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

<b>A For the 2009 calendar year, or tax year beginning 07-01-2009 and ending 06-30-2010</b>					
<b>B</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	<b>Please use IRS label or print or type. See Specific Instructions.</b>	<b>C</b> Name of organization PeaceHealth		<b>D</b> Employer identification number  91-0939479	
		Doing Business As		<b>E</b> Telephone number  (541) 686-7022	
		Number and street (or P O box if mail is not delivered to street address) Room/suite PO Box 10905		<b>G</b> Gross receipts \$ 1,517,534,294	
		City or town, state or country, and ZIP + 4 Eugene, OR 97440			
			<b>F</b> Name and address of principal officer		<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
				<b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "No," attach a list (see instructions)	
				<b>H(c)</b> Group exemption number ▶	
<b>I</b> Tax-exempt status <input checked="" type="checkbox"/> 501(c) ( 3 ) ◀ (insert no ) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527					
<b>J Website:</b> ▶ www.peacehealth.org					
<b>K</b> Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶				<b>L</b> Year of formation 1986	
				<b>M</b> State of legal domicile WA	

<b>Part I</b>	<b>Summary</b>
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Activities & Governance	<b>1</b>	Briefly describe the organization's mission or most significant activities PeaceHealth carries on the healing mission of Jesus Christ by promoting personal and community health, relieving pain and suffering, and treating each person in a loving and caring way		
	<b>2</b>	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	<b>3</b>	Number of voting members of the governing body (Part VI, line 1a) . . . . . <b>3</b> 14		
	<b>4</b>	Number of independent voting members of the governing body (Part VI, line 1b) . . . . . <b>4</b> 14		
<b>5</b>	Total number of employees (Part V, line 2a) . . . . . <b>5</b> 13,076			
<b>6</b>	Total number of volunteers (estimate if necessary) . . . . . <b>6</b> 2,000			
<b>7a</b>	Total gross unrelated business revenue from Part VIII, column (C), line 12 . . . <b>7a</b> 36,963,115			
<b>b</b>	Net unrelated business taxable income from Form 990-T, line 34 . . . <b>7b</b> -1,759,524			
Revenue	<b>8</b>	Contributions and grants (Part VIII, line 1h) . . . . .	<b>Prior Year</b>	<b>Current Year</b>
	<b>9</b>	Program service revenue (Part VIII, line 2g) . . . . .	16,540,444	12,205,533
	<b>10</b>	Investment income (Part VIII, column (A), lines 3, 4, and 7d ) . . . . .	1,356,136,759	1,393,201,549
	<b>11</b>	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	24,740,816	35,927,373
	<b>12</b>	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . .	16,619,435	26,374,007
			1,414,037,454	1,467,708,462
Expenses	<b>13</b>	Grants and similar amounts paid (Part IX, column (A), lines 1–3 ) . . . .		1,323,436
	<b>14</b>	Benefits paid to or for members (Part IX, column (A), line 4) . . . . .		0
	<b>15</b>	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	803,421,581	800,116,056
	<b>16a</b>	Professional fundraising fees (Part IX, column (A), line 11e) . . . . .		0
	<b>b</b>	Total fundraising expenses (Part IX, column (D), line 25) ▶4,466,233		
	<b>17</b>	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f) . . . . .	649,884,724	664,754,347
	<b>18</b>	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	1,453,306,305	1,466,193,839
	<b>19</b>	Revenue less expenses Subtract line 18 from line 12 . . . . .	-39,268,851	1,514,623
Net Assets or Fund Balances			<b>Beginning of Current Year</b>	<b>End of Year</b>
	<b>20</b>	Total assets (Part X, line 16) . . . . .	1,848,402,015	1,931,025,273
	<b>21</b>	Total liabilities (Part X, line 26) . . . . .	987,546,714	1,012,351,681
	<b>22</b>	Net assets or fund balances Subtract line 21 from line 20 . . . . .	860,855,301	918,673,592

<b>Part II</b>	<b>Signature Block</b>
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<b>Sign Here</b>	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				
	*****		2011-05-16		
	Signature of officer		Date		
<b>Paid Preparer's Use Only</b>	Preparer's signature ▶		Date	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions)
	Firm's name (or yours if self-employed), address, and ZIP + 4 ▶				EIN ▶
					Phone no ▶

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

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization’s mission

PeaceHealth carries on the healing mission of Jesus Christ by promoting personal and community health, relieving pain and suffering, and treating each person in a loving and caring way

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 \$ 890,234,555 including grants of \$ ) (Revenue \$ 1,127,586,542 ) HOSPITALS AND CLINICS (NON-CRITICAL ACCESS)PeaceHealth is a not-for-profit health care system with medical centers, critical access hospitals, medical group patients and laboratories located in Alaska, Washington and Oregon Founded by the Sisters of St Joseph of Peace, PeaceHealth has provided exceptional medicine and compassionate care to Northwest communities for more than a century During the most recent fiscal year (2010), PeaceHealth provided patient care to these communities through more than 53,000 inpatient admissions and 500,000 outpatient registrations, and 1 million patient encounters with the medical groups, PeaceHealth consistently receives national recognition for innovations in patient-centered care, patient safety, health care technology and cost efficiency










4b (Code ) (Expenses \$ 270,666,675 including grants of \$ ) (Revenue \$ 148,049,578 ) CHARITY CARE AND COMMUNITY BENEFITSPeacehealth provides partial and full charity care to patients unable to pay for service (\$46 Million) Bridge Assistance patients receive care at reduced cost or no charge when it is determined that payment cannot be obtained through insurance, outside agencies, or private means PeaceHealth offers information to uninsured emergency and outpatients prior to admission Bridge Assistance is also available post-care through financial counseling Other community benefit costs include the means-tested Medicaid shortfall (\$40 Million), Subsidized services provided at a financial loss (\$31 Million), Non-Healthcare community building activities (\$677 Thousand) and other services and contributions (\$5 Million)

4c (Code ) (Expenses \$ 89,370,614 including grants of \$ ) (Revenue \$ 117,565,428 ) CRITICAL ACCESS HOSPITALS AND CLINICSPeaceHealth operates three hospitals that are part of the Medicare Critical Access Hospital (CAH) Program Rural communities rely on their hospitals as critical components of the communities economic and social fabric These hospitals are typically the largest or second largest employer in the community, and often stand alone in their ability to offer highly-skilled jobs During fiscal year 2010, these facilities collectively performed 3,104 surgeries, 28,766 Emergency visits, 76,630 Outpatient registrations, 1,585 Short-stay unit visits, 12,905 Home Health visits, and staffed about 450 Full time employees

4d Other program services (Describe in Schedule O ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4e Total program service expenses \$ 1,250,271,844

Part IV Checklist of Required Schedules

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


Part IV

Checklist of Required Schedules (continued)

