




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	





**A For the 2009 calendar year, or tax year beginning 09-01-2009 and ending 08-31-2010**

<b>B</b> Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>Please use IRS label or print or type. See Specific Instructions.</b>	<b>C</b> Name of organization UNION HOSPITAL INC		<b>D</b> Employer identification number 35-0876396
		Doing Business As		<b>E</b> Telephone number (812) 238-7000
		Number and street (or P O box if mail is not delivered to street address) 1606 NORTH SEVENTH STREET	Room/suite	<b>G</b> Gross receipts \$ 403,827,785
		City or town, state or country, and ZIP + 4 TERRE HAUTE, IN 47804		
		<b>F</b> Name and address of principal officer WAYNE HUTSON 1606 NORTH SEVENTH STREET TERRE HAUTE, IN 47804		
<b>I</b> Tax-exempt status <input checked="" type="checkbox"/> 501(c) ( 3 ) ◀ (insert no ) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527				
<b>J</b> Website: ▶ WWW.UHHG.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 1892	<b>M</b> State of legal domicile IN	

## Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities We exist to serve our patients with compassionate health care of the highest quality		
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3	Number of voting members of the governing body (Part VI, line 1a)	3	1
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4	
	5	Total number of employees (Part V, line 2a)	5	2,63
	6	Total number of volunteers (estimate if necessary)	6	39
	7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a	598,16
	7b	Net unrelated business taxable income from Form 990-T, line 34	7b	-203,59
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9	Program service revenue (Part VIII, line 2g)	5,151,062	1,278,146
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	395,080,602	393,861,040
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	2,243,787	524,097
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	5,694,911	4,785,924
			408,170,362	400,449,207
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	277,234	302,195
	14	Benefits paid to or for members (Part IX, column (A), line 4)		0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	143,643,631	135,678,291
	16a	Professional fundraising fees (Part IX, column (A), line 11e)		0
	b	Total fundraising expenses (Part IX, column (D), line 25) <input type="checkbox"/> 0		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	245,924,786	267,809,859
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	389,845,651	403,790,345
	19	Revenue less expenses Subtract line 18 from line 12	18,324,711	-3,341,138
Net Assets or Fund Balances			Beginning of Current Year	End of Year
	20	Total assets (Part X, line 16)	464,930,862	455,384,525
	21	Total liabilities (Part X, line 26)	337,338,836	319,751,492
	22	Net assets or fund balances Subtract line 21 from line 20	127,592,026	135,633,033

## Part II Signature Block

<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				
	***** Signature of officer		2011-07-13 Date		
	WAYNE HUTSON CFO Type or print name and title				
<b>Paid Preparer's Use Only</b>	Preparer's signature  CARRIE A MERRILL CPA		Date	Check if self-employed <input checked="" type="checkbox"/>	Preparer's identifying number (see instructions)
	Firm's name (or yours if self-employed), address, and ZIP + 4 		BLUE &AMP CO LLC ONE AMERICAN SQUARE 2200 INDIANAPOLIS, IN 46282		EIN 
					Phone no  (317) 633-4705

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

Part III

Statement of Program Service Accomplishments

1

Briefly describe the organization’s mission

We exist to serve our patients with compassionate health care of the highest quality

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 \$ 380,861,209 including grants of \$ 302,195 ) (Revenue \$ 393,646,814 )

Union Hospital, Union Hospital Clinton, and our network of primary care physicians join together to provide comprehensive care to residents of west central Indiana and eastern Illinois Our facilities include two hospitals and more than 40 primary and specialty care physicians and mid-level providers We are the largest provider of health care services between Indianapolis and St Louis along the I-70 corridor, serving Vigo, Parke, Vermillion and Clay counties in Indiana, and Clark and Edgar counties in Illinois as our primary service area Our secondary service area includes Greene and Sullivan counties in Indiana, and Crawford County in Illinois In the summer of 2007 hospital officials broke ground on a new 178 million dollar expansion project, which opened in January 2010

4b

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

The new "Union Hospital East" will undoubtedly set the standard for health care in our community for the next 50 years The four story 500,000-square-foot expansion connects with the existing hospital and has been strategically designed to increases access to state-of-the-art, quality patient-focused care for our communities we serve The historic project was financed through 176 5 million in bonds sold that the hospital will pay over the next 40 years Our employees, medical staff, boards of directors and the community generously donated more than \$8 million to support this facility with pedways, a helipad and for the renovation of Union Hospital West

4c

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

Some of the new technology and innovation included in the new hospital include -Large private rooms - more space for staff, patient and families -PICASO - touch screen system reduces documentation time by 50% giving nurses more time for patient care A main screen at the nurses' station constantly monitors each patient's status Continue on Schedule O Access to health care for our communities is a challenge we have been working to meet for many years When an impending shortage of primary care providers was identified in the 1970's, Union Hospital established a Family Medicine Residency program to train and retain doctors for service in our area In response to health care professional shortages in rural areas, the Richard G Lugar Center for Rural Health (formerly the Midwest Center for Rural Health) was established in 1993 as a division of the Family Medicine Residency program This innovative Center has developed a curriculum for residents specializing in rural family medicine as well as practice models that incorporate a multidisciplinary team approach and state-of-the-art technology to ensure the satisfaction and success of professionals who choose to serve in rural areas Since 1976, the program has placed 92 physicians in communities in Indiana, 25 in Illinois, 3 in Japan, 1 in Canada, 1 in Sudan and 43 others in communities across the United States The Lugar Center's innovative programs and projects include partnerships with the Indiana University School of Medicine, the Indiana State University School of Nursing, the state and national Rural Health Associations, the State of Indiana, the U S Department of Agriculture, the U S Department of Health and Human Services, among many others Grants to support its initiatives total more than \$14 million to date These grants support advancements in chronic disease management, telemedicine technology, and the funding of rural health clinics and services The Clay City Center for Family Medicine is our model rural health clinic and training site for residents and provides vital care to the medically underserved citizens of Clay County, Indiana Our community looks to UHI for a high level of support In fiscal year 2010, more than \$11 million was donated to the poor and the community through donations, subsidized health services, the education of medical professionals, and education for patients and the community Annually the Union Hospital Foundation awards 20 scholarships for area students When asked in a recent survey, more than 88% of persons in our service area associated Union Hospital with high quality community health programs Financial commitment for these initiatives comes from the board of directors through the organization as part of the budgeting process The Union Hospital Foundation, the Union Hospital Clinton Foundation and Guild, and the Service League of Union Hospital are actively engaged in raising funds to support these vital community services Grant sources include the U S Department of Agriculture, the U S Department of Health and Human Services, the State of Indiana, March of Dimes, and the Susan G Komen Foundation, among others

