expectations Healing Environment providing an environment that promotes an atmosphere of trust, comfort, healing and security

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 \$ 344,407,960 including grants of \$ 630,000) (Revenue \$ 400,535,067)
<p>The Hospital devotes substantial efforts and resources to providing health services to people in its communities The Hospital is engaged in the following activities to ensure that our mission is accomplished Unreimbursed Services Provided to the Elderly and the Poor The Hospital provides a substantial portion of its services to the elderly and poor During the fiscal year ended June 30, 2010, approximately 43% of the value of services rendered were to elderly patients under the Medicare program, and approximately 16% of the services were provided to patients who were deemed indigent under state, county, or Medicaid Center guidelines In the spirit of our mission and values, the Hospital has taken proactive steps to address those issues that will affect accessibility, the financing, and the delivery of healthcare services to all persons During the fiscal year ended June 30, 2010, the estimated unreimbursed cost of services provided to the elderly, uninsured, and the undennsured totaled \$21 4 million In addition, the Hospital provided charity care of \$17 9 million and recorded a provision for bad debts of \$42 5 million Patient Services The Hospital serves seven counties with a medical staff of more than 400 physicians A complete listing of services is available on the internet at AllegianceHealth org The Hospital supports unprofitable/subsidized health services including inpatient and outpatient mental health and substance abuse services, obstetrics, emergency and trauma services, general medicine, family/general practice, senior services, cardiac and pulmonary rehabilitation, palliative care, wound care, pain clinic and diabetes clinic Community Benefit Activities The Hospital is engaged in community programs and services that address identified community health needs regardless of source or availability of payment and provide measurable improvement in health access, health status, and the use of healthcare resources These programs address one of the six criteria Supports the Hospitals community based missionTargets the problems of the poor or medically underservedImpacts the health status of the identified communityReduces community health costsIs accessible to the entire target community regardless of ability to payStimulates external community partnershipsThe Health Improvement Organization (HIO) was created by Allegiance Health in 2001 to promote a culture of continuous health improvement in our community and integrate wellness and prevention throughout our services The Allegiance Department of Prevention and Community Health provides staff and infrastructure to facilitate the coordination of local health improvement activities The HIO Coordinating Council (HIO CC) is a multi-disciplinary stakeholders group led by Allegiance Health with representation from local government, public health, health care, health and human service agencies and nonprofits, school districts, health plans, mental health, employers and the faith community The HIO CC coordinates efforts across community leaders in health to create unprecedented alignment of goals and resources, as well as a strong community platform for advocacy The work of the HIO CC has culminated in the completion of a Community Action Plan including Goals, Objectives and Strategies to address physical activity, nutrition, tobacco, and depression in Jackson County based on assessment and data-driven processes, as well as input from over 30 representatives from local health and human service agencies, and over 100 community stakeholders The overarching tactics that the Community Action Plan relies upon include evidence-based activities to Enhance media attention and public recognition of healthy lifestyle practices,Improve access to healthy foods and safe, attractive, affordable places for activity through supportive policies and physical environment changes, Provide social support and services that promote consistent screening, referral and supportive relationships for physical activity, nutrition, mental health and smoking behavior change Health Improvement Organization The HIO builds upon existing community strengths and infrastructure to support implementation of health initiatives that have been prioritized as part of a community wide plan with significant community engagement and an established infrastructure to support longevity In addition to operational support for the HIO CC, the Allegiance Health Department of Prevention and Community Health provides subject matter expertise on wellness and prevention at the Board, Service Line and community level, and direct service delivery (including employer-based health management, tobacco treatment services, weight management, faith community nursing, etc) to a broad base of community members to support the health improvement priorities identified by the HIO The Department of Prevention and Community Health has an annual budget of around \$1 5 million Since 2001, the Hospital has committed over \$18 1 million of funding to this program Other Community Benefit Activities Through Community Education and Outreach, the Hospital provided educational sessions and clinics that reached 166,944 individuals at a cost of \$142,860 in fiscal year 2010 The sessions/clinics included education on asthma, AIDS/HIV, diabetes, family planning, fitness/exercise, health, heart, nutrition and weight management, pulmonary, smoking cessation, and womens health These educational offerings were located at the Hospital, community fairs, parishes, schools, work sites and by phone Free Medical Screenings for high blood pressure, diabetes, mental health/depression, vascular disease and womens health served 4,190 community members at a cost of \$36,586 in fiscal year 2010 Support Groups for asthma/COPD/breathing, bereavement/grief, cancer, diabetes and stroke, among others, served 2,624 community members in fiscal year 2010 at a cost of \$24,906 Counseling services for families and smoking cessation were provided to 3,593 community members at a cost of \$76,514 in fiscal year 2010 Free and discounted prescription drug and medical supplies were provided to 46,535 community members at a cost of \$362,824 during fiscal year 2010 Through Meals on Wheels, the Hospital served 18,792 individuals at a cost of \$21,475 Transportation Assistance, including wheelchair van, ambulance, transport to and from cancer centers and cab service served 4,341 community members in fiscal year 2010 at a cost of \$97,577 Partnerships The Hospital played a leadership role in the establishment of the Center for Family Health, a Federally Qualified Health Center, providing \$600,000 in annual support for the uninsured The Hospital played a leadership role in the establishment of the Jackson County Health Plan, whose mission is to improve coverage in Jackson County for the underserved The Hospital partnered with the medical staff and community to establish the Project Access Program which provides free physician and hospital care for 500 community members that do not qualify for federal or state financial assistance and are uninsured The Hospital provides free care for medically necessary hospital based services The \$1,881,261 cost of this care is included in the reported charity care total above Hospital executive staff sit on a number of governance boards of non-profit organizations in our community, such as Center for Family Health, Arts and Cultural Alliance of Jackson County, Ella Sharp Museum, Jackson Community Foundation, Fitness Council of Jackson, Allegiance Hospice, Allegiance Health Foundation, Carelink, Healthlink, Jackson Community Ambulance, Huron Valley Ambulance, Jackson Community Medical Record, Junior Achievement of the Michigan Edge, Physicians Choice Network, Jackson Symphony Orchestra Guild, Rotary Club of Jackson, Gift of Life and the nursing advisory boards for Jackson Community College, Spring Arbor University and the University of Michigan The Hospital is also represented on public and private organizations including the Greater Jackson Chamber of Commerce, The Enterprise Group of Jackson, Inc (Economic Development), Jackson Citizens For Economic Growth and South Central Michigan Works The Hospital donates office space to three area non-profit organizations These organizations are the Enterprise Group of Jackson, Inc , Born Free and Birthline of Jackson</p>	

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➤\$ 344,407,960
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Part IV

Checklist of Required Schedules

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

Part IV

Checklist of Required Schedules (continued)

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

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a	268	
	b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a	3,808	
	b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	Yes	
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O			3b	Yes
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	Yes	
	b If "Yes," enter the name of the foreign country: CJ 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	15	
b	Enter the number of voting members that are independent . . .	1b	7	
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▶
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply. <input checked="" type="checkbox"/> Own website <input checked="" type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ Jeanne Wickens 205 N East Avenue Jackson, MI 49201 (517) 788-4800

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

• List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

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

Form 990 (2009)

1b Total	6,582,924	0	801,319
-----------------	-----------	---	---------

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 **171**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
Christman Construction 408 Kalamazoo Plaza Lansing, MI 48933	Construction Management	8,614,078
CSM Group 100 West Michigan Avenue Kalamazoo, MI 49007	Construction Management	4,213,014
Pulmonary Clinic of SO MI 900 E Michigan Avenue Jackson, MI 49201	Medical Services	2,158,360
Mckesson Information Solutions One Post Street San Francisco, CA 94104	Medical Information Systems	2,018,769
Independent Emergent Physicians PC PO Box 100 Royal Oak, MI 48068	Medical Services	1,708,902

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 **238**

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	229,021				
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	100,275				
	g	Noncash contributions included in lines 1a-1f \$ _____						
	h	Total. Add lines 1a-1f						329,296
Program Service Revenue			Business Code					
	2a	Program Service Revenue	621,990	398,298,761	394,954,094	3,344,667		
	b	FHC Associates & JCA	621,910	401,796	401,796			
	c							
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f			398,700,557			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)						
				3,487,090			3,487,090	
	4	Income from investment of tax-exempt bond proceeds . . .		78,869			78,869	
	5	Royalties						
	6a	(i) Real		(ii) Personal				
		1,518,385						
		1,942,986						
		-424,601						
	b	Less rental expenses						
	c	Rental income or (loss)						
	d	Net rental income or (loss)			-424,601			-424,601
	7a	(i) Securities		(ii) Other				
		452,789,344		98,404				
		449,702,772		169,219				
		3,086,572		-70,815				
	b	Less cost or other basis and sales expenses						
	c	Gain or (loss)						
	d	Net gain or (loss)			3,015,757			3,015,757
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18						
		a						
b								
b	Less direct expenses		b					
c	Net income or (loss) from fundraising events . . .							
9a	Gross income from gaming activities See Part IV, line 19							
	a							
	b							
b	Less direct expenses		b					
c	Net income or (loss) from gaming activities . . .							
10a	Gross sales of inventory, less returns and allowances							
	a							
	b							
b	Less cost of goods sold		b					
c	Net income or (loss) from sales of inventory . . .							
Miscellaneous Revenue		Business Code						
11a	Services to Affiliates		561,000	2,968,644	2,087,623	881,021		
b	Cafeteria		722,210	1,682,186	1,682,186			
c	Vendor Rebates		621,990	698,418	698,418			
d	All other revenue			857,142	710,950	146,192		
e	Total. Add lines 11a-11d			6,206,390				
12	Total revenue. See Instructions			411,393,358	400,535,067	4,371,880	6,157,115	

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	630,000	630,000		
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	3,554,025		3,554,025	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	621,058		621,058	
7	Other salaries and wages	156,366,379	128,846,290	27,520,089	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	12,259,463	10,101,828	2,157,635	
9	Other employee benefits	12,635,841	10,411,965	2,223,876	
10	Payroll taxes	10,930,698	9,006,923	1,923,775	
11	Fees for services (non-employees)				
a	Management	638,351		638,351	
b	Legal	553,378	455,985	97,393	
c	Accounting	358,343		358,343	
d	Lobbying	176,691		176,691	
e	Professional fundraising See Part IV, line 17				
f	Investment management fees	508,641		508,641	
g	Other	31,032,094	25,570,524	5,461,570	
12	Advertising and promotion	1,617,550	1,332,865	284,685	
13	Office expenses	12,556,645	10,346,707	2,209,938	
14	Information technology	5,115,025	4,214,793	900,232	
15	Royalties				
16	Occupancy	6,606,430	5,443,715	1,162,715	
17	Travel	301,568		301,568	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	421,565		421,565	
20	Interest	6,879,177	5,668,459	1,210,718	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	23,231,881	19,143,128	4,088,753	
23	Insurance	1,976,573	1,628,701	347,872	
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 Debts	42,541,132	42,541,132		
b	Medical Supplies	37,226,088	37,226,088		
c	Pharmaceuticals	27,122,234	27,122,234		
d	Miscellaneous	2,678,139	2,678,139		
e	Food	2,038,484	2,038,484		
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	400,577,453	344,407,960	56,169,493	0
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing				1	4,819,088
	2	Savings and temporary cash investments			24,604,587	2	22,894,310
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			49,197,346	4	51,390,158
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			141,521	5	47,120
	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	15,263
	7	Notes and loans receivable, net			2,172,776	7	2,035,406
	8	Inventories for sale or use			5,822,720	8	6,393,449
	9	Prepaid expenses and deferred charges			4,205,766	9	6,986,127
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	334,077,198	171,737,186	10c	164,861,287
	b	Less accumulated depreciation	10b	169,215,911			
	11	Investments—publicly traded securities			161,625,639	11	165,242,839
	12	Investments—other securities See Part IV, line 11				12	
	13	Investments—program-related See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets See Part IV, line 11			2,788,041	15	6,824,272
16	Total assets. Add lines 1 through 15 (must equal line 34)			422,295,582	16	431,509,319	
Liabilities	17	Accounts payable and accrued expenses			24,174,056	17	26,773,338
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities			163,065,000	20	159,835,000
	21	Escrow or custodial account liability Complete Part IV of Schedule D				21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third parties				23	
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities Complete Part X of Schedule D			88,038,498	25	91,304,166
	26	Total liabilities. Add lines 17 through 25			275,277,554	26	277,912,504
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			146,480,437	27	153,596,815
	28	Temporarily restricted net assets			537,591	28	0
	29	Permanently restricted net assets				29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.						
	30	Capital stock or trust principal, or current funds				30	
	31	Paid-in or capital surplus, or land, building or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other funds				32	
	33	Total net assets or fund balances			147,018,028	33	153,596,815
	34	Total liabilities and net assets/fund balances			422,295,582	34	431,509,319

Part XI Financial Statements and Reporting

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

SCHEDULE A
(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
WA Foote Memorial Hospital dba Allegiance Health

Employer identification number
38-2027689

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

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

1

☐

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

2

☐

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

3

☒

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

4

☐

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

5

☐

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

6

☐

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

7

☐

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

8

☐

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

9

☐

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

10

☐

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

11

☐

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

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Other

e

☐

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

f

☐

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

g

☐

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

(i)

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

(ii)

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

(iii)

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

h

☐

Provide the following information about the supported organization(s)

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

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

Part II

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

Section A. Public Support

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

Section B. Total Support

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

Section C. Computation of Public Support Percentage

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

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

Section A. Public Support

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

Section B. Total Support

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

Part IV

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

Additional Data

Software ID:

Software Version:

EIN: 38-2027689

Name: WA Foote Memorial Hospital dba Allegiance Health

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			
Georgia Fojtasek President & CEO	60 00	X		X				574,438	0	138,779
Neeta Delaney Director	2 00	X						0	0	0
Tom Evanson Director thru 3/31/10	2 00	X						0	0	0
Doug Finch Director	2 00	X						0	0	0
David Halsey Director	2 00	X						19,500	0	0
Steven Hogwood Director	2 00	X						0	0	0
Mohan Kulkarni Chief of Staff	5 00	X						135,586	0	0
Richard LaFlamme Vice Chairman	2 00	X						0	0	0
Tim Levy Director	2 00	X						0	0	0
John Nally Secretary/Treasurer	2 00	X						0	0	0
Harish Rawal Director	2 00	X						0	0	0
Larry Schultz Chairman	5 00	X						0	0	0
Michael Shirkey Director	2 00	X						0	0	0
Lynn VanWagnen Director	2 00	X						0	0	0
Mark Zande Director	2 00	X						0	0	0
Michael Shore Director	2 00	X						0	0	0
Karen Chaprnka SVP & COO	60 00			X				334,161	0	42,854
Jeanne Wickens SVP & CFO	60 00			X				303,438	0	45,483
Richard Warren SVP & CIO	60 00			X				227,984	0	57,912
Jacalyn Liebowitz SVP Patient Care	60 00			X				224,722	0	38,520
Kenneth Empey General Counsel	60 00			X				214,211	0	30,796
Cheryl Lamborn VP Human Resources	60 00			X				0	0	0
Janet Blair VP Human Resources	60 00			X				194,959	0	23,214
Anthony Gardner VP Marketing	60 00			X				171,016	0	26,234
William Kiel VP Development	60 00			X				172,508	0	33,013

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			
Ray King Chief Medical Officer	60 00			X				282,083	0	47,909
Timothy Keener SVP Strategy	60 00			X				189,824	0	31,470
Max Hutton Physician	50 00					X		951,916	0	57,746
Ryan Beekman Physician	50 00					X		844,171	0	56,544
Stanley Lee Physician	50 00					X		631,031	0	62,828
Brian Daly Physician	50 00					X		589,139	0	50,517
Tudor Tien Physician	50 00					X		522,237	0	57,500

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

<i>Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
Bad Debts	42,541,132	42,541,132		
Medical Supplies	37,226,088	37,226,088		
Pharmaceuticals	27,122,234	27,122,234		
Miscellaneous	2,678,139	2,678,139		
Food	2,038,484	2,038,484		

SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

OMB No 1545-0047

2009

Open to Public
Inspection

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

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

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

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

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

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

Name of the organization WA Foote Memorial Hospital dba Allegiance Health	Employer identification number 38-2027689
--	--

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

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

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

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

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

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

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

Part II-A

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

A

Check

☐

if the filing organization belongs to an affiliated group

B

Check

☐

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

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

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

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

Part II-B

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

		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
	a Volunteers?		No	
	b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
	c Media advertisements?		No	
	d Mailings to members, legislators, or the public?		No	
	e Publications, or published or broadcast statements?		No	
	f Grants to other organizations for lobbying purposes?		No	
	g Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		218,726
	h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
	i Other activities? If "Yes," describe in Part IV		No	
j	Total lines 1c through 1i			218,726
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A

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

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

Part III-B

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

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

Part IV

Supplemental Information

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

Identifier	Return Reference	Explanation
Part II-B, Line 1i	Explanation of Other Lobbying Activities	Schedule C, Part II-B, Line 1g Health care is a highly-regulated field, requiring frequent and high-level communication with regulators and elected officials. A small investment in lobbying enables us to remain in contact with legislators and government agencies, maximize the resources with which we are entrusted and assure that we provide the best care to our community. Outside organizations and companies that provided lobbying services on our behalf include Wiener Associates, Mcdermott,Will, & Emery, Michigan Hospital Association, American Hospital Association and Value Health Partners.

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
WA Foote Memorial Hospital dba Allegiance Health

Employer identification number
38-2027689

Part I

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

	(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year	
2	Aggregate contributions to (during year)	
3	Aggregate grants from (during year)	
4	Aggregate value at end of year	
5	Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	
6	Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>	

Part II

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

1	Purpose(s) of conservation easements held by the organization (check all that apply) <div><input type="checkbox"/> Preservation of land for public use (e g , recreation or pleasure) <input type="checkbox"/> Preservation of an historically importantly land area</div> <div><input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of a certified historic structure</div> <div><input type="checkbox"/> Preservation of open space</div>											
2	Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year											
		<table><tr><td></td><td>Held at the End of the Year</td></tr><tr><td>2a</td><td></td></tr><tr><td>2b</td><td></td></tr><tr><td>2c</td><td></td></tr><tr><td>2d</td><td></td></tr></table>		Held at the End of the Year	2a		2b		2c		2d	
	Held at the End of the Year											
2a												
2b												
2c												
2d												
a	Total number of conservation easements											
b	Total acreage restricted by conservation easements											
c	Number of conservation easements on a certified historic structure included in (a)											
d	Number of conservation easements included in (c) acquired after 8/17/06											
3	Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____											
4	Number of states where property subject to conservation easement is located ▶ _____											
5	Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>											
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)? <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div>											
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
1c	
1d	
1e	
1f	

2a

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

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a	Beginning of year balance	537,591	1,416,777		
b	Contributions	403,728	160,421		
c	Investment earnings or losses				
d	Grants or scholarships				
e	Other expenditures for facilities and programs	299,633	1,039,607		
f	Administrative expenses				
g	End of year balance	641,686	537,591		

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶ 100.000 %

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)	No
(ii) related organizations	3a(ii)	Yes
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	Yes

4

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

Part VI

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

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		9,630,527		9,630,527
b Buildings		175,146,381	70,819,875	104,326,506
c Leasehold improvements		8,439,168	2,203,471	6,235,697
d Equipment		138,943,771	96,192,565	42,751,206
e Other		1,917,351		1,917,351
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c.) ▶				164,861,287

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
Part V, Line 4	Description of Intended Use of Endowment Funds	The organization's endowment funds are used for various charitable hospital programs including treatment of uninsured patients and community preventative health education.
		Schedule D, Part X, Line 2 FIN 48 Footnote W A Foote Memorial Hospital dba Allegiance Health is the parent in the consolidated financial statements of Allegiance Health and Subsidiaries. Allegiance Health adopted FIN 48 in its fiscal year ended June 30, 2008. No disclosures were required under GAAP as Allegiance Health does not have any material tax contingencies that required disclosures in the footnotes.

[illegible]

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ▶ _____

3 Enter total number of other organizations or entities ▶ _____

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Use Schedule F-1 (Form 990) if additional space is needed.

[illegible]

Complete this part to provide the information required in Part I, line 2, and any additional information.

[illegible]

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
WA Foote Memorial Hospital dba Allegiance Health

Employer identification number
38-2027689

Part I

Charity Care and Certain Other Community Benefits at Cost

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

7

Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheets 1 and 2)			5,793,462	37,039	5,756,423	1 610 %
b Unreimbursed Medicaid (from Worksheet 3, column a)			63,170,087	55,924,100	7,245,987	2 020 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b)						
d Total Charity Care and Means-Tested Government Programs			68,963,549	55,961,139	13,002,410	3 630 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			1,508,240		1,508,240	0 420 %
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8)			1,199,709	66,086	1,133,623	0 320 %
j Total Other Benefits			2,707,949	66,086	2,641,863	0 740 %
k Total. Add lines 7d and 7j			71,671,498	56,027,225	15,644,273	4 370 %

Part IICommunity Building Activities

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing					
2	Economic development		21,590		21,590	0 010 %
3	Community support		163,788		163,788	0 040 %
4	Environmental improvements					
5	Leadership development and training for community members					
6	Coalition building		10,855		10,855	0 %
7	Community health improvement advocacy					
8	Workforce development		13,207		13,207	0 %
9	Other					
10	Total		209,440		209,440	0 050 %

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1	Does the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No. 15?	1	No
2	Enter the amount of the organization's bad debt expense (at cost)	2	13,784,878
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	132,393,736
6	Enter Medicare allowable costs of care relating to payments on line 5	6	149,134,970
7	Subtract line 6 from line 5. This is the surplus or (shortfall).	7	-16,741,234
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C. Collection Practices

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

Part IVManagement Companies and Joint Ventures

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1 Foote Health Center Associates	Entity leases medical office space	42 110 %		57 890 %
2 Jacksom Community Medical Records	Entity provides electronic medical records to hospital & community doctors	51 000 %		49 000 %
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				

[illegible]

Part VI

Supplemental Information

Complete this part to provide the following information

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

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

Part VI, Line 5 The Hospital is involved in several community building activities We believe these activities such as supporting affordable housing, working in partnership with the local community college to develop skilled nurses and supporting economic development programs directly improve the general health and wellness of the community Also, employees at every level of the organization are encouraged to serve community groups that promote education, health and economic advocacy for the less fortunate

- 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 communities served

See additional data

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

Additional Data

Software ID:

Software Version:

EIN: 38-2027689

Name: WA Foote Memorial Hospital dba Allegiance Health

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)
WA Foote Memorial Hospital 205 N East Avenue Jackson, MI 49201	X						X		
Allegiance Addiction Recovery Center 2424 W Washington Avenue Jackson, MI 49203									Rehabilitation Clinic
Allegiance Susbtance Abuse Services 323 W Michigan Avenue Jackson, MI 49201									Rehabilitation Clinic
Allegiance Behavioral Health Services 205 N East Avenue Jackson, MI 49201									Rehabilitation Clinic
Allegiance Radiation Oncology Center 1100 E Michigan Avenue Jackson, MI 49201									Outpatient Physician Clinic
Allegiance Diabetes Center 817 W High Street Jackson, MI 49203									Outpatient Physician Clinic
Allegiance Diagnostic Center 153 Wamplers Lake Rd Jackson, MI 49230									Diagnostic Center
Allegiance Diagnostic Center 900 E Michigan Avenue Jackson, MI 49201									Diagnostic Center
Allegiance Diagnostic Center 12369 E Michigan Avenue Jackson, MI 49240									Diagnostic Center
Allegiance Diagnostic Center 1310 Greenwood Avenue Jackson, MI 49203									Diagnostic Center
Allegiance Diagnostic Center 1401 W North Street Jackson, MI 49202									Diagnostic Center
Allegiance Diagnostic Center 1100 E Michigan Avenue Jackson, MI 49201									Diagnostic Center
Allegiance Diagnostic Center 2200 Springport Road Jackson, MI 49202									Diagnostic Center
Allegiance Diagnostic Center 400 Hinckley Blvd Jackson, MI 49203									Diagnostic Center
Allegiance Diagnostic Center 3305 Spring Arbor Road Jackson, MI 49203									Diagnostic Center
Allegiance Digestive Health Center 205 N East Avenue Jackson, MI 49201									Outpatient Physician Clinic
Allegiance Hearing Center 1111 Teneyck Street Jackson, MI 49201									Outpatient Physician Clinic
Allegiance Home Health Care 100 E Michigan Avenue Jackson, MI 49201									Home Health Care
Allegiance Neurology 1100 E Michigan Avenue Jackson, MI 49201									Outpatient Physician Clinic
Allegiance Neurology 1400 E Michigan Avenue Jackson, MI 49201									Outpatient Physician Clinic
Allegiance Neurology 1418 E Michigan Avenue Jackson, MI 49202									Outpatient Physician Clinic
Allegiance Neuropsychology Center 100 E Michigan Avenue Jackson, MI 49201									Outpatient Physician Clinic
Allegiance Occupational Health 100 E Michigan Avenue Jackson, MI 49201									Rehabilitation Clinic
Allegiance Joint Replacement Center 205 N East Avenue Jackson, MI 49201									Outpatient Physician Clinic
Allegiance Orthopedics 1100 E Michigan Avenue Jackson, MI 49201									Outpatient Physician Clinic
Allegiance Pain Management Center 205 N East Avenue Jackson, MI 49201									Outpatient Physician Clinic
Allegiance Pharmacy 1100 E Michigan Avenue Jackson, MI 49201									Pharmacy
Allegiance ER Pharmacy 205 N East Avenue Jackson, MI 49201									Pharmacy
Allegiance LTC Pharmacy 110 N Waterloo Jackson, MI 49202									Pharmacy
Allegiance Pharmacy 2200 Springport Road Jackson, MI 49202									Pharmacy
Allegiance Physical Rehabilitation 100 E Michigan Avenue Jackson, MI 49201									Rehabilitation Clinic
Allegiance Physical Rehabilitation 533 N Cedar Street Mason, MI 48854									Rehabilitation Clinic
Allegiance Physical Rehabilitation 4326 Page Avenue Michigan Center, MI 49254									Rehabilitation Clinic
Allegiance Physical Rehabilitation 2282 Springport Road Jackson, MI 49202									Rehabilitation Clinic
Allegiance Rehabilitation 12365 E Michigan Avenue Grass Lake, MI 49240									Rehabilitation Clinic
Allegiance Rheumatology 3333 Spring Arbor Road Jackson, MI 49202									Outpatient Physician Clinic
Allegiance Senior Health Center 813 W Michigan Avenue Jackson, MI 49202									Outpatient Physician Clinic
Allegiance Sleep Health Center 205 N East Avenue Jackson, MI 49201									Outpatient Physician Clinic
Allegiance Sports Medicine 100 E Michigan Avenue Jackson, MI 49201									Rehabilitation Clinic
Allegiance General Surgery 1100 E Michigan Avenue Jackson, MI 49201									Outpatient Physician Clinic
Allegiance General Surgery 300 W Washington Avenue Jackson, MI 49201									Outpatient Physician Clinic
Allegiance Surgery Center 1125 E Michigan Avenue Jackson, MI 49201									Outpatient Physician Clinic
Allegiance Express Care 110 N Elm Jackson, MI 49202									Outpatient Physician Clinic
Allegiance Express Care for Kids 110 N Elm Jackson, MI 49202									Outpatient Physician Clinic
Allegiance Vascular Health 300 W Washington Avenue Jackson, MI 49201									Outpatient Physician Clinic
Allegiance Women's Health Center 3305 Spring Arbor Road Jackson, MI 49203									Outpatient Physician Clinic
Allegiance Wound Care Center 813 W Michigan Avenue Jackson, MI 49202									Outpatient Physician Clinic

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

Part I, Line 6a The Hospital prepares an annual community benefit report. The report can be accessed at allegiancehealth.org and is also mailed to over 120,000 households in our community.

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

Part I, Line 7 The Hospital used a cost-to-charge ratio to calculate the cost of charity care and Medicaid shortfall Community Health Improvement Services and Cash and In-Kind Contributions are actual amounts

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

Part I, Line 7f Our total expense from Form 990, Part IX, line 25, column (A) was \$400,577,453 The bad debt expense included in this amount was \$42,541,132 This left a total expense of \$358,036,321 for purposes of calculating Part I, Line 7, column(f)

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

Part III, Line 4 Allegiance Health and Subsidiaries Audited Financial Statements Footnote 1 Basis of Organization and Significant Accounting Policies The provision for bad debts is based upon management's assessment of historical and expected net collections considering 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 doubtful accounts based upon historical write-off experience The results of this review are then used to make any modifications to the provision for bad debts to establish an appropriate allowance for uncollectible receivables After satisfaction of amounts due from insurance, the Hospital follows established guidelines for placing certain past due patient balances with collection agencies Costing methodology used in determining the organization's bad debt expense at cost Costing for line 2 follows the directions provided on the IRS Schedule H optional worksheet A, utilizing the cost to charge ratio generated on worksheet 2 The organization's cost-to-charge ratio was used to calculate bad debt expense at cost The amount of bad debt in fiscal year 2010 was \$42,541,132

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

Part III, Line 8 The organization believes the entire shortfall reported on Line 7 should be treated as Community Benefit Allegiance Health is nationally recognized by Healthgrades as being in the top five percent nationally for clinical excellence and patient safety Allegiance Health also benchmarks favorably on overall cost per case and is deemed to be an efficient provider The organization is subsidizing a government program and sustaining significant losses in providing health care to Medicare recipients The organization's cost-to-charge ratio method was used in calculating Medicare allowable costs

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

Part III, Line 9b The Hospital does not collect from patients known to qualify for charity care or other financial assistance. Patients having difficulty paying their bills are directed to financial counselors. These counselors review the patients information in order to see if they qualify for assistance. In addition, bills sent to patients include a number to call for help in providing the required financial information to qualify for charity care. All attempts at debt collection are halted if a patient fills out a financial aid application and is determined to qualify for financial aid assistance.

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

Part VI, Line 2 Allegiance Health conducts a bi-annual telephone survey in order to gather information on the health status of Jackson County We collect responses from over 1,000 Jackson County residents age 18 and older to a 180 question survey about their health status, insurance coverage, personal health habits and health care experiences The specific steps involve collecting and analyzing health information for our County (including subpopulations within our County),measuring our health status against other communities, the state and the nation, prioritizing health issues within the community, creating a system for sharing this data with community organizations and residents, initiating strategic planning to address these issues through collaborative activities, and monitoring impact of health initiatives on community health outcomes

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

Part VI, Line 3 Uninsured inpatients and observation patients are referred to a financial counselor (contracted agent/partner) for assistance with Medicaid, SSI, and Allegiance Health program applications. Many outpatients needing or having received hospital services are also referred to the agent/partner for assistance. ER patients are provided with a packet of information at discharge from the department. This packet includes information about how assistance may be obtained through the local Medicaid office and about how to apply for our income structured payment plan and uncompensated care programs. When patients are billed for balances they owe, we solicit them to call the Business Office with any questions or for assistance. Additionally, a series of letters are sent to patients to apprise them of payment and assistance options. Allegiance has a printed brochure that is available through Registration that includes information regarding Medicaid application assistance and our internal programs. The Allegiance Health website includes a series of web pages related to transparency, quality, pricing, and our financial policies, procedures, and programs. Uninsured patients needing mental health services are screened for eligibility through our partnership with the Jackson Community Mental Health Agency, which funds care for indigent, dual diagnosis, and Medicaid patients. Patients seeking substance abuse care are linked with the Mid-South Substance Abuse Commission. Registration and Business Office team members receive direct training on our programs and scripting for ensuring information is provided to the patients and families with whom our staff interact. Education is provided to organizational leaders to ensure that team members outside of Finance are aware of our programs and where to direct patients and families who may need or who are seeking assistance.

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

Part VI, Line 4 Allegiance Health is the only hospital system located in Jackson County, although residents also access three other unrelated health systems in neighboring counties The county ranked 65 out of 82 counties in overall health, and 53 out of 82 counties in factors contributing to health, including social and economic factors, according to a study released by the University of Wisconsin Population Health Institute Access to health care is also considerably lower than national and state figures, and statistics related to contributing behavioral factors in Jackson among certain geographic and demographic subpopulations are particularly concerning According to 2009 census estimates, the population of Jackson County was at nearly 160,000, with less than 35,000 people living in the city of Jackson The county is primarily rural with some urban and suburban sections The median income in Jackson County is \$47,424 and 13.2% of residents live below the federal poverty line Data from the 2008 Community Health Assessment shows that 37% of Jackson County residents are covered by Medicaid and Medicare, while an additional 17% of residents have no health care coverage at all During the 2010 fiscal year, Allegiance Health had 9,229 Medicare discharges and 3,770 Medicaid discharges from inpatient services Outpatient services saw 198,211 Medicare visits and 100,986 Medicaid visits Physician practice visits totaled 124,467 during fiscal year 2010, with 82,872 primary care visits and 41,595 visits to specialists Approximately 40% of these patients were covered under Medicare, while 10% were on Medicaid and 3% were uninsured There are 12 different census tracts within Jackson County that are considered as medically underserved areas Allegiance Health also provides financial and leadership support of primary care services for the underserved, regardless of their ability to pay, through the Center for Family Health (CFH), a federally qualified health center In fiscal 2010, CFH saw 25,993 patients, of which 55% were on Medicaid, 5% were on Medicare and 27% were uninsured

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

Part VI, Line 6 Allegiance Health is honored to have received several awards in recent years, including the American Hospital Associations 2010 Foster G McGaw Prize for excellence in community service, which is presented to only one hospital in the United States each year This award is the ultimate recognition of Allegiance Healths commitment to community health improvement The health system also continues to earn national recognition for clinical quality and patient safety Among the honors was being chosen as 1 of only 23 hospitals in the United States to win the new Thomson Reuters 100 Top Hospitals Everest Award for National Benchmarks 2009, which honors hospitals that are setting national standards for quality at an accelerated rate of improvement For the fifth time, Thomson Reuters also ranked Allegiance Health as one of the 100 Top Hospitals for National Benchmarks, based on demonstrated delivery of quality care and excellent financial management A 2009 Premier Award for Quality, from the Premier health care alliance, placed Allegiance Health in the top one percent of U S hospitals for quality As a recipient of the HealthGrades Distinguished Hospital Award for Clinical Excellence, Allegiance Health ranks among the top five percent in the nation for clinical excellence For the second year in a row, Allegiance Health also won the HealthGrades Patient Safety Excellence Award, which places it among the top five percent of hospitals in the nation for patient safety Allegiance is 1 of only 3 hospitals in the state of Michigan and 79 hospitals in the entire country to earn both the Clinical Excellence and Patient Safety Awards In addition, HealthGrades rated Allegiance Health among the Top 10 percent of hospitals in the United States for the treatment of stroke and overall pulmonary services The Health Improvement Organization (HIO) was created by Allegiance Health in 2001 to promote a culture of continuous health improvement in our community and integrate wellness and prevention throughout our services The Allegiance Department of Prevention and Community Health provides staff and infrastructure to facilitate the coordination of local health improvement activities The HIO Coordinating Council (HIO CC) is a multi-disciplinary stakeholders group led by Allegiance Health with representation from local government, public health, health care, health and human service agencies and nonprofits, school districts, health plans, mental health, employers and the faith community The HIO CC coordinates efforts across community leaders in health to create unprecedented alignment of goals and resources, as well as a strong community platform for advocacy The work of the HIO CC has culminated in the completion of a Community Action Plan including Goals, Objectives and Strategies to address physical activity, nutrition, tobacco, and depression in Jackson County based on assessment and data-driven processes, as well as input from over 30 representatives from local health and human service agencies, and over 100 community stakeholders The overarching tactics that the Community Action Plan relies upon include evidence-based activities to Enhance media attention and public recognition of healthy lifestyle practices Improve access to healthy foods and safe, attractive, affordable places for activity through supportive policies and physical environment changes Provide social support and services that promote consistent screening, referral and supportive relationships for physical activity, nutrition, mental health and smoking behavior change See Form 990, Schedule O , Program Service Accomplishments for more detail

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

Part VI, Line 7 The Hospital's sole corporate member is Allegiance Health Services, a 501(c)(3) organization Other affiliates include a Foundation, a Hospice and a Home Health Care company, all 501(c)(3) organizations The Hospital, Hospice and Home Health Care organization work together to provide necessary medical services to the Jackson Community The Foundation works closely with the Parent and the Hospital in raising funds for projects and services that would benefit the overall well-being of the community The current campaign focuses on raising funds to expand and improve our cancer care service line Prior campaigns have provided funds for a Hospice Home Residence and monies to subsidize medical care for indigent patients See Form 990, Schedule O, Program Service Accomplishments for more detail

Schedule I
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization
WA Foote Memorial Hospital dba Allegiance Health

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

Employer identification number
38-2027689

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
Center for Family Health 2298 Springport Road Jackson, MI 49202	383251354	501(c)(3)	600,000		N/A		The Center for Family Health grant provides operational support for medically underserved populations
Healthlink205 N East Avenue Jackson, MI 49201	382756425	501(c)(3)	30,000		N/A		The Helping Hands Home Care grant supports respite care for families without the financial means to support needed assistance

2

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

2

3

Enter total number of other organizations

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.

[illegible]

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

[illegible]

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2009

Open to Public Inspection

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

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

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization
WA Foote Memorial Hospital dba Allegiance Health

Employer identification number
38-2027689

Part I

Questions Regarding Compensation

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

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				
Georgia Fojtasek	(i)	496,608	0	77,830	116,314	22,465	713,217	0
	(ii)	0	0	0	0	0	0	0
Karen Chaprnka	(i)	292,885	0	41,276	33,500	9,354	377,015	0
	(ii)	0	0	0	0	0	0	0
Jeanne Wickens	(i)	274,276	0	29,162	29,998	15,485	348,921	0
	(ii)	0	0	0	0	0	0	0
Richard Warren	(i)	200,559	0	27,425	41,581	16,331	285,896	0
	(ii)	0	0	0	0	0	0	0
Jacalyn Liebowitz	(i)	203,858	0	20,864	25,719	12,801	263,242	0
	(ii)	0	0	0	0	0	0	0
Kenneth Empey	(i)	196,094	0	18,117	27,559	3,237	245,007	0
	(ii)	0	0	0	0	0	0	0
Janet Blair	(i)	123,047	0	71,912	18,537	4,677	218,173	0
	(ii)	0	0	0	0	0	0	0
Anthony Gardner	(i)	157,344	0	13,672	18,737	7,497	197,250	0
	(ii)	0	0	0	0	0	0	0
William Kiel	(i)	160,845	0	11,663	17,392	15,621	205,521	0
	(ii)	0	0	0	0	0	0	0
Ray King	(i)	260,718	0	21,365	26,494	21,415	329,992	0
	(ii)	0	0	0	0	0	0	0
Timothy Keener	(i)	173,088	10,000	6,736	19,232	12,238	221,294	0
	(ii)	0	0	0	0	0	0	0
Max Hutton	(i)	178,750	742,371	30,795	36,250	21,496	1,009,662	0
	(ii)	0	0	0	0	0	0	0
Ryan Beekman	(i)	72,783	754,184	17,204	45,471	11,073	900,715	0
	(ii)	0	0	0	0	0	0	0
Stanley Lee	(i)	530,005	100,000	1,026	44,050	18,778	693,859	0
	(ii)	0	0	0	0	0	0	0
Brian Daly	(i)	61,250	523,233	4,656	31,715	18,802	639,656	0
	(ii)	0	0	0	0	0	0	0
Tudor Tien	(i)	16,313	503,017	2,907	38,500	19,000	579,737	0
	(ii)	0	0	0	0	0	0	0

Part III

Supplemental Information

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

Identifier	Return Reference	Explanation
	Part I, Line 1a	Georgia Fojtasek flew on a charter plane with a delegation of Michigan hospital delegates to a Regional Policy Board meeting. The hospital paid Georgia's proportionate charter flight cost. Allegiance Health provides a country club membership to several executives. The executives are Georgia Fojtasek, Karen Chaprnka and William Kiel. Any personal use expense by the executives is taxed as ordinary income.
	Part I, Line 4a	Jan Blair, the organization's former Human Resources Senior Vice President, received a severance payment in the amount of \$33,256. Part I, Line 4b: Allegiance Health's officers and highest compensated employees participated in a non-qualified deferred compensation plan. The calendar year 2009 contribution amounts are as follows: Georgia Fojtasek \$93,039, Karen Chaprnka \$16,134, Jeanne Wickens \$14,919, Ray King \$13,750, Janet Blair \$4,323, Timothy Keener \$12,501, Richard Warren \$11,238, Jacalyn Liebowitz \$11,182, Kenneth Empey \$10,600, William Kiel \$8,500, Anthony Gardner \$8,487, Max Hutton \$36,250, Ryan Beekman \$44,246, Stanley Lee \$44,050, Brian Daly \$30,490, Tudor Tien \$38,500.
	Part I, Line 7	Column B(ii) of Part II, Schedule J includes non-fixed payments to certain physicians based on their productivity.
Supplemental Information	Part III	Schedule J, Part II: Cheryl Lamborn joined the organization in 2010 as Vice President of Human Resources. She received no compensation in calendar year 2009.

Software ID:
Software Version:
EIN: 38-2027689
Name: WA Foote Memorial Hospital dba Allegiance Health

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				
Georgia Fojtasek	(i)	496,608	0	77,830	116,314	22,465	713,217	0
	(ii)	0	0	0	0	0	0	0
Karen Chaprnka	(i)	292,885	0	41,276	33,500	9,354	377,015	0
	(ii)	0	0	0	0	0	0	0
Jeanne Wickens	(i)	274,276	0	29,162	29,998	15,485	348,921	0
	(ii)	0	0	0	0	0	0	0
Richard Warren	(i)	200,559	0	27,425	41,581	16,331	285,896	0
	(ii)	0	0	0	0	0	0	0
Jacalyn Liebowitz	(i)	203,858	0	20,864	25,719	12,801	263,242	0
	(ii)	0	0	0	0	0	0	0
Kenneth Empey	(i)	196,094	0	18,117	27,559	3,237	245,007	0
	(ii)	0	0	0	0	0	0	0
Janet Blair	(i)	123,047	0	71,912	18,537	4,677	218,173	0
	(ii)	0	0	0	0	0	0	0
Anthony Gardner	(i)	157,344	0	13,672	18,737	7,497	197,250	0
	(ii)	0	0	0	0	0	0	0
William Kiel	(i)	160,845	0	11,663	17,392	15,621	205,521	0
	(ii)	0	0	0	0	0	0	0
Ray King	(i)	260,718	0	21,365	26,494	21,415	329,992	0
	(ii)	0	0	0	0	0	0	0
Timothy Keener	(i)	173,088	10,000	6,736	19,232	12,238	221,294	0
	(ii)	0	0	0	0	0	0	0
Max Hutton	(i)	178,750	742,371	30,795	36,250	21,496	1,009,662	0
	(ii)	0	0	0	0	0	0	0
Ryan Beekman	(i)	72,783	754,184	17,204	45,471	11,073	900,715	0
	(ii)	0	0	0	0	0	0	0
Stanley Lee	(i)	530,005	100,000	1,026	44,050	18,778	693,859	0
	(ii)	0	0	0	0	0	0	0
Brian Daly	(i)	61,250	523,233	4,656	31,715	18,802	639,656	0
	(ii)	0	0	0	0	0	0	0
Tudor Tien	(i)	16,313	503,017	2,907	38,500	19,000	579,737	0
	(ii)	0	0	0	0	0	0	0

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

Open to Public
Inspection

Name of the organization
WA Foote Memorial Hospital dba Allegiance Health

Employer identification number
38-2027689

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	County of Jackson Hospital Finance Authority	38-6004845	467148CJ9	10-25-2006	125,000,000	See Schedule O		X		X
B	County of Jackson Hospital Finance Authority	38-6004545	467148CM2	10-23-2007	45,000,000	See Schedule O		X		X

Part II

Proceeds

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Total proceeds of issue			126,734,077		47,272,763					
2	Gross proceeds in reserve funds			4,553,736							
3	Proceeds in refunding or defeasance escrows										
4	Other unspent proceeds			1,398,052		1,398,052					
5	Issuance costs from proceeds			3,811,669		1,216,819					
6	Working capital expenditures from proceeds										
7	Capital expenditures from proceeds			37,046,275		44,657,892					
8	Year of substantial completion	2010		2010							
9	Were the bonds issued as part of a current refunding issue?	X			X						
10	Were the bonds issued as part of an advance refunding issue?		X		X						
11	Has the final allocation of proceeds been made?	X			X						
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X							

Part III

Private Business Use

		A		B		C		D		E	
		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						
2	Are there any lease arrangements with respect to the financed property which may result in private business use?		X		X						

Part III

Private Business Use (Continued)

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts with respect to the financed property which may result in private business use?	X		X							
3b	Are there any research agreements with respect to the financed property which may result in private business use?	X		X							
3c	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?	X		X							
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	0 %		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 %							
6	Total of lines 4 and 5	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							

Part IV

Arbitrage

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X		X						
2	Is the bond issue a variable rate issue?	X		X							
3a	Has the organization or the governmental issuer identified a hedge with respect to the bond issue on its books and records?	X		X							
b	Name of provider	Royal Bank of Canada		Royal Bank of Canada							
c	Term of hedge	29 7000000000000		29 7000000000000							
4a	Were gross proceeds invested in a GIC?		X		X						
b	Name of provider										
c	Term of GIC										
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?		X		X						
5	Were any gross proceeds invested beyond an available temporary period?		X	X							
6	Did the bond issue qualify for an exception to rebate?	X			X						

Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization WA Foote Memorial Hospital dba Allegiance Health	Employer identification number 38-2027689
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Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
Total ▶			\$	62,383						

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
See Additional Data Table					

Additional Data

Software ID:

Software Version:

EIN: 38-2027689

Name: WA Foote Memorial Hospital dba Allegiance Health

Form 990, Schedule L, Part IV - Business Transactions Involving Interested Persons

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction \$	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
Amy Schultz	Trustee Daughter	179,447	Employee		No
Jeremy VanWagnen	Trustee Son	24,051	Employee		No
Cynthia Kulkarni	Trustee Wife	17,439	Employee		No
Patrick Nally	Trustee Son	48,882	Employee		No
Crista Ulteig	Officer Daughter	23,437	Employee		No
Jackson Physicians Alliance	JCMR Partnership	1,012,491	See Sch OReported amount is for payments by Jackson Community Medical Record (JCMR) to Allegiance Health for leased employees, accounting services, information support and other miscellaneous services provided by the hospital Lynn VanWagnen is an officer of Jackson Physicians Alliance (JPA) (JPA) holds a 49% ownership stake in JCMR Allegiance Health holds a 51% JCMR ownership stake		No
VanWagnen Real Estate LLC	Leasing Services Provider	10,462	Reported amount is for lease payments Allegiance Health makes to VanWagnen Real Estate LLC for medical diagnostic space VanWagnen Real Estate LLC is owned by Trustee Lynn VanWagnen		No
Clark & King Investments LLC	Leasing Services Provider	408,682	Reported amount is for lease payments made by Allegiance Health to Clark & King Investments LLC for a medical office building Ray King an Allegiance Health officer is a partner in Clark & King Investments LLC		No
Jackson Physicians Alliance	JCMR Partnership	911,414	Reported amount is for payments by Allegiance Health to Jackson Community Medical Record(JCMR) to lease an electronic medical records license Lynn VanWagnen is an officer of Jackson Physicians Alliance (JPA) (JPA) holds a 49% stake in JCMR Allegiance Health holds a 51% ownership stake		No
Great Lakes Brain & Spine Institute	Medical Services Provider	204,750	Reported amount is for services provided to Allegiance Health patients by Great Lakes Brain & Spine Institute Harish Rawal an Allegiance Health Trustee is an owner of Great Lakes Brain & Spine Institute		No
Michigan Heart	Medical Services Provider	260,281	Reported amount is for payments by Allegiance Health to Michigan Heart for medical director services and clinical reads for cardiac diagnostic tests Mark Zande an Allegiance Health Trustee is a shareholder in Michigan Heart		No

Additional Data

Software ID:
Software Version:
EIN: 38-2027689
Name: WA Foote Memorial Hospital dba Allegiance Health

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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 WA Foote Memorial Hospital dba Allegiance Health	Employer identification number 38-2027689
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Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 6		The Corporation is organized on a membership basis The sole corporate member of the Corporation is Allegiance Health Services

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 7a		The sole Member of the organization may elect and remove, with or without cause, the Corporation's Trustees

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 7b		The following powers are reserved for the sole corporate Member of the hospital Approve any change in the Articles of Incorporation, purposes or philosophy of the Corporation, Approve changes in those provisions of the Corporation's Bylaws which affect the size, composition, and method of selection of the Board of Trustees, or which affect this Article, Approve plans of merger, consolidation or dissolution of the Corporation, Elect and remove, with or without cause, the Corporation's Trustees, upon a simple majority vote of the Directors then serving on the Board of the Member present at a meeting at which a quorum is present, Approve guarantees by the Corporation of the debt of others in excess of maximum limits established by the Member, upon a simple majority vote of the Directors then serving on the Board of the Member present at a meeting at which a quorum is present, Authorize the sale, lease, mortgage or other disposition of all or substantially all of the assets owned, held or leased by or to the Corporation, approve any decision by the Corporation which would have the net effect of diminution of governance control of the Member, and any decision by the Corporation which would have the net effect of diminution in the Corporations governance control over its own subsidiary, and Ratify or reject operating and capital budgets developed by the Board and any non-budgetary expenditures or creations of debt in excess of an amount designated by the Member from time to time, upon a simple majority vote of the Directors then serving on the Board of the Member present at a meeting at which a quorum is present Authorize the formation or acquisition of new subsidiaries of the Corporation or the sale or other disposition of existing subsidiaries

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 11		Form 990 is reviewed by the organization's Director of Finance, Chief Financial Officer, General Counsel, Compliance Officer and its public accounting firm Final copies of the return are distributed to the hospital's Board of Trustees and Chief Executive Officer before the return is e-filed

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 12c		The Board Finance Committee has ultimate responsibility over the enforcement of the Hospital's Conflict of Interest Policy When a potential conflict of interest is identified, the Finance Committee is responsible for review of the conflict of interest for compliance with the policy Also, General Counsel routinely reviews upcoming Board and Committee meeting agendas to assess potential conflict situations All employees and Trustees of the organization are required to fill out an annual conflict of interest questionnaire Board Trustees identified as having a conflict of interest are permitted to discuss the potential transaction They are not allowed to deliberate in the decision or vote on the matter

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 15		The organization performs an annual review and assessment of the compensation of the Chief Executive Officer and each of the executives listed in Part VII of the Form 990 This review includes an independent compensation committee and the engagement of an independent compensation consultant The Executive Compensation Committee, an independent committee of the Board of Trustees, is responsible for the executive compensation program This committee performs an annual review of the competitiveness, reasonableness and effectiveness of all executive cash compensation and benefit programs The committee also leads the Board in evaluating the performance of the Chief Executive Officer and recommends all aspects of the Chief Executive Officer's compensation The committee reviews the Chief Executive Officer's recommendations regarding the compensation of all other members of executive leadership The Executive Compensation Committee engages an independent compensation consulting firm to conduct a comprehensive market analysis of total compensation for executive leadership This firm uses data representing compensation levels and practices from national not-for-profit healthcare markets as Allegiance typically competes in the the national healthcare marketplace for executive talent National data also provides more comparable information for size and operational characteristics so that comparisons are made to organizations with similar scope and complexity

Identifier	Return Reference	Explanation
Form 990, Part VI, Section C, line 19		The organization's governing documents are available to the public upon request and also on the State of Michigan website Annual operating results are communicated to the public through local media In addition, Forms 990 and 990-T are available upon request The Form 990 is also available on Allegiance Health's website and the free website www.guidestar.org The organization's conflict of interest policy is not available to the public

Identifier	Return Reference	Explanation
Schedule K Supplemental Information		Schedule K, Part 1, Line A, column (f) Description of purpose Renovation and expansion of the surgery department, expansion of facilities as used for Cardio-Vascular services and other renovations, mechanical upgrades and similar equipment investments In addition, \$81,322,397 of the bond offering represented refunding of existing indebtedness to be discharged The issue date of the refunded bonds was January 20, 2005 Schedule K, Part 1, Line B, column (f) Description of purpose Renovation and expansion of the surgery department, construction of a parking facility, mechanical upgrades, telecommunication equipment and similar equipment upgrades Schedule K, Part IV, Line 4d, Columns (A-B) The question asks if the regulatory safe harbor for establishing the fair market value of the GIC was satisfied The answer to this question should be left blank because Allegiance Health does not invest any proceeds into a GIC However, due to a software glitch the answer on the form is answered no

Identifier	Return Reference	Explanation
		Schedule R, Part V, Question 2, Line 2 Premiums paid to Cascades Insurance Company, LTD The \$1,644,054 represents insurance premiums paid to Cascades Insurance Company, LTD for malpractice insurance This amount is from Allegiance Health's Audited Financial Statements for Fiscal Year 2010

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
WA Foote Memorial Hospital dba Allegiance Health

Employer identification number
38-2027689

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) Disproprtionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	
							Yes	No		Yes	No
Jackson Community Medical Records 205 N East Avenue Jackson, MI49201 37-1502443	Electronic Medical Records	MI	N/A	Unrelated	512,400	847,461		No			No

Part IV

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
Physicians Choice Network 205 N East Avenue Jackson, MI49201 38-2594857	Physician Rental Network	MI	N/A	C	-58,428	1,454,399	100 000 %
Viking Health System Inc 205 N East Avenue Jackson, MI49201 38-2756161	Idle Healthcare Administration Corporation	MI	N/A	C			100 000 %
Cascades Insurance Company LTD 205 N East Avenue Jackson, MI49201 38-2027689	Hospital Malpractice Insurance Captive	CJ	N/A	C	2,690,202	16,922,653	100 000 %
Cascades Professional Staffing Corporation 205 N East Avenue Jackson, MI49201 38-3370242	Idle Staffing Corporation	MI	N/A	C			100 000 %

Part V

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

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

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

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

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

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

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

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

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

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

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

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

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

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

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

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

Yes

No

1a Yes

1b Yes

1c No

1d Yes

1e No

1f No

1g No

1h No

1i No

1j Yes

1k Yes

1l Yes

1m No

1n Yes

1o Yes

1p Yes

1q Yes

1r No

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

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

Schedule R (Form 990) 2009

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

[illegible]

Software ID:

Software Version:

EIN: 38-2027689

Name: WA Foote Memorial Hospital dba Allegiance Health

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
Allegiance Health Services 205 N East Avenue Jackson, MI49201 38-2756428	Exempt Health System	MI	501(c)(3)	Line 11b, II	N/A
Allegiance Health Foundation 205 N East Avenue Jackson, MI49201 38-3607833	Foundation supports exempt hospital	MI	501(c)(3)	Line 11a, I	N/A
Hospice of Jackson dba Allegiance Hospice 205 N East Avenue Jackson, MI49201 38-2336367	Hospice Care	MI	501(c)(3)	Line 7	Healthlink
The Hospice of Jackson Endowment Fund One Jackson Square Jackson, MI49201 38-3422146	Raise Funds for Allegiance Hospice	MI	501(c)(3)		Hospice of Jackson dba Allegiance Hospice
Healthlink 205 N East Avenue Jackson, MI49201 38-2756425	Home Health Care	MI	501(c)(3)	Line 11a, I	N/A
Physicians Health Plan of South Michigan One Jackson Square Jackson, MI49201 38-3311905	Exempt HMO	MI	501(c)(4)		N/A
Michigan Imaging Services 205 N East Avenue Jackson, MI49201 38-2895225	Medical Imaging	MI	501(c)(3)	Line 11a, I	N/A
South Central Practice Association 205 N East Avenue Jackson, MI49201 38-3309805	Idle Organization	MI	501(c)(3)	Line 11a, I	N/A
CareLink of Jackson 110 North Elm Avenue Jackson, MI49202 38-1218485	Long Term Acute Care Hospital	MI	501(c)(3)	Line 3	N/A
Allegiance Health Volunteers 205 N East Avenue Jackson, MI49201 38-6082835	Exempt Association	MI	501(c)(3)	Line 11d, III-O	N/A

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

(a) Name of other organization		(b) Transaction type(a-r)	(c) Amount Involved (\$)
(1)	Cascades Insurance Company LTD	A	3,862,243
(2)	Cascades Insurance Company LTD	L	1,644,054
(3)	Jackson Community Medical Records	K	75,621
(4)	Jackson Community Medical Records	A	27,088
(5)	Jackson Community Medical Records	D	2,842,889
(6)	Jackson Community Medical Records	N	909,782
(7)	Jackson Community Medical Records	J	911,414
(8)	Allegiance Health Foundation	Q	523,809
(9)	Allegiance Health Foundation	C	229,021
(10)	Allegiance Health Foundation	B	26,522
(11)	Healthlink	B	30,000
(12)	Healthlink	K	881,374
(13)	Hospice of Jackson dba Allegiance Hospice	A	394,187
(14)	Hospice of Jackson dba Allegiance Hospice	K	965,311
(15)	Hospice of Jackson dba Allegiance Hospice	N	873,191