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

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No
1a Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable . . . . .			1c	Yes
1a	1,934			
b Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable			1b	0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .			1c	Yes
2a Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return . . . . .			2a	13,076
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note:</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)			2b	Yes
3a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? . . . . .			3a	Yes
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O . . . . .			3b	Yes
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . . . .			4a	No
b If "Yes," enter the name of the foreign country  See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts				
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .			5a	No
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b	No
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction? . . . . .			5c	No
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible? . . . . .			6a	No
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .			6b	No
7 Organizations that may receive deductible contributions under section 170(c).				
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? . . . . .			7a	No
b If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .			7b	No
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .			7c	No
d If "Yes," indicate the number of Forms 8282 filed during the year . . . . .			7d	0
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .			7e	No
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .			7f	No
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . .			7g	No
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? . . . . .			7h	Yes
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	No
9 Sponsoring organizations maintaining donor advised funds.				
a Did the organization make any taxable distributions under section 4966? . . . . .			9a	No
b Did the organization make a distribution to a donor, donor advisor, or related person? . . . . .			9b	No
10 Section 501(c)(7) organizations. Enter				
a Initiation fees and capital contributions included on Part VIII, line 12 . . . . .			10a	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities			10b	
11 Section 501(c)(12) organizations. Enter				
a Gross income from members or shareholders . . . . .			11a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) . . . . .			11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?			12a	No
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year			12b	

Part VI

Governance, Management, and Disclosure

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body . . .	1a	14	
b	Enter the number of voting members that are independent . . .	1b	14	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .	2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . .	3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets? . . .	5		No
6	Does the organization have members or stockholders? . . . . .	6		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . .	7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . .	7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body? . . . . .	8a	Yes	
b	Each committee with authority to act on behalf of the governing body? . . . . .	8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . .	9		No

Section B. Policies

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

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

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed▶OR
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ Tax and Grant Manager 770 E 11th Eugene, OR 97401 (541) 686-7022





<b>1b Total</b>	10,371,529	1,211,783
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**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **18**

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

**Section B. Independent Contractors**

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

(A) Name and business address	(B) Description of services	(C) Compensation
madrona medical group 4545 cordata way bellingham, WA 98226	medical services	1,993,255
lsq funding group PO BOX 809209 chicago, IL 60680	financial services	1,599,847
deloitte consulting llp PO BOX 7247 philadelphia, PA 19170	consulting	4,170,254
dell marketing PO BOX 80281 chicago, IL 60680	computers	2,940,474
aramark management services 2010 main street irvine, CA 92614	management Services	1,999,416

**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 **94**

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues . . . . .	1b					
	c	Fundraising events . . . . .	1c					
	d	Related organizations . . . .	1d	10,376,316				
	e	Government grants (contributions)	1e	1,088,616				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	740,601				
	g	Noncash contributions included in lines 1a-1f \$ _____						
	h	Total. Add lines 1a-1f . . . . .			12,205,533			
Program Service Revenue			Business Code					
	2a	Laboratories and other	621,500	36,963,115		36,963,115		
	b	Hospitals/CLINICS NON-CA	622,110	1,090,623,428	1,090,623,428			
	c	Critical ACCESS (ca) hosp	622,110	117,565,428	117,565,428			
	d	CHARITY CARE AND COMM BEN	622,110	148,049,578	148,049,578			
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f . . . . .			1,393,201,549			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts) . . . . .			37,261,706		37,261,706	
	4	Income from investment of tax-exempt bond proceeds . . .			0			
	5	Royalties . . . . .			0			
	6a	Gross Rents	(i) Real	(ii) Personal				
			10,007,638					
			7,505,729					
			2,501,909					
	d	Net rental income or (loss) . . . . .			2,501,909		2,501,909	
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			39,282,520	1,703,250				
			41,380,493	939,610				
			-2,097,973	763,640				
	d	Net gain or (loss) . . . . .			-1,334,333		-1,334,333	
	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	Partnership items	900,099	5,541,239	5,541,239				
b	miscellaneous	541,519	8,199,356	8,199,356				
c	Cafeteria	900,099	5,987,911			5,987,911		
d	All other revenue . . . . .		4,143,592	4,143,592				
e	Total. Add lines 11a-11d . . . . .			23,872,098				
12	Total revenue. See Instructions . . . . .			1,467,708,462	1,374,122,621	36,963,115	44,417,193	

Part IX

Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	1,323,436	1,323,436		
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 U S See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees . . . . .	10,880,951		10,880,951	
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	615,146,401	508,322,879	104,500,820	2,322,702
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	38,889,972	31,794,806	6,959,278	135,888
9	Other employee benefits . . . . .	81,148,833	65,547,360	14,710,298	891,175
10	Payroll taxes . . . . .	54,049,899	43,717,412	10,104,135	228,352
11	Fees for services (non-employees)				
a	Management . . . . .	20,951,915	18,888,339	2,063,576	
b	Legal . . . . .	1,516,723		1,501,678	15,045
c	Accounting . . . . .	594,542		522,959	71,583
d	Lobbying . . . . .	0			
e	Professional fundraising See Part IV, line 17 . . . . .	0			
f	Investment management fees . . . . .	757,418		757,418	
g	Other . . . . .	39,655,252	21,444,914	17,666,131	544,207
12	Advertising and promotion . . . . .	2,608,926	2,504,569		104,357
13	Office expenses . . . . .	4,997,617	192,399	4,805,218	
14	Information technology . . . . .	14,785,464		14,785,464	
15	Royalties . . . . .	0			
16	Occupancy . . . . .	39,272,886	35,636,579	3,597,746	38,561
17	Travel . . . . .	4,973,245	2,011,889	2,859,456	101,900
18	Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .	0			
19	Conferences, conventions, and meetings . . . . .	15,957		15,957	
20	Interest . . . . .	55,468,041	54,358,680	1,109,361	
21	Payments to affiliates . . . . .	0			
22	Depreciation, depletion, and amortization . . . . .	101,253,927	93,085,850	8,155,614	12,463
23	Insurance . . . . .	14,653,008	8,444,337	6,208,671	
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	tax	22,261,581	22,010,550	251,031	
b	medical supplies	220,151,071	220,151,071		
c	Education, license, recruit	6,229,720	6,229,720		
d	clinical prof Services	38,752,025	38,752,025		
e	Bad Debt	75,855,029	75,855,029		
f	All other expenses	0			
25	Total functional expenses. Add lines 1 through 24f	1,466,193,839	1,250,271,844	211,455,762	4,466,233
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing . . . . .			142,004,136	1	66,967,863
	2	Savings and temporary cash investments . . . . .			92,507,539	2	232,841,204
	3	Pledges and grants receivable, net . . . . .				3	0
	4	Accounts receivable, net . . . . .			172,096,162	4	169,777,241
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .				5	0
	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	0
	7	Notes and loans receivable, net . . . . .			42,588,188	7	16,327,453
	8	Inventories for sale or use . . . . .			25,061,632	8	25,083,351
	9	Prepaid expenses and deferred charges . . . . .			10,931,494	9	9,760,470
	10a	Land, buildings, and equipment, cost or other basis. Complete Part VI of Schedule D . . . . .	10a	1,731,467,430			
	b	Less accumulated depreciation . . . . .	10b	681,899,703	1,094,564,328	10c	1,049,567,727
	11	Investments—publicly traded securities . . . . .			198,847,276	11	246,279,017
	12	Investments—other securities. See Part IV, line 11 . . . . .			13,143,395	12	68,941,071
	13	Investments—program-related. See Part IV, line 11 . . . . .			18,313,788	13	0
	14	Intangible assets . . . . .				14	0
	15	Other assets. See Part IV, line 11 . . . . .			38,344,077	15	45,479,876
	16	Total assets. Add lines 1 through 15 (must equal line 34) . . . . .			1,848,402,015	16	1,931,025,273
Liabilities	17	Accounts payable and accrued expenses . . . . .			213,639,577	17	197,269,090
	18	Grants payable . . . . .				18	
	19	Deferred revenue . . . . .				19	
	20	Tax-exempt bond liabilities . . . . .			629,698,333	20	671,969,170
	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 . . . . .			25,671,281	23	
	24	Unsecured notes and loans payable to unrelated third parties . . . . .				24	
	25	Other liabilities. Complete Part X of Schedule D . . . . .			118,537,523	25	143,113,421
	26	Total liabilities. Add lines 17 through 25 . . . . .			987,546,714	26	1,012,351,681
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 . . . . .			839,291,848	27	894,626,180
	28	Temporarily restricted net assets . . . . .			18,505,817	28	20,610,460
	29	Permanently restricted net assets . . . . .			3,057,636	29	3,436,952
	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 . . . . .			860,855,301	33	918,673,592
	34	Total liabilities and net assets/fund balances . . . . .			1,848,402,015	34	1,931,025,273

**Part XI**    **Financial Statements and Reporting**

	Yes	No
<b>1</b> Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
<b>2a</b> Were the organization's financial statements compiled or reviewed by an independent accountant?   .   .		No
<b>b</b> Were the organization's financial statements audited by an independent accountant?   .   .   .   .   .   .   .	Yes	
<b>c</b> If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O   .   .   .	Yes	
<b>d</b> If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
<b>3a</b> As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?   .   .   .   .   .   .   .   .   .   .   .   .   .   .   .   .		No
<b>b</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   .   .		No

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury  
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2009

Open to Public  
Inspection

Name of the organization PeaceHealth	Employer identification number 91-0939479
---	--

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

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

1

☐

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

2

☐

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

3

☒

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

4

☐

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

5

☐

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

6

☐

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

7

☐

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

8

☐

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

9

☐

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

10

☐

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

11

☐

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

a

☐

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Other

e

☐

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

f

☐

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

g

☐

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

(i)

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

(ii)

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

(iii)

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

h

☐

Provide the following information about the supported organization(s)

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

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

Part II

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

Section A. Public Support

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

Section B. Total Support

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

Section C. Computation of Public Support Percentage

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

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

Section A. Public Support

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

Section B. Total Support

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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



Part IV

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

SCHEDULE D  
(Form 990)

Supplemental Financial Statements

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

OMB No 1545-0047

2009

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

Name of the organization  
PeaceHealth

Employer identification number  
91-0939479

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

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

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

1

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

☐ Preservation of land for public use (e g , recreation or pleasure)

☐ Preservation of an historically importantly land area

☐ Protection of natural habitat

☐ Preservation of a certified historic structure

☐ Preservation of open space

2

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

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

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ►\_\_\_\_\_

4

Number of states where property subject to conservation easement is located ►\_\_\_\_\_

5

Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6

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

7

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

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?

☐ Yes ☐ No

9

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

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

1a

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

b

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

(i) Revenues included in Form 990, Part VIII, line 1

► \$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X

► \$ \_\_\_\_\_

2

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

a

Revenues included in Form 990, Part VIII, line 1

► \$ \_\_\_\_\_

b

Assets included in Form 990, Part X

► \$ \_\_\_\_\_

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

Cat No 52283D

Schedule D (Form 990) 2009

Part III

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

3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

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

5

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

☐ Yes

☐ No

Part IV

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

1a

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

☐ Yes

☐ No

b

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

	Amount
1c	
1d	
1e	
1f	

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

2a

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

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a	Beginning of year balance . . . . .	21,521,595			
b	Contributions . . . . .				
c	Investment earnings or losses . . . . .				
d	Grants or scholarships . . . . .				
e	Other expenditures for facilities and programs . . . . .				
f	Administrative expenses . . . . .				
g	End of year balance . . . . .	24,047,412			

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 . . . . .

3a(i)

3a(ii)

Yes

3b

Yes

Yes

No

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 . . . . .		74,156,343		74,156,343
b Buildings . . . . .		1,235,587,982		1,235,587,982
c Leasehold improvements . . . . .				
d Equipment . . . . .		368,238,346		368,238,346
e Other . . . . .		53,484,759	681,899,703	-628,414,944
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) . . . . . ▶				1,049,567,727



Part XI

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	1,467,708,462
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	1,466,193,839
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	1,514,623
4	Net unrealized gains (losses) on investments	4	3,022,189
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	8,374,864
9	Total adjustments (net) Add lines 4 - 8	9	11,397,053
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	12,911,676

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	1,457,899,427
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments . . . . .	2a	-17,967,715
b	Donated services and use of facilities . . . . .	2b	
c	Recoveries of prior year grants . . . . .	2c	
d	Other (Describe in Part XIV) . . . . .	2d	9,306,827
e	Add lines 2a through 2d . . . . .	2e	-8,660,888
3	Subtract line 2e from line 1 . . . . .	3	1,466,560,315
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	1,148,147
c	Add lines 4a and 4b . . . . .	4c	1,148,147
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12 ) . . . . .	5	1,467,708,462

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements . . . . .	1	1,444,987,751
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	-21,206,088
e	Add lines 2a through 2d . . . . .	2e	-21,206,088
3	Subtract line 2e from line 1 . . . . .	3	1,466,193,839
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	4a	
b	Other (Describe in Part XIV) . . . . .	4b	
c	Add lines 4a and 4b . . . . .	4c	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18 ) . . . . .	5	1,466,193,839

Part XIV

Supplemental Information

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

Identifier	Return Reference	Explanation
Part X	Part X FIN48 Footnote	The Corporation adopted FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes, an interpretation of FASB Statement 109 (FIN 48), on July 1, 2007. FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with FASB Statement No. 109, Accounting for Income Taxes. FIN 48 also prescribes a recognition threshold and measurement standard for the financial statement recognition and measurement of an income tax position taken or expected to be taken in a tax return. Only tax positions that meet the more-likely-than-not recognition threshold at the effective date may be recognized or continue to be recognized upon adoption. In addition, FIN 48 provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. The adoption of FIN 48 did not have a significant impact on the consolidated financial statements of the Corporation.
Part XII, Line 4b	Part XII, Line 4b Other revenue amounts included on 990 but not included in F/S	contributions and grants \$7487801 rent expense \$-7505729 net asset disposition \$1166075
Part XII, Line 2d	Part XII, Line 2d Other revenue amounts included in F/S but not included on form 990	deferred financing costs \$-756940 other income \$741640 interest \$106686 eliminations \$9215441
Part XI, Line 8	Part XI, Line 8 Other Changes in Net Assets or Fund Balances	other income \$741640 rent expense \$7505729 interest \$106686 eliminations \$9215441 non obligated group adjustments \$216184
Part V, Line 4	Part V, Line 4 Intended uses of the endowment fund	Funds held for the benefit of peacehealth

SCHEDULE H  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Hospitals

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization  
PeaceHealth

Employer identification number  
91-0939479

Part I

Charity Care and Certain Other Community Benefits at Cost

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

7 Charity Care and Certain Other Community Benefits at Cost						
Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheets 1 and 2) . . . .			45,691,101		45,691,101	3 120 %
b Unreimbursed Medicaid (from Worksheet 3, column a) . . . .			187,579,076	148,049,578	39,529,498	2 700 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b) . . . . .						
d Total Charity Care and Means-Tested Government Programs . . . . .			233,270,177	148,049,578	85,220,599	5 810 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4) . . . . .			2,507,908		2,507,908	0 170 %
f Health professions education (from Worksheet 5) . . . .			969,591		969,591	0 070 %
g Subsidized health services (from Worksheet 6) . . . .			31,423,371		31,423,371	2 140 %
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8) . . . .			1,818,925		1,818,925	0 120 %
j Total Other Benefits . . . .			36,719,795		36,719,795	2 500 %
k Total. Add lines 7d and 7j . . . .			269,989,972	148,049,578	121,940,394	8 320 %

Part IICommunity Building Activities

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1Physical improvements and housing						
2Economic development			1,514		1,514	
3Community support			225,252		225,252	0.020 %
4Environmental improvements			59,990		59,990	
5Leadership development and training for community members						
6Coalition building						
7Community health improvement advocacy						
8Workforce development			56,903		56,903	
9Other			333,040		333,040	0.020 %
10Total			676,699		676,699	0.050 %

Part IIIBad Debt, Medicare, & Collection Practices

Section A.Bad Debt Expense

		Yes	No
1Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1		No
2Enter the amount of the organization's bad debt expense (at cost)	2	33,841,963	
3Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	3	942,920	
4Provide 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

5Enter total revenue received from Medicare (including DSH and IME)	5	490,238,980	
6Enter Medicare allowable costs of care relating to payments on line 5	6	1,166,305,043	
7Subtract line 6 from line 5. This is the surplus or (shortfall)	7	-676,066,063	
8Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input checked="" type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other			

Section C.Collection Practices

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

Part IVManagement Companies and Joint Ventures

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1Health Ventures	Medical Services	100.000 %		
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

See additional data

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

See additional data

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

See additional data

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

See additional data

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

See additional data

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

- 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

OR

Additional Data

Software ID:  
Software Version:  
EIN: 91-0939479  
Name: PeaceHealth

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

Part III A Line 2 Bad debt expense (at cost) was calculated using gross charges applied to bad debt expense (\$75,855,030) multiplied by the cost-to-charge ratio (44.614%) Part III A Line 3 Estimated amount of bad debt expense attributable to charity care was estimated by totalling all patient accounts that had applied and not qualified for charity care (Bridge Program)assistance

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

IRS Revenue Ruling 69-545, which established the community benefit standard for nonprofit hospitals, states that if a hospital serves patients with government health benefits, including Medicare, then this is an indication that the hospital operates to promote the health of the community. This implies that treating Medicare patients is a community benefit. The elderly are often an underserved population who experience issues with access to healthcare services. Without tax-exempt hospitals providing Medicare services, other segments of society would bear the burden of providing services for the elderly.

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

In cases where medically necessary and preventative services are provided regardless of the pateints ability to pay, PeaceHealth makes Financial Counseling available. By policy, PeaceHealth does not turn a patient account into collections without some form of Financial Counseling occuring. One element of Financial counseling includes a "Bridge Assistance" program. This program allows qualified patients to receive care at reduced cost or without charge when it has been determined that payment for those services cannot be obtained through insurance, outside agencies, or private means.

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

Needs vary by region, so any assessment of needs is customized to the local community. Still, there are some approaches the regions have in common to assure we are truly understanding and meeting the most significant community needs. Typically we engage committees of staff, board members and volunteers to review and act on funding requests from community-based organizations. In making their case for funding, applicants must thoroughly explain the need, the population served, the effectiveness of their programs, and the desired outcome. In addition to helping our board committees make wise strategic investment in programs that effectively address community needs, this process also keeps our staff and board members attuned to changes in our community. When we evaluate the community's demand and desire for a particular service, we assess a whole host of factors, including:

- \* Alternative ways to access care
- \* our ability to provide the necessary staff, equipment and space
- \* the effect on the community and patients if we did not provide the care
- \* the community's best interest

results of an ethical discernment. In PeaceHealth Oregon Region, the primary tool for assessing community health is a biennial needs assessment report produced by United Way and based on a community survey. The latest study found that paying for medical insurance and paying for doctor/dentist visits were the top two problems reported. Difficulty paying for prescription medications was in the top 10 list of problems. In PeaceHealth Lower Columbia Region, medical staff and hospital leaders participate in a biennial community health research study that exams social determinants of health, highlights key health scores and indicators, and recognizes Champions for Healthy Lifestyles. The Community Health Report Card is coordinated by Pathways 2020, a nonprofit organization dedicated to improving the quality of life in Cowlitz County through collaborative partnerships, resource mobilization, strategic planning and program development. PeaceHealth is an active partner in producing the report card. In PeaceHealth Whatcom Region, a primary means of assessing community health needs over the last five years has been through the efforts of the Whatcom Coalition for Healthy Communities. PeaceHealth St. Joseph Medical Center was a co-founder of this organization, along with the county health department and the local United Way. With PeaceHealth support, the coalition developed a web-based system for reporting and tracking a set of community health indicators which is maintained at [WhatcomCounts.org](http://WhatcomCounts.org). In PeaceHealth Southeast Alaska Region, a gap in care or services may result when another local provider discontinues a service. Changing times have resulted in the closure of most independent physician offices and the local municipal behavioral health program. When no other provider steps in, Ketchikan General Hospital (as the largest health care provider in the region) is typically asked to assume or absorb the delivery of that care or service. Growth of the PeaceHealth Medical Group in primary care and OB/GYN was a direct result of this situation where if we had not stepped in, these services would not be available today. Another key example of this was the decision to take over the management of a satellite rural health clinic in Craig, Alaska, involving a comprehensive assessment and ethical discernment. Additional ways PeaceHealth stays in touch with the community:

- Patient Councils
- Community members provide input and feedback to administrators on the patient experience, issues, concerns and ideas.
- Community Involvement
- Hospital staff serves on numerous boards, committees and task forces that address community health problems and promote community health.
- Speakers Bureau
- Hospital leaders and experts are called upon to address community groups on a variety of health care topics, taking feedback, answering questions and listening to concerns and needs.

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

Part VI Line 3) Patient education of eligibility for assistance PeaceHealth has a time-honored tradition of providing health care services to the sick and afflicted regardless of ability to pay It is central to our mission and is reinforced through our new employee orientation, training and development programs, leadership meetings, and special programs such as Leadership in Ministry PeaceHealth has an innovative "Bridge Assistance" program which provides free or reduced-cost care to low-income individuals In the spirit of our core value of "Respecting Individual Human Dignity and Worth," PeaceHealth uses the name Bridge Assistance so that people using this program can refer to it without any discomfort or embarrassment Qualified individuals receive a Bridge Assistance card which they may present just as one would an insurance card Many independent providers in the community now accept PeaceHealth's Bridge program as their benchmark for providing pro bono services The name refers to bridging the gap of financial uncertainty for our patients in need Bridge Assistance provides medically necessary and preventative services for our patients at PeaceHealth facilities at a reduced cost or without charge when payment cannot be obtained through all other available financial resources It is secondary to resources such as insurance, third party liability payers, government programs, outside agency program, or private means The purpose of the program is to help manage the delicate balance of maintaining financial health and wise stewardship with our mission of providing community services in all of our service areas It ensures that patients receive fair and equal financial treatment across PeaceHealth It works together with our Financial Counseling Services to help PeaceHealth identify patients who can benefit from Bridge Assistance Here is an example of how we work with our local communities to enroll people in the program PeaceHealth St Joseph Medical Center works closely with the Whatcom Alliance and the area federally qualified health centers (FQHCs) to ensure that all eligible patients seeking medical care know about the PeaceHealth Bridge Assistance program Alliance staff work with the medical center to follow up on patients who frequent the emergency department for care and inform them of available resources, including possible Bridge Assistance Patients referred from community health centers seeking access to donated specialty care are routinely enrolled in Bridge Assistance as part of the process for determining eligibility for community-wide donated care Communication Eligible patients are made aware of this program through a variety of communication channels, including "Referrals from community partners, including nonprofit community clinics that are free or low-cost"Information posted on our Web site at [http //www peacehealth org/shared-pages/Pages/\\_bridge-assistance-default.aspx?from=/about-peacehealth/bridge-assistance](http://www.peacehealth.org/shared-pages/Pages/_bridge-assistance-default.aspx?from=/about-peacehealth/bridge-assistance)"Signage in our waiting rooms\* "Brochures throughout our facilities\*\* "Financial counseling \*As part of our baseline outreach plan, PeaceHealth posts signs in the following areas "Registration areas "Reception area "Pay stations \*\*Brochures are made available in the following areas "Registration booth/desk "Check-in areas (lab, imaging, etc) "Waiting areas "Existing brochure displays "Administration "Patient exam rooms (provider offices) "Pay stations

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

PART VI, LINE 4 Identified communities/Service areas PeaceHealth primarily serves small and mid-sized communities, from Eugene at 160,000 to Florence, Cottage Grove and Ketchikan, all communities of slightly under 10,000 OregonPeaceHealth's service area extends over a geographic area that covers about two-thirds of the state and encompasses 14 counties with a population close to 1 4 million people Lane County's overall median age is 38 2 years, with 14 1percent of residents age 65 and older In Florence, by contrast, the median age is 56 years, and 38 percent of the population is 65 and older Obviously this has broad implications for the use of health services and programs offered In-migration of retirement age persons into the coastal area is a continuing trend While overall population growth in Florence is projected at 5 3 percent, growth in the 65+ market is projected to grow rapidly at 12 2 percent over the next five years The primary ethnicity is Caucasian, with Latino population as the second highest Income levels remain lower than average for the state of Oregon, which is below the national average due to reductions in the fishing and forestry industries All or parts of each county in the health care region are designated primary Health Professional Shortage Areas (HPSAs) Our service area is broken down into three sections the primary service area, which encompasses all of Lane County, the secondary service area, which has two distinct geographic breakdowns (Coos and Douglas counties, and Linn and Benton counties), and the tertiary service area, which is made up of nine counties While we include the tertiary service area in our service area definition, we serve only 1 percent of the tertiary inpatient health care market WashingtonLower Columbia RegionThe Lower Columbia Region service area encompasses rural communities within four Washington counties - Cowlitz, Lewis, Pacific and Wahkiakum - and two Oregon counties - Clatsop and Columbia In addition to St Joseph Medical Center, several small community hospitals provide services, as well as the metropolitan-area Vancouver and Portland hospitals The region's population is 182,447, and is expected to grow 4 2 percent by 2015 The primary service area of Longview, Kelso and Castle Rock accounts for 75 percent of the hospital's total inpatient discharges The secondary service area of nine communities - including Rainier and Clatskanie in Oregon, and Kalama and Ryderwood in Washington - account for 14 percent of inpatient discharges The tertiary service area comprises 15 communities and accounts for 8 percent of discharges The region is older, lower income and has a lower percentage of child-bearing women than average for Oregon or Washington In the primary service area, 26 percent of the population is on Medicaid, compared to 15 percent in the secondary service area Whatcom RegionWhatcom County's population estimate for 2011 is 200,434 people Since 2000, the population increased by 20 1 percent, which is slightly higher than the 13 1 percent population increase experienced by Washington State during that same time period Bellingham is the largest city within Whatcom County with a population of 75,750, followed by Lynden with a population of 11,350 The racial demographics of Whatcom County are as follows 89 6 percent of the population identifies as Caucasian, 7 2 percent identify as Hispanic/Latino, 1 1 percent as African American, 3 percent as American Indian and Alaska Native, 3 8 percent as Asian, 0 2 percent as Native Hawaiian, and 2 3 percent of the population identifies with two or more races AlaskaAll of southeast Alaska has a land area of 35,138 miles, and PeaceHealth serves approximately half of that area, at the southern end Southeast Alaska represents 10 percent of Alaska's total population, or about 70,000 people Our service area includes about 30,000 people Remote communities are located on islands and a small strip of land tucked between the Pacific Ocean and the coast