4d

Other program services (Describe in Schedule O )














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

4e

Total program service expenses

\$ 380,861,209

Part IV Checklist of Required Schedules

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

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> . . . . .	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> . . . . .	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> . . . . .	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to line 25</i> . . . . .	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . .	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . .	24d		No
25a	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i> . . . . .	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i> . . . . .	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28a	Yes	
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . . .	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> . . . . .	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> . . . . .	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	35	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	180	
	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	
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	2,638	
	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	14	
b	Enter the number of voting members that are independent . . .	1b	9	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .	2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . .	3		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a material diversion of the organization's assets? . . .	5		No
6	Does the organization have members or stockholders? . . . . .	6		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . .	7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . .	7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body? . . . . .	8a	Yes	
b	Each committee with authority to act on behalf of the governing body? . . . . .	8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . .	9		No

Section B. Policies

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

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates? . . . . .	10a		No
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? . . . . .	10b		
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11	Yes	
11A	Describe in Schedule O the process, if any, used by the organization to review the Form 990 . . . . .			
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13 . . . . .	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	12b	Yes	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done . . . . .	12c	Yes	
13	Does the organization have a written whistleblower policy? . . . . .	13	Yes	
14	Does the organization have a written document retention and destruction policy? . . . . .	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official . . . . .	15a	Yes	
b	Other officers or key employees of the organization . . . . .	15b		No
	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▶IN
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 ▶ WAYNE HUTSON CFO 1606 N SEVENTH STREET TERRE HAUTE, IN 47804 (812) 238-7000





<b>1b</b>	<b>Total</b> . . . . .	6,625,224	0	232,532
-----------	------------------------	-----------	---	---------

**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 **101**

		<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>	No
<b>4</b>	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i> . . . . .	<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>	No

**Section B. Independent Contractors**

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

(A) Name and business address	(B) Description of services	(C) Compensation
Garmong Pepper Construction 1659 N 8th St Terre Haute, IN 47804	CONSTRUCTION	58,615,355
Cardiovascular Management 2723 S 7th st Terre Haute, IN 47802	Medical Management Services	20,574,450
Providence Medical Group 2723 S 7th St Terre Haute, IN 47802	Medical Services and Rent	20,517,196
AP&S Clinic 221 S 6th St Terre Haute, IN 47802	Medical Services and Rent	17,208,682
Ambulatory Surgery Management 221 S 6th St Terre Haute, IN 47802	Medical Management Services	15,894,689

**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 **97**

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues . . . . .	1b					
	c	Fundraising events . . . . .	1c					
	d	Related organizations . . . .	1d	686,810				
	e	Government grants (contributions)	1e	591,336				
	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 . . . . .			1,278,146			
Program Service Revenue			Business Code					
	2a	Net Patient Revenue	900,099	393,861,040	393,861,040			
	b							
	c							
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f . . . . .			393,861,040			
Other Revenue	3	Investment income (including dividends, interest and other similar amounts) . . . . .			681,066		681,066	
	4	Income from investment of tax-exempt bond proceeds . . .						
	5	Royalties . . . . .						
	6a	(i) Real		(ii) Personal				
		1,332,807						
		3,200,982						
		-1,868,175						
	d	Net rental income or (loss) . . . . .			-1,868,175	-1,868,175		
	7a	(i) Securities		(ii) Other				
		20,627						
		177,596						
		-156,969						
	d	Net gain or (loss) . . . . .			-156,969		-156,969	
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .		a				
		b		Less direct expenses . . . . .	b			
		c		Net income or (loss) from fundraising events . . .				
	9a	Gross income from gaming activities See Part IV, line 19 . . . . .		a				
		b		Less direct expenses . . . . .	b			
		c		Net income or (loss) from gaming activities . . .				
	10a	Gross sales of inventory, less returns and allowances . . . . .		a				
b		Less cost of goods sold . . . . .	b					
c		Net income or (loss) from sales of inventory . . .						
Miscellaneous Revenue		Business Code						
11a	CAFETERIA REVENUE		900,099	1,454,202			1,454,202	
b	AP & S Purchased Servi		900,099	957,222			957,222	
c	Methodist OCC Health C		900,099	689,280	689,280			
d	All other revenue . . . . .			3,553,395	964,669	598,163	1,990,563	
e	Total. Add lines 11a-11d . . . . .			6,654,099				
12	Total revenue. See Instructions . . . . .			400,449,207	393,646,814	598,163	4,926,084	

