




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



Form <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>	OMB No 1545-0047 <div> <div>2009</div> <div>Open to Public Inspection</div> </div>
	The organization may have to use a copy of this return to satisfy state reporting requirements	

<b>A</b> For the <b>2009</b> calendar year, or tax year beginning 07-01-2009 and ending 06-30-2010		<b>C</b> Name of organization UNIVERSITY PHYSICIANS HEALTHCARE INC		<b>D</b> Employer identification number 94-2958258	
<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		Doing Business As		<b>E</b> Telephone number (520) 874-7205	
<b>Please use IRS label or print or type. See Specific Instructions.</b>		Number and street (or P.O. box if mail is not delivered to street address) Room/suite 2701 EAST ELVIRA ROAD		<b>G</b> Gross receipts \$ 602,619,791	
		City or town, state or country, and ZIP + 4 TUCSON, AZ 85756			
		<b>F</b> Name and address of principal officer LAWRENCE ALDRICH 2701 EAST ELVIRA ROAD TUCSON, AZ 85756		<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 type="checkbox"/> No If "No," attach a list (see instructions)	
		<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>H(c)</b> Group exemption number	
		<b>J</b> Website: WWW.UPH.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 1985	
				<b>M</b> State of legal domicile AZ	

Part I Summary			
Activities & Governance	<b>1</b> Briefly describe the organization's mission or most significant activities SEE SCHEDULE O		
	<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> 1		
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b) . . . . . <b>4</b> 1		
	<b>5</b> Total number of employees (Part V, line 2a) . . . . . <b>5</b> 2,85		
	<b>6</b> Total number of volunteers (estimate if necessary) . . . . . <b>6</b> 7		
	<b>7a</b> Total gross unrelated business revenue from Part VIII, column (C), line 12 . . . . . <b>7a</b> 92,42		
	<b>b</b> Net unrelated business taxable income from Form 990-T, line 34 . . . . . <b>7b</b>		
Revenue	<b>8</b> Contributions and grants (Part VIII, line 1h) . . . . .	Prior Year	Current Year
	<b>9</b> Program service revenue (Part VIII, line 2g) . . . . .	8,953	0
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d ) . . . . .	504,046,729	597,981,026
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,278,183	-289,794
	<b>12</b> Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) . . . . .	-3,398,781	4,636,659
		501,935,084	602,327,891
Expenses	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1–3 ) . . . . .	2,696,871	2,890,237
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4) . . . . .	0	0
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	180,254,535	217,149,807
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e) . . . . .	0	0
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) <input type="checkbox"/> 0		
	<b>17</b> Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f) . . . . .	317,093,903	366,735,607
	<b>18</b> Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	500,045,309	586,775,651
	<b>19</b> Revenue less expenses Subtract line 18 from line 12 . . . . .	1,889,775	15,552,240
Net Assets or Fund Balances		Beginning of Current Year	End of Year
	<b>20</b> Total assets (Part X, line 16) . . . . .	194,201,501	210,816,927
	<b>21</b> Total liabilities (Part X, line 26) . . . . .	121,135,016	121,902,939
	<b>22</b> Net assets or fund balances Subtract line 21 from line 20 . . . . .	73,066,485	88,913,988

<b>Part II Signature Block</b>	
<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
	<div> <div></div> <div>Signature of officer</div> </div> <div> <div></div> <div>2011-05-03</div> </div> <div> <div></div> <div>Date</div> </div>
	<div> <div></div> <div>MISTY HANSEN CFO</div> </div> <div>Type or print name and title</div>
<b>Paid Preparer's Use Only</b>	<div> <div>Preparer's signature</div> <div></div> </div> <div>Date</div> <div> <div>Check if self-employed</div> <div><input checked="" type="checkbox"/></div> </div> <div>Preparer's identifying number (see instructions)</div>
	<div> <div>Firm's name (or yours if self-employed), address, and ZIP + 4</div> <div> <div>ERNST &amp; YOUNG US LLP</div> <div>TWO NORTH CENTRAL AVENUE STE 2300</div> <div>PHOENIX, AZ 85004</div> </div> </div> <div>EIN</div>
	<div>Phone no (602) 322-3000</div>

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

SEE SCHEDULE O

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes

✓

No

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

3

Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes

✓

No

If "Yes," describe these changes on Schedule O

4

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

4a

(Code ) (Expenses \$ 243,354,821 including grants of \$ ) (Revenue \$ 383,669 )

SEE SCHEDULE O

4b

(Code ) (Expenses \$ 129,767,230 including grants of \$ ) (Revenue \$ 256,966,864 )

SEE SCHEDULE O

4c

(Code ) (Expenses \$ 167,616,006 including grants of \$ ) (Revenue \$ 340,630,493 )

SEE SCHEDULE O

4d

Other program services (Describe in Schedule O )
















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

4e

Total program service expenses \$ 540,738,057

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)? <i>If "Yes," complete Schedule A</i> 	1	Yes
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2	No
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i> 	3	No
4	<b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities? <i>If "Yes," complete Schedule C, Part II</i> 	4	Yes
5	<b>Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations.</b> Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? <i>If "Yes," complete Schedule C, Part III</i>	5	
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</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? <i>If "Yes," complete Schedule D, Part II</i> 	7	No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> 	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? <i>If "Yes," complete Schedule D, Part IV</i> 	9	No
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> 	10	No
11	Is the organization's answer to any of the following questions "Yes"? <i>If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.</i> 	11	Yes
	◆ Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI.</i>		
	◆ 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? <i>If "Yes," complete Schedule D, Part VII.</i>		
	◆ 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? <i>If "Yes," complete Schedule D, Part VIII.</i>		
	◆ 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? <i>If "Yes," complete Schedule D, Part IX.</i>		
	◆ Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X.</i>		
	◆ 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? <i>If "Yes," complete Schedule D, Part X.</i>		
12	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i> 	12	No
12A	Was the organization included in consolidated, independent audited financial statements for the tax year?	Yes	No
	<i>If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional</i> 	12A	Yes
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13	No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If "Yes," complete Schedule F, Part I</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 ? <i>If "Yes," complete Schedule F, Part II</i>	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 ? <i>If "Yes," complete Schedule F, Part III</i>	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? <i>If "Yes," complete Schedule G, Part I</i> 	17	Yes
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i> 	18	No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i> 	19	No
20	Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i> 	20	Yes

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> . . . . .	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> . . . . .	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> . . . . .	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to line 25</i> . . . . .	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . .	24b	Yes	
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	24c	Yes	
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . .	24d	Yes	
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	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . . .	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> . . . . .	33	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	Yes	
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 . . . . .	1a	2,036	
	b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .			1c	Yes
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return . . . . .	2a	2,855	
	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)			
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: <input type="text"/> See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts				
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .			5a	No
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b	No
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction? . . . . .			5c	
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible? . . . . .			6a	No
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .			6b	
7 Organizations that may receive deductible contributions under section 170(c).				
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? . . . . .			7a	No
b If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .			7b	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .			7c	No
d If "Yes," indicate the number of Forms 8282 filed during the year . . . . .			7d	
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .			7e	No
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .			7f	No
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . .			7g	
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? . . . . .			7h	
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? . . . . .			8	
9 Sponsoring organizations maintaining donor advised funds.				
a Did the organization make any taxable distributions under section 4966? . . . . .			9a	
b Did the organization make a distribution to a donor, donor advisor, or related person? . . . . .			9b	
10 Section 501(c)(7) organizations. Enter				
a Initiation fees and capital contributions included on Part VIII, line 12 . . . . .			10a	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities			10b	
11 Section 501(c)(12) organizations. Enter				
a Gross income from members or shareholders . . . . .			11a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) . . . . .			11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?			12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year			12b	

Part VI

Governance, Management, and Disclosure

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body . . . . .	1a	12	
b	Enter the number of voting members that are independent . . . . .	1b	4	
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	Yes	
5	Did the organization become aware during the year of a material diversion of the organization's assets? . . . . .	5		No
6	Does the organization have members or stockholders? . . . . .	6	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . .	7a	Yes	
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . . . .	7b	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body? . . . . .	8a	Yes	
b	Each committee with authority to act on behalf of the governing body? . . . . .	8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . .	9		No

Section B. Policies

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

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

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed▶AZ
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 ▶ MISTY HANSEN 2701 EAST ELVIRA ROAD TUCSON, AZ 85706 (520) 874-7205

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

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

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

Form **990** (2009)



<b>1b</b>	<b>Total</b> . . . . .	5,321,515	0	382,741
-----------	------------------------	-----------	---	---------

**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 **60**

		<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> . . . . .	<b>3</b> Yes	
<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> . . . . .	<b>4</b> 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> . . . . .	<b>5</b> Yes	

**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
INGENIX PO BOX 27116 SALT LAKE CITY, UT 84127	EDP, CONSULTING	2,230,048
VIRTUAL RADIOLOGIC CORPORATION PO BOX 4246 CAROL STREAM, IL 601974246	EDP	1,263,090
SPERIDIAN TECHNOLOGIES LLC 2021 GERARD BLVD SE ALBUQUERQUE, NM 87106	EDP	1,219,722
COMPLIANCE CONCEPTS INC 35 TESLA WAY SUITE 100 IRVINE, CA 92618	COMPLIANCE CONSULT	1,171,857
ALVAREZ MARSAL HEALTHCARE 600 LEXINGTON AVENUE NEW YORK, NY 10022	CONSULTING	1,080,240

**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 **70**

Part VIII

Statement of Revenue

				(A)	(B)	(C)	(D)	
				Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues . . . . .	1b					
	c	Fundraising events . . . . .	1c					
	d	Related organizations . . . .	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f					
	g	Noncash contributions included in lines 1a-1f \$ _____						
	h	Total. Add lines 1a-1f . . . . .		0				
Program Service Revenue			Business Code					
	2a	NET PATIENT REVENUE	621,111	225,250,719	225,250,719			
	b	CAPITATION & CONTRACT REVENUE	621,111	372,254,212	372,254,212			
	c	RENTAL INCOME - MOB	532,490	383,669	383,669			
	d	REFERENCE LAB	621,511	92,426	92,426			
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f . . . . .		597,981,026				
Other Revenue	3	Investment income (including dividends, interest and other similar amounts) . . . . .		-269,294			-269,294	
	4	Income from investment of tax-exempt bond proceeds . . .		0				
	5	Royalties . . . . .		0				
	6a	Gross Rents	(i) Real	(ii) Personal				
		b	Less rental expenses					
		c	Rental income or (loss)					
		d	Net rental income or (loss) . . . . .					
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		b	Less cost or other basis and sales expenses					
		c	Gain or (loss)					
		d	Net gain or (loss) . . . . .		-20,500			-20,500
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .						
		b	Less direct expenses . . . . .					
		c	Net income or (loss) from fundraising events . . .			0		
	9a	Gross income from gaming activities See Part IV, line 19 . . . . .						
		b	Less direct expenses . . . . .					
		c	Net income or (loss) from gaming activities . . .			0		
	10a	Gross sales of inventory, less returns and allowances . . . . .						
		b	Less cost of goods sold . . . . .					
		c	Net income or (loss) from sales of inventory . . .			0		
Miscellaneous Revenue		Business Code						
11a	NSF FEE	900,099	834,571			834,571		
b	JOINT VENTURES	900,099	-256,539			-256,539		
c	MISC INCOME OTHER	900,099	4,058,627			4,058,627		
d	All other revenue . . . . .							
e	Total. Add lines 11a-11d . . . . .		4,636,659					
12	Total revenue. See Instructions . . . . .		602,327,891	597,888,600	92,426	4,346,865		

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	2,890,237	2,890,237		
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 . . . . .	4,159,980	4,159,980		
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .	4,141,838	4,141,838		
7	Other salaries and wages	167,080,147	145,006,823	22,073,324	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	5,515,627	4,821,438	694,189	
9	Other employee benefits . . . . .	22,872,783	20,133,902	2,738,881	
10	Payroll taxes . . . . .	13,379,432	11,695,516	1,683,916	
11	Fees for services (non-employees)				
a	Management . . . . .	7,659,611	4,496,990	3,162,621	
b	Legal . . . . .	486,445	99,229	387,216	
c	Accounting . . . . .	895,234	656,945	238,289	
d	Lobbying . . . . .	18,000		18,000	
e	Professional fundraising See Part IV, line 17 . . . . .	0			
f	Investment management fees . . . . .	0			
g	Other . . . . .	3,191,732	2,665,356	526,376	
12	Advertising and promotion . . . . .	1,186,926	466,063	720,863	
13	Office expenses . . . . .	261,947	241,394	20,553	
14	Information technology . . . . .	7,508,176		7,508,176	
15	Royalties . . . . .	0			
16	Occupancy . . . . .	8,480,222	5,507,992	2,972,230	
17	Travel . . . . .	1,963,066	1,712,182	250,884	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .	0			
19	Conferences, conventions, and meetings . . . . .	227,513	174,648	52,865	
20	Interest . . . . .	1,476,477	1,140,219	336,258	
21	Payments to affiliates . . . . .	0			
22	Depreciation, depletion, and amortization . . . . .	8,488,624	6,017,200	2,471,424	
23	Insurance . . . . .	10,221,185	10,100,296	120,889	
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	HEALTH PLANS RELATED	279,883,824	279,883,824		
b	BAD DEBT	33,810,315	33,808,837	1,478	
c	DUES, MEMBERSHIPS	935,046	875,884	59,162	
d	OTHER	41,264	41,264		
e					
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	586,775,651	540,738,057	46,037,594	0
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X

Balance Sheet

					(A)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing . . . . .			34,586,777	1	30,037,609
	2	Savings and temporary cash investments . . . . .				2	
	3	Pledges and grants receivable, net . . . . .				3	
	4	Accounts receivable, net . . . . .			68,945,798	4	86,906,749
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L . . . . .				5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L . . . . .				6	
	7	Notes and loans receivable, net . . . . .				7	
	8	Inventories for sale or use . . . . .			2,790,371	8	2,994,298
	9	Prepaid expenses and deferred charges . . . . .			1,311,634	9	1,591,551
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	95,762,330			
	b	Less accumulated depreciation . . . . .	10b	46,697,232	48,709,597	10c	49,065,098
	11	Investments—publicly traded securities . . . . .			7,439,163	11	0
	12	Investments—other securities See Part IV, line 11 . . . . .			25,353,032	12	31,828,949
	13	Investments—program-related See Part IV, line 11 . . . . .				13	
	14	Intangible assets . . . . .				14	
	15	Other assets See Part IV, line 11 . . . . .			5,065,129	15	8,392,673
	16	Total assets. Add lines 1 through 15 (must equal line 34) . . . . .			194,201,501	16	210,816,927
Liabilities	17	Accounts payable and accrued expenses . . . . .			20,479,128	17	59,256,050
	18	Grants payable . . . . .				18	
	19	Deferred revenue . . . . .				19	
	20	Tax-exempt bond liabilities . . . . .			24,428,162	20	20,253,078
	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 . . . . .			11,745,243	23	11,396,194
	24	Unsecured notes and loans payable to unrelated third parties . . . . .				24	
	25	Other liabilities Complete Part X of Schedule D . . . . .			64,482,483	25	30,997,617
	26	Total liabilities. Add lines 17 through 25 . . . . .			121,135,016	26	121,902,939
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 . . . . .			73,066,485	27	88,913,988
	28	Temporarily restricted net assets . . . . .				28	
	29	Permanently restricted net assets . . . . .				29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.						
	30	Capital stock or trust principal, or current funds . . . . .				30	
	31	Paid-in or capital surplus, or land, building or equipment fund . . . . .				31	
	32	Retained earnings, endowment, accumulated income, or other funds . . . . .				32	
	33	Total net assets or fund balances . . . . .			73,066,485	33	88,913,988
	34	Total liabilities and net assets/fund balances . . . . .			194,201,501	34	210,816,927

**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    .    .		

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 UNIVERSITY PHYSICIANS HEALTHCARE INC	Employer identification number 94-2958258
--	--

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)

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

Part II

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

Section A. Public Support

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

Section B. Total Support

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

Section C. Computation of Public Support Percentage

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

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

Section A. Public Support

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

Section B. Total Support

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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



**Part IV**

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

SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

OMB No 1545-0047

2009

Open to Public  
Inspection

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

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

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

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

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

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

Name of the organization UNIVERSITY PHYSICIANS HEALTHCARE INC	Employer identification number 94-2958258
--	--

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

- 1

Provide a description of the organization's direct and indirect political campaign activities in Part IV
- 2

Political expenditures

▶ \$
- 3

Volunteer hours

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

- 1

Enter the amount of any excise tax incurred by the organization under section 4955

▶ \$
- 2

Enter the amount of any excise tax incurred by organization managers under section 4955

▶ \$
- 3

If the organization incurred a section 4955 tax, did it file Form 4720 for this year?

☐ Yes

☐ No
- 4a

Was a correction made?

☐ Yes

☐ No
- b

If "Yes," describe in Part IV

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

- 1

Enter the amount directly expended by the filing organization for section 527 exempt function activities

▶ \$
- 2

Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt funtion activities

▶ \$
- 3

Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b

▶ \$
- 4

Did the filing organization file **Form 1120-POL** for this year?

☐ Yes

☐ No
- 5

State the names, addresses and employer identification number (EIN) of all section 527 political organizations to which payments were made For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

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

Part II-A

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

A

Check

☐

if the filing organization belongs to an affiliated group

B

Check

☐

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

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

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

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

Part II-B

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

		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
	a Volunteers?		No	
	b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	Yes		
	c Media advertisements?		No	
	d Mailings to members, legislators, or the public?		No	
	e Publications, or published or broadcast statements?		No	
	f Grants to other organizations for lobbying purposes?		No	
	g Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
	h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
	i Other activities? If "Yes," describe in Part IV	Yes		180,000
	j Total lines 1c through 1i			180,000
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A

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

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

Part III-B

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

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

Part IV

Supplemental Information

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

Identifier	Return Reference	Explanation
DESCRIPTION OF LOBBYING ACTIVITIES	SCHEDULE C, PART II B, OTHER LOBBYING ACTIVITIES	UNIVERSITY PHYSICIANS HEALTHCARE, INC (UPH) EMPLOYS A DIRECTOR OF LEGISLATIVE AFFAIRS THIS POSITION PROVIDES LEADERSHIP IN THE AREAS OF LEGISLATIVE INITIATIVES, HEALTH POLICY AND CONSUMER ADVOCACY THIS POSITION CREATES LINKS TO STATE AND FEDERAL LEGISLATIVE REPRESENTATIVES AND STAFF, RESEARCHES AND DEVELOPS POLICY POSITIONS FOR UNIVERSITY PHYSICIANS HEALTHCARE HEALTH PLANS, RESEARCHES AND PROVIDES GUIDANCE ON THE EFFECTS OF LEGISLATIVE AND HEALTH POLICY CHANGES AND CREATES STRONG LINKS TO THE VARIOUS CONSUMER ADVOCACY ORGANIZATIONS ED WREN REPRESENTS UPH IN MEETINGS WITH OTHER ORGANIZATIONS WHICH HAVE THE SAME OR OPPOSITE VIEWS ON THE LEGISLATIVE AND ADMINISTRATIVE GOALS WHICH UPH DESIRES TO ACHIEVE HE ASSISTS IN DEVELOPING NECESSARY COLLATERAL MATERIAL, INCLUDING LETTERS AND POSITION PAPERS, FOR DISTRIBUTION TO APPROPRIATE ELECTED OR APPOINTED GOVERNMENTAL OFFICIALS UPH ALSO HIRED DAN ECKSTROM TO ASSIST IN GRASSROOTS EFFORTS IN APRIL AND MAY OF 2010 TOTAL LOBBYING EXPENSES INCLUDE \$36K FOR DIRECT LOBBYING EXPENSES AND \$144K FOR GRASSROOTS LOBBYING EXPENSES

SCHEDULE D  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2009

Open to Public  
Inspection

Name of the organization  
UNIVERSITY PHYSICIANS HEALTHCARE INC

Employer identification number  
94-2958258

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

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

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

1

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

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

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

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

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

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶

c

Term endowment ▶

3a

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

(i)

unrelated organizations . . . . .

(ii)

related organizations . . . . .

b

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

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

4

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

Part VI

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

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land . . . . .		2,705,040		2,705,040
b Buildings . . . . .		21,381,019	6,562,482	14,818,537
c Leasehold improvements . . . . .		9,004,149	2,599,602	6,404,547
d Equipment . . . . .		58,112,607	37,451,869	20,660,738
e Other . . . . .		4,559,515	83,279	4,476,236
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) . . . . . ▶				49,065,098



Part XI

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

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

Part XII

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

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

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

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

Part XIV

Supplemental Information

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

Identifier	Return Reference	Explanation
ASC 740-10 FOOTNOTE FROM AFS	PART X LINE 2 SUPPLEMENT	EFFECTIVE JULY 1, 2009 UPH WAS REQUIRED TO ADOPT THE REVISED PROVISIONS OF ASC 740 RELATING TO UNCERTAIN TAX POSITIONS. THESE STANDARDS REQUIRE MANAGEMENT TO PERFORM AN EVALUATION OF ALL TAX POSITIONS TAKEN OR EXPECTED TO BE TAKEN IN THE COURSE OF PREPARING UPH'S TAX RETURNS TO DETERMINE WHETHER THE TAX POSITIONS MEET A MORE LIKELY THAN NOT STANDARD OF BEING SUSTAINED UNDER EXAMINATION BY THE APPLICABLE TAXING AUTHORITIES. THIS EVALUATION IS REQUIRED TO BE PERFORMED FOR ALL OPEN TAX YEARS, AS DEFINED BY THE VARIOUS STATUTES OF LIMITATIONS, FOR FEDERAL AND STATE PURPOSES. UPH IS ONLY SUBJECT TO INCOME TAXES ON UNRELATED BUSINESS TAXABLE INCOME (UBTI). AS A RESULT, UPH IS REQUIRED TO FILE INFORMATIONAL RETURNS FOR FEDERAL AND STATE PURPOSES AND, IF IT HAS UBTI, FEDERAL AND STATE INCOME TAX RETURNS. WITH LIMITED EXCEPTIONS, UPH IS NO LONGER SUBJECT TO TAX EXAMINATION FOR ANY YEARS EARLIER THAN 2006 FOR FEDERAL AND 2005 FOR STATE. MANAGEMENT HAS PERFORMED ITS EVALUATION OF TAX POSITIONS TAKEN ON ALL OPEN TAX RETURNS AND HAS DETERMINED THAT THERE WERE NO POSITIONS TAKEN THAT DO NOT MEET THE MORE LIKELY THAN NOT STANDARD.



SCHEDULE G  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Supplemental Information Regarding  
Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19,  
or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.  
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No. 1545-0047

2009

Open to Public  
Inspection

Name of the organization  
UNIVERSITY PHYSICIANS HEALTHCARE INC

Employer identification number  
94-2958258

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.  
Form 990-EZ filers are not required to complete this part.

- 1

Indicate whether the organization raised funds through any of the following activities. Check all that apply.

a

☐ Mail solicitations

e

☐ Solicitation of non-government grants

b

☐ Internet and e-mail solicitations

f

☐ Solicitation of government grants

c

☐ Phone solicitations

g

☐ Special fundraising events

d

☐ In-person solicitations
- 2a

Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising activities?

☐ Yes ☐ No
- b

If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization. Form 990-EZ filers are not required to complete this table.

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
Total . . . . . ▶						

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events (Add col (a) through col (c))
		(event type)	(event type)	(total number)	
Revenue	1	Gross receipts . . . .			
	2	Less Charitable contributions . . . .			
	3	Gross income (line 1 minus line 2) . . . .			
Direct Expenses	4	Cash prizes . . . .			
	5	Non-cash prizes . . . .			
	6	Rent/facility costs . . . .			
	7	Food and beverages . . . .			
	8	Entertainment . . . .			
	9	Other direct expenses . . . .			
	10	Direct expense summary Add lines 4 through 9 in column (d) . . . . . ▶			
	11	Net income summary Combine lines 3, column d, and line 10. . . . . ▶			

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col (a) through col (c))
Revenue	1	Gross revenue . . . . .			
	2	Cash prizes . . . . .			
	3	Non-cash prizes . . . . .			
	4	Rent/facility costs . . . . .			
	5	Other direct expenses . . . . .			
Direct Expenses	6	Volunteer labor . . . . . <input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	7	Direct expense summary Add lines 2 through 5 in column (d) . . . . . ▶			
	8	Net gaming income summary Combine lines 1, column d, and line 7 . . . . . ▶			

		Yes	No
9	Enter the state(s) in which the organization operates gaming activities _____		
a	Is the organization licensed to operate gaming activities in each of these states? . . . . .	9a	
b	If "No," Explain _____ _____		
10a	Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?	10a	
b	If "Yes," Explain _____ _____		
11	Does the organization operate gaming activities with nonmembers? . . . . .	11	
12	Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? . . . . .	12	

		<b>Yes</b>	<b>No</b>
<b>13</b>	Indicate the percentage of gaming activity operated in		
<b>a</b>	The organization's facility . . . . . <b>13a</b>		
<b>b</b>	An outside facility . . . . . <b>13b</b>		
<b>14</b>	Enter the name and address of the person who prepares the organization's gaming/special events books and records		
Name ► _____			
Address ► _____			
<b>15a</b>	Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . .	<b>15a</b>	
<b>b</b>	If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____		
<b>c</b>	If "Yes," enter name and address		
Name ► _____			
Address ► _____			
<b>16</b>	Gaming manager information		
Name ► _____			
Gaming manager compensation ► \$ _____			
Description of services provided ► _____			
<input type="checkbox"/> Director/officer <input type="checkbox"/> Employee <input type="checkbox"/> Independent contractor			
<b>17</b>	Mandatory distributions		
<b>a</b>	Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? . . . . .	<b>17a</b>	
<b>b</b>	Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____		

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**  
UNIVERSITY PHYSICIANS HEALTHCARE INC

**Employer identification number**  
94-2958258

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> 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 type="checkbox"/> 400%<input checked="" type="checkbox"/> Other <u>125 %</u></div> 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"? . . . . .	3a	Yes	
5a	Does the organization budget amounts for free or discounted care provided under its charity care policy? . . . .	5a		No
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount? . . . . .	5b		
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care? . . . . .	5c		
6a	Does the organization prepare an annual community benefit report? . . . . .	6a		No
6b	If "Yes," does the organization make it available to the public? . . . . .	6b		
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) . . . .			734,357		734,357	0 130 %
b Unreimbursed Medicaid (from Worksheet 3, column a) . . . .			42,025,109	27,815,070	14,210,039	2 570 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b) . . . . .						
d <b>Total</b> Charity Care and Means-Tested Government Programs . . . . .			42,759,466	27,815,070	14,944,396	2 700 %
<b>Other Benefits</b>						
e Community health improvement services and community benefit operations (from Worksheet 4) . . . . .	24		42,613		42,613	0 010 %
f Health professions education (from Worksheet 5) . . . .	58		8,073,060	2,177,760	5,895,300	1 070 %
g Subsidized health services (from Worksheet 6) . . . .						
h Research (from Worksheet 7)						
i Cash and in-kind contributions to community groups (from Worksheet 8) . . . .			9,084		9,084	
j <b>Total</b> Other Benefits . . . . .	82		8,124,757	2,177,760	5,946,997	1 080 %
k <b>Total.</b> Add lines 7d and 7j . . . .	82		50,884,223	29,992,830	20,891,393	3 780 %

Part IICommunity Building Activities

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1	Physical improvements and housing					
2	Economic development					
3	Community support					
4	Environmental improvements					
5	Leadership development and training for community members					
6	Coalition building					
7	Community health improvement advocacy		36,018		36,018	
8	Workforce development					
9	Other					
10	Total		36,018		36,018	

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1	Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1Yes	
2	Enter the amount of the organization's bad debt expense (at cost)	219,983,568	
3	Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	31,198,196	
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit.		

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	515,112,086	
6	Enter Medicare allowable costs of care relating to payments on line 5	618,211,924	
7	Subtract line 6 from line 5. This is the surplus or (shortfall)	7-3,099,838	
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

Section C. Collection Practices

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

Part IVManagement Companies and Joint Ventures

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

See additional data

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

UNIVERSITY PHYSICIANS HOSPITAL IS NOT AN AFFILIATED HEALTH CARE SYSTEM

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

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

UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL GRANTS UNSECURED CREDIT TO ITS PATIENTS AND INSURANCE COMPANIES WITHOUT INTEREST. GENERALLY, ACCOUNTS RECEIVABLE ARE CONSIDERED TO BE PAST DUE AFTER 60 DAYS. ACCOUNTS RECEIVABLE ALSO INCLUDES AN ESTIMATE FOR CHARGES WITH DATES OF SERVICE PRIOR TO YEAR END THAT WERE BILLED SUBSEQUENT TO THAT DATE (UNBILLED ACCOUNTS RECEIVABLE). UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL PROVIDES AN ALLOWANCE FOR DOUBTFUL ACCOUNTS EQUAL TO THE ESTIMATED COLLECTION LOSSES THAT WILL BE INCURRED. THE ESTIMATED LOSSES ARE BASED ON HISTORICAL COLLECTION EXPERIENCE COUPLED WITH REVIEW OF THE CURRENT STATUS OF EXISTING RECEIVABLES. AS A RESULT, THERE IS AT LEAST A REASONABLE POSSIBILITY THAT RECORDED ESTIMATES WILL CHANGE BY A MATERIAL AMOUNT IN THE NEAR TERM. DOUBTFUL ACCOUNTS ARE PERIODICALLY REVIEWED FOR COLLECTIBILITY AND ARE CHARGED OFF TO THE ALLOWANCE WHEN MANAGEMENT DETERMINES THAT ALL REASONABLE COLLECTION EFFORTS HAVE BEEN EXHAUSTED. CHARITY CARE. UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL PROVIDES CARE TO PATIENTS WHO MEET CERTAIN CRITERIA UNDER ITS CHARITY CARE POLICY WITHOUT CHARGE OR AT AMOUNTS LESS THAN ITS ESTABLISHED RATES. BECAUSE UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL DOES NOT PURSUE COLLECTION OF AMOUNTS DETERMINED TO QUALIFY AS CHARITY CARE, THEY ARE NOT REPORTED AS REVENUE. CHARITY CARE PROVIDED BY UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL TOTALED APPROXIMATELY \$1,198,000 AND \$1,374,000 IN 2010 AND 2009, RESPECTIVELY.



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

UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL AS A MEDICARE CERTIFIED HOSPITAL IS OBLIGATED TO PROVIDE CARE TO MEDICARE PATIENTS AND AS SUCH PROVIDES A BENEFIT TO THE COMMUNITY

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

UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL HAS A WRITTEN DEBT COLLECTION POLICY THAT ADDRESSES OUR CHARITY DISCOUNT PROGRAM, BAD DEBT PROCESS AND SELF-PAY COLLECTIONS - THE PURPOSE OF THE CHARITY DISCOUNT PROGRAM IS TO ESTABLISH CONSISTENT GUIDELINES TO IDENTIFY AND ASSIST PATIENTS WHO ARE NOT ABLE TO PAY SELF-PAY BALANCES AND ARE NOT ELIGIBLE FOR OUTSIDE FINANCIAL AID OR GOVERNMENT SUPPLEMENTED HEALTH CARE PROGRAMS - THE BAD DEBT PROCESS IS SET UP TO PERFORM AUTOMATIC BAD DEBT WRITE-OFF FOR ACCOUNTS THAT MEET THE ESTABLISHED CRITERIA THE CRITERIA ARE AS FOLLOWS, THE ACCOUNT MUST BE IN THE FINANCIAL CLASS OF SELF-PAY, MUST BE A MINIMUM OF 61 DAYS SINCE THE FINAL BILL, MUST BE A MINIMUM OF 33 DAYS SINCE THE LAST STATEMENT, MUST HAVE HAD A MINIMUM OF 2 STATEMENTS, NO PAYMENTS WITHIN THE PAST 30 DAYS FROM ANY SOURCE, AND THE ACCOUNT BALANCE MUST BE BETWEEN \$10 00 AND \$999,000,000 00 - THE UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL POLICY FOR SELF-PAY COLLECTIONS IS USED TO VIGOROUSLY PURSUE PAYMENT OF ALL SELF-PAY ACCOUNTS A SELF-PAY ACCOUNT WOULD BE WHEN A PATIENT/GUARANTOR IS NOT ELIGIBLE FOR AHCCCS, OR ANY OTHER INSURANCE OR SUBSIDY PROGRAM OR WHEN THERE ARE CO-PAYMENTS, DEDUCTIBLES NON-COVERED CHARGES THAT ARE THE PATIENT/GUARANTOR'S RESPONSIBILITY AFTER "INSURANCE" PAYMENTS

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

UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL OPERATES IN TUCSON, ARIZONA WHICH HAS A POPULATION OF JUST OVER 1 MILLION. UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL HAS A 24 HOUR/ 7 DAY A WEEK EMERGENCY ROOM, A CARDIAC CATHETERIZATION LAB, MEDICAL SURGICAL UNIT, BEHAVIORAL HEALTH UNIT, INTENSIVE CARE UNIT, RADIOLOGY DEPARTMENT, PHARMACY, LABORATORY, REHABILITATION DEPARTMENT, URGENT CARE, AND IT ALSO OPERATES OUTPATIENT CLINICS UNDER ITS LICENSE. - UNIVERSITY PHYSICIANS HEALTHCARE CLINICS AT KINO, SUITES 100-105 OFFER THE FOLLOWING SERVICES TO PATIENTS, CARDIOLOGY, ENDOCRINOLOGY, GASTROENTEROLOGY, INFECTIOUS DISEASE, INTERNAL MEDICINE, RENAL, FAMILY MEDICINE, GENERAL SURGERY, UROLOGY, LAP BAND SURGERY, NEUROLOGY, OBSTETRICS, GYNECOLOGY, OPHTHALMOLOGY, PAIN MANAGEMENT, AND PEDIATRICS. THESE CLINICS ARE LOCATED ON THE UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL CAMPUS. - SPORTS MEDICINE CLINIC OFFERS PRIMARY CARE SPORTS MEDICINE AND ORTHOPAEDIC SURGERY. THIS CLINIC IS LOCATED ON THE UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL CAMPUS. - UNIVERSITY PHYSICIANS HEALTHCARE OUTPATIENT PSYCHIATRY CLINIC OFFERS OUTPATIENT PSYCHIATRY TREATMENT. THIS CLINIC IS LOCATED ON THE UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL CAMPUS. - UNIVERSITY PHYSICIANS SURGERY CENTER IS AN OFF-SITE SURGERY CENTER FOR OUTPATIENT EYE AND HAND SURGERIES. - UNIVERSITY PHYSICIANS HEALTHCARE FAMILY MEDICINE CLINIC IS AN OFF-SITE CLINIC THAT OFFERS PRIMARY CARE TO PATIENTS. - UNIVERSITY PHYSICIANS HEALTHCARE ADULT MEDICINE AT WILMOT IS AN OFFSITE CLINIC THAT OFFERS ADOLESCENT MEDICINE, CARDIOLOGY, ALLERGY, DEVELOPMENTAL PEDIATRICS, GASTROENTEROLOGY, GENETICS, INFECTIOUS DISEASE, NEWBORN DEVELOPMENT, PEDIATRIC NEPHROLOGY, PULMONOLOGY, INTEGRATIVE MEDICINE AND RHEUMATOLOGY. - UNIVERSITY PHYSICIANS HEALTHCARE OPHTHALMOLOGY AT ALVERNON IS AN OFFSITE CLINIC THAT OFFERS OPHTHALMOLOGY SERVICES AS WELL AS AN OPTICAL SHOP.

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

UNIVERSITY PHYSICIANS HOSPITAL (UPH HOSPITAL) UTILIZES MANY TOOLS IN THE COMMUNITY TO IDENTIFY THE NEEDS OF OUR CONSTITUENTS. ONE OF OUR MOST EFFECTIVE TOOLS IS GOING TO HEALTH FAIRS AND LISTENING TO WHAT OUR COMMUNITY REQUESTS. AS A MORE ACCURATE TOOL, UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL REFERENCES THE ARIZONA DEPARTMENT OF HEALTH SERVICES REPORTS TO GAUGE TRENDS AND THE NEEDS OF CITIZENS IN ARIZONA. WE ALSO HEAVILY RELY ON FEEDBACK FROM OUR COMMUNITY PARTNERS. WORKING CLOSELY WITH PIMA COUNTY, THE EMERGENCY MEDICAL COMMUNITY AND OTHER HEALTHCARE ORGANIZATIONS, UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL ATTEMPTS TO ASSIST AND COLLABORATE WITH OUR PARTNERS TO PROVIDE THE SERVICES OUR COMMUNITY NEEDS. IN FISCAL YEAR '10, UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL WORKED DILIGENTLY TO ADDRESS THE NEED OF ACCESS TO HEALTH RESOURCES AND DIABETES CARE AND MANAGEMENT.

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

UNIVERSITY PHYSICIANS HOSPITAL (UPH HOSPITAL) EDUCATES PATIENTS ABOUT CHARITY CARE OR STATE, LOCAL OR FEDERAL PROGRAMS IN A NUMBER OF WAYS ONE WAY IS THROUGH ATTENDING HEALTH FAIRS IN THIS SETTING, OUTREACH STAFF ARE ABLE TO DISCUSS DIFFERENT OPTIONS THAT ARE AVAILABLE TO COMMUNITY MEMBERS AND REFER THEM TO AVAILABLE RESOURCES ANOTHER WAY UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL EDUCATES OUR PATIENTS IS THROUGH OUR FINANCIAL COUNSELORS WHEN A PATIENT IS UNINSURED OR UNDERINSURED THEY ARE MADE AWARE OF THEIR OPTIONS AND ARE ASSISTED WITH ENROLLMENT UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL FINANCIAL COUNSELORS ARE GUIDED BY OUR SLIDING FEE SCALE POLICIES AND ARE ALSO ASSISTED BY OUR PIMA COMMUNITY ACCESS PROGRAM ON-SITE STAFF UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL TRIES TO HELP ALL PATIENTS WHO ARE IN NEED OF FINANCIAL ASSISTANCE

**Additional Data**

**Software ID:**  
**Software Version:**  
**EIN:** 94-2958258  
**Name:** UNIVERSITY PHYSICIANS HEALTHCARE INC

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

COSTING METHODOLOGY USED TO CALCULATE THE AMOUNTS REPORTED IN THE TABLE IS PRIMARILY THE COST TO CHARGE RATIO CALCULATED IN WORKSHEET 2 OF SCHEDULE H OTHER COSTS COME FROM OUR FY2010 COST REPORT

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

BAD DEBT EXPENSE OF \$38,810,315 WAS DEDUCTED FROM TOTAL EXPENSES OF \$586,775,651 IN THE DENOMINATOR FOR CALCULATING THE PERCENTAGES IN COLUMN F

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

UNIVERSITY PHYSICIANS HOSPITAL (UPH HOSPITAL) HAS A PRIMARY SERVICE AREA THAT IS A FIVE TO TEN MILE RADIUS AROUND THE HOSPITAL. CONSTITUENTS IN OUR PRIMARY SERVICE AREA HAVE AN AVERAGE HOUSEHOLD INCOME OF \$41,748 WITH AN ALMOST EVEN MALE TO FEMALE RATIO. OVER 75% OF OUR SURROUNDING POPULATION IS HISPANIC AND 16% IS CAUCASIAN. WE HAVE MANY YOUNG FAMILIES IN OUR AREA WITH THE AVERAGE AGE BEING BETWEEN THE AGES OF 35 AND 44. APPROXIMATELY 30% HAVE A HIGH SCHOOL DEGREE AND 26% HAVE SOME COLLEGE EDUCATION. ONE OF THE BIGGEST CHALLENGES THAT UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL FACES WITH OUR SURROUNDING POPULATION IS EFFECTIVELY COMMUNICATING THE HEALTH SERVICES OFFERED AT OUR HOSPITAL AND ALSO HOW WE CAN ASSIST THEM IF THEY ARE UNINSURED OR UNDERINSURED. IN ADDITION, UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL IS ONE OF THE CLOSEST FACILITIES TO RESIDENTS OF GREEN VALLEY, SAHUARITA, VAIL AND OTHER RURAL COMMUNITIES. THESE COMMUNITIES ARE RAPIDLY GROWING AND MEDICALLY UNDERSERVED.



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

ATTENDING AND HOSTING HEALTH FAIRS AND SCREENING EVENTS NOT ONLY ALLOWS OUR CONSTITUENTS TO ACCESS MUCH NEEDED HEALTH SCREENINGS, BUT IT ALSO PROVIDES THEM WITH INFORMATION ON HEALTHCARE RESOURCES THAT THEY ARE ABLE TO ACCESS UNIVERSITY PHYSICIANS HOSPITAL'S (UPH HOSPITAL) CONSTITUENTS ARE IN NEED OF HEALTHCARE INFORMATION AND OUR OUTREACH STAFF WORKS HARD TO PROVIDE THAT INFORMATION TO THE COMMUNITY UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL ALSO TRIES TO BE AWARE OF HOW LEGISLATION AFFECTS OUR COMMUNITY THIS PAST YEAR AHCCCS BENEFITS AND KIDSCARE CUTS LARGELY AFFECTED OUR PATIENT POPULATION AND THE CARE THAT THEY WERE ABLE TO AFFORD BECAUSE OF THIS, OUR SPORTS MEDICINE CLINIC OFFERED FREE SPORTS PHYSICALS TO ADOLESCENTS IN FISCAL YEAR '10 DESCRIPTION OF SPECIFIC PROJECTS COMMUNITY SUPPORT UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL SUPPORTS COMMUNITY ACTIVITIES BY DONATING MONETARILY AND IN-KIND COMMUNITY HEALTH IMPROVEMENT ADVOCACY THESE ARE THE ANNUAL DUES UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL PAYS FOR MEMBERSHIP OF THE ARIZONA HEALTHCARE AND HOSPITAL ASSOCIATION AND THE SOUTHERN ARIZONA HOSPITAL COUNCIL WORKFORCE DEVELOPMENT THESE ARE THE GME RESIDENT SALARIES AND COSTS UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL ALSO ALLOWS STUDENTS FROM DIFFERENT MEDICAL TRAINING PROGRAMS TO TRAIN AT OUR FACILITY SO THAT THEY AQUIRE THE NECESSARY SKILLS TO WORK IN THE MEDICAL FIELD

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

UNIVERSITY PHYSICIANS HOSPITAL (UPH HOSPITAL), IN PARTNERSHIP WITH UNIVERSITY PHYSICIANS HEALTHCARE FOUNDATION, DEVELOPED AND IMPLEMENTED A COMMUNITY PROGRAM ON OUR CAMPUS CALLED THE NORMA J PEAL CHARITABLE BOOK PROGRAM THIS PROGRAM ALLOWS PATIENTS, VISITORS AND COMMUNITY MEMBERS TO VISIT OUR VARIOUS BOOK SHELVES AROUND CAMPUS CHOOSE A BOOK AND TAKE IT HOME TO KEEP THIS PROGRAM WAS DEVELOPED TO ADDRESS LITERACY AND ACCESS TO BOOKS FOR OUR HOSPITAL'S SURROUNDING COMMUNITY THIS PROGRAM HAS BEEN IN EFFECT SINCE 2008 AND HAS GIVEN AWAY OVER 10,000 BOOKS UNIVERSITY PHYSICIANS HOSPITAL HAS ALSO CREATED A HOSPITAL ADVISORY BOARD THAT CONSISTS OF COMMUNITY MEMBERS AND THE PIMA COUNTY BOARD OF SUPERVISORS THIS BOARD IS USED TO GUIDE AND ASSIST UNIVERSITY PHYSICIANS HEALTHCARE HOSPITAL AS IT EXPANDS SERVICES AND PARTNERS IN THE COMMUNITY

Schedule I  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Name of the organization  
UNIVERSITY PHYSICIANS HEALTHCARE INC

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

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

OMB No 1545-0047

2009

Open to Public  
Inspection

Employer identification number  
94-2958258

Part I

General Information on Grants and Assistance

- 1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . .

☐ Yes ☒ No
- 2

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

Part II

Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed . . . . . ▶ ☐

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
UNIVERSITY OF ARIZONA - HEALTH SCIENCES1501 N CAMPBELL ROOM 6334 TUCSON,AZ 85724			1,979,674				RESEARCH AND ACADEMIC
MARIPOSA COMMUNITY HEALTH CENTER1852 NORTH MASTICK WAY NOGALES,AZ 85621		501(C)(3)	52,000				
INSTITUTE ON SCIENCE			7,500				

2

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

5

3

Enter total number of other organizations . . . . .

0

Part III

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

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

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  
UNIVERSITY PHYSICIANS HEALTHCARE INC

Employer identification number  
94-2958258

Part I

Questions Regarding Compensation

	Yes	No
<div>1a</div> <div>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><div><div><input type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div></div><div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div></div>		
<div>b</div> <div>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</div>	1b	
<div>2</div> <div>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?</div>	2	
<div>3</div> <div>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><div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input type="checkbox"/> Form 990 of other organizations</div></div><div><div><input type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div></div>		
<div>4</div> <div>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</div>		
<div>a</div> <div>Receive a severance payment or change-of-control payment?</div>	4a	No
<div>b</div> <div>Participate in, or receive payment from, a supplemental nonqualified retirement plan?</div>	4b	No
<div>c</div> <div>Participate in, or receive payment from, an equity-based compensation arrangement?</div> <div>If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III</div>	4c	No
<div></div> <div>Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.</div>		
<div>5</div> <div>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</div>		
<div>a</div> <div>The organization?</div>	5a	No
<div>b</div> <div>Any related organization?</div> <div>If "Yes," to line 5a or 5b, describe in Part III</div>	5b	No
<div>6</div> <div>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</div>		
<div>a</div> <div>The organization?</div>	6a	No
<div>b</div> <div>Any related organization?</div> <div>If "Yes," to line 6a or 6b, describe in Part III</div>	6b	No
<div>7</div> <div>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</div>	7	No
<div>8</div> <div>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</div>	8	No
<div>9</div> <div>If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?</div>	9	

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
SUPPLEMENTAL COMPENSATION INFORMATION		COMPENSATION PAID BY UNRELATED ORGANIZATIONS FORM 990, PART VII, LINE 5 NO DIRECTORS ARE COMPENSATED FOR THEIR SERVICES AS DIRECTORS OF UPHI. ANY COMPENSATION RECEIVED IS FOR MEDICAL AND/OR ADMINISTRATIVE SERVICES PROVIDED TO UPHI. THE FOLLOWING INDIVIDUALS ARE PHYSICIANS WHO ARE DUAL EMPLOYEES AND WHO ARE COMPENSATED BY THE UNIVERSITY OF ARIZONA, AN UNRELATED TAX-EXEMPT ORGANIZATION. UPHI REIMBURSES THE UNIVERSITY OF ARIZONA FOR MEDICAL SERVICES RENDERED ON BEHALF OF UPHI BY THESE PHYSICIANS. THE COMPENSATION AMOUNTS REPORTED IN PART VII REFLECT THOSE REIMBURSEMENT AMOUNTS. STEVE GOLDSCHMID, MD; KATHY REED, MD; MARC BERG, MD; ANA MARIA LOPEZ, MD; RAINER GRUESSNER, MD; JOHN KETTELLE, MD; BRUCE COULL, MD. INTERIM HOSPITAL CEO/CFO. COMPENSATION PAID BY UNRELATED ORGANIZATIONS FORM 990, PART VII, LINE 5. PETER BRYAN SERVED DURING THE YEAR AS INTERIM CEO OF THE HOSPITAL, ONE OF THE DIVISIONS OF UPH. PAYMENTS IN THE AMOUNT OF \$203,563 WERE MADE BY UPH TO HEALTH FINANCE SOLUTIONS, AN UNRELATED ORGANIZATION, FOR THOSE SERVICES RENDERED. DIANE RAFFERTY SERVED DURING THE YEAR AS INTERIM CEO OF THE HOSPITAL AND TIM KARES SERVED AS INTERIM CFO OF THE HOSPITAL DURING THE YEAR. THESE SERVICES WERE PROVIDED THROUGH A CONTRACT WITH ALVAREZ & MARSAL. THIS CONTRACT PROVIDED FOR INTERIM CEO, INTERIM CFO AND SEVERAL OTHER POSITIONS. PAYMENTS IN THE AMOUNT OF \$1,080,240 WERE MADE BY UPH DURING THE YEAR TO ALVAREZ & MARSAL.

Software ID:

Software Version:

EIN: 94-2958258

Name: UNIVERSITY PHYSICIANS HEALTHCARE INC

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				
Lawrence Aldrich	(i)	482,373	80,000	1,865	43,414	2,621	610,273	0
	(ii)	0	0	0	0	0	0	0
Kathy Reed MD	(i)	91,085	117,577	15,572	0	0	224,234	0
	(ii)	0	0	0	0	0	0	0
Marc Berg MD	(i)	127,855	108,790	13,790	0	0	250,435	0
	(ii)	0	0	0	0	0	0	0
John Kettelle MD	(i)	170,345	22,537	14,060	0	0	206,942	0
	(ii)	0	0	0	0	0	0	0
Jean M Tkachyk	(i)	311,178	75,000	810	28,006	0	414,994	0
	(ii)	0	0	0	0	0	0	0
Barbara Chase	(i)	260,496	45,120	1,597	23,445	2,165	332,823	0
	(ii)	0	0	0	0	0	0	0
Jody L Butera	(i)	175,939	55,232	207	15,835	581	247,794	0
	(ii)	0	0	0	0	0	0	0
John R Collins	(i)	181,742	32,000	998	16,357	2,621	233,718	0
	(ii)	0	0	0	0	0	0	0
James G Bands	(i)	179,465	0	634	16,152	5,010	201,261	0
	(ii)	0	0	0	0	0	0	0
Kevin J Christiansen	(i)	162,200	0	546	14,598	3,254	180,598	0
	(ii)	0	0	0	0	0	0	0
Mark T Nanney	(i)	161,140	8,463	514	14,503	5,190	189,810	0
	(ii)	0	0	0	0	0	0	0
Kathleen Oestreich	(i)	263,708	100,000	5,235	23,734	5,121	397,798	0
	(ii)	0	0	0	0	0	0	0
Tere Lebarron	(i)	196,988	55,000	244	17,729	6,381	276,342	0
	(ii)	0	0	0	0	0	0	0
Susan A Wong-Bean	(i)	173,426	0	212	15,608	4,485	193,731	0
	(ii)	0	0	0	0	0	0	0
Bruce Coull MD	(i)	234,662	0	20,108	0	0	254,770	0
	(ii)	0	0	0	0	0	0	0
Gerald T Miron	(i)	239,327	0	896	21,539	6,923	268,685	0
	(ii)	0	0	0	0	0	0	0
Christen A Castellano	(i)	155,779	50,000	3,109	14,020	5,548	228,456	0
	(ii)	0	0	0	0	0	0	0
Rebecca A Zehngut	(i)	155,527	36,250	773	13,997	4,049	210,596	0
	(ii)	0	0	0	0	0	0	0
Jacqueline J DeBeche	(i)	161,428	0	1,478	14,529	0	177,435	0
	(ii)	0	0	0	0	0	0	0
Jean R Fedigan	(i)	156,051	0	1,047	14,045	581	171,724	0
	(ii)	0	0	0	0	0	0	0
Norman Botsford	(i)	119,086	0	581	10,718	0	130,385	0
	(ii)	0	0	0	0	0	0	0
PETER BRYAN	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
DIANE RAFFERTY	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0
TIM KARES	(i)	0	0	0	0	0	0	0
	(ii)	0	0	0	0	0	0	0



<div>Schedule K (Form 990)</div> <div>Department of the Treasury Internal Revenue Service</div>	<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			
Name of the organization UNIVERSITY PHYSICIANS HEALTHCARE INC							Employer identification number 94-2958258			

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 INDUSTRIAL DEVELOPMENT AUTHORITY OF SOUTH TUCSON	86-6000267		12-15-2004	9,900,000	SEE SCHEDULE O		X		X
B INDUSTRIAL DEVELOPMENT AUTHORITY OF SOUTH TUCSON	86-6000267		12-15-2004	3,250,000	SEE SCHEDULE O		X		X
C INDUSTRIAL DEVELOPMENT AUTHORITY OF SOUTH TUCSON	86-6000267		12-21-2005	6,750,000	SEE SCHEDULE O		X		X
D INDUSTRIAL DEVELOPMENT AUTHORITY OF SOUTH TUCSON	86-6000267		09-20-2006	10,000,000	SEE SCHEDULE O		X		X

Part II

Proceeds

		A		B		C		D		E	
1	Total proceeds of issue	9,900,000		3,250,000		6,750,000		10,000,000			
2	Gross proceeds in reserve funds	0		0		0					
3	Proceeds in refunding or defeasance escrows	0		0		0					
4	Other unspent proceeds	0		0		0					
5	Issuance costs from proceeds	76,745		37,863		78,637		62,098			
6	Working capital expenditures from proceeds	0		0		0					
7	Capital expenditures from proceeds	9,823,255		3,212,137		6,671,363		9,937,902			
8	Year of substantial completion	2006		2006		2006		2007			
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		
10	Were the bonds issued as part of an advance refunding issue?		X		X		X		X		
11	Has the final allocation of proceeds been made?	X		X		X		X			
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?	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		
2	Are there any lease arrangements with respect to the financed property which may result in private business use?		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		
3b	Are there any research agreements with respect to the financed property which may result in private business use?		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		
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	0 %		0 %		0 %		0 %			
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government	0 %		0 %		0 %		0 %			
6	Total of lines 4 and 5	0 %		0 %		0 %		0 %			
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	X		X		X		X			

Part IV

Arbitrage

		A		B		C		D		E	
		Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?		X						X		
2	Is the bond issue a variable rate issue?		X		X		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		
b	Name of provider										
c	Term of hedge										
4a	Were gross proceeds invested in a GIC?		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		
6	Did the bond issue qualify for an exception to rebate?		X		X		X		X		

Schedule L  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047  

2009

Open to Public Inspection

Name of the organization  
UNIVERSITY PHYSICIANS HEALTHCARE INC

Employer identification number  
94-2958258

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

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

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

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

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

Part II Loans to and/or From Interested Persons.

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

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

Part III Grants or Assistance Benefitting Interested Persons.

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

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

Part IV Business Transactions Involving Interested Persons.

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
HEALTH FINANCE SOLUTIONS	PETER BRYAN, INTERIM CEO	203,563	COMPENSATION PAID		No

SCHEDULE O  
(Form 990)

Supplemental Information to Form 990

OMB No 1545-0047

2009

Open to Public Inspection

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

Name of the organization  
UNIVERSITY PHYSICIANS HEALTHCARE INC

Employer identification number  
94-2958258

Identifier	Return Reference	Explanation
SUPPLEMENTAL INFORMATION		<p>PART I, LINE 1 - MISSION/SIGNIFICANT ACTIVITIES TOGETHER WITH UNIVERSITY PHYSICIANS HOSPITAL, THE UNIVERSITY OF ARIZONA, AND UNIVERSITY MEDICAL CENTER, WE CARE FOR PATIENTS, EDUCATE MEDICAL STUDENTS, AND CONDUCT CLINICAL RESEARCH PART III, LINE 1 - MISSION TO SUPPORT THE EDUCATIONAL AND RESEARCH MISSIONS OF THE UNIVERSITY OF ARIZONA HEALTH SCIENCES CENTER TO ACHIEVE EXCELLENCE IN QUALITY AND COST EFFECTIVENESS IN PROVIDING CARE FOR EACH PATIENT TO TREAT EACH PATIENT WITH DIGNITY, RESPECT, COURTESY AND HONOR THE CONFIDENTIALITY OF PATIENT INFORMATION TO SUPPORT INNOVATIVE HEALTH RELATED RESEARCH TO FOSTER AN ENVIRONMENT IN WHICH PHYSICIANS AND STAFF ARE VALUED, RECOGNIZED AND REWARDED FOR THEIR CONTRIBUTIONS TO PROVIDE SERVICES TO THE SOUTHERN ARIZONA COMMUNITIES AND THE STATE THROUGH EDUCATIONAL, CLINICAL AND OUTREACH ACTIVITIES TO ENCOURAGE TEAMWORK, COMMUNICATION, COOPERATION AND MUTUAL RESPECT AMONG ALL HEALTH CARE PROVIDERS, STAFF, ADMINISTRATION AND STUDENTS AT THE HOSPITAL AND WITHIN THE ARIZONA HEALTH SCIENCES CENTER PROGRAM SERVICE ACCOMPLISHMENTS #1 FORM 990, PART III, LINE 4A UNIVERSITY PHYSICIANS HEALTH PLANS COORDINATES THE DELIVERY OF HEALTH CARE TO ENROLLEES OF THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM (ARIZONA'S MEDICAID PROGRAM), THE MEDICARE ADVANTAGE SPECIAL NEEDS PROGRAM (CENTERS FOR MEDICARE AND MEDICAID DUAL ELIGIBLE MEDICARE PROGRAM) AND HEALTH CARE GROUP (ARIZONA'S SMALL BUSINESS HEALTH CARE PROGRAM) PROGRAM SERVICE ACCOMPLISHMENTS #2 FORM 990, PART III, LINE 4B UNIVERSITY PHYSICIANS HOSPITAL (UPH HOSPITAL) IS A 197-BED, FULL SERVICE HOSPITAL THAT PROVIDES VITAL MEDICAL SERVICES TO THE CITIZENS OF SOUTHERN ARIZONA ALSO SOUTHERN ARIZONA'S NEWEST ACADEMIC MEDICAL FACILITY, UPH HOSPITAL PROVIDES PATIENTS WITH DIRECT ACCESS TO THE EXPERTISE, GROUNDBREAKING RESEARCH AND THE LATEST TREATMENTS OF THE UNIVERSITY OF ARIZONA COLLEGE OF MEDICINE THE HOSPITAL IS LOCATED IN A PRIMARILY UNDERSERVED AREA AND GIVES CITIZENS EASY ACCESS TO EMERGENCY AND SPECIALTY MEDICAL CARE THE COMPREHENSIVE MEDICAL FACILITY FEATURES NATIONALLY AND INTERNATIONALLY RECOGNIZED CLINICS, PROGRAMS AND UA FACULTY PHYSICIANS PATIENTS HAVE ACCESS TO A 24 HOUR/ 7 DAY A WEEK EMERGENCY ROOM, AN URGENT CARE FACILITY, INPATIENT BEHAVIORAL HEALTH, MEDICAL/SURGICAL AND INTENSIVE CARE BEDS, AND NUMEROUS OUTPATIENT PRIMARY AND SPECIALTY CARE CLINICS CURRENTLY, TWO NEW BEHAVIORAL HEALTH FACILITIES ARE BEING BUILT ON THE CAMPUS THESE FACILITIES WILL PROVIDE BEHAVIORAL HEALTH INPATIENT BEDS, OUTPATIENT SERVICES, TEACHING FACILITIES, A COURTROOM AND A NEW EMERGENCY DEPARTMENT OPENING IN FALL OF 2011 UPH Hospital, in collaboration with the University of Arizona College of Medicine, is expanding two of its Graduate Medical Education residency programs UPH Hospital has been approved to add six resident physicians each to its internal medicine and family medicine programs These programs focus on rural and underserved areas of Arizona and are designed to alleviate the physician shortage in Arizona by attracting and training doctors in Southern Arizona with the hope they will remain working in the state PROGRAM SERVICE ACCOMPLISHMENTS #3 FORM 990, PART III, LINE 4C UNIVERSITY PHYSICIANS CLINICAL PRACTICE PROVIDES INPATIENT AND AMBULATORY CARE TO PATIENTS REGARDLESS OF THEIR ABILITY TO PAY IN FY 2010, THE PRACTICE TREATED 178,977 PATIENTS, OF WHICH 24.6% HAVE NO ABILITY TO PAY BECAUSE THEY COULD NOT (CHARITY) OR WOULD NOT (BAD DEBT) THESE PATIENTS ARE CORE TO SUPPORTING THE EDUCATIONAL AND RESEARCH MISSIONS OF THE UNIVERSITY OF ARIZONA MEDICAL SCHOOL IN FY 2010, THE PRACTICE HAD 34 RESIDENTS IN TRAINING DESCRIPTION OF SIGNIFICANT CHANGES TO ORGANIZING OR ENABLING DOCUMENT FORM 990, PART VI, QUESTION 4 BYLAWS WERE AMENDED AND RESTATED ON 6/23/10 TO REFLECT A CHANGE IN DIRECTOR COMPOSITION AND A CHANGE IN CLASSES OF MEMBERS DESCRIPTION OF CLASSES OF MEMBERS OR STOCKHOLDERS FORM 990, PART VI, QUESTION 6 UNIVERSITY PHYSICIANS HEALTHCARE HAS TWO CLASSES OF MEMBERS CORPORATE MEMBER AND PHYSICIAN MEMBERS UA HEALTHCARE, INC IS THE SOLE CORPORATE MEMBER DESCRIPTION OF CLASSES OF PERSONS AND THE NATURE OF THEIR RIGHTS FORM 990, PART VI, QUESTION 7A MEMBERS ELECT AT-LARGE DIRECTORS FROM THE UNIVERSITY PHYSICIANS HEALTHCARE MEMBERSHIP DESCRIPTION OF DECISIONS SUBJECT TO APPROVAL FORM 990, PART VI, QUESTION 7B UA HEALTHCARE, INC AS THE SOLE CORPORATE MEMBER RESERVES THE POWER TO MAKE OR APPROVE DECISIONS OF THE CORPORATION AS GRANTED IN THE BYLAWS PROCESS USED TO REVIEW FORM 990 FORM 990, PART VI, QUESTION 11A THE FORM 990 IS PREPARED BY AN ACCOUNTING FIRM BASED ON DATA GATHERED BY THE CONTROLLER AND OTHER MEMBERS OF THE ORGANIZATION'S FINANCE TEAM THE CFO REVIEWS THE DRAFT FORM 990 AND PROVIDES ADDITIONAL COMMENTS THE FINAL DRAFT VERSION OF THE FORM 990 IS PROVIDED TO THE BOARD OF DIRECTORS AT A BOARD MEETING HELD PRIOR TO THE MAY 15 DUE DATE FOR THE FORM 990 ANY ADDITIONAL COMMENTS SUGGESTED BY THE GOVERNING BODY ARE</p>

Identifier	Return Reference	Explanation
SUPPLEMENTAL INFORMATION		<p>THEN CONSIDERED FOR INCORPORATION INTO THE FINAL VERSION OF THE FORM 990 TO BE FILED WITH THE IRS BY THE FINAL DUE DATE DESCRIPTION OF PROCESS TO MONITOR TRANSACTIONS FOR CONFLICTS OF INTEREST FORM 990, PART VI, QUESTION 12C A CONFLICT OF INTEREST DISCLOSURE FORM IS REQUIRED TO BE COMPLETED BY ALL UPH OFFICERS, DIRECTORS, MEMBERS OF BOARD COMMITTEES AND UPPER MANAGEMENT EMPLOYEES ON AN ANNUAL BASIS DISCLOSURE FORMS ARE THEN REVIEWED BY THE BOARD COMPLIANCE WITH THE CONFLICT OF INTEREST POLICY IS ENFORCED BY THE BOARD WRITTEN DOCUMENTATION RETENTION AND DESTRUCTION POLICY FORM 990, PART VI, QUESTION 14 A DOCUMENT RETENTION DESTRUCTION POLICY WAS ADOPTED ON 2/18/11 PROCESS FOR DETERMINING COMPENSATION FORM 990, PART VI, QUESTIONS 15A &amp; 15B DETERMINATION OF COMPENSATION MEETS THE REBUTTABLE PRESUMPTION TEST IN THAT IT IS APPROVED IN ADVANCE BY A THE BOARD-ESTABLISHED COMPENSATION COMMITTEE COMPRISED OF INDEPENDENT, DISINTERESTED COMMUNITY DIRECTORS COMPARABILITY DATA IS OBTAINED BY AN OUTSIDE CONSULTING COMPANY DOCUMENTATION IS MADE OF THE TERMS AND DATE APPROVED, MEMBERS OF THE COMPENSATION COMMITTEE PRESENT AND VOTES, COMPARABILITY DATA AND HOW IT WAS OBTAINED AND ACTIONS BY ANYONE WHO MIGHT HAVE A CONFLICT OF INTEREST AVAILABILITY OF CERTAIN DOCUMENTS TO THE GENERAL PUBLIC FORM 990, PART VI, QUESTION 19 ARTICLES OF INCORPORATION AND AMENDMENTS ARE AVAILABLE ON THE ARIZONA CORPORATION COMMISSION WEBSITE THE CONFLICT OF INTEREST POLICY IS MADE AVAILABLE TO THE PUBLIC UPON WRITTEN REQUEST FINANCIAL STATEMENTS ARE MADE AVAILABLE TO THE STATE OF ARIZONA THROUGH AHCCCS WE ALSO MAKE AVAILABLE FOR PUBLIC INSPECTION THE FOLLOWING DOCUMENTS 501(C)(3) DETERMINATION LETTER, APPLICATION FOR EXEMPTION AND THE MOST RECENT FORM 990 DESCRIPTION OF BOND PURPOSE SCHEDULE K, PART I, COLUMN F A) EQUIPMENT LEASE BONDS (UNIVERSITY PHYSICIANS HOSPITAL AT KINO) SERIES 2004 TO FINANCE MEDICAL EQUIPMENT B) SERIES 2005B REVENUE BONDS C) SERIES 2005A REVENUE BONDS D) SERIES 2006 REVENUE BONDS</p>

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	
<b>Name of the organization</b> UNIVERSITY PHYSICIANS HEALTHCARE INC	
<b>Employer identification number</b> 94-2958258	

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
UNIV PHYS HEALTH PLANS-UNIV FAM CARE LLC 2701 E ELVIRA ROAD Tucson, AZ 85756 26-3153084	HEALTH PLAN	AZ	3,756,891	55,753,054	NA

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
CADUCEUS INDEMNITY INSURANCE CORPORATION  745 Fort Street  Honolulu, HI 96813 99-0343363	CAPTIVE INS	HI	501(C)(3)	11A	NA
UNIVERSITY PHYSICIANS HEALTHCARE FOUNDAT  2701 E ELVIRA ROAD  TUCSON, AZ 85706 20-2826747	FUNDRAISING	AZ	501(C)(3)	11A	NA
UPH COMMUNITY HEALTH CENTERS INC  2701 E ELVIRA ROAD  TUCSON, AZ 85706 26-4586679	FQHC	AZ	501(C)(3)	3	NA
UNIVERSITY MEDICAL CENTER CORPORATION  1501 N CAMPBELL AVE  TUCSON, AZ 85724 86-0492210	HEALTHCARE	AZ	501(C)(3)	3	UAHC
UNIVERSITY MEDICAL CENTER FOUNDATION  1501 N CAMPBELL AVE  TUCSON, AZ 85724 86-0572438	SUPPORT	AZ	501(C)(3)	11	UMCC
DEVICE PRESERVATION INC  1501 N CAMPBELL AVE  TUCSON, AZ 85724 86-0687598	MED DEVICE	AZ	501(C)(3)	11	UMCC
UNIVERSITY OF AZ HEALTHCARE  1501 N CAMPBELL AVE  TUCSON, AZ 85724 27-2936985	SUPPORT	AZ	APPLIED FOR	APPLIED FOR	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
TUCSON SRS LEASING LLC  5600 N RIVER ROAD SUITE 885 ROSEMONT, IL60018 20-5641701	LEASING	IL	UMCC	RELATED	514,616	1,758,889		No	0	Yes	
UNIVERSITY MEDICAL IMAGING LLC  4291 N CAMPBELL AVE TUCSON, AZ85724 20-3400643	LEASING	AZ	N/A	RELATED	6,314	3,585,050		No	0	Yes	

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
UMCC INS FUNDING LTD PO BOX 1051 GT 1ST CARIBBEAN HOUSE GRAND CAYMAN, CAYMAN ISLANDS CJ 98-0116943	CAPTIVE INSURANCE	CJ	UMCC	C CORP	-499,554	11,649,877	100 000 %

Part V

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

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

1

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

a

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

b

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

c

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

d

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

e

Loans or loan guarantees by other organization(s)

f

Sale of assets to other organization(s)

g

Purchase of assets from other organization(s)

h

Exchange of assets

i

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

j

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

k

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

l

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

m

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

n

Sharing of paid employees

o

Reimbursement paid to other organization for expenses

p

Reimbursement paid by other organization for expenses

q

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

r

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

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

No

No

No

No

No

Yes

No

No

No

No

No

No

No

No

Yes

Yes

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved
(1) CADUCEUS INDEMNITY INSURANCE CORPORATION	Q	1,308,796
(2) CADUCEUS INDEMNITY INSURANCE CORPORATION	Q	62,566
(3) CADUCEUS INDEMNITY INSURANCE CORPORATION	R	1,738,198
(4) CADUCEUS INDEMNITY INSURANCE CORPORATION	H	5,763,721
(5)		
(6)		

Schedule R (Form 990) 2009



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

[illegible]

Software ID:  
Software Version:  
EIN: 94-2958258  
Name: UNIVERSITY PHYSICIANS HEALTHCARE INC

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
CADUCEUS INDEMNITY INSURANCE CORPORATION  745 Fort Street Honolulu, HI96813 99-0343363	CAPTIVE INS	HI	501(C)(3)	11A	NA
UNIVERSITY PHYSICIANS HEALTHCARE FOUNDAT  2701 E ELVIRA ROAD TUCSON, AZ85706 20-2826747	FUNDRAISING	AZ	501(C)(3)	11A	NA
UPH COMMUNITY HEALTH CENTERS INC  2701 E ELVIRA ROAD TUCSON, AZ85706 26-4586679	FQHC	AZ	501(C)(3)	3	NA
UNIVERSITY MEDICAL CENTER CORPORATION  1501 N CAMPBELL AVE TUCSON, AZ85724 86-0492210	HEALTHCARE	AZ	501(C)(3)	3	UAHC
UNIVERSITY MEDICAL CENTER FOUNDATION  1501 N CAMPBELL AVE TUCSON, AZ85724 86-0572438	SUPPORT	AZ	501(C)(3)	11	UMCC
DEVICE PRESERVATION INC  1501 N CAMPBELL AVE TUCSON, AZ85724 86-0687598	MED DEVICE	AZ	501(C)(3)	11	UMCC
UNIVERSITY OF AZ HEALTHCARE  1501 N CAMPBELL AVE TUCSON, AZ85724 27-2936985	SUPPORT	AZ	APPLIED FOR	APPLIED FOR	N/A

Additional Data

Software ID:

Software Version:

EIN: 94-2958258

Name: UNIVERSITY PHYSICIANS HEALTHCARE INC

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			
Lawrence Aldrich President & CEO	400	X		X				564,238	0	46,035
Steve Goldschmid MD Chairperson - Dean UACOM	50	X		X				71,511	0	0
Kathy Reed MD Vice Chairperson	50	X		X				224,234	0	0
Ana Maria Lopez MD Treasurer	50	X		X				34,168	0	0
Marc Berg MD Department of Pediatrics	50	X						250,435	0	0
Rainer Gruessner MD Chairman, Dept of Surgery	50	X						14,492	0	0
John Kettelle MD Current Chief of Staff UPH	50	X						206,942	0	0
Steve Lynn Community Director - VP	50	X						0	0	0
Laura Eberly Community Director	50	X						0	0	0
Ed Parker Community Director	50	X						0	0	0
Barb Peck Community Director	50	X						0	0	0
Granger Vinall Community Director	50	X						0	0	0
THOMAS BOYER MD DIRECTOR	50	X						80,204	0	0
Jean M Tkachyk Sr VP of Finance/CFO	400			X				386,988	0	28,006
PETER BRYAN INTERIM HOSP CEO (PART YEAR)	400			X				0	0	0
DIANE RAFFERTY INTERIM HOSP CEO (PART YEAR)	400			X				0	0	0
Barbara Chase Chief Medical Officer	400				X			307,213	0	25,610
Jody L Butera CFO/Finance Director HEALTH PL	400				X			231,378	0	16,416
John R Collins CFO - UPH HOSP (PART YEAR)	400				X			214,740	0	18,978
Susan H Willis COO	400				X			91,095	0	9,982
James G Bands Corp Strategic Initiatives	400				X			180,099	0	21,162
Kevin J Christiansen Director, Information Systems	400				X			162,746	0	17,852
Mark T Nanney Medical Director	400				X			170,117	0	19,693
Kathleen Oestreich MC & Plan Administrator Direc	400				X			368,943	0	28,855
Tere Lebarron Director, Human Resources	400				X			252,232	0	24,110

**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			
Susan A Wong-Bean General Counsel	40 0				X			173,638	0	20,093
Bruce Coull MD Chief Medical Officer	40 0				X			254,770	0	0
TIM KARES INTERIM HOSP CFO (PART YEAR)	40 0				X			0	0	0
Gerald T Miron Chief Operations Officer	40 0					X		240,223	0	28,462
Christen A Castellano Pediatrics Department Administ	40 0					X		208,888	0	19,568
Rebecca A Zehngut OB/GYN Department Administrato	40 0					X		192,550	0	18,046
Jacqueline J DeBeche ER Department Director	40 0					X		162,906	0	14,529
Jean R Fedigan Chief Nursing Officer	40 0					X		157,098	0	14,626
Norman Botsford	0 0						X	119,667	0	10,718