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

PART VI, LINE 5 How do community building activities promote health?Here are examples from throughout PeaceHealth illustrating ways we work with the community to improve overall health and wellness Trauma Nurses Bike Helmet educational series is an outreach effort into elementary schools throughout the region to teach helmet use and bike safety Trauma nurses reach out to engage youth in safe practices Go Red Tea More than 110 women attended the PeaceHealth St John Medical Center Foundation's annual Go Red Tea and received practical advice about improving their heart health Emergency Support Shelter breakfast PeaceHealth is a major sponsor of this event to raise awareness of domestic violence in our community and garner support for the shelter Many PeaceHealth caregivers attend and support the breakfast each year March for Babies This month the Sister Margaret Anna Cusack Women's Health Pavilion will be the kick-off location, starting point, and finish line for this event The Pavilion features a number of programs and events for women and parents throughout the year to encourage positive lifestyles in an atmosphere that makes learning fun National Kidney Foundation's (NKF) Kidney Walk This June, the PeaceHealth St John Dialysis Department will be forming teams to walk in the event to raise support for and awareness of the NKF's efforts PeaceHealth's LifeQuest program This employee wellness program coordinates health-related activities for caregivers in our community throughout the year During the school year, PeaceHealth's LifeQuest staff works with Longview Parks and Recreation to provide nutrition education to elementary after-school programs LifeQuest partners with the YMCA through their quarterly health fairs, bi-monthly presentations such as Eating Healthy on a Budget, and encouraging participation in LifeQuest programs such as the Changing Weighs Weight Loss Class Mt St Helen's Tour De Blast PeaceHealth partners with Longview Noon Rotary to provide sponsorship and support for the race organization Tour de Blast brings hundreds of cyclists from all over the globe to our community to ride to the summit of Mt St Helens Sports Medicine program Students meet four mornings a week to work on strength, agility, flexibility, and endurance to keep them fit during the summer and prepare them for the fall sports season Relay for Life In addition to being a major sponsor, many of our caregivers will form walking teams to support finding a cure for cancer as well as to honor those in their lives who've been touched by cancer Financial Cash Contributions PeaceHealth donates small cash contributions to numerous programs related to community building efforts These donations are reviewed annually Emergency Preparedness Activities this past year involved a community wide earthquake drill and high rise drill, pediatric trauma for multi-agency including considerable community communications and collaboration on pandemic influenza Courageous Kids Weekly support groups for elementary and teen children and families grieving the death of a loved one help participants learn that they are not alone in whatever they might be experiencing Art therapy, drama, sand play and discussion help participants learn how to support one another



**Grants and Other Assistance to Organizations,  
Governments and Individuals in the United States**  
Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.  
▶ Attach to Form 990

# 2009

**Open to Public  
Inspection**

Name of the organization  
PeaceHealth

91-0939479

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

[illegible]

<b>2</b>	Enter total number of section 501(c)(3) and government organizations . . . . .	0
<b>3</b>	Enter total number of other organizations . . . . .	1

Part III

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

(a)Type of grant or assistance	(b)Number of recipients	(c)Amount of cash grant	(d)Amount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f)Description of non-cash assistance

Part IV

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

Identifier	Return Reference	Explanation

Schedule J  
(Form 990)

Compensation Information

OMB No 1545-0047

2009

Open to Public Inspection

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

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

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization  
PeaceHealth

Employer identification number  
91-0939479

Part I

Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. <div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Discretionary spending account</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
1b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply. <div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input type="checkbox"/> Form 990 of other organizations</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization:		
4a	Receive a severance payment or change-of-control payment?		No
4b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	Yes	
4c	Participate in, or receive payment from, an equity-based compensation arrangement?		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
5a	The organization?		No
5b	Any related organization?		No
	If "Yes," to line 5a or 5b, describe in Part III		
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		
6a	The organization?		No
6b	Any related organization?		No
	If "Yes," to line 6a or 6b, describe in Part III		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III		No
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53.4958-4(a)(3)? If "Yes," describe in Part III		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?		No

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

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

[illegible]

**Part III**   **Supplemental Information**

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

Identifier	Return Reference	Explanation
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Software ID: 09000047  
Software Version: 2009v1.7  
EIN: 91-0939479  
Name: PeaceHealth

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
Stuart Hennessey	(i) (ii)	316,296	160,684	35,407	56,667	16,929	585,983	
Richard Leone MD	(i) (ii)	547,115	20,489	22,746	55,711	10,445	656,506	
Richard Kincade	(i) (ii)	239,951	32,018	24,637	45,005	18,818	360,429	
Ran Whitehead	(i) (ii)	241,026	106,679	21,995	46,528	17,621	433,849	
Peter Adler	(i) (ii)	352,682	183,095	30,086	26,900	19,414	612,177	
Noele E Santo-Domingo MD	(i) (ii)	578,713	718	21,777	62,525	18,108	681,841	
Nancy Steiger	(i) (ii)	330,120	167,127	28,897	26,757	21,294	574,195	
Mel Pyne	(i) (ii)	417,564	223,964	29,573	46,134	11,787	729,022	
Judy Hodgson	(i) (ii)	309,535	156,840	16,108	56,928	14,102	553,513	
Josiah Johnson	(i) (ii)	241,189	80,926	10,882	32,770	18,547	384,314	
John Haughom	(i) (ii)	429,614	231,390	21,988	56,928	17,289	757,209	
Jill Hoggard-Green	(i) (ii)	286,496	131,679	31,808	47,128	15,825	512,936	
Howard Kriz	(i) (ii)	404,263	234,011	35,695	55,560	16,868	746,397	
Elaine Svigel Dunda	(i) (ii)	286,548	114,383	30,382	53,824	17,103	502,240	
Douglas James MD	(i) (ii)	599,649	70,000	4,760	64,049	14,500	752,958	
David White MD	(i) (ii)	791,053	11,047	6,127	69,948	15,602	893,777	
Carl Bruce Schwartz MD	(i) (ii)	569,389	27,424	6,646	61,441	11,281	676,181	26,775
Alan Yordy	(i) (ii)	689,217	371,992	37,129	52,028	19,419	1,169,785	

Schedule K  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Name of the organization  
PeaceHealth

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2009

Open to Public Inspection

Employer identification number  
91-0939479

Part I

Bond Issues

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer	
							Yes	No	Yes	No
A	WA Healthcare Facilities Authority	91-1108929	93978E5T5	10-15-2009	94,835,000	Refund prior bond issue		X		X
B	OR Facilities Authority	93-6001787	68608JKB6	10-15-2009	100,795,000	Refund prior bond issue		X		X
C	OR Facilities Authority	93-6001787	68608JJK8	06-26-2008	70,000,000	Refund prior bond issue		X		X
D	OR Facilities Authority	93-6001787	68608JJJ1	06-26-2008	80,000,000	Refund prior bond issue		X		X
E	OR Facilities Authority	93-6001787	68608JJH5	06-26-2008	99,175,000	Refund prior bond issue		X		X

Part II

Proceeds

		A		B		C		D		E	
1	Total proceeds of issue	99,515,443		104,387,250		70,000,000		80,000,000		99,175,000	
2	Gross proceeds in reserve funds										
3	Proceeds in refunding or defeasance escrows										
4	Other unspent proceeds										
5	Issuance costs from proceeds	407,109		451,417							
6	Working capital expenditures from proceeds										
7	Capital expenditures from proceeds										
8	Year of substantial completion										
9	Were the bonds issued as part of a current refunding issue?	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
		X		X		X		X		X	
10	Were the bonds issued as part of an advance refunding issue?		X		X		X		X		X
11	Has the final allocation of proceeds been made?	X		X		X		X		X	
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X		X	

Part III

Private Business Use

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

Part III

Private Business Use (Continued)

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

Part IV

Arbitrage

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



Schedule K  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Name of the organization  
PeaceHealth

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2009

Open to Public Inspection

Employer identification number  
91-0939479

Part I Bond Issues

(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer	
						Yes	No	Yes	No
A OR Facilities Authority	93-6001787	68608JJG7	06-26-2008	49,725,000	Refund prior bond issue		X		X
B WA Healthcare Fac Auth	91-1108929	93978EU26	06-26-2008	80,650,000	Refund prior bond issue		X		X
C State of Oregon	93-6001787	68608JBX8	10-12-2004	3,200,000	Construct Medical Complex		X		X
D State of Oregon	93-6001787	68608JBV2	10-12-2004	595,000	Construct Medical Complex		X		X
E State of Oregon	93-6001787	68608JBW0	10-12-2004	2,495,000	Construct Medical Complex		X		X

Part II Proceeds

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Total proceeds of issue	49,725,000		80,650,000		3,200,000		595,000		2,495,000	
2 Gross proceeds in reserve funds										
3 Proceeds in refunding or defeasance escrows										
4 Other unspent proceeds										
5 Issuance costs from proceeds										
6 Working capital expenditures from proceeds										
7 Capital expenditures from proceeds	3,200,000				3,200,000		595,000		2,495,000	
8 Year of substantial completion	2008		2008		2008		2008		2008	
9 Were the bonds issued as part of a current refunding issue?	X		X		X	X		X		X
10 Were the bonds issued as part of an advance refunding issue?		X		X		X		X		X
11 Has the final allocation of proceeds been made?	X		X		X		X		X	
12 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X		X		X		X	

Part III Private Business Use

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

Part III

Private Business Use (Continued)

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

Part IV

Arbitrage

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

Schedule K (Form 990)	<div>Supplemental Information on Tax Exempt Bonds</div> <div>▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O (Form 990). ▶ Attach to Form 990. ▶ See separate instructions.</div>							OMB No 1545-0047	
								2009	
								Open to Public Inspection	
Department of the Treasury Internal Revenue Service Name of the organization PeaceHealth							Employer identification number 91-0939479		

Part I Bond Issues

(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue Price	(f) Description of Purpose	(g) Defeased		(h) On Behalf of Issuer	
						Yes	No	Yes	No
A State of Oregon	93-6001787	68608JBT7	10-12-2004	540,000	Construct Medical Complex		X		X
B State of Oregon	93-6001787	68608JBU4	10-12-2004	2,450,000	Construct Medical Complex		X		X
C State of Oregon	93-6001787	68608JBS9	10-12-2004	2,900,000	Construct Medical Complex		X		X
D State of Oregon	93-6001787	68608JBQ3	10-12-2004	1,315,000	Construct Medical Complex		X		X
E State of Oregon	93-6001787	68608JBR1	10-12-2004	1,505,000	Construct Medical Complex		X		X

Part II Proceeds

	A		B		C		D		E	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Total proceeds of issue										
2 Gross proceeds in reserve funds										
3 Proceeds in refunding or defeasance escrows										
4 Other unspent proceeds										
5 Issuance costs from proceeds										
6 Working capital expenditures from proceeds										
7 Capital expenditures from proceeds										
8 Year of substantial completion										
9 Were the bonds issued as part of a current refunding issue?										
10 Were the bonds issued as part of an advance refunding issue?										
11 Has the final allocation of proceeds been made?										
12 Does the organization maintain adequate books and records to support the final allocation of proceeds?										

Part III Private Business Use

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

Part III

Private Business Use (Continued)

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

Part IV

Arbitrage

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

Additional Data

Software ID:  
Software Version:  
EIN: 91-0939479  
Name: PeaceHealth

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493136025161

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 PeaceHealth	Employer identification number 91-0939479
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Identifier	Return Reference	Explanation
Form 990, Part VI, Line 19	Form 990, Part VI, Line 19 Other Organization Documents Publicly Available	The Articles of Incorporation and extensive financial data are filed with state governments and become available to the public. The bylaws and conflict of interest policy are provided upon request. Independent financial audits of the company's financial statements have been made public annually in connection with public bond offerings during the last several years and are also available upon request.

Identifier	Return Reference	Explanation
Form 990, Part VI, Line 15b	Form 990, Part VI, Line 15b Compensation Review and Approval Process for Officers and Key Employees	The independent national consulting firm of Sullivan and Cotter is retained by the Executive Committee of the PeaceHealth Board - which also serves as the Compensation Committee. All committee members are subject to the conflict of interest policies and recuse themselves in the event of a potential conflict. Sullivan Cotter is regularly and consistently utilized to prepare and analyze compensation comparability data for officers, key executives and disqualified persons described in the intermediate sanction regulations. Those reports are provided to the Executive Committee of the PeaceHealth Board of Directors for compensation approvals to ensure the fair market value of compensation for these individuals, and these approvals are documented in committee minutes.

Identifier	Return Reference	Explanation
Form 990, Part VI, Line 12c	Form 990, Part VI, Line 12c Explanation of Monitoring and Enforcement of Conflicts	Regularly scheduled education is provided to employees and board members throughout the year as to the requirements of the conflict of interest policy. Senior management and all board members are required to complete an annual written conflict of interest questionnaire. Their responses to the questionnaire are annually reviewed by the Legal department and the Organizational Integrity department. The Legal department regularly reviews the minutes from the board meetings and the minutes from the management Executive Committee meetings to check voting records against the disclosed potential conflicts of interest. Chairpersons and their supportive minute takers are trained in the correct procedure to follow whenever a potential conflict of interest arises.

Identifier	Return Reference	Explanation
Form 990, Part VI, Line 11	Form 990, Part VI, Line 11 Form 990 Review Process	The Form 990 was prepared by a CPA, with consultation from external advisors and further reviewed by the CFO and President & CEO prior to signature. The signed form is provided to the board of directors prior to filing.

Identifier	Return Reference	Explanation
Form 990, Part III, Line 4d	Form 990, Part III, Line 4d Other Program Services Description	OTHER PROGRAM SERVICES 4. CRITICAL ACCESS HOSPITALS AND CLINICSPeaceHealth operates three hospitals that are part of the Medicare Critical Access Hospital (CAH) Program. Rural communities rely on their hospitals as critical components of the communities economic and social fabric. These hospitals are typically the largest or second largest employer in the community, and often stand alone in their ability to offer highly-skilled jobs. During fiscal year 2010, these facilities collectively performed 3,104 surgeries, 28,766 Emergency visits, 76,630 Outpatient registrations, 1,585 Short-stay unit visits, 12,905 Home Health visits, and staffed about 450 Full time employees.

Identifier	Return Reference	Explanation
	Client Note1	Form 990-T, Line HExplanation of unrelated business income activities 1. PeaceHealth is a member of Premier Purchasing Partnership, Limited Partners. The allocable share of partnership income from group purchasing programs on behalf of nonaffiliated hospitals, structured to reduce the cost of medical supplies incurred by nonaffiliated hospitals, is reported as unrelated business income (423000)2. Pharmaceutical and optical supplies are available for purchase at PeaceHealth's Eugene, Oregon clinic operations. The allocable portion of these sales to non-patients is reported as unrelated business income (446110, 446199)3. Non-patient laboratory services are provided by Oregon Medical Laboratory (621500)4. Child Care services are offered as an employee benefit in the Alaska Region. The allocable portion of this activity provided to non-employees is reported as unrelated business income (624410)5. EHI Works, an operating division of PeaceHealth, provides information technology services, products and technology to independent physicians (541519)6. Whatcom Health Information Network, an LLC for which PeaceHealth is the only member, provides information technology services, products and technology to independent physicians (541519).

SCHEDULE R (Form 990)	Related Organizations and Unrelated Partnerships  ▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37. ▶ Attach to Form 990. ▶ See separate instructions.	OMB No 1545-0047
		2009
		Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

Name of the organization PeaceHealth	Employer identification number 91-0939479
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Part I

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
Whatcom Health Information Network 625 Cornwall Ave Bellingham, WA 98225 91-1993455	Health Info network	WA			N/A

Part II

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity
Ketchikan General Hospital Foundation  3100 Tongass Ave  Ketchikan, AK 99901 65-1225184	Healthcare Fundraising	AK	501(c)(3)	7	N/A
Whatcom Hospice Foundation  800 East Chestnut Street  Bellingham, WA 98225 94-3146369	Healthcare Fundraising	WA	501(c)(3)	7	N/A
St Joseph Hospital Foundation  800 East Chestnut Street  Bellingham, WA 98225 94-3146369	Healthcare Fundraising	WA	501(c)(3)	7	N/A
Cottage Grove Community Hospital Found  1515 Village Drive  Cottage Grove, OR 97424 93-0688381	Healthcare Fundraising	OR	501(c)(3)	7	N/A
Peace Harbor Foundation  400 9th Street  Florence, OR 97439 93-1084126	Healthcare Fundraising	OR	501(c)(3)	11a	N/A
Sacred Heart Medical Center Foundation  PO Box 10905  Eugene, OR 97440 93-6026548	Healthcare Fundraising	OR	501(c)(3)	7	N/A
Health Ventures  PO Box 10905  Eugene, OR 97440 91-1350776	Healthcare joint ventures	WA	501(c)(3)	11a	N/A

Part III

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

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

Part IV

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

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

Part V

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

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

1

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

a

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

b

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

c

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

d

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

e

Loans or loan guarantees by other organization(s)

f

Sale of assets to other organization(s)

g

Purchase of assets from other organization(s)

h

Exchange of assets

i

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

j

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

k

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

l

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

m

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

n

Sharing of paid employees

o

Reimbursement paid to other organization for expenses

p

Reimbursement paid by other organization for expenses

q

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

r

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

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

No

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

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

Schedule R (Form 990) 2009



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

[illegible]

Software ID: 09000047  
Software Version: 2009v1.7  
EIN: 91-0939479  
Name: PeaceHealth

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

(a) Name, address, and EIN of related organization	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Exempt Code section	(e) Public charity status (if 501(c)(3))	(f) Direct Controlling Entity
Ketchikan General Hospital Foundation  3100 Tongass Ave Ketchikan, AK99901 65-1225184	Healthcare Fundraising	AK	501(c)(3)	7	N/A
Whatcom Hospice Foundation  800 East Chestnut Street Bellingham, WA98225 94-3146369	Healthcare Fundraising	WA	501(c)(3)	7	N/A
St Joseph Hospital Foundation  800 East Chestnut Street Bellingham, WA98225 94-3146369	Healthcare Fundraising	WA	501(c)(3)	7	N/A
Cottage Grove Community Hospital Found  1515 Village Drive Cottage Grove, OR97424 93-0688381	Healthcare Fundraising	OR	501(c)(3)	7	N/A
Peace Harbor Foundation  400 9th Street Florence, OR97439 93-1084126	Healthcare Fundraising	OR	501(c)(3)	11a	N/A
Sacred Heart Medical Center Foundation  PO Box 10905 Eugene, OR97440 93-6026548	Healthcare Fundraising	OR	501(c)(3)	7	N/A
Health Ventures  PO Box 10905 Eugene, OR97440 91-1350776	Healthcare joint ventures	WA	501(c)(3)	11a	N/A

Additional Data

Software ID:  
Software Version:  
EIN: 91-0939479  
Name: PeaceHealth

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Tom Grove Director	0	X						0	0	0
Terry Brandon Treasurer	0	X						0	0	0
Stuart Hennessey Senior VP	40 00				X			512,387	0	73,596
Sr Norah Clarke CSJP Director	0	X						0	0	0
Sr Monica Heeran CSJP Secretary	40 00	X						0	0	0
Sr Kathleen Pruitt CSJP Director	40 00	X						0	0	0
Sr Eleanor Gilmore CSJP Director	40 00	X						0	0	0
Sr Anne Hayes CSJP Director	40 00	X						0	0	0
Sr Andrea Nenzel CSJP Chairman	0	X						0	0	0
Sr Margaret Dimond CSJP Director	0	X						0	0	0
Roland Trenouth MD Director	0	X						0	0	0
Richard Leone MD Physician	40 00					X		590,350	0	66,156
Richard Kincade Senior VP	40 00				X			296,606	0	63,823
Ran Whitehead CEO - Florence, OR	40 00				X			369,700	0	64,149
Peter Adler Senior VP	40 00				X			565,863	0	46,314
Noele E Santo-Domingo MD Physician	40 00					X		601,208	0	80,633
Nancy Steiger Senior VP	40 00				X			526,144	0	48,051
Mel Pyne CEO - Eugene/Springfield, OR	40 00				X			671,101	0	57,921
Kevin Walstrom SVP, CFO	0							0	0	0
Judy Hodgson Senior VP	40 00				X			482,483	0	71,030
Josiah Johnson CEO - Longview, WA	40 00				X			332,997	0	51,317
John Haughom Senior VP	40 00				X			682,992	0	74,217
Joe Gonyea II Director	0	X						0	0	0
Jill Hoggard-Green COO - Eugene/Springfield, OR	40 00				X			449,983	0	62,953
Howard Kriz System CFO	40 00			X				673,969	0	72,428

**Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Elaine Svigel Dunda Senior VP	40 00				X			431,313	0	70,927
Douglas James MD Physician	40 00					X		674,409	0	78,549
Dieter Morich Vice Chair	0	X						0	0	0
David White MD Physician	40 00					X		808,227	0	85,550
Curt Roberts Director	0	X						0	0	0
Catherine Potts MD Director	0	X						0	0	0
Carol Sheridan Director	0	X						0	0	0
Carl Bruce Schwartz MD Physician	0					X		603,459	0	72,722
Alan Yordy President & CEO	40 00			X				1,098,338	0	71,447

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

<i>Do not include amounts reported on line 6b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
tax	22,261,581	22,010,550	251,031	
medical supplies	220,151,071	220,151,071		
Education, license, recruit	6,229,720	6,229,720		
clinical prof Services	38,752,025	38,752,025		
Bad Debt	75,855,029	75,855,029		