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	302,195	302,195		
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees . . . . .	1,543,492	359,560	1,183,932	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .				
7	Other salaries and wages	118,376,575	111,972,402	6,404,173	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .	6,277,086	5,937,496	339,590	
9	Other employee benefits . . . . .	1,318,543	1,247,210	71,333	
10	Payroll taxes . . . . .	8,162,595	7,720,999	441,596	
11	Fees for services (non-employees)				
a	Management . . . . .				
b	Legal . . . . .	104,229	98,590	5,639	
c	Accounting . . . . .				
d	Lobbying . . . . .				
e	Professional fundraising See Part IV, line 17 . . . . .				
f	Investment management fees . . . . .				
g	Other . . . . .	88,320,524	83,542,384	4,778,140	
12	Advertising and promotion . . . . .	766,291	724,835	41,456	
13	Office expenses . . . . .	80,422,829	76,071,954	4,350,875	
14	Information technology . . . . .				
15	Royalties . . . . .				
16	Occupancy . . . . .	10,105,846	9,559,120	546,726	
17	Travel . . . . .	409,377	387,230	22,147	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials . . . . .				
19	Conferences, conventions, and meetings . . . . .				
20	Interest . . . . .	8,513,504	8,052,923	460,581	
21	Payments to affiliates . . . . .	4,260,000	4,029,534	230,466	
22	Depreciation, depletion, and amortization . . . . .	21,923,408	20,737,352	1,186,056	
23	Insurance . . . . .	18,215,012	17,229,580	985,432	
24	Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below )				
a	Bad Debt	30,784,528	29,119,085	1,665,443	
b	Licenses, Dues & Subscr	548,079	518,428	29,651	
c					
d					
e					
f	All other expenses	3,436,232	3,250,332	185,900	
25	Total functional expenses. Add lines 1 through 24f	403,790,345	380,861,209	22,929,136	0
26	Joint costs. Check here <input checked="" 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 . . . . .				34,662,692	1	21,856,285
	2	Savings and temporary cash investments . . . . .					2	
	3	Pledges and grants receivable, net . . . . .					3	
	4	Accounts receivable, net . . . . .				65,894,996	4	55,239,274
	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 . . . . .				2,845,094	7	
	8	Inventories for sale or use . . . . .				3,896,518	8	5,049,617
	9	Prepaid expenses and deferred charges . . . . .				3,776,712	9	5,284,677
	10a	Land, buildings, and equipment—cost or other basis. Complete Part VI of Schedule D . . . . .	10a	448,915,510				
	b	Less accumulated depreciation . . . . .	10b	149,859,405	269,584,085	10c	299,056,105	
	11	Investments—publicly traded securities . . . . .			54,171,606	11	37,666,679	
	12	Investments—other securities. See Part IV, line 11 . . . . .			26,699,924	12	20,230,429	
	13	Investments—program-related. See Part IV, line 11 . . . . .				13		
	14	Intangible assets . . . . .				14	6,120,840	
	15	Other assets. See Part IV, line 11 . . . . .			3,399,235	15	4,880,619	
	16	Total assets. Add lines 1 through 15 (must equal line 34) . . . . .			464,930,862	16	455,384,525	
Liabilities	17	Accounts payable and accrued expenses . . . . .			44,009,229	17	43,964,421	
	18	Grants payable . . . . .				18		
	19	Deferred revenue . . . . .			2,896,156	19	507,720	
	20	Tax-exempt bond liabilities . . . . .			237,729,444	20	235,025,000	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .				21		
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L . . . . .				22		
	23	Secured mortgages and notes payable to unrelated third parties . . . . .			24,533,265	23	25,791,757	
	24	Unsecured notes and loans payable to unrelated third parties . . . . .				24		
	25	Other liabilities. Complete Part X of Schedule D . . . . .			28,170,742	25	14,462,594	
	26	Total liabilities. Add lines 17 through 25 . . . . .			337,338,836	26	319,751,492	
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 . . . . .			117,085,734	27	127,903,123	
	28	Temporarily restricted net assets . . . . .			9,537,225	28	6,783,414	
	29	Permanently restricted net assets . . . . .			969,067	29	946,496	
	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 . . . . .			127,592,026	33	135,633,033	
	34	Total liabilities and net assets/fund balances . . . . .			464,930,862	34	455,384,525	

**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 UNION HOSPITAL INC	Employer identification number 35-0876396
--	--

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						<div><div></div></div>

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						<div><div></div></div>
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						<div><div></div></div>
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						<div><div></div></div>
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						<div><div></div></div>
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						<div><div></div></div>

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

Section A. Public Support

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

Section B. Total Support

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

Section C. Computation of Public Support Percentage

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

Section D. Computation of Investment Income Percentage

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



**Part IV**

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

SCHEDULE 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 UNION HOSPITAL INC	Employer identification number 35-0876396
--	--

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	
<b>1</b> 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	<b>a</b> Volunteers?		No		
	<b>b</b> Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No		
	<b>c</b> Media advertisements?		No		
	<b>d</b> Mailings to members, legislators, or the public?		No		
	<b>e</b> Publications, or published or broadcast statements?		No		
	<b>f</b> Grants to other organizations for lobbying purposes?		No		
	<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body?		No		
	<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No		
	<b>i</b> Other activities? If "Yes," describe in Part IV	Yes			16,096
	<b>j</b> Total lines 1c through 1i				16,096
	<b>2a</b> Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No		
<b>b</b> If "Yes," enter the amount of any tax incurred under section 4912					
<b>c</b> If "Yes," enter the amount of any tax incurred by organization managers under section 4912					
<b>d</b> If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?					

Part III-A

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

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

Part III-B

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

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

Part IV

Supplemental Information

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

Identifier	Return Reference	Explanation
Part II-B, Line 1i	Explanation of Other Lobbying Activities	5 45% of Indiana Hospital Association and 24 42% of American Hospital Association dues paid were attributable to lobbying expenses as defined in federal law

SCHEDULE D  
(Form 990)

Supplemental Financial Statements

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

OMB No 1545-0047

2009

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

<b>Name of the organization</b> UNION HOSPITAL INC	<b>Employer identification number</b> 35-0876396
---	---

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) <input type="checkbox"/> Preservation of land for public use (e g , recreation or pleasure) <input type="checkbox"/> Preservation of an historically importantly land area <input type="checkbox"/> Protection of natural habitat <input type="checkbox"/> Preservation of a certified historic structure <input type="checkbox"/> Preservation of open space
2	Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax 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? <input type="checkbox"/> Yes <input type="checkbox"/> 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)? <input type="checkbox"/> Yes <input type="checkbox"/> No
9	In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III

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

1a	If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items
b	If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items
(i)	Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____
(ii)	Assets included in Form 990, Part X ▶ \$ _____
2	If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items
a	Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____
b	Assets included in Form 990, Part X ▶ \$ _____

Part III

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

3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

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

5

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

☐ Yes☐ No

Part IV

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

1a

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

☐ Yes☐ No

b

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

	Amount
1c	
1d	
1e	
1f	

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

2a

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

☐ Yes☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

	(a)Current Year	(b)Prior Year	(c)Two Years Back	(d)Three Years Back	(e)Four Years Back
1a	Beginning of year balance . . . . .	969,067	1,010,484		
b	Contributions . . . . .				
c	Investment earnings or losses . . . . .	17,441	4,129		
d	Grants or scholarships . . . . .	27,706	33,684		
e	Other expenditures for facilities and programs . . . . .				
f	Administrative expenses . . . . .	12,306	11,862		
g	End of year balance . . . . .	946,496	969,067		

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶ 100.000 %

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 . . . . .

3a(i)

YesNo

(ii)

related organizations . . . . .

3a(ii)

YesNo

b

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

3b

4

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

Part VI

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

Description of investment	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land . . . . .		16,399,562		16,399,562
b Buildings . . . . .		317,764,919	81,708,394	236,056,525
c Leasehold improvements . . . . .		2,534,083	1,553,073	981,010
d Equipment . . . . .		108,073,415	66,597,938	41,475,477
e Other . . . . .		4,143,531		4,143,531
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				299,056,105



Part XI

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

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

Part XII

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

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

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

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

Part XIV

Supplemental Information

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

Identifier	Return Reference	Explanation
Part V, Line 4	Description of Intended Use of Endowment Funds	The Corporation's endowment consists of individual funds established for a variety of purposes which were donor-restricted. Net assets associated with endowment funds, including funds designated by the Corporation to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.
		Form 990, Part IV line 12 has been checked no per 990 instructions. Part XI, XII, and XIII are not required as the organization is part of a consolidated financial statement. The consolidated financial statements are audited by an independent accounting firm and prepared in accordance with generally accepted accounting principles.



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**  
UNION HOSPITAL INC

**Employer identification number**  
35-0876396

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 checked="" type="checkbox"/> 150%<input 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 checked="" type="checkbox"/> 200%<input type="checkbox"/> 250%<input type="checkbox"/> 300%<input type="checkbox"/> 350%<input type="checkbox"/> 400%<input type="checkbox"/> Other _____</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	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount? . . . . .	5b		No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care? . . . . .	5c		
6a	Does the organization prepare an annual community benefit report? . . . . .	6a	Yes	
6b	If "Yes," does the organization make it available to the public? . . . . .	6b	Yes	
Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H				

7

Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheets 1 and 2) . . . .			10,479,012		10,479,012	2 810 %
b Unreimbursed Medicaid (from Worksheet 3, column a) . . . .			51,467,784	10,236,651	41,231,133	11 050 %
c Unreimbursed costs—other means-tested government programs (from Worksheet 3, column b) . . . . .						
d <b>Total</b> Charity Care and Means-Tested Government Programs . . . . .			61,946,796	10,236,651	51,710,145	13 860 %
<b>Other Benefits</b>						
e Community health improvement services and community benefit operations (from Worksheet 4) . . . . .			1,419,779	48,630	1,371,149	0 370 %
f Health professions education (from Worksheet 5) . . . .			7,780,777	2,383,937	5,396,840	1 450 %
g Subsidized health services (from Worksheet 6) . . . .			11,462,618	2,137,958	9,324,660	2 500 %
h Research (from Worksheet 7)			98,857		98,857	0 030 %
i Cash and in-kind contributions to community groups (from Worksheet 8) . . . .			313,172		313,172	0 080 %
j <b>Total</b> Other Benefits . . . .			21,075,203	4,570,525	16,504,678	4 430 %
k <b>Total.</b> Add lines 7d and 7j . . . .			83,021,999	14,807,176	68,214,823	18 290 %

Part IICommunity Building Activities

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

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1Physical improvements and housing			805,871	591,227	214,644	0.060 %
2Economic development						
3Community support						
4Environmental improvements			1,070,478	0	1,070,478	0.290 %
5Leadership development and training for community members						
6Coalition building			62,083	0	62,083	0.020 %
7Community health improvement advocacy						
8Workforce development			179,373	68,116	111,257	0.030 %
9Other						
10Total			2,117,805	659,343	1,458,462	0.400 %

Part IIIBad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

		Yes	No
1Does the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?		1	Yes
2Enter the amount of the organization's bad debt expense (at cost)	210,968,388		
3Enter the estimated amount of the organization's bad debt expense (at cost) attributable to patients eligible under the organization's charity care policy	30		
4Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense. In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including other bad debt amounts in community benefit.			
Section B. Medicare			
5Enter total revenue received from Medicare (including DSH and IME)	5124,775,978		
6Enter Medicare allowable costs of care relating to payments on line 5	6139,761,358		
7Subtract line 6 from line 5. This is the surplus or (shortfall)	7-14,985,380		
8Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other			
Section C. Collection Practices			
9aDoes the organization have a written debt collection policy?		9a	Yes
9bIf "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for patients who are known to qualify for charity care or financial assistance? Describe in Part VI.		9b	Yes

Part IVManagement Companies and Joint Ventures

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

Part VI, Line 6 See Schedule O

- 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

Part VI, Line 7 The organization was not part of an affiliated health care system during the 2009 tax year

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

IN

Additional Data

Software ID:  
Software Version:  
EIN: 35-0876396  
Name: UNION HOSPITAL INC

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

Part I, Line 3c - Schedule H Part I Line 3bDescription of Family Income Limit for Discounted CareThe organization provides partial assistance for income levels between 150% and 200% of Federal Poverty Guidelines, and offers discounted care on a sliding scale for income levels between 250% and 400% of Federal Poverty Guidelines

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

Part III, Line 4 Footnote to organization's financial statements that describes bad debt expenses The allowance for doubtful accounts is based on management's assessment of historical and expected net collections considering business and economic conditions, trends in health care coverage, and other collection indicators Periodically throughout the year, management assesses the adequacy for uncollectible receivables based upon the payor composition and aging of receivables as of the reporting date with consideration of the historical writeoff experience by payor category The results of these reviews are then used to make any modifications to the provision for uncollectible receivables to establish an appropriate allowance for uncollectible receivables After satisfaction of amounts due from insurance, the Corporation follows established guidelines for placing past-due patient accounts with collection agencies Explanation for line 2 and 3 or rational for including other bad debt amount in community benefit The hospital has a detailed Financial Assistance Policy which states that to participate in charity care candidates must cooperate fully In addition the hospital educates patients with limited ability to pay regarding financial assistance For this reason the organization believes that it accurately captures all charity care deductions provided according to the financial assistance policy and the amount of bad debt expense attributable to patients eligible under the organization's charity care policy is negligible

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

Part III, Line 8 The source used to determine the amount of Medicare allowable costs reported for Part III, Section B, Medicare has been provided from the Year Ended August 31, 2010 report Hospital Statement of Reimbursable Cost

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

Part III, Line 9b If the patient does not qualify for charity, but qualifies for limited means assistance, a reduction in charges will be made to the account and the patient will be notified via mail At the patient's request, payment arrangements will be made for the remaining balance



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

Part V UHI also operates 8 Family Practice Centers, 4 Outpatient Therapy Centers, 3 clinics, 1 cancer center, 1 cath lab, 1 child development center, and 1 employee access center

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

Schedule H Part I Line 3bDescription of Family Income Limit for Discounted CareThe organization provides partial assistance for income levels between 150% and 200% of Federal Poverty Guidelines, and offers discounted care on a sliding scale for income levels between 250% and 400% of Federal Poverty Guidelines

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

Part VI, Line 2 ASSESSING THE NEEDS OF OUR COMMUNITY IS AN ONGOING ACTIVITY ALTHOUGH A FORMALIZED ASSESSMENT TOOL IS CURRENTLY BEING EVALUATED, ONLINE DATABASES HAVE PROVED BENEFICIAL IN HELPING THE ORGANIZATION DETERMINE THE BEST WAY TO UTILIZE ITS RESOURCES THE MOST VALUABLE OF THOSE RESOURCES BEING UNION'S 2,000 PLUS EMPLOYEES WHO DONATE THOUSANDS OF HOURS OF COMMUNITY SERVICE EACH YEAR UHI EMPLOYS A FULL-TIME POSITION (COMMUNITY LIAISON) DEDICATED TO COMMUNITY BENEFIT ACTIVITIES FOR THE ORGANIZATION THE COMMUNITY LIAISON TAKES ON THE LEAD ROLE IN COLLECTING DATA TO ASSIST IN ASSESSING THE NEEDS OF OUR COMMUNITY THE WEBSITE STATSINDIANA EDU HAS A WEALTH OF HEALTH, DEMOGRAPHIC AND INCOME DATA PROVIDING UNION WITH AN ASSESSMENT OF ALL INDIANA COUNTIES IN OUR SERVICE AREA THE U S CENSUS BUREAU AND COUNTYHEALTHRANKINGS ORG PROVIDED DATA THAT CAN BE DRILLED DOWN TO THE STATE, COUNTY AND CITY LEVELS TO HELP UHI OFFICIALS ACCURATELY ASSESS COMMUNITY HEALTH NEEDS UNION ALSO WORKS CLOSELY WITH INDIANA STATE UNIVERSITY COLLEGE OF NURSING HEALTH AND HUMAN SERVICES, AND THE VIGO COUNTY HEALTH DEPARTMENT THE HOSPITAL UTILIZES NATIONAL RESEARCH CORPORATION (NRC) TO CONDUCT ITS PATIENT SATISFACTION SURVEYS, AND TO PROVIDE UHI WITH COMMUNITY HEALTH NEEDS ASSESSMENT ON AUGUST 14, 2009, PUBLIC HEALTH SYSTEM PARTNERS OF VIGO COUNTY CONVENED A MEETING TO EVALUATE HOW TO BETTER SERVE THE PUBLIC HEALTH AND HEALTHCARE NEEDS OF THE COUNTY'S ESTIMATED 106,000 RESIDENTS THE RURAL HEALTH INNOVATION COLLABORATIVE (RHIC) HOSTED THE ALL DAY EVENT, IN PARTNERSHIP WITH THE VIGO COUNTY HEALTH DEPARTMENT THE INDIANA STATE DEPARTMENT OF HEALTH, IN COLLABORATION WITH PURDUE UNIVERSITY'S HEALTHCARE TECHNICAL ASSISTANCE PROGRAM, WORKED TOGETHER TO CREATE THIS OPPORTUNITY FOR ALL LOCAL PUBLIC HEALTH SYSTEM PARTNERS TO IDENTIFY EXISTING STRENGTHS, AS WELL AS OPPORTUNITIES TO ESTABLISH AND FORMALIZE PUBLIC HEALTH SYSTEM INFRASTRUCTURE IN INDIANA COUNTIES VIGO COUNTY PARTNERS MET TO COMPLETE THE CDC NATIONAL PUBLIC HEALTH PERFORMANCE STANDARDS, LOCAL PUBLIC HEALTH SYSTEM ASSESSMENT - A NATIONALLY RECOGNIZED PUBLIC HEALTH SYSTEM ASSESSMENT TOOL THE ASSESSMENT PROCESS AND RESULTS ENABLED GREATER UNDERSTANDING OF HOW THE COUNTY'S HEALTHCARE AND PUBLIC HEALTH ORGANIZATIONS RELATE TO ONE ANOTHER AND HOW THEY PROVIDE ESSENTIAL PUBLIC HEALTH AND HEALTHCARE SERVICES TO THE PUBLIC THEY SERVE THE ASSESSMENT SPECIFICALLY FOCUSED ON AREAS SUCH AS COMMUNICATION, PARTNERSHIPS, LINKING PEOPLE TO NEEDED SERVICES, AND SHARING OF RESOURCES FINDINGS OF THE ASSESSMENT REVEALED STRENGTHS OF THE SYSTEM THAT INCLUDED -IDENTIFICATION AND SURVEILLANCE OF HEALTH THREATS, AND RESPONSE TO PUBLIC HEALTH THREATS AND EMERGENCIES -INFORMING, EDUCATING AND EMPOWERING THE PUBLIC ABOUT PUBLIC HEALTH ISSUES-ENFORCEMENT OF LAWS AND REGULATIONS THAT PROTECT HEALTH AND ENSURE SAFETY THE ASSESSMENT ALSO REVEALED IMPORTANT AREAS FOR PERFORMANCE IMPROVEMENT, INCLUDING -MOBILIZING COMMUNITY PARTNERSHIPS TO IDENTIFY AND SOLVE HEALTH PROBLEMS - DEVELOPING COMMUNITY HEALTH IMPROVEMENT PROCESSES-USING CURRENT TECHNOLOGY TO MONITOR, MANAGE AND COMMUNICATE POPULATION HEALTH DATA-THE ASSESSMENT PROCESS CAN SERVE AS THE FOUNDATION TO FORMALIZE PROCESSES THAT STRENGTHEN LOCAL PUBLIC HEALTH SYSTEM INFRASTRUCTURE WITH THE CAPACITY AND RESOURCES TO IMPROVE QUALITY AND EFFECTIVENESS OF HEALTHCARE SERVICES IN VIGO COUNTY

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

Part VI, Line 3 UHI uses a variety of tools to educate patients about their eligibility for financial assistance Signs are displayed in the Admitting areas, brochures and the financial assistance policy is attained on our statements ClaimAid is available of point of service onsite Medicaid eligibility advisor that assists our patients in qualifying for any Medicaid programs All of our financial counselors are trained and scripted to communicate financial assistance programs and assist in setting up meetings for the ClaimAid staff Financial counselors are located in the Admitting in both Union Hospital East and West facilities to assist our patients This includes staff that can speak Spanish to assist in any interpretation for a Spanish speaking patient

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

Part VI, Line 4 The communities served by UHI represent a dichotomy of urban and rural people Terre Haute and Vigo County are largely urban and suburban with a population of 106,000 The remaining 147,000 people served by Union are located in small towns and rural farming areas throughout eight additional counties surrounding Vigo County People in Vigo County are more racially diverse with 89.5% being Caucasian, 7% African American, 1.6% Asian and 1.5% Hispanic The surrounding counties average 96.4% white, 2% African American and less than 1% Asian and Hispanic populations Vigo County is younger with an average age of 35.9 compared to 39.99 in the surrounding counties with 14.5% being 65 years of age or older compared to 13.7% in Vigo County Regardless of location, median household incomes averaging \$39,250 fall far below the Indiana average of \$48,010 and the US average of \$52,029 More than 19% of Vigo County residents and 10.3% of surrounding county residents live in poverty In Vigo County, one in four children lives in poverty Vigo County ranks second in the state in poverty, and 5th in the state in poverty rank among children under the age of 18 Employment within Vigo County includes a large retail and restaurant service sector, healthcare, higher education and a diverse manufacturing sector UHI is the largest employer in Terre Haute The surrounding counties offer largely agricultural and mining-based employment with many residents traveling to Vigo County for employment opportunities Unemployment in Vigo County was 9.9% in 2009, slightly lower than the state average at that time of 10.4% A health needs assessment conducted in 2006 revealed that people in the area with incomes below 200% of the poverty level had significantly higher rates of physical impairment, depression, obesity, tobacco use, high blood pressure and diabetes This population segment was far less likely to engage in regular physical activity While overall rates of tobacco use in the area were slightly lower (20%) than the state average (24.9%), the demographic segment with the largest tobacco use was women of childbearing age at 24.8% Access to health care is a challenge for those in rural areas who often must travel to Terre Haute or elsewhere for medical care and chronic disease management

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

Part VI, Line 5 To better meet the needs of our communities UHI participates in community building activities to improve the health in the community Programs have been developed to specifically help meet the needs as defined by our community health needs assessment Many of the programs or services developed meet several defined needs and some of them are more focused on a central idea, for example partnering with our local Wabash Valley Harley Davidson dealer and offering a free prostate cancer screening to our male population The central focus is to identify males that have an elevated PSA levels so they can get treatment before major health complications arise Continued on Schedule O

OMB No 1545-0047

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

**Open to Public Inspection**

Employer identification number

35-0876396

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.

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





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  
UNION HOSPITAL INC

Employer identification number  
35-0876396

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 checked="" type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div></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>	Yes	
<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>	Yes	
<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 checked="" type="checkbox"/> Written employment contract</div><div><input 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>		No
<div>b</div> <div>Participate in, or receive payment from, a supplemental nonqualified retirement plan?</div>		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>		No
<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>		No
<div>b</div> <div>Any related organization?</div> <div>If "Yes," to line 5a or 5b, describe in Part III</div>		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>		No
<div>b</div> <div>Any related organization?</div> <div>If "Yes," to line 6a or 6b, describe in Part III</div>		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>	Yes	
<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>		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>		

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

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

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
David Doerr	(i)	339,694	124,655	25,059	0	22,775	512,183	0
	(ii)	0	0	0	0	0	0	0
Scott Teffeteller	(i)	203,924	27,825	18,931	0	21,275	271,955	0
	(ii)	0	0	0	0	0	0	0
Wayne Hutson	(i)	198,786	65,371	4,651	0	15,058	283,866	0
	(ii)	0	0	0	0	0	0	0
Ronald Leach	(i)	174,379	0	16,500	0	0	190,879	0
	(ii)	0	0	0	0	0	0	0
Kym Pfrank	(i)	154,231	29,485	16,790	0	15,046	215,552	0
	(ii)	0	0	0	0	0	0	0
Carol Roesch	(i)	143,816	29,350	13,147	0	14,828	201,141	0
	(ii)	0	0	0	0	0	0	0
Sally Zuel	(i)	127,082	20,563	9,686	0	8,980	166,311	0
	(ii)	0	0	0	0	0	0	0
Aaron Berkey	(i)	454,326	358,111	4,877	0	20,455	837,769	0
	(ii)	0	0	0	0	0	0	0
Nabil Mnayarji	(i)	705,643	233,572	6,273	0	23,018	968,506	0
	(ii)	0	0	0	0	0	0	0
Pradeep Narotam	(i)	438,966	480,591	11,239	0	23,019	953,815	0
	(ii)	0	0	0	0	0	0	0
Lingan Sidda	(i)	455,221	483,340	11,333	0	15,958	965,852	0
	(ii)	0	0	0	0	0	0	0
Ramesh Tank	(i)	438,966	480,591	11,239	0	23,019	953,815	0
	(ii)	0	0	0	0	0	0	0
Kristi Williams	(i)	127,628	18,103	5,781	0	13,708	165,220	0
	(ii)	0	0	0	0	0	0	0
Ronald King	(i)	119,655	27,848	7,996	0	15,393	170,892	0
	(ii)	0	0	0	0	0	0	0
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
	Part I, Line 1a	County Club of Terre Haute dues are paid for CEO, CFO, and COO.
	Part I, Line 7	The organization provides non-fixed payments to several individuals listed on Form 990, Part VII, Section A, line 1a. These non-fixed payments are based on the organization's ability to pay and are not construed as a contract between Union and its executives. The Executive Bonus Plan is a mixture of objectives, standards, and subjective standards that both the policy and the implementation of the policy by the Personnel Committee and the Board of Directors approves and awards depending on Union's ability to pay. There is no automatic right to a bonus or a specific bonus amount even if all criteria are met. The performance measure plan is linked to the Union strategic and fiscal-year business planning process. The plan is intended to focus participants' attention on mission-critical goals and key strategic priorities. The plan is also intended to enhance the performance of Union executives and the organization. Prior to the start of the fiscal year and as part of the business planning process, the Union President and CEO will finalize a list of goals, weights, and measures to be used to assess performance during the fiscal year. The list is presented to and discussed with the committee. The committee reviews and approves the bonus plan goals, weights, and measures. Organization goals will be assigned to each participant hospital-wide. In addition to hospital-wide goals, individual and/or functional/department goals may or may not be included. After the conclusion of each fiscal year, the President & CEO will prepare an annual Bonus plan report for the committee. The report contains an appraisal of Union and hospital/operating unit performance during the recently-completed fiscal year, and the president & CEO's recommended payout for each plan participant. The bonus recommendations for all sr management are received and reviewed first by the personnel committee who then make decisions and submits to the board to vote. The committee will determine and submit the payout for the President & CEO to the board of directors who, absent the President & CEO, will vote on approval. Award determinations are calculated as percentages of participant's salaries paid for time worked during the fiscal year. Payouts for president is 0% to 3%, CFO & COO are 0% to 25%, and Other executives are 0% to 20%. The executive bonus plan payouts are to be paid when determined by the personnel committee, subject to the approval of the board of directors.

Schedule K  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

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

OMB No 1545-0047

2009

Open to Public  
Inspection

Name of the organization  
UNION HOSPITAL INC

Employer identification number  
35-0876396

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 Hospital Authority of Vigo County (Revenue Bonds Series 2007)	35-1656988	926742BY2	07-12-2007	176,052,475	Construct new hospital building		X		X
B Indiana Health and Education Facility Financing Authority series 2006A	35-1611409	454795BL8	07-14-2006	19,000,000	Buildings, structures, equipment		X		X

Part II Proceeds

		A	B	C	D	E			
1	Total proceeds of issue	176,052,475	19,000,000						
2	Gross proceeds in reserve funds	15,716,590							
3	Proceeds in refunding or defeasance escrows								
4	Other unspent proceeds								
5	Issuance costs from proceeds	2,151,525							
6	Working capital expenditures from proceeds								
7	Capital expenditures from proceeds	158,184,360	19,000,000						
8	Year of substantial completion	2010	2009						
		Yes	No	Yes	No	Yes	No	Yes	No
9	Were the bonds issued as part of a current refunding issue?		X		X				
10	Were the bonds issued as part of an advance refunding issue?		X		X				
11	Has the final allocation of proceeds been made?	X		X					
12	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X		X					

Part III Private Business Use

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

Part III

Private Business Use (Continued)

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

Part IV

Arbitrage

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

Schedule L  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization  
UNION HOSPITAL INC

Employer identification number  
  
35-0876396

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
Physician Group	See Sch O	4,695,145	Sch O		No
Forest Sherer Inc	See Sch O	665,829	Sch O		No
AP&S Clinic North Side	See Sch O	172,086,681	Sch O		No
Bunch Nurseries Inc	See Sch O	411,562	Sch O		No

SCHEDULE O

(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Information to Form 990

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

OMB No 1545-0047

2009

Open to Public  
Inspection

Name of the organization UNION HOSPITAL INC	Employer identification number 35-0876396
--	--

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 11		The process of review ing the Form 990 entails a detailed review of the Form 990 by the organization's management The governing body review s and approves the Form 990 and the final Form 990 including requested schedules, as ultimately filed with the IRS, are provided to each voting member of the organization's governing body prior to filing

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 12c		<p>The written conflict of interest policy is regularly and consistently monitored and compliance enforced by the Corporate Compliance Officer. The scope of this policy includes directors, officers, management, and employees. The policy is in place to avoid personal interests that conflict, or may appear to conflict, with the best interests of Union and its affiliates and the communities they serve. The covered persons are to refrain from personal interests, direct or indirect with any third parties. It is the responsibility of officers, management, and employees to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures and act accordingly. A self disclosure from covered persons to the Corporate Compliance Officer is required on any potential conflicts of interest. The covered persons are to refrain from participating in any deliberation or decisions on such transactions. The conflicts disclosed are reviewed and resolved by the Corporate Compliance Officer.</p>



Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 15a		<p>The process for determining compensation under the By-Laws of Union Hospital includes a Board of Directors Personnel Committee whose responsibilities include being charged of doing the appropriate review of compensation for the Sr Management Team, including the CEO. They gather information and follow the steps set forth below and in turn submit to the full Board of Directors the recommendations in terms of compensation and benefits for the CEO and Sr Management. The Personnel Committee consists of individuals who are disinterested. The CEO is excused from the meeting when his compensation/benefits are reviewed both at the Personnel Committee level and the Board level. Note: During the current Fiscal Year, salary increases were not given to the Sr Management team including the CEO, and thus, an analysis of compensation was not completed. In future periods, this procedure will resume as stated in this policy. The Steps include:</p> <ol style="list-style-type: none"> <li>1. The Personnel Committee retains an outside independent consultant to (1) provide the committee with information, and (2) to review the actions and compensation/benefits to be sure that there is not excessive compensation. The consultant that has been used the past three (3) years is Sullivan Cotter &amp; Associates, Inc. Under the process, Sullivan Cotter first are provided with the names and job descriptions for the Sr Management Team that is being evaluated. The independent advisor then submits to the Personnel Committee comparable information, specifically: <ul style="list-style-type: none"> <li>&gt; Five commercially available executive health care compensation surveys prepared by independent firms, were referenced to obtain market data for this review - Integrated Healthcare Strategies 2009 Healthcare Executive Compensation Survey - Indiana Hospital &amp; Health Association 2009 Compensation Survey Report - Sullivan, Cotter, and Associates 2009 Survey of Manager and Executive Compensation in Hospitals and Health Systems - Watson Wyatt Data Services 2009/2010 Hospital and Healthcare Management Compensation Report - Mercer Human Resource Consulting 2009 Integrated Health Networks Compensation Survey</li> <li>&gt; Market data reflecting functionally-comparable positions were obtained for all seven executive positions</li> <li>&gt; Data were abstracted for comparably-sized organizations as measured by net revenue</li> <li>&gt; The data reported represented the 50th, 75th, and 90th percentiles of base salary and total cash compensation (base salary plus actual annual incentive - abbreviated TCC)</li> <li>&gt; Regional market data were also collected from the published compensation surveys as well as a special cut of the following Indiana hospitals from SullivanCotter's 2009 Survey of Manager and Executive Compensation in Hospitals and Health Systems - Ball Memorial Hospital - Reid Hospital &amp; Health Care Services - Bloomington Hospital - Riley Hospital for Children - Elkhart General Hospital - Saint John's Health System - Good Samaritan Hospital - Saint Joseph Regional Medical Center - Memorial Hospital of South Bend - Saint Mary's Medical Center - Methodist Hospitals - Terre Haute Regional Hospital - Parkview Hospital</li> <li>&gt; That data was also reported with national average, regional average and Indiana average</li> </ul> </li> <li>2. The Personnel Committee of Union Hospital's Board of Directors takes the data provided by the independent consultants and following a review of the performance of each individual submits to the full Board for approval recommendations in terms of salaries, benefits, and bonuses. Final approval is by the Board of Directors. The CEO does not take part in the discussion or action on his salary, benefits and bonus.</li> <li>3. Minutes of the Personnel Committee and the Board meetings are contemporaneously kept and maintained with the Corporate Minute Books.</li> <li>4. Following the action of the Board of Directors the new proposed salaries, benefits and bonuses are sent to the independent consultant (Sullivan Cotter) who submits back to the Personnel Committee their opinion in terms of the compensation being reasonable in relation to the market data and market practices. This report is also received and reviewed by the Board Personnel Committee.</li> </ol>

Identifier	Return Reference	Explanation
Form 990, Part VI, Section C, line 19		The organization does not make the governing documents, conflict of interest policy, or financial statements available to the public

Identifier	Return Reference	Explanation
Form 990, Part XI, Line 2c	Oversight of Audit	The board of directors assumes responsibility for oversight of the audit of the financial statements and no processes have changed from prior year

Identifier	Return Reference	Explanation
		<p>Schedule H, Part VI, Line 5 Richard G Lugar Center for Rural Health Richard G Lugar Center for Rural Health The Lugar Center's mission is to advance rural health through education, innovation and collaboration The Lugar Center is a part of Union Hospital and its Family Medicine Residency program dedicated to preparing physicians to serve in rural communities This program consists of hands-on curriculum for future rural health providers based on a unique hub-and-spoke structure that allow s residents to work out of the main hospital-based site during their full three years of training while still gaining first-hand rural experience at a federally-designated rural health clinic and a federally qualified health center It has developed into a policy and program leader with the development of innovative methodologies to support a workforce that is well-prepared to provide access to quality health care services in remote areas nationally and internationally It was first established in 1993 as the Midwest Center for Rural Health to prepare primary care physicians for successful rural practice and to expose individuals not yet decided on a career to the rewards of delivering health care in a rural area The Center was renamed in 2006 to honor U S Senator Richard G Lugar a supporter of the Center's mission and an advocate for the advancement of rural healthcare In 1993, Union set up a model rural health clinic and training site in Clay City, Indiana to provide much needed health care services to a medically underserved community This federally designated rural health clinic (RHC) also provides a unique hands-on training site for physicians enrolled in Union Hospital's Family Medicine Residency's Rural Training Track A multidisciplinary team of physicians, physicians assistants, nurse practitioners, mental health counselors, psychology interns, an x-ray technician, and an optometrist provide comprehensive care to all regardless of the patient's ability to pay The clinic collaborates with the locally owned pharmacy to provide prescription services to uninsured and underinsured patients using the same discounted sliding fee scale used by the clinic A vital component of this clinic is the 10 member Community Advisory Board Clay City Center for Family Medicine serves as a medical home for approximately 5,000 area residents, delivering over 10,000 visits annually, in addition to house calls and in-patient hospital care In 2001, the Lugar Center developed and implemented a chronic disease management program at the clinic that is still being integrated into care plans for patients as appropriate This evidence based program includes five chