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Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**

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

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

OMB No 1545-0047

2009**Open to Public
Inspection****A For the 2009 calendar year, or tax year beginning** 07/01, 2009, and ending 06/30, 2010

B Check if applicable: <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 CLEARWATER VALLEY HOSPITAL AND CLINICS, INC		D Employer identification number 82-0497771
		Doing Business As		E Telephone number (208) 476-4555
		Number and street (or P O box if mail is not delivered to street address) 301 CEDAR AVE		Room/suite
		City or town, state or country, and ZIP + 4 OROFINO, ID 83544		G Gross receipts \$ 18,199,195.
F Name and address of principal officer COLLEEN MEZA 301 CEDAR AVE OROFINO, ID 83544		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)		
I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) (insert no.) 4947(a)(1) or 527		H(c) Group exemption number N/A		
J Website: WWW.SMH-CVHC.ORG				
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation 1957 M State of legal domicile ID		

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities SEE SCHEDULE O		
	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)	13
	4	Number of independent voting members of the governing body (Part VI, line 1b)	10
	5	Total number of employees (Part V, line 2a)	208
	6	Total number of volunteers (estimate if necessary)	78
	7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	0.
7b	Net unrelated business taxable income from Form 990-T, line 34	0.	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year: 199,614. Current Year: 176,553.
	9	Program service revenue (Part VIII, line 2g)	16,994,734. 17,967,211.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	6,769. 29,872.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	37,265. 33,613.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	17,238,382. 18,207,249.
	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0. 0.
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0. 0.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	10,026,531. 10,629,159.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0. 0.
	16b	Total fundraising expenses, Part IX, column (D), line 25	68,628.
Expenses	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	6,589,768. 7,060,085.
	18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	16,616,299. 17,689,244.
	19	Revenue less expenses Subtract line 18 from line 12	622,083. 518,005.
	20	Total assets (Part X, line 16)	Beginning of Year: 8,552,135. End of Year: 8,683,473.
Net Assets or Fund Balances	21	Total liabilities (Part X, line 26)	3,480,073. 3,093,750.
	22	Net assets or fund balances Subtract line 21 from line 20	5,072,062. 5,589,723.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.			
Sign Here	Signature of officer: <i>Lenne J Bonner</i>		Date: 5/3/11
	Type or print name and title: <i>Lenne J Bonner, CFO</i>		
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>
	Firm's name (or yours if self-employed), address, and ZIP + 4	EIN	Preparer's identifying number (see instructions)
May the IRS discuss this return with the preparer shown above? (see instructions)		Yes	No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.*

Form 990 (2009)

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Part III Statement of Program Service Accomplishments**1** Briefly describe the organization's mission:

SEE SCHEDULE O

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 \$ 15,463,340. including grants of \$ 0) (Revenue \$ 17,967,211)
SEE SCHEDULE O**4b** (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)**4c** (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)**4d** Other program services (Describe in Schedule O)

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

4e Total program service expenses ▶ 15,463,340.

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 X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	2 X	
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	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	4 X	
5 Sections 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	X
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	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	X
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	X
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	X
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 X	
• 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	X
12A Was the organization included in consolidated, independent audited financial statement for the tax year? If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional	12A Yes No X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E.	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
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	X
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 United States? If "Yes," complete Schedule F, Part II	15	X
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 United States? If "Yes," complete Schedule F, Part III	16	X
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	X
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	X
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	X
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20 X	

Part IV Checklist of Required Schedules (continued)

	Yes	No
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	X
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	X
23 Did the organization answer "Yes" to Part VII, Section A, line 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	X
24 a 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 lines 24b through 24d and complete Schedule K. If "No," go to question 25.</i>	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25 a 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	X
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	X
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	X
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	X
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	X
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	X
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 direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV.</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M.</i>	29	X
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	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I.</i>	31	X
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	X
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	X
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	X
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	X
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	X
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	X
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	X

Form 990 (2009)

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable.	1a 16	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b 0	
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		X
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a 208	
2b	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).		X
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
3b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.		
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)?		X
4b	If "Yes," enter the name of the foreign country: <u>See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts</u>		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
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?		X
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7a	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?		X
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d	
7e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		
7h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		
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.		
9a	Did the organization make any taxable distributions under section 4966?	9a	
9b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	
10	Section 501(c)(7) organizations. Enter.		
10a	Initiation fees and capital contributions included on Part VIII, line 12.	10a	
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b	
11	Section 501(c)(12) organizations. Enter.		
11a	Gross income from members or shareholders.	11a	
11b	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	
12b	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 line 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	13	
1b Enter the number of voting members that are independent	10	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	X	
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?		X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	X	
5 Did the organization become aware during the year of a material diversion of the organization's assets?		X
6 Does the organization have members or stockholders?	X	
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	X	
7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	X	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following.		
8a The governing body?	X	
8b Each committee with authority to act on behalf of the governing body?	X	
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		X

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?		X
10b 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?		
11 Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
11A Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
12b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
13 Does the organization have a written whistleblower policy?	X	
14 Does the organization have a written document retention and destruction policy?	X	
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?		
15a The organization's CEO, Executive Director, or top management official	X	
15b Other officers or key employees of the organization		X
If "Yes" to line 15a or 15b, 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?		X
16b 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?		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ID,

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization LENNE BONNER, CFO 301 CEDAR ST OROFINO, ID 83544
208-476-4555

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

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

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

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

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

(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			
GORDON HARMAN BOARD CHAIR	1.00	X		X				0.	0.	0.
MARJORIE KUCHYNKA BOARD VICE CHAIR	1.00	X		X				0.	0.	0.
MARGUERITE MCLAUGHLIN BOARD SECRETARY/TREASURER	1.00	X		X				0.	0.	0.
LARRY COONTS BOARD DIRECTOR	1.00	X						0.	0.	0.
MAURICE MASAR BOARD DIRECTOR	1.00	X						0.	0.	0.
GARY REHDER BOARD DIRECTOR	1.00	X						0.	0.	0.
DAN DAVIS BOARD DIRECTOR	1.00	X						0.	900.	0.
SISTER MARY ROCHEFORT BOARD DIRECTOR	1.00	X						0.	0.	0.
SISTER BARBARA JEAN GLODOWSKI BOARD DIRECTOR	1.00	X						0.	0.	0.
BRYAN HIGGINS BOARD DIRECTOR	1.00	X						0.	0.	0.
LEE PIPPENGER BOARD DIRECTOR	1.00	X						0.	0.	0.
MICHAEL HEDRIX BOARD DIRECTOR	60.00	X						0.	391,526.	77,877.
ANDREW GILBERT, MD BOARD DIRECTOR	40.00	X						0.	273,672.	27,959.
KELLY MCGRATH, MD BOARD DIRECTOR	40.00	X						152,365.	0.	25,020.
COLLEEN MEZA CHIEF EXECUTIVE OFFICER	40.00			X				0.	309,928.	54,784.
LENNE BONNER CHIEF FINANCIAL OFFICER	40.00			X				123,218.	0.	25,287.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(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			
CLAYTON BUNT, MD PHYSICIAN	40.00					X		180,438.	0.	27,645.
CHRISTOPHER JENKINS, DO PHYSICIAN	40.00					X		164,541.	0.	26,030.
MICHAEL MEZA, MD PHYSICIAN	40.00					X		193,831.	0.	25,116.
ENRIQUE MONTANA, MD SURGEON	34.00					X		238,487.	0.	8,169.
PHILLIP PETERSEN, MD PHYSICIAN	40.00					X		158,436.	0.	28,159.
LARRY BARKER COO	40.00						X	101,481.	0.	21,410.
1b Total								1,312,797.	976,026.	347,456.

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 **16**

- 3** Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
3	X	
4	X	
5		X

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
ATTACHMENT 2		

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 **4**

Part VIII Statement of Revenue

82-0497771

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions) . .	1e	78,196			
	f	All other contributions, gifts, grants, and similar amounts not included above .	1f	98,357			
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f		176,553			
Program Service Revenue	2a	HOSPITAL & CLINIC SERVICES	Business Code 621110	17,967,211	17,967,211		
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		17,967,211			
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		21,818		
4		Income from investment of tax-exempt bond proceeds . . .		0			
5		Royalties		0			
			(i) Real (ii) Personal				
6a		Gross Rents					
b		Less rental expenses					
c		Rental income or (loss)					
d		Net rental income or (loss)		0			
7a		Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
b		Less cost or other basis and sales expenses					
c		Gain or (loss)					
d		Net gain or (loss)		8,054			8,054
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a				
b		Less direct expenses	b				
c		Net income or (loss) from fundraising events		0			
9a		Gross income from gaming activities See Part IV, line 19	a				
b		Less direct expenses	b				
c		Net income or (loss) from gaming activities		0			
10a	Gross sales of inventory, less returns and allowances	a					
b	Less cost of goods sold	b					
c	Net income or (loss) from sales of inventory		0				
Miscellaneous Revenue			Business Code				
11a	VENDING SALES	722210	15,600			15,600	
b	MEDICAL RECORD COPIES	561439	11,288			11,288	
c	FITNESS DUES	713940	9,255			9,255	
d	All other revenue	900099	-2,530			-2,530	
e	Total. Add lines 11a-11d		33,613				
12	Total Revenue. See instructions		18,207,249	17,967,211	0	63,485	

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 US See Part IV, line 21 . . .	0.			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	0.			
3 Grants and other assistance to governments, organizations, and individuals outside the US See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	272,088.	172,970.	99,118.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .	0.			
7 Other salaries and wages	8,377,901.	7,476,699.	849,759.	51,443.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . .	357,666.	319,280.	36,185.	2,201.
9 Other employee benefits	1,024,822.	936,678.	81,811.	6,333.
10 Payroll taxes	596,682.	529,468.	63,646.	3,568.
11 Fees for services (non-employees)	0.			
a Management	1,513.		1,513.	
b Legal	7,491.		7,491.	
c Accounting	2,041.		2,041.	
d Lobbying	0.			
e Professional fundraising services See Part IV, line 17	4,213.		4,213.	
f Investment management fees	2,062,905.	1,458,151.	603,770.	984.
g Other	22,872.	110.	22,762.	
12 Advertising and promotion	2,265,967.	2,177,048.	87,546.	1,373.
13 Office expenses	144,116.		144,116.	
14 Information technology	0.			
15 Royalties	387,505.	313,394.	72,239.	1,872.
16 Occupancy	107,395.	71,602.	34,939.	854.
17 Travel	0.			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	69,292.	63,063.	6,229.	
19 Conferences, conventions, and meetings	6,422.	6,422.		
20 Interest	0.			
21 Payments to affiliates	455,598.	455,598.		
22 Depreciation, depletion, and amortization	281,965.	270,324.	11,641.	
23 Insurance				
24 Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a BAD DEBT EXPENSE	1,177,875.	1,177,875.		
b DUES & SUBSCRIPTIONS	62,844.	34,658.	28,186.	
c MISCELLANEOUS	71.		71.	
d				
e				
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	17,689,244.	15,463,340.	2,157,276.	68,628.
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) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	7,177.	1	7,942.
	2 Savings and temporary cash investments	2,052,725.	2	1,291,910.
	3 Pledges and grants receivable, net	114,728.	3	81,530.
	4 Accounts receivable, net	3,724,042.	4	3,594,622.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net	25,400.	7	15,000.
	8 Inventories for sale or use	459,591.	8	489,928.
	9 Prepaid expenses and deferred charges	32,334.	9	60,349.
	10a Land, buildings, and equipment cost or other basis. Complete Part VI of Schedule D	10a 4,909,067.		
	b Less: accumulated depreciation	10b 2,738,650.		
		2,136,138.	10c	2,170,417.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11	0.	12	971,775.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
15 Other assets. See Part IV, line 11		15		
16 Total assets. Add lines 1 through 15 (must equal line 34)	8,552,135.	16	8,683,473.	
Liabilities	17 Accounts payable and accrued expenses	2,041,131.	17	1,819,127.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	320,266.	23	0.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities. Complete Part X of Schedule D	1,118,676.	25	1,274,623.
	26 Total liabilities. Add lines 17 through 25	3,480,073.	26	3,093,750.
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	5,072,062.	27	5,589,723.
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	5,072,062.	33	5,589,723.
	34 Total liabilities and net assets/fund balances	8,552,135.	34	8,683,473.

Part XI Financial Statements and Reporting

- 1** Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant?
- b** Were the organization's financial statements audited by an independent accountant?
- c** If "Yes" to line 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
- d** If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both
☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate 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?
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b	X	
2c	X	
3a	X	
3b	X	

Form **990** (2009)

SCHEDULE A
(Form 990 or 990-EZ)

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

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.

Employer identification number

82-0497771

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 described in **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 supported organization?

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

(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 US?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
Total									

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

Schedule A (Form 990 or 990-EZ) 2009

Part II Support Schedule for Organizations Described in Sections 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. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
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 section 501(c)(3) organization, check this box and stop here						<input type="checkbox"/>

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 from 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		<input type="checkbox"/>
b 33 1/3% support test - 2008. If the organization did not check a 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		<input type="checkbox"/>
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		<input type="checkbox"/>
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		<input type="checkbox"/>
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		<input type="checkbox"/>

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I)

Section A. Public Support

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

Section B. Total Support

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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

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

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities
For Organizations Exempt From Income Tax Under section 501(c) and section 527
▶ **Complete if the organization is described below.**
▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions**

OMB No 1545-0047

2009

Open to Public Inspection

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

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

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

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

If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax), then

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

Name of organization CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.	Employer identification number 82-0497771
---	---

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 function 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 Enter 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												
1 a	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 border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <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> </tbody> </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
2 a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column (e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2009

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?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		X	
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities? If "Yes," describe in Part IV	X		2,041.
j Total. Add lines 1c through 1i			2,041.
2 a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
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?		X	

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?		
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?		
3 Did the organization agree to carryover lobbying and political expenditures from the prior year?		

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

Part IV Supplemental Information

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

Also, complete this part for any additional information
SCHEDULE C, PART II-B

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC. PAYS DUES TO CERTAIN

ORGANIZATIONS RELATED TO THE INDUSTRY WHICH HAVE LOBBYING EXPENSES. THE

AMOUNT LISTED IS THE PERCENTAGE OF THE DUES PAID THAT WERE USED FOR

LOBBYING.

Part IV Supplemental Information *(continued)*

Area for supplemental information with horizontal dashed lines.

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service
Name of the organization

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**

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.

Employer identification number

82-0497771

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

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

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

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

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

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

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

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

4 Number of states where property subject to conservation easement is located ► _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

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

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

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

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

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

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

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

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ _____

(ii) Assets included in Form 990, Part X ► \$ _____

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

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

b Assets included in Form 990, Part X ► \$ _____

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

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

- a ☐ Public exhibition
 b ☐ Scholarly research
 c ☐ Preservation for future generations
 d ☐ Loan or exchange programs
 e ☐ Other _____

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

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

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

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

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV

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

	(a) Current Year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment ▶ _____ %
 b Permanent endowment ▶ _____ %
 c Term endowment ▶ _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

- (i) unrelated organizations
 (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

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

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		30,738.		30,738.
b Buildings		1,059,894.	495,334.	564,560.
c Leasehold improvements				
d Equipment		3,580,389.	2,217,360.	1,363,029.
e Other		238,046.	25,956.	212,090.
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				2,170,417.

Schedule D (Form 990) 2009

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

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives		
Closely-held equity interests		
Other POOLED INVESTMENT FUND	971,775.	FMV
Total. (Column (b) must equal Form 990, Part X, col (B) line 12)	971,775.	

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

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

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

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

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

1. (a) Description of liability	(b) Amount
Federal income taxes	
BUILDING LEASE LIABILITY	819,278.
AMOUNTS OWED TO RELATED ORG	455,345.
Total. (Column (b) must equal Form 990, Part X, col (B) line 25)	1,274,623.

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

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited 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 through 8	9	
10	Excess or (deficit) for the year per audited 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 must 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 must 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, line 2, 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.

SEE PAGE 5

Part XIV Supplemental Information (continued)

SCHEDULE D, PART X

FIN 48 FOOTNOTE:

ESSENTIA HEALTH HAS ADOPTED ACCOUNTING STANDARDS CODIFICATION 740, INCOME TAXES (FORMERLY KNOWN AS FASB INTERPRETATION NO. 48 (FIN 48), ACCOUNTING FOR UNCERTAINTY IN INCOME TAX - AN INTERPRETATION OF FASB STATEMENT NO. 109, ACCOUNTING FOR INCOME TAXES). THE ADOPTION OF THIS INTERPRETATION HAD NO MATERIAL IMPACT ON THE CONSOLIDATED FINANCIAL STATEMENTS AND THEREFORE, ESSENTIA HEALTH'S CONSOLIDATED FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED JUNE 30, 2010 NO LONGER INCLUDES AN ASC 740 FOOTNOTE.

SCHEDULE H
(Form 990)

Hospitals

OMB No 1545-0047

2009

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

► **Complete if the organization answered "Yes" to Form 990, Part IV, question 20.**

► **Attach to Form 990.**

► **See separate instructions.**

Name of the organization

Employer identification number

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.

82-0497771

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	X	
1b If "Yes," is it a written policy?	X	
2 If the organization has multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals		
<input checked="" type="checkbox"/> Applied uniformly to all hospitals		
<input type="checkbox"/> Generally tailored to individual hospitals		
<input type="checkbox"/> Applied uniformly to most hospitals		
3 Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients		
a Does the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing <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	X	
<input checked="" type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____ %		
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	X	
<input checked="" type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %		
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"?	X	
5a Does the organization budget amounts for free or discounted care provided under its charity care policy?	X	
5b If "Yes," did the organization's charity care expenses exceed the budgeted amount?		X
5c 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?		
6a Does the organization prepare an annual community benefit report?	X	
6b If "Yes," does the organization make it available to the public?	X	

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

	(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
Charity Care and Means-Tested Government Programs						
a Charity care at cost (from Worksheets 1 and 2)		113	195,056.	0.	195,056.	1.18
b Unreimbursed Medicaid (from Worksheet 3, column a)		4524	2,469,860.	2,455,539.	14,321.	.09
c Unreimbursed costs - other means-tested government programs (from Worksheet 3, column b)			0.	0.	0.	0.00
d Total Charity Care and Means-Tested Government Programs		4637	2,664,916.	2,455,539.	209,377.	1.27
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)		1140	107,057.	5,806.	101,251.	.61
f Health professions education (from Worksheet 5)		43	89,229.	0.	89,229.	.54
g Subsidized health services (from Worksheet 6)			0.	0.	0.	0.00
h Research (from Worksheet 7)			0.	0.	0.	0.00
i Cash and in-kind contributions to community groups (from Worksheet 8)		1728	16,224.	0.	16,224.	.10
j Total. Other Benefits		2911	212,510.	5,806.	206,704.	1.25
k Total. Add lines 7d and 7j		7548	2,877,426.	2,461,345.	416,081.	2.52

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

Schedule H (Form 990) 2009

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing			0.	0.	0.	0.00
2 Economic development			0.	0.	0.	0.00
3 Community support			0.	0.	0.	0.00
4 Environmental improvements			0.	0.	0.	0.00
5 Leadership development and training for community members			0.	0.	0.	0.00
6 Coalition building			0.	0.	0.	0.00
7 Community health improvement advocacy			0.	0.	0.	0.00
8 Workforce development			0.	0.	0.	0.00
9 Other			0.	0.	0.	0.00
10 Total			0.	0.	0.	0.00

Part III Bad Debt, Medicare, & Collection Practices**Section A. Bad Debt Expense**

- 1 Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? **1** Yes X No
- 2 Enter the amount of the organization's bad debt expense (at cost) **2** 679,845.
- 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** 7,097,491.
- 6 Enter Medicare allowable costs of care relating to payments on line 5 **6** 7,027,219.
- 7 Subtract line 6 from line 5. This is the surplus or (shortfall) **7** 70,272.
- 8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6.

Check the box that describes the method used

☐ Cost accounting system
☐ Cost to charge ratio
☒ Other
Section C. Collection Practices

- 9a Does the organization have a written debt collection policy? **9a** X
- b 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** X

Part IV Management Companies and Joint Ventures

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1				
2				
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
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves
- 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
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5 **Community building activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves
- 6 Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)
- 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
- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report

SCHEDULE H, PART VI, LINE 1

PROVIDE THE DESCRIPTION REQUIRED FOR PART I, PART III, AND PART V:

PART I, LINE 3C - THE ORGANIZATION USES FEDERAL POVERTY GUIDELINES.

PART I, LINE 6A - CLEARWATER VALLEY HOSPITAL & CLINICS' COMMUNITY BENEFIT

INFORMATION IS CONSOLIDATED INTO THE ESSENTIA HEALTH COMMUNITY BENEFIT

INFORMATION WHICH IS INCLUDED IN THE ESSENTIA HEALTH ANNUAL REPORT. THE

ANNUAL REPORT IS MADE AVAILABLE TO THE PUBLIC VIA THE WEBSITE AT

WWW.ESSENTIAHEALTH.ORG. ESSENTIA HEALTH, HEADQUARTERED IN DULUTH, MINN.,

IS AN INTEGRATED HEALTH SYSTEM SERVING PATIENTS IN MINNESOTA, WISCONSIN,

NORTH DAKOTA AND IDAHO AND IS CLEARWATER VALLEY HOSPITAL & CLINICS'

PARENT CORPORATION.

PART I, LINE 7G - NOT APPLICABLE.

PART I, LINE 7 (COLUMN F) - BAD DEBT EXPENSE THAT WAS SUBTRACTED FROM

TOTAL EXPENSE TO OBTAIN THE % OF COMMUNITY BENEFIT TO TOTAL EXPENSE

AMOUNTED TO \$1,177,875.

PART I, LINE 7 - THE COST TO CHARGE RATIO DERIVED FROM WORKSHEET 2, RATIO

OF PATIENT CARE COST-TO-CHARGES WAS USED TO CALCULATE THE COSTS FOR THE

FOLLOWING COMMUNITY BENEFITS: CHARITY CARE AND UNREIMBURSED MEDICAID.

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
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves
- 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
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5 **Community building activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves
- 6 Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)
- 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
- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report

ACTUAL COSTS WERE USED FOR THE REMAINDER OF THE COMMUNITY BENEFITS

REPORTED.

PART III, LINE 4 - THE COSTING METHODOLOGY USED TO REPORT BAD DEBT

EXPENSE AT COST WAS THE COST TO CHARGE RATIO FROM WORKSHEET 2, RATIO OF

PATIENT CARE COST-TO-CHARGES. THE RATIONALE FOR USING THE COST-TO-CHARGE

RATIO IS THAT IT IS THE MOST EFFICIENT WAY TO CALCULATE BAD DEBT AT COST.

WE BELIEVE THIS METHOD MATERIALLY REPRESENTS THE COST OF BAD DEBT.

DISCOUNTS AND CHARITY CARE ARE ACCOUNTED FOR AS REDUCTIONS TO REVENUE

WHERE BAD DEBTS ARE ACCOUNTED FOR AS OPERATING EXPENSES. BAD DEBT

EXPENSE ON PATIENT ACCOUNTS WOULD BE IDENTIFIED AS ANY BALANCE ON THE

ACCOUNT, LESS ANY PREVIOUS PAYMENTS AND DISCOUNTS, THAT HAS AGED AND IS

ABSENT OF ANY PAYMENTS. IF, DURING THE COLLECTION PROCESS, IT BECOMES

KNOWN THAT THE PATIENT QUALIFIES FOR CHARITY CARE, THE AMOUNTS INCLUDED

WITHIN BAD DEBT EXPENSE WOULD BE RECLASSIFIED TO CHARITY CARE (REDUCTION

OF REVENUE). BECAUSE THIS IS OUR PRACTICE, WE BELIEVE THERE IS NO KNOWN

CHARITY CARE WITHIN BAD DEBT EXPENSE.

(EXCERPT FROM THE PARENT COMPANY'S AUDIT) THE PROVISION FOR UNCOLLECTIBLE

ACCOUNTS IS BASED UPON MANAGEMENT'S ASSESSMENT OF HISTORICAL AND EXPECTED

NET COLLECTIONS CONSIDERING HISTORICAL BUSINESS AND ECONOMIC CONDITIONS,

Part VI Supplemental Information

Complete this part to provide the following information

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- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves.
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TRENDS IN HEALTH CARE COVERAGE, AND OTHER COLLECTION INDICATORS.

PERIODICALLY THROUGHOUT THE YEAR, MANAGEMENT ASSESSES THE ADEQUACY OF THE

ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS BASED UPON HISTORICAL WRITE-OFF

EXPERIENCE BY PAYOR CATEGORY. THE RESULTS OF THIS REVIEW ARE THEN USED

TO MAKE ANY MODIFICATIONS TO THE PROVISION FOR UNCOLLECTIBLE ACCOUNTS.

AFTER SATISFACTION OF AMOUNTS DUE FROM INSURANCE, ESSENTIA HEALTH FOLLOWS

ESTABLISHED GUIDELINES FOR PLACING CERTAIN PAST-DUE PATIENT BALANCES WITH

COLLECTION AGENCIES, SUBJECT TO THE TERMS OF CERTAIN RESTRICTIONS ON

COLLECTION EFFORTS AS DETERMINED BY ESSENTIA.

PART III, LINE 8 - THE COSTING METHODOLOGY USED IN DETERMINING THE

MEDICARE ALLOWABLE COST REPORTED IN THE ORGANIZATION'S MEDICARE COST

REPORT IS TO TAKE TOTAL MEDICARE COSTS FROM THE GENERAL LEDGER SYSTEM AND

THEN FOLLOW THE INSTRUCTIONS PROVIDED BY CENTERS FOR MEDICARE SERVICES

(CMS) TO BACK OFF ALL COSTS NOT ALLOWABLE. FROM THE MEDICARE ALLOWABLE

COSTS, ANY COSTS ATTRIBUTABLE TO SUBSIDIZED HEALTH SERVICES AND COSTS

ATTRIBUTABLE TO GME WERE SUBTRACTED, IF APPLICABLE.

CLEARWATER VALLEY HOSPITAL & CLINICS IS A PART OF A LARGER ORGANIZATION,

ESSENTIA HEALTH. ESSENTIA HEALTH AND ITS MEMBER ORGANIZATIONS

INCORPORATE THE FULL VALUE OF THE MEDICARE SHORTFALL AS A COMMUNITY

Part VI Supplemental Information

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BENEFIT. THE RATIONALE FOR THE ORGANIZATION'S OPINION IS SIMILAR TO THE
 RATIONALE USED BY THE AMERICAN HOSPITAL ASSOCIATION. PROVIDING CARE FOR
 THE ELDERLY AND SERVING MEDICARE PATIENTS IS AN ESSENTIAL PART OF THE
 COMMUNITY BENEFIT STANDARD. MEDICARE, LIKE MEDICAID, DOES NOT PAY THE
 FULL COST OF CARE AND IT IS LIKELY TO GET WORSE. MANY MEDICARE
 BENEFICIARIES ARE POOR AND ARE ELIGIBLE FOR MEDICAID IN ADDITION TO
 MEDICARE. MEDICARE UNDERPAYMENT MUST BE SHOULDERED BY THE HOSPITAL IN
 ORDER TO CONTINUE TREATING THE COMMUNITY'S ELDERLY AND POOR. THESE
 UNDERPAYMENTS REPRESENT A REAL COST OF SERVING THE COMMUNITY.

PART III, LINE 9B - AT ANY STAGE OF THE PATIENT EXPERIENCE, INCLUDING
 COLLECTIONS, A DETERMINATION MAY BE MADE THAT THE PATIENT QUALIFIES FOR
 CHARITY CARE. ALL COLLECTION EFFORTS MUST BE SUSPENDED WHILE A PATIENT'S
 CHARITY CARE APPLICATION IS BEING CONSIDERED AND UNTIL THE PATIENT IS
 NOTIFIED REGARDING THE DETERMINATION OF ELIGIBILITY. THE CHARITY CARE
 PROGRAM POLICY WILL GOVERN THE HANDLING OF THAT PATIENT'S BALANCE.

PART V - NOT APPLICABLE.

SCHEDULE H, PART VI, LINE 2

DESCRIBE HOW THE ORGANIZATION ASSESSES THE HEALTH CARE NEEDS OF THE

Part VI Supplemental Information

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COMMUNITIES IT SERVES:

CLEARWATER VALLEY HOSPITAL AND CLINICS IS OVERSEEN BY A VOLUNTEER BOARD OF DIRECTORS CONSISTING OF REPRESENTATIVES OF ITS SERVICE AREA. THESE DIRECTORS BRING COMMUNITY HEALTH NEEDS TO THE TABLE. IN ADDITION, SERVICE USAGE PATTERNS ARE MONITORED BY ADMINISTRATORS, DOCTORS ARE CONSULTED FOR NEEDED CARE IMPROVEMENTS IN MONTHLY MEDICAL STAFF MEETINGS, AND AN ORGANIZATION-WIDE QUALITY COUNCIL MONITORS QUALITY IMPROVEMENT DATA REGULARLY. CLEARWATER VALLEY HOSPITAL AND CLINICS IS INTERPOLATING RESULTS OBTAINED FROM A FORMAL ASSESSMENT PERFORMED IN ADJOINING IDAHO COUNTY.

SCHEDULE H, PART VI, LINE 3

DESCRIBE HOW THE ORGANIZATION INFORMS AND EDUCATES PATIENTS AND PERSONS WHO MAY BE BILLED FOR PATIENT CARE ABOUT THEIR ELIGIBILITY FOR ASSISTANCE UNDER FEDERAL, STATE, OR LOCAL GOVERNMENT PROGRAMS OR UNDER THE ORGANIZATION'S CHARITY CARE POLICY:

THE BOOKLET, FINANCIAL INFORMATION FOR OUR PATIENTS AND OTHER PRINTED MATERIALS ON CHARITY CARE ARE MADE WIDELY AVAILABLE TO THE PUBLIC IN THE ADMITTING, BILLING AND PATIENT/FAMILY RECEPTION AREAS. REFERENCE TO THE

Part VI Supplemental Information

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PROGRAM IS ALSO CONTAINED IN THE HOSPITAL ADMISSIONS PACKET. THE
 FINANCIAL COUNSELOR VISITS UNINSURED OR UNDERINSURED PATIENTS OR THEIR
 FAMILY DURING THEIR STAY, WHENEVER POSSIBLE, TO DISCUSS FINANCIAL
 ARRANGEMENTS. CHARITY CARE APPLICATIONS, AND MEDICAID APPLICATIONS, AND
 COUNTY FORMS ARE DISTRIBUTED AT THAT TIME. FOLLOW UP CALLS ARE MADE
 AFTER DISCHARGE TO FINALIZE ARRANGEMENTS. THIS INFORMATION IS PROVIDED
 TO ANYONE REQUESTING IT, WHETHER THEY REQUEST IT IN PERSON, BY MAIL, OR
 BY PHONE. SIGNS INDICATING THE AVAILABILITY OF CHARITY CARE ARE POSTED
 IN THE ER AREA, THE INPATIENT FAMILY WAITING ROOM, BUSINESS OFFICE AND
 ADMITTING AREA. THE SIGNS PROVIDE A PHONE NUMBER AND CONTACT
 INFORMATION. ALL STAFF WITH PUBLIC AND PATIENT CONTACT, INCLUDING BUT NOT
 RESTRICTED TO BILLING AND EMERGENCY STAFF WILL REFER PATIENTS TO THE
 FINANCIAL COUNSELOR FOR DETAILED EXPLANATIONS OF THE CHARITY CARE PROGRAM
 AND TO ACQUIRE FORMS. THE FINANCIAL COUNSELOR CAN THEN DO THE
 APPROPRIATE FOLLOW UP. BASED ON THE INFORMATION GATHERED BY THE
 FINANCIAL ARRANGEMENT WORKSHEET, THE FINANCIAL COUNSELOR WILL DETERMINE
 WHETHER THE ACCOUNT SHOULD BE DIRECTED TO A BANK LOAN, MEDICAID, COUNTY
 SOCIAL SERVICES, OR CHARITY CARE. THE PATIENT WILL THEN COMPLETE THE
 DETERMINATION FORM AND FORWARD TO THE BUSINESS OFFICE MANAGER FOR

Part VI Supplemental Information

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APPROVAL.

SCHEDULE H, PART VI, LINE 4

DESCRIBE THE COMMUNITY THE ORGANIZATION SERVES, TAKING INTO ACCOUNT THE
GEOGRAPHIC AREA AND DEMOGRAPHIC CONSTITUENTS IT SERVES:

CLEARWATER VALLEY HOSPITAL & CLINICS IS LOCATED IN OROFINO, ID.

CLEARWATER IS A PART OF THE LARGER ESSENTIA HEALTH SYSTEM, WHICH IS

DEFINED IN PART VI, LINE 7. CLEARWATER VALLEY HOSPITAL & CLINICS

CONSISTS OF 1 HOSPITAL AND 4 CLINICS THAT SERVICE CLEARWATER, IDAHO, AND

LEWIS COUNTIES COVERING 2,400 SQUARE MILES. THE OVERALL COMMUNITY IS

CLASSIFIED AS A RURAL COMMUNITY. CLEARWATER AND ITS RELATED CLINICS

COVER A POPULATION OF MORE THAN 8,000 PEOPLE. THE SERVICE REGION

CONSISTS OF A LARGE PERCENTAGE OF INDIVIDUALS OVER 65. LEWIS COUNTY HAS

18% OF ITS POPULATION CONSISTING OF INDIVIDUALS OVER 65. IDAHO COUNTY

HAS 19% AND CLEARWATER COUNTY HAS ALMOST 21.4% WHICH ARE ALL WELL ABOVE

THE NATIONAL AVERAGE OF 12.5%.

ACCORDING TO US CENSUS BUREAU FAST FACTS ESTIMATE FOR 2005-2009 THE

AVERAGE FAMILY INCOME OF THE SERVICE AREA IS SLIGHTLY ABOVE \$46,000 ONLY

75% OF THE NATIONAL MEDIAN FAMILY INCOME OF \$62,363. MEDIAN AGE IS 47.7

Part VI Supplemental Information

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COMPARED TO THE NATIONAL MEDIAN AGE OF 36.5 WITH 55% MEN TO 45% WOMEN.

ACCORDING TO HEALTH RESOURCES AND SERVICES ADMINISTRATION'S (HRSA'S)

COMMUNITY HEALTH STATUS INDICATOR CLEARWATER COUNTY AGE DISTRIBUTION IS

AS FOLLOWS: UNDER AGE 19 18.2%, AGE 19-64 60.4%, AGE 65-84 19.0% AND AGE

85+ 2.4%. RACE/ETHNICITY WHITE 94.1%, BLACK 0.2%, AMERICAN INDIAN 2.6%,

ASIAN/PACIFIC ISLANDER 0.5% AND HISPANIC ORIGIN 2.6%. APPROXIMATELY

15.9% OF THE POPULATION FALLS BELOW FEDERAL POVERTY GUIDELINES.

CLEARWATER COUNTY CONSISTENTLY HAS ONE OF THE HIGHEST UNEMPLOYMENT RATES

IN IDAHO. CLEARWATER VALLEY HOSPITAL & CLINICS, ALONG WITH THE REST OF

ESSENTIA HEALTH, IS COMMITTED TO SERVE PATIENTS REGARDLESS OF THEIR

ABILITY TO PAY. 6% OF PATIENTS SEEN BY CLEARWATER OR THEIR CORRESPONDING

CLINICS WERE UNINSURED PATIENTS. IN ADDITION, APPROXIMATELY 15% OF THEIR

PATIENTS WERE MEDICAID RECIPIENTS. A LARGE PORTION OF THE POPULATION

LACKS MEDICAL INSURANCE. IN IDAHO COUNTY, 16.5% OF THE POPULATION IS

UNINSURED; IN CLEARWATER COUNTY, THE RATE JUMPS TO 20.5%.

AS MENTIONED ABOVE, CLEARWATER VALLEY HOSPITAL & CLINICS IS PART OF A

LARGER SYSTEM, ESSENTIA HEALTH. ESSENTIA HEALTH STAFFS HOSPITALS AND

CLINICS IN FEDERALLY-RECOGNIZED UNDERSERVED AREAS AND SUPPORTS THE HEALTH

OF ITS COMMUNITIES THROUGH AN ACTIVE OUTREACH PROGRAM THAT BRINGS

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SPECIALISTS LIKE ONCOLOGISTS, CARDIOLOGISTS, NEUROLOGISTS AND OTHERS INTO

ITS SMALLER COMMUNITIES. THIS ELIMINATES BARRIERS TO CARE FOR MANY

PATIENTS, PARTICULARLY THOSE WHO ARE ELDERLY, LIVING ON LOW INCOMES, OR

ARE FACED WITH OTHER CHALLENGES THAT MAKE IT DIFFICULT TO TRAVEL LONG

DISTANCES FOR CARE.

THERE ARE NO OTHER HOSPITALS OUTSIDE OF THE ESSENTIA HEALTH UMBRELLA THAT

SERVICE THE COMMUNITY.

SCHEDULE H, PART VI, LINE 5

DESCRIBE HOW THE ORGANIZATION'S COMMUNITY BUILDING ACTIVITIES, AS

REPORTED IN PART II, PROMOTE THE HEALTH OF THE COMMUNITIES THE

ORGANIZATION SERVES:

NOT APPLICABLE.

SCHEDULE H, PART VI, LINE 6

PROVIDE ANY OTHER INFORMATION IMPORTANT TO DESCRIBING HOW THE

ORGANIZATION'S HOSPITALS OR OTHER HEALTH CARE FACILITIES FURTHER ITS

EXEMPT PURPOSE BY PROMOTING THE HEALTH OF THE COMMUNITY:

CLEARWATER VALLEY HOSPITAL AND CLINIC'S BOARD OF DIRECTORS IS COMPOSED OF

Part VI Supplemental Information

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VOLUNTEER REPRESENTATIVES FROM THE COMMUNITIES IT SERVES. IN ADDITION,

THE HOSPITAL SERVES AS A CLINICAL PRACTICE SITE FOR MANY STUDENTS IN

X-RAY TECHNOLOGY, NURSING, PHYSICIAN ASSISTANT, NURSE PRACTITIONER, AND

MEDICAL RESIDENCY PROGRAMS. THIS IS ESPECIALLY IMPORTANT BECAUSE IDAHO

HAS ONE OF THE LOWEST PHYSICIAN PER CAPITA RATES IN THE NATION.

RECENTLY CLEARWATER VALLEY HOSPITAL HAS EXPANDED ITS USE OF TELEHEALTH

SERVICES TO IMPROVE PATIENT CARE. THESE TYPES OF SERVICES ARE EXTREMELY

IMPORTANT FOR EXPANDING ACCESS TO HEALTH CARE IN RURAL AMERICA. IT TAKES

CLOSE TO 12 HOURS TO DRIVE FROM THE NORTHERN PART OF OUR STATE TO THE

SOUTHERN BORDER. ADD TO THAT RIVER CANYONS, MOUNTAINS AND TREACHEROUS

ROADS AND YOU'LL HAVE A BETTER UNDERSTANDING OF THE CHALLENGE OF

COMMUTING TO RECEIVE HEALTH CARE SPECIALTY SERVICES. THE CLOSEST LARGE

URBAN CENTERS ARE EITHER THREE OR FIVE HOURS AWAY. HAVING SPECIALISTS

'SEE' OUR PATIENTS AND CONSULT WITH OUR PHYSICIANS USING TELECONFERENCING

AND OUR REMOTE PRESENCE (RP-7) ROBOTS ALLOWS US TO ACCESS CARDIOLOGISTS,

HOSPITALISTS, ADULT AND CHILD PSYCHIATRISTS, SURGICAL SPECIALISTS, ED

SPECIALISTS AND SOON, A DERMATOLOGIST. IN OUR RURAL AREA WE DON'T HAVE

THE PATIENT BASE NECESSARY TO ESTABLISH FULL TIME SPECIALTY CARE.

HOWEVER, WE HAVE THE SAME TYPES OF ILLNESSES AND INJURIES THAT PEOPLE

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HAVE IN LARGER CITIES. USING TECHNOLOGY TO BRING THOSE SPECIALISTS TO OUR
 AREA SO PEOPLE CAN RECEIVE THEIR HEALTHCARE LOCALLY IS VITAL TO PROVIDING
 A FULLER RANGE OF MEDICAL CARE TO OUR PATIENTS.

SCHEDULE H, PART VI, LINE 7

IF THE ORGANIZATION IS PART OF AN AFFILIATED HEALTH CARE SYSTEM, DESCRIBE
 THE RESPECTIVE ROLES OF THE ORGANIZATION AND ITS AFFILIATES IN PROMOTING
 THE HEALTH OF THE COMMUNITIES SERVED:

CLEARWATER VALLEY HOSPITAL & CLINICS IS PART OF ESSENTIA HEALTH, AN
 INTEGRATED HEALTH SYSTEM OF 17 HOSPITALS, OVER 60 CLINICS AND SEVERAL
 LONG-TERM CARE FACILITIES IN FOUR STATES: MINNESOTA, WISCONSIN, NORTH
 DAKOTA AND IDAHO. THE HEALTH SYSTEM SERVES A PREDOMINANTLY RURAL
 POPULATION WHOSE MEDIAN INCOMES GENERALLY FALL BELOW AVERAGES OF THE
 STATES WHERE THEY LIVE. THE PRESENCE OF OUR CLINICS AND HOSPITALS ENSURES
 THAT PEOPLE WITH FEW ECONOMIC RESOURCES DON'T HAVE TO DRIVE AN HOUR OR
 MORE TO RECEIVE BASIC (AND IN SOME CASES LIFE-SAVING) MEDICAL CARE.
 IN ADDITION TO STAFFING HOSPITALS AND CLINICS IN FEDERALLY-RECOGNIZED
 UNDERSERVED AREAS, WE SUPPORT THE HEALTH OF OUR COMMUNITIES THROUGH AN
 ACTIVE OUTREACH PROGRAM THAT BRINGS SPECIALISTS LIKE ONCOLOGISTS,

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ELIMINATES BARRIERS TO CARE FOR MANY PATIENTS, PARTICULARLY THOSE WHO ARE

ELDERLY, LIVING ON LOW INCOMES, OR ARE FACED WITH OTHER CHALLENGES THAT

MAKE IT DIFFICULT TO TRAVEL LONG DISTANCES FOR CARE.

OUR SIZE AND INTEGRATED STRUCTURE ALLOW US TO OFFER PATIENTS SERVICES

OFTEN FOUND ONLY IN LARGER URBAN SETTINGS. SERVICES RANGING FROM

CHEMOTHERAPY AND CANCER CLINICAL TRIALS TO CONGESTIVE HEART FAILURE

MANAGEMENT AND HOSPICE ARE AVAILABLE TO PATIENTS IN MANY OF THE RURAL

COMMUNITIES WE SERVE.

ESSENTIA HEALTH ALSO SUPPORTS THE HEALTH OF OUR COMMUNITIES THROUGH

ACTIVE RESEARCH AND CLINICAL TRIALS, THROUGH THE ESSENTIA INSTITUTE OF

RURAL HEALTH. THE INSTITUTE CONDUCTS CLINICAL, TRANSLATIONAL AND HEALTH

SERVICES RESEARCH WITH A PRIMARY FOCUS ON THE NEEDS OF RURAL AMERICANS.

ESSENTIA HEALTH IS ALSO SERVING PATIENTS THROUGH THE AGGRESSIVE

IMPLEMENTATION OF THE EPIC ELECTRONIC HEALTH RECORD (EHR). ALREADY IN USE

IN A NUMBER OF ESSENTIA HEALTH'S RURAL CLINICS AND SOME HOSPITALS, A

FULLY-INTEGRATED EHR IS SCHEDULED TO CONNECT PATIENTS ACROSS THE ESSENTIA

SERVICE REGION BY 2012.

A COMMON ELECTRONIC HEALTH RECORD ALLOWS HEALTH PROFESSIONALS TO SHARE

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

TEST RESULTS AND CONSULT WITH COLLEAGUES IN REAL TIME ACROSS GREAT

DISTANCES. MEDICAL INFORMATION IS NO LONGER LOST IN THE SHUFFLE OF PAPER

RECORDS - AN IMPORTANT CONSIDERATION IN A REGION WHERE PATIENTS MUST

OFTEN BE TRANSFERRED TO A LARGER ESSENTIA FACILITY FOR COMPLEX SURGERIES

OR MEDICAL CARE.

ESSENTIA IS ALSO ACTIVELY WORKING WITH GOVERNMENT AGENCIES AND INSURERS

TO DEVELOP INNOVATIVE, COST-EFFECTIVE APPROACHES TO CARE THAT WILL

IMPROVE HEALTH OUTCOMES WHILE REDUCING OVERALL COSTS TO PATIENTS AND

INSURERS. THIS INNOVATION CAN BE FOUND IN OUR USE OF REMOTE HOME MONITORS

FOR PATIENTS WITH CONGESTIVE HEART FAILURE TO A FOCUS ON USING A

TEAM-BASED APPROACH TO HELPING PATIENTS MANAGE CHRONIC DISEASES.

ESSENTIA HEALTH IS COMMITTED TO HELPING PATIENTS AND THEIR FAMILIES LEAD

ACTIVE AND FULFILLING LIVES IN THE SMALL AND LARGE COMMUNITIES WHERE THEY

LIVE. WE HOPE TO BECOME A MODEL OF HEALTH CARE DELIVERY, PARTICULARLY IN

RURAL AREAS, IN THE YEARS TO COME.

SCHEDULE H, PART VI, LINE 8

IF APPLICABLE, IDENTIFY ALL STATES WITH WHICH THE ORGANIZATION, OR A

RELATED ORGANIZATION, FILES A COMMUNITY BENEFIT REPORT:

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
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves
- 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
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5 **Community building activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves
- 6 Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)
- 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
- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report

CLEARWATER VALLEY HOSPITAL & CLINICS FILES A COMMUNITY BENEFIT REPORT IN

IDAHO.

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.
- 2 **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves
- 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
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5 **Community building activities.** Describe how the organization's community building activities, as reported in Part II, promote the health of the communities the organization serves
- 6 Provide any other information important to describing how the organization's hospitals or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)
- 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
- 8 If applicable, identify all states with which the organization, or a related organization, files a community benefit report

This image shows a blank sheet of white paper with horizontal dashed lines. The lines are evenly spaced and run across the width of the page, providing a guide for handwriting or drawing. There are no margins, text, or other markings on the paper.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No 1545-0047

2009

**Open to Public
Inspection**

Name of the organization
CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.

Employer identification number
82-0497771

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

- ☐ First-class or charter travel
☐ Travel for companions
☐ Tax indemnification and gross-up payments
☐ Discretionary spending account

- ☐ Housing allowance or residence for personal use
☐ Payments for business use of personal residence
☐ Health or social club dues or initiation fees
☐ Personal services (e.g., maid, chauffeur, chef)

b If any of the boxes on line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply

- ☒ Compensation committee
☒ Independent compensation consultant
☐ Form 990 of other organizations

- ☒ Written employment contract
☒ Compensation survey or study
☒ Approval by the board or compensation committee

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization

- a** Receive a severance payment or change-of-control payment?
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?
c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

Only section 501(c)(3) and 501(c)(4) organizations 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?
b Any related organization?
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?
b Any related organization?
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

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

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Yes No

1b

2

4a

4b

4c

5a

5b

6a

6b

7

8

9

X

X

X

X

X

X

X

X

X

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

Schedule J (Form 990) 2009

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space is 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				
(i) COLLEEN MEZA	0.	0.	0.	0.	0.	0.	0.
(ii) COLLEEN MEZA	197,041.	50,256.	62,631.	47,083.	7,701.	364,712.	62,297.
(i) CLAYTON BUNT, MD	162,765.	17,673.	0.	8,708.	18,937.	208,083.	0.
(ii) CLAYTON BUNT, MD	0.	0.	0.	0.	0.	0.	0.
(i) CHRISTOPHER JENKINS, DO	146,285.	18,256.	0.	8,047.	17,983.	190,571.	0.
(ii) CHRISTOPHER JENKINS, DO	0.	0.	0.	0.	0.	0.	0.
(i) MICHAEL MEZA, MD	152,341.	41,490.	0.	9,377.	15,739.	218,947.	0.
(ii) MICHAEL MEZA, MD	0.	0.	0.	0.	0.	0.	0.
(i) ENRIQUE MONTANA, MD	207,849.	30,638.	0.	0.	8,169.	246,656.	0.
(ii) ENRIQUE MONTANA, MD	0.	0.	0.	0.	0.	0.	0.
(i) PHILLIP PETERSEN, MD	152,572.	5,864.	0.	7,851.	20,308.	186,595.	0.
(ii) PHILLIP PETERSEN, MD	0.	0.	0.	0.	0.	0.	0.
(i) MICHAEL HEDRIX	0.	0.	0.	0.	0.	0.	0.
(ii) MICHAEL HEDRIX	249,449.	64,155.	77,922.	38,285.	39,592.	469,403.	76,489.
(i) ANDREW GILBERT, MD	0.	0.	0.	0.	0.	0.	0.
(ii) ANDREW GILBERT, MD	188,970.	84,702.	0.	11,543.	16,416.	301,631.	0.
(i) KELLY MCGRATH, MD	143,596.	8,769.	0.	7,283.	17,737.	177,385.	0.
(ii) KELLY MCGRATH, MD	0.	0.	0.	0.	0.	0.	0.
(i) LARRY BARKER	101,481.	0.	0.	4,964.	16,446.	122,891.	0.
(ii) LARRY BARKER	0.	0.	0.	0.	0.	0.	0.
(i)							
(ii)							
(i)							
(ii)							
(i)							
(ii)							
(i)							
(ii)							
(i)							
(ii)							
(i)							
(ii)							
(i)							
(ii)							
(i)							
(ii)							

Schedule J (Form 990) 2009

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

FORM 990, PART I, LINE 3

METHODS USED TO ESTABLISH CEO'S COMPENSATION:

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC. RELIED ON ECHC'S, SUPPORTING

ORGANIZATION OF CLEARWATER VALLEY HOSPITAL AND CLINICS, INC., METHODS FOR

ESTABLISHING CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.'S CEO'S

COMPENSATION: A COMPENSATION COMMITTEE, INDEPENDENT COMPENSATION

CONSULTANT, WRITTEN EMPLOYMENT CONTRACT, COMPENSATION SURVEY OR STUDY,

AND APPROVAL BY THE BOARD OR COMPENSATION COMMITTEE.

FORM 990, PART I, LINE 4B

SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN:

THE FOLLOWING INDIVIDUALS LISTED IN FORM 990, PART VII, SECTION A, LINE

1A RECEIVED PAYMENT FROM A SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN

DURING THE YEAR:

COLLEEN MEZA (ECHC) \$62,297

MICHAEL HEDRIX (ECHC) \$76,489

ECHC'S NONQUALIFIED RETIREMENT PLAN IS OFFERED TO ECHC EXECUTIVES. THERE

IS A MINIMUM TWO YEAR VESTING DATE, BENEFITS ARE SUBJECT TO INCOME TAXES

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

UPON VESTING, AND BENEFITS ARE PAYABLE FROM ECHC'S GENERAL ASSETS.

**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

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.

Employer identification number

82-0497771

ATTACHMENT 1

FORM 990, PART I, LINE 1

ORGANIZATION'S MISSION OR MOST SIGNIFICANT ACTIVITIES:

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC. IS A HEALTH AND HUMAN
SERVICE ORGANIZATION ENTRUSTED WITH A MISSION OF PROVIDING OF COMPETENT
AND COMPASSIONATE HEALTH AND WELLNESS SERVICES IN AN ENVIRONMENT WHICH
ENHANCES HUMAN WORTH. THIS MISSION IS ACCOMPLISHED THROUGH THE
IMPLEMENTATION OF THE VALUES OF RESPECT, HOSPITALITY, JUSTICE AND
STEWARDSHIP. THE HOSPITAL AND CLINICS ARE COMMITTED TO WITNESS GOD'S
LOVE FOR ALL PEOPLE, WITH A SPECIAL CONCERN FOR THE POOR AND POWERLESS.

FORM 990, PART III, LINE 1

ORGANIZATION'S MISSION:

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC. IS A HEALTH AND HUMAN
SERVICE ORGANIZATION ENTRUSTED WITH A MISSION OF PROVIDING OF COMPETENT
AND COMPASSIONATE HEALTH AND WELLNESS SERVICES IN AN ENVIRONMENT WHICH
ENHANCES HUMAN WORTH. THIS MISSION IS ACCOMPLISHED THROUGH THE
IMPLEMENTATION OF THE VALUES OF RESPECT, HOSPITALITY, JUSTICE AND
STEWARDSHIP. THE HOSPITAL AND CLINICS ARE COMMITTED TO WITNESS GOD'S
LOVE FOR ALL PEOPLE, WITH A SPECIAL CONCERN FOR THE POOR AND POWERLESS.

FORM 990, PART III, LINE 4

PROGRAM SERVICE ACCOMPLISHMENTS:

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC. IS CREATED AND ORGANIZED
EXCLUSIVELY FOR CHARITABLE, RELIGIOUS, EDUCATIONAL AND SCIENTIFIC

Name of the organization

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.

Employer identification number

82-0497771

ATTACHMENT 1 (CONT'D)

PURPOSES. CLEARWATER VALLEY HOSPITAL AND CLINICS, INC. IS CREATED AND ORGANIZED TO OWN, MAINTAIN, OPERATE AND CONDUCT, DIRECTLY OR INDIRECTLY, AND TO ASSIST AND COORDINATE ACTIVITIES OF FACILITIES FOR HEALTH CARE, EDUCATION, CARE FOR THE AGED AND SOCIAL SERVICES.

IN KEEPING WITH ITS MISSION, CLEARWATER VALLEY IS COMMITTED TO SERVE ALL MEMBERS OF ITS COMMUNITIES BY PROVIDING FREE CARE AND/OR SUBSIDIZED CARE, CARE FOR THE PERSONS COVERED BY GOVERNMENTAL PROGRAMS AT BELOW COST, AND PROVIDING HEALTH ACTIVITIES AND PROGRAMS TO SUPPORT THE COMMUNITY. DURING FISCAL YEAR 2010, CLEARWATER VALLEY HAD 988 ADMISSIONS INVOLVING 3,283 HOSPITAL PATIENT DAYS AND 40,440 OUTPATIENT VISITS IN THE HOSPITAL, EMERGENCY ROOM, AND CLINICS.

CHARITY CARE IS PROVIDED THROUGH MANY REDUCED PRICE SERVICES AND FREE PROGRAMS OFFERED THROUGHOUT THE YEAR BASED UPON ACTIVITIES AND SERVICES WHICH CLEARWATER VALLEY BELIEVES WILL SERVE A BONA FIDE NEED. THESE INCLUDE HEALTH FAIRS, IMMUNIZATIONS CLINICS, HEALTH EDUCATION CLASSES, RURAL EDUCATION TRAINING, AND WELLNESS PROGRAMS. CLEARWATER VALLEY PROVIDED NEARLY \$195,000 IN CHARITY CARE AS WELL AS AN ADDITIONAL \$14,000 OF COSTS INCURRED IN EXCESS OF MEDICAID PAYMENTS RECEIVED DURING THE FISCAL YEAR ENDED JUNE 30, 2010. FURTHER COMMUNITY BENEFITS PROVIDED DURING THE FISCAL YEAR INCLUDE EDUCATION AND WORKFORCE DEVELOPMENT OF OVER \$89,000, COMMUNITY SERVICES OF NEARLY \$101,000, AND CASH AND IN-KIND DONATIONS OF OVER \$16,000.

FORM 990, PART VI, LINE 2

FAMILY RELATIONSHIP:

Name of the organization

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.

Employer identification number

82-0497771

ATTACHMENT 1 (CONT'D)

LENNE BONNER, CURRENT OFFICER, AND BRYAN HIGGINS, CURRENT DIRECTOR, HAVE
A FAMILY RELATIONSHIP.

FORM 990 PART VI, LINE 4

CHANGES TO ORGANIZATIONAL DOCUMENTS:

DURING FISCAL YEAR ENDED JUNE 30, 2010, CLEARWATER VALLEY HOSPITAL AND
CLINICS, INC.'S CONFLICT AND CONFIDENTIALITY PROVISIONS INCLUDED IN THE
BYLAWS WERE REVISED.

FORM 990, PART VI, LINE 6

MEMBERS OF ORGANIZATION:

ECHC MAY ELECT ONE OR MORE MEMBERS OF THE GOVERNING BODY AS DESCRIBED IN
SCHEDULE O PART VI LINE 7A. ESSENTIA HEALTH HAS RESERVED POWERS WITH
RESPECT TO CLEARWATER VALLEY HOSPITAL AND CLINICS, INC. AS DESCRIBED IN
SCHEDULE O PART VI LINE 7B.

FORM 990, PART VI, LINE 7A

MEMBER WITH RIGHT TO ELECT GOVERNING BODY:

ACCORDING TO ITS BYLAWS, ECHC SHALL APPOINT AND REMOVE CLEARWATER VALLEY
HOSPITAL AND CLINICS, INC. GOVERNING BODY.

FORM 990, PART VI, LINE 7B

MEMBER WITH RIGHT TO APPROVE GOVERNING BODY DECISIONS:

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC. IS A SUBSIDIARY OF ESSENTIA
HEALTH, WHOSE BOARD OF DIRECTORS HAS RESERVED POWERS WITH RESPECT TO THIS

Name of the organization

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.

Employer identification number

82-0497771

ATTACHMENT 1 (CONT'D)

CORPORATION AND ITS SUBSIDIARIES, AND ALL OF THE OTHER DIRECT AND

INDIRECT SUBSIDIARIES OF ESSENTIA HEALTH (COLLECTIVELY, THE "SYSTEM").

ESSENTIA HEALTH'S RESERVED POWERS ARE AS FOLLOWS:

STRATEGIC AND BUSINESS PLANS. AUTHORITY TO CREATE, AND TO APPROVE, THE
SYSTEM'S STRATEGIC AND BUSINESS PLANS.

MISSION. AUTHORITY TO CREATE, AND TO APPROVE, THE MISSION, PURPOSE AND
VISION STATEMENTS FOR ALL ENTITIES IN THE SYSTEM BY THE AFFIRMATIVE VOTE
OF AT LEAST 67% OF THE ESSENTIA HEALTH BOARD OF DIRECTORS.

DEBT. APPROVAL OF THE INCURRENCE OF DEBT BY, AND THE CREATION OF ALL
MORTGAGES, LIENS, SECURITY INTERESTS, OR OTHER ENCUMBRANCES ON THE ASSETS
OF, ALL ENTITIES IN THE SYSTEM IN EXCESS OF THE SINGLE OR ANNUAL
AGGREGATE DOLLAR LIMITS PRESCRIBED IN WRITING BY THE ESSENTIA HEALTH
BOARD OF DIRECTORS, AND THE AUTHORITY TO CAUSE ALL ENTITIES IN THE SYSTEM
TO PARTICIPATE IN SYSTEM BORROWING.

GOVERNING INSTRUMENTS. AUTHORITY TO CAUSE, AND TO APPROVE, AMENDMENTS OF
THE ARTICLES OF INCORPORATION AND BYLAWS OF ALL ENTITIES IN THE SYSTEM.

MERGERS AND ACQUISITIONS. AUTHORITY TO CAUSE, AND TO APPROVE, ALL
MERGERS, CONSOLIDATIONS, AND DISSOLUTIONS OF ALL ENTITIES IN THE SYSTEM.

AFFILIATIONS AND JOINT VENTURES. AUTHORITY TO CAUSE, AND TO APPROVE, ALL
AFFILIATIONS, JOINT VENTURES AND OTHER ALLIANCES WITH THIRD PARTIES OF
ALL ENTITIES IN THE SYSTEM.

TRANSFER OF ASSETS WITHIN THE SYSTEM. AUTHORITY TO TRANSFER ASSETS,
INCLUDING CASH, BETWEEN AND AMONG ENTITIES WITHIN THE SYSTEM; PROVIDED,
HOWEVER, THAT ESSENTIA HEALTH SHALL NOT HAVE AUTHORITY TO REQUIRE ANY
ENTITY IN THE SYSTEM TO TRANSFER ASSETS (A) THAT WOULD CAUSE SUCH ENTITY

Name of the organization

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.

Employer identification number

82-0497771

ATTACHMENT 1 (CONT'D)

TO BE IN DEFAULT OF ITS COVENANTS OR OBLIGATIONS UNDER ANY BOND OR OTHER FINANCING DOCUMENTS; (B) FROM THE CATHOLIC ENTITIES TO THE SECULAR ENTITIES OR FROM THE SECULAR ENTITIES TO THE CATHOLIC ENTITIES IN A MANNER OR TO AN EXTENT THAT WOULD CAUSE THE CATHOLIC ENTITIES TO BE IN VIOLATION OF THE ETHICAL AND RELIGIOUS DIRECTIVES FOR CATHOLIC HEALTH CARE SERVICES IN THE JUDGMENT OF THE LOCAL ORDINARY; OR (C) SUCH THAT MONEY GENERATED BY SERVICES AT SECULAR FACILITIES WITHIN THE SYSTEM BY PROCEDURES THAT ARE CONTRARY TO THE ETHICAL AND RELIGIOUS DIRECTIVES FOR CATHOLIC HEALTH CARE SERVICES WOULD BE USED AT THE CATHOLIC ENTITIES OR MONEY GENERATED BY CATHOLIC ENTITIES WOULD BE USED IN THE PROVIDING OF SERVICES CONTRARY TO THE ETHICAL AND RELIGIOUS DIRECTIVES FOR CATHOLIC HEALTH CARE SERVICES AT SECULAR FACILITIES WITHIN THE SYSTEM.

TRANSFER OF ASSETS OUTSIDE THE SYSTEM. AUTHORITY TO CAUSE, AND TO APPROVE, THE SALE, LEASE OR OTHER TRANSFER OF ASSETS OF ALL ENTITIES IN THE SYSTEM TO PARTIES OUTSIDE OF THE SYSTEM WHEN THE ASSET'S VALUE EXCEEDS THE SINGLE OR ANNUAL AGGREGATE DOLLAR LIMITS PRESCRIBED IN WRITING BY THE ESSENTIA HEALTH BOARD OF DIRECTORS.

SERVICES. AUTHORITY TO CAUSE, AND TO APPROVE, THE ADDITION OF NEW SERVICES AND SERVICE LOCATIONS AND THE DISCONTINUANCE OF SERVICES AND SERVICE LOCATIONS WITHIN ALL ENTITIES IN THE SYSTEM.

BUDGETS. APPROVAL OF CAPITAL AND OPERATING BUDGETS OF ALL ENTITIES IN THE SYSTEM.

PROFESSIONAL SERVICES. SELECTION OF THE GENERAL LEGAL COUNSEL AND EXTERNAL AUDITORS OF ALL ENTITIES IN THE SYSTEM.

ACQUISITIONS. AUTHORITY TO CAUSE, AND TO APPROVE, ALL ACQUISITIONS BY AND

Name of the organization

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.

Employer identification number

82-0497771

ATTACHMENT 1 (CONT'D)

FORMATIONS OF ENTITIES IN THE SYSTEM.

MARKETING, AUTHORITY TO IMPLEMENT SYSTEM-WIDE MARKETING AND PROMOTIONAL ACTIVITIES.

COMPLIANCE PLANS. AUTHORITY TO CREATE, AND TO APPROVE, CORPORATE COMPLIANCE, SAFETY AND RISK MANAGEMENT PLANS FOR ENTITIES WITHIN THE SYSTEM.

QUALITY PLAN. AUTHORITY TO CREATE, AND TO APPROVE, THE SYSTEM'S QUALITY PLAN.

NON-BUDGETED PURCHASES. APPROVAL OF NON-BUDGETED CAPITAL PURCHASES AND LEASES IN EXCESS OF THE SINGLE OR ANNUAL AGGREGATE DOLLAR LIMITS PRESCRIBED IN WRITING BY ESSENTIA HEALTH FOR ENTITIES WITHIN THE SYSTEM.

HUMAN RESOURCES. AUTHORITY TO CREATE HUMAN RESOURCE POLICIES AND PROCEDURES WITHIN THE SYSTEM.

RESERVED POWERS. AUTHORITY TO CREATE ADDITIONAL ESSENTIA HEALTH RESERVED POWERS BY THE AFFIRMATIVE VOTE OF AT LEAST 80% OF THE ESSENTIA HEALTH BOARD OF DIRECTORS (EXCLUDING THE ESSENTIA HEALTH CEO); PROVIDED, HOWEVER, THAT ANY ADDITIONAL ESSENTIA HEALTH RESERVED POWERS SHALL NOT CONTRAVENE OR HINDER THE RESERVED POWERS OF BENEDICTINE SISTERS BENEVOLENT ASSOCIATION.

FORM 990, PART VI, LINE 11A

FORM 990 REVIEW PROCESS:

THE 2009 FORM 990 INCLUDING ALL SCHEDULES WAS REVIEWED BY CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.'S MANAGEMENT AND GOVERNING BODY ON TUESDAY, APRIL 26TH, 2011 PRIOR TO FILING WITH THE INTERNAL REVENUE

Name of the organization

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.

Employer identification number

82-0497771

ATTACHMENT 1 (CONT'D)

SERVICE. EACH CURRENT DIRECTOR OF THE GOVERNING BODY RECEIVED A COPY OF THE 2009 FORM 990. CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.'S CHIEF FINANCIAL OFFICER LED THE REVIEW OF THE FORM AND SCHEDULES AND ANY QUESTIONS WERE DISCUSSED.

FORM 990, PART VI, LINE 12C

PRACTICES FOR MONITORING AND ENFORCING CONFLICT OF INTEREST POLICY:

INTERESTED PERSONS SHALL ANNUALLY DISCLOSE RELATIONSHIPS WHICH MIGHT LEAD TO A CONFLICT OF INTEREST BY COMPLETING A CONFLICT OF INTEREST DISCLOSURE FORM. INTERESTED PERSONS INCLUDE ANY PERSON IN A POSITION TO EXERCISE SUBSTANTIAL INFLUENCE OVER THE ORGANIZATION. IT INCLUDES BUT IS NOT LIMITED TO ANY DIRECTOR, OFFICER, MANAGEMENT, EMPLOYEE, OR COMMITTEE MEMBER OF ESSENTIA HEALTH OR ANY OF ITS AFFILIATES.

ESSENTIA SHALL BE RESPONSIBLE FOR THE ANNUAL DISTRIBUTION OF CONFLICT OF INTEREST FORMS AND REVIEW OF DISCLOSURES FOR THE GOVERNING BODIES OF ESSENTIA AND ESSENTIA OPERATING MEMBERS AND FOR SENIOR MANAGEMENT EMPLOYEES OF ESSENTIA.

TRANSACTIONS WITH PARTIES WITH WHOM A CONFLICT OF INTEREST EXISTS MAY BE UNDERTAKEN ONLY IF ALL OF THE FOLLOWING ARE OBSERVED: THE CONFLICT OF INTEREST IS FULLY DISCLOSED; THE INTERESTED PERSON WITH THE CONFLICT OF INTEREST DOESN'T PARTICIPATE IN THE APPROVAL OF SUCH TRANSACTIONS; IF PRACTICAL OR APPROPRIATE, A COMPETITIVE BID OR COMPARABLE VALUATION IS OBTAINED; AND THE BOARD OR COMMITTEE OF THE BOARD HAS DETERMINED THAT THE TRANSACTION IS IN THE BEST INTEREST OF THE ORGANIZATION.

DISCLOSURE BY ANY INTERESTED PERSON OTHER THAN A BOARD OR COMMITTEE

Name of the organization

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.

Employer identification number

82-0497771

ATTACHMENT 1 (CONT'D)

MEMBER SHOULD BE MADE TO THE CHIEF EXECUTIVE OFFICER (OR IF SHE/HE IS THE ONE WITH THE CONFLICT, THEN TO THE BOARD CHAIR), WHO SHALL BRING THE MATTER TO THE ATTENTION OF THE BOARD OR AN APPROPRIATE COMMITTEE OF THE BOARD. DISCLOSURE INVOLVING BOARD OR COMMITTEE MEMBERS SHALL BE MADE TO THE BOARD CHAIR (OR IF SHE/HE IS THE ONE WITH THE CONFLICT, THEN TO THE BOARD VICE CHAIR), WHO SHALL BRING THESE MATTERS TO THE BOARD OR AN APPROPRIATE COMMITTEE OF THE BOARD.

THE BOARD OR COMMITTEE OF THE BOARD SHALL DETERMINE WHETHER A CONFLICT EXISTS AND IF SO, WHETHER THE CONTEMPLATED TRANSACTION MAY BE AUTHORIZED AS JUST, FAIR, AND REASONABLE TO ESSENTIA OR ITS AFFILIATE(S). THE DECISION OF THE BOARD OR A DULY CONSTITUTED COMMITTEE OF THE BOARD ON THESE MATTERS WILL BE AT ITS SOLE DISCRETION, AND ITS CONCERN MUST BE THE WELFARE OF ESSENTIA AND ITS AFFILIATE(S) AND THE ADVANCEMENT OF ITS PURPOSES. THE DECISION OF THE BOARD IS FINAL. IF THE BOARD DETERMINES A CONFLICT DOES NOT EXIST, THE INTERESTED PERSON MAY PROCEED WITH THE TRANSACTION; HOWEVER, HE/SHE WILL NOT BE ELIGIBLE TO VOTE ON RELATED ISSUES SHOULD THEY ARISE. IF THE BOARD DETERMINES A CONFLICT DOES EXIST, THE INTERESTED PERSON WILL BE NOTIFIED OF THE DECISION REGARDING WHETHER THE CONTEMPLATED TRANSACTION WILL BE AUTHORIZED AS JUST, FAIR, AND REASONABLE.

FORM 990, PART VI, LINE 15 A

PROCESS FOR DETERMINING CEO'S COMPENSATION:

AS AN EMPLOYEE OF ECHC, CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.'S CEO'S COMPENSATION IS REVIEWED AND APPROVED BY THE ECHC COMPENSATION

Name of the organization

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.

Employer identification number

82-0497771

ATTACHMENT 1 (CONT'D)

COMMITTEE.

THE PURPOSE OF THE EHC COMPENSATION COMMITTEE (THE "COMMITTEE") IS TO DETERMINE THE REASONABLENESS OF AND APPROVE THE COMPENSATION OF EHC EXECUTIVES CONSISTENT WITH THE EHC AND ESSENTIA HEALTH COMPENSATION PHILOSOPHY. THE PHILOSOPHY IS TO INSURE THAT THE ORGANIZATION IS ABLE TO ATTRACT, RETAIN AND MOTIVATE EMPLOYEES AS WELL AS PROVIDE THE OPPORTUNITY FOR ADJUSTMENTS TO COMPENSATION BASED UPON PERFORMANCE.

THE COMMITTEE WILL CONSIST OF MEMBERS OF THE EHC BOARD OF DIRECTORS WHO ARE NOT EHC EMPLOYEES.

THE COMPENSATION REVIEW WILL INCLUDE ALL BENEFITS PAID TO THE EHC EXECUTIVES.

THE EHC EXECUTIVES TO BE REVIEWED WILL INCLUDE ALL SENIOR/EXECUTIVE VICE PRESIDENTS, ALL VICE PRESIDENTS, ALL DIRECTORS AND ALL EHC FACILITY ADMINISTRATORS/CEOS. THE EHC CEO AND CFO COMPENSATION WILL BE REVIEWED AND APPROVED BY THE ESSENTIA HEALTH BOARD OF DIRECTORS COMPENSATION COMMITTEE.

THE COMMITTEE WILL MEET AT LEAST ANNUALLY TO DETERMINE THE REASONABLENESS OF EXECUTIVE COMPENSATION AS PROPOSED BY EHC MANAGEMENT CONSISTENT WITH THE EHC COMPENSATION PHILOSOPHY AND TO APPROVE THE PROPOSED COMPENSATION.

EHC MANAGEMENT (HR) WILL (I) MONITOR TRENDS IN THE MARKETPLACE ON AN ANNUAL BASIS AND, WHEN APPROPRIATE, MAKE RECOMMENDATIONS TO THE COMMITTEE REGARDING OVERALL SALARY RANGE ADJUSTMENTS PRIOR TO THE ANNUAL BUDGETING PROCESS; AND (II) REVIEW THE MARKET COMPETITIVENESS OF ALL EHC EXECUTIVE POSITIONS AT LEAST ONCE EVERY TWO YEARS.

Name of the organization

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.

Employer identification number

82-0497771

ATTACHMENT 1 (CONT'D)

PRIOR TO MAKING ITS DETERMINATION, THE COMMITTEE WILL OBTAIN AND RELY UPON APPROPRIATE DATA AS TO COMPARABILITY. ECHC WILL CONTRACT WITH AN OUTSIDE THIRD PARTY TO CONDUCT MARKET PRICING ANALYSIS FOR THE ECHC EXECUTIVES AS WELL AS SALARY RANGE DEVELOPMENT.

THE COMMITTEE WILL ADEQUATELY DOCUMENT THE BASIS FOR ITS DETERMINATION CONCURRENTLY WITH MAKING THAT DETERMINATION. THE COMMITTEE MINUTES SHALL INCLUDE:

- A. THE TERMS OF THE APPROVED COMPENSATION AND THE DATE APPROVED;
- B. THE COMMITTEE MEMBERS PRESENT DURING THE REVIEW, DISCUSSION AND APPROVAL OF THE PROPOSED COMPENSATION AND THOSE WHO VOTED ON THE PROPOSED COMPENSATION;
- C. IDENTIFICATION OF THE COMPARABILITY DATA OBTAINED AND RELIED UPON BY THE COMMITTEE AND HOW THE DATA WAS OBTAINED;
- D. ANY ACTIONS BY A COMMITTEE MEMBER HAVING A CONFLICT OF INTEREST; AND
- E. DOCUMENTATION OF THE BASIS FOR THE DETERMINATION BEFORE THE LATER OF THE NEXT MEETING OF THE ECHC BOARD OF DIRECTORS OR SIXTY (60) DAYS AFTER THE FINAL ACTIONS OF THE COMMITTEE ARE TAKEN. THE ECHC BOARD OF DIRECTORS SHALL APPROVE THE MINUTES AS REASONABLE, ACCURATE AND COMPLETE WITHIN A REASONABLE TIME THEREAFTER

THE YEAR THIS PROCESS WAS LAST UNDERTAKEN FOR CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.'S CEO WAS 2009.

FORM 990, PART VI, LINE 19

AVAILABILITY OF GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND

Name of the organization	Employer identification number
CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.	82-0497771
ATTACHMENT 1 (CONT'D)	

FINANCIAL STATEMENTS TO THE PUBLIC:

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC. MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC. CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.'S GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC UPON REQUEST. CLEARWATER VALLEY HOSPITAL AND CLINICS, INC. IS PART OF ESSENTIA HEALTH'S CONSOLIDATED FINANCIAL STATEMENTS WHICH ARE INCLUDED IN ESSENTIA HEALTH'S ANNUAL REPORT POSTED ON ESSENTIA HEALTH'S WEB SITE.

FORM 990 PART VII, SECTION A, LINE 1A, COLUMN B

HOURS DEVOTED TO RELATED ORGANIZATIONS:

THE FOLLOWING INDIVIDUALS LISTED IN FORM 990, PART VII, SECTION A, LINE 1A ALSO DEVOTED TIME EACH WEEK TO RELATED ORGANIZATIONS:

GORDON HARMAN: APPROXIMATELY 1 HOUR

MARJORIE KUCHYNKA: APPROXIMATELY 1 HOUR

MARGUERITE MCLAUGHLIN: APPROXIMATELY 1 HOUR

MAURICE MASAR: APPROXIMATELY 1 HOUR

LARRY COONTS: APPROXIMATELY 1 HOUR

GARY REHDER: APPROXIMATELY 1 HOUR

DAN DAVIS: APPROXIMATELY 6 HOURS

SISTER MARY ROCHEFORT: APPROXIMATELY 11 HOURS

SISTER BARBARA JEAN GLODOWSKI: APPROXIMATELY 2 HOURS

BRYAN HIGGINS: APPROXIMATELY 1 HOUR

LEE PIPPENGER: APPROXIMATELY 1 HOUR

Name of the organization

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.

Employer identification number

82-0497771

ATTACHMENT 1 (CONT'D)

MICHAEL HEDRIX IS EMPLOYED AS ECHC'S SENIOR VICE PRESIDENT OF OPERATIONS.

100% OF HIS TIME IS SPENT FURTHERING THE PURPOSE OF ECHC ORGANIZATIONS
AND ALL RELATED ORGANIZATIONS.

ANDREW GILBERT, MD IS EMPLOYED BY ST. MARY'S HOSPITAL & CLINICS, INC.

100% OF HIS TIME IS SPENT FURTHERING THE PURPOSE OF CLEARWATER VALLEY
HOSPITAL AND CLINICS, INC. AND ST. MARY'S HOSPITAL & CLINICS, INC.

COLLEEN MEZA IS EMPLOYED BY ECHC AS CLEARWATER VALLEY HOSPITAL AND
CLINICS, INC.'S AND ST. MARY'S HOSPITAL & CLINICS, INC.'S CHIEF EXECUTIVE
OFFICER. 100% OF HER TIME IS SPENT FURTHERING THE PURPOSE OF CLEARWATER
VALLEY HOSPITAL AND CLINICS, INC. AND ST. MARY'S HOSPITAL & CLINICS, INC.

LENNE BONNER IS EMPLOYED BY CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.
AS CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.'S AND ST. MARY'S HOSPITAL
& CLINICS, INC.'S CHIEF FINANCIAL OFFICER. 100% OF HER TIME IS SPENT
FURTHERING THE PURPOSE OF CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.
AND ST. MARY'S HOSPITAL & CLINICS, INC.

FORM 990, PART XI, LINE 3

CONSOLIDATED A-133:

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC., AS PART OF ESSENTIA
HEALTH'S CONSOLIDATED FINANCIAL STATEMENTS, WAS REQUIRED AND UNDERWENT A
CONSOLIDATED AUDIT SET FORTH IN THE SINGLE AUDIT ACT AND OMB CIRCULAR
A-133. THE CONSOLIDATED AUDIT IS REVIEWED BY THE ESSENTIA HEALTH AUDIT
COMMITTEE.

SCHEDULE R, PART V, COLUMN C

Name of the organization

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.

Employer identification number

82-0497771

ATTACHMENT 1 (CONT'D)

METHOD USED TO DETERMINE VALUE OF SERVICES, CASH, AND OTHER ASSETS:

THE METHODS USED TO DETERMINE THE AMOUNTS IN SCHEDULE R, PART V, COLUMN C

WERE:

REIMBURSEMENT OF ACTUAL COSTS

FEE BASED UPON EXPECTED COSTS

ATTACHMENT 2

990, PART VII- COMPENSATION OF THE FIVE HIGHEST PAID IND. CONTRACTORS

NAME AND ADDRESS	DESCRIPTION OF SERVICES	COMPENSATION
PALOUSE IMAGING CONSULTANTS PO BOX 9583 MOSCOW, ID 83843	RADIOLOGY SERVICES	326,693.
WENDI RICHARDSON PO BOX 1916 OROFINO, ID 83544	CRNA	205,513.
GRITMAN MEDICAL CENTER 700 S MAIN ST MOSCOW, ID 83843	RADIOLOGY SERVICES	237,463.
DMS IMAGING, INC PO BOX 86 MINNEAPOLIS, MN 55486	MOBILE RADIOLOGY	144,612.
TOTAL COMPENSATION		914,281.

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 of this schedule**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?

	Yes	No
a Receipt of (i) interest (iii) royalties or (iv) rent from a controlled entity	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Gift, grant, or capital contribution to other organization(s)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c Gift, grant, or capital contribution from other organization(s)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d Loans or loan guarantees to or for other organization(s)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e Loans or loan guarantees by other organization(s)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f Sale of assets to other organization(s)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g Purchase of assets from other organization(s)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h Exchange of assets	<input type="checkbox"/>	<input checked="" type="checkbox"/>
i Lease of facilities, equipment, or other assets to other organization(s)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
j Lease of facilities, equipment, or other assets from other organization(s)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
k Performance of services or membership or fundraising solicitations for other organization(s)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
l Performance of services or membership or fundraising solicitations by other organization(s)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
m Sharing of facilities, equipment, mailing lists, or other assets	<input type="checkbox"/>	<input checked="" type="checkbox"/>
n Sharing of paid employees	<input type="checkbox"/>	<input checked="" type="checkbox"/>
o Reimbursement paid to other organization for expenses	<input type="checkbox"/>	<input checked="" type="checkbox"/>
p Reimbursement paid by other organization for expenses	<input type="checkbox"/>	<input checked="" type="checkbox"/>
q Other transfer of cash or property to other organization(s)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
r Other transfer of cash or property from other organization(s)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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)	ST. MARY'S HOSPITAL & CLINICS, INC.	N	1,122,531.
(2)	ST. MARY'S HOSPITAL & CLINICS, INC.	P	542,675.
(3)	ST. MARY'S HOSPITAL & CLINICS, INC.	O	685,008.
(4)	ECHC	O	1,310,497.
(5)	ECHC	L	373,861.
(6)	ESSENTIA HEALTH	O	387,982.

Schedule R (Form 990) 2009

Department of the Treasury
Internal Revenue Service

Name of filing organization

CLEARWATER VALLEY HOSPITAL AND CLINICS, INC.

Employer Identification
82-0497771

Part I Continuation of Identification of Disregarded Entities

[illegible]

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

Schedule R-1 (Form 990) 2009

Part II Continuation of 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 section 501(c)(3))	(f) Direct controlling entity
ST. BENEDICT'S FAMILY MEDICAL CENTER 82-0227163 709 N LINCOLN JEROME, ID 83338	CLINIC/HOSP	ID	501 (C) (3)	3	ECHC
ST. JOSEPH'S MEDICAL CENTER 41-0695602 523 N 3RD ST BRAINERD, MN 56401	HOSPITAL	MN	501 (C) (3)	3	BLIHS
ST. MARY'S EMS 41-1805811 1027 WASHINGTON AVE DETROIT LAKES, MN 56501	EMERGENCY SR	MN	501 (C) (3)	9	SMRHC
ST. MARY'S HOSPITAL & CLINICS, INC 82-0226453 PO BOX 137 COTTONWOOD, ID 83522	CLINIC/HOSP	ID	501 (C) (3)	3	ECHC
ST. MARY'S INNOVIS HEALTH 26-2861321 1027 WASHINGTON AVE DETROIT LAKES, MN 56501	CLINIC	MN	501 (C) (3)	3	ECHC
ST. MARY'S REGIONAL HEALTH CENTER 41-1620386 1027 WASHINGTON AVE DETROIT LAKES, MN 56501	CLINIC/HOSP	MN	501 (C) (3)	3	ECHC
ESSENTIA HEALTH 20-0360007 502 E 2ND ST DULUTH, MN 55805	SUPPORTING	MN	501 (C) (3)	11 III-FI	N/A
INNOVIS HEALTH, LLC 26-1175213 1702 S UNIVERSITY DR FARGO, ND 58103	CLINIC/HOSP	DE	501 (C) (3)	3	ESSENTIA
MIDWEST MEDICAL EQUIPMENT & SUPPLY INC 41-1674021 4418 HAINES RD DULUTH, MN 55811	MEDICAL EQUI	MN	501 (C) (3)	9	SMDC
SMDC MEDICAL CENTER 41-1878730 502 E 2ND ST DULUTH, MN 55805	CLINIC/HOSP	MN	501 (C) (3)	3	SMDC
PINE MEDICAL CENTER 41-1884597 109 COURT AVE S SANDSTONE, MN 55072	CLINIC/HOSP	MN	501 (C) (3)	3	SMDC
POLINSKY MEDICAL REHABILITATION CENTER 41-0691275 530 E 2ND ST DULUTH, MN 55805	CLINIC/HOSP	MN	501 (C) (3)	3	SMMC
ST. MARY'S DULUTH CLINIC FOUNDATION 41-2016979 400 E 3RD ST DULUTH, MN 55805	FOUNDATION	MN	501 (C) (3)	7	SMDC
ST. MARY'S DULUTH CLINIC HEALTH SYSTEM 41-1836633 407 E 3RD ST DULUTH, MN 55805	CLINIC/HOSP	MN	501 (C) (3)	3	ESSENTIA
ST. MARY'S HOPITAL OF SUPERIOR 41-1811073 3500 TOWER AVE SUPERIOR, WI 54880	CLINIC/HOSP	WI	501 (C) (3)	3	SMMC
ST. MARY'S MEDICAL CENTER 41-0695604 407 E 3RD ST DULUTH, MN 55805	CLINIC/HOSP	MN	501 (C) (3)	3	SMDC
THE DULUTH CLINIC, LTD 41-0883623 400 E 3RD ST DULUTH, MN 55805	CLINIC/HOSP	MN	501 (C) (3)	3	SMDC
FIRST CARE MEDICAL SERVICES 41-0706143 900 HILLGROSS BLVD SE FOSSTON, MN 56542	CLINIC/HOSP	MN	501 (C) (3)	3	ECHC

Schedule R-1 (Form 990) 2009

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(7)	(A) Name of other organization	(B) Transaction type (a-r)	(C) Amount involved
(8)			
(9)			
(10)			
(11)			
(12)			
(13)			
(14)			
(15)			
(16)			
(17)			
(18)			
(19)			
(20)			
(21)			
(22)			
(23)			
(24)			

Schedule R-1 (Form 990) 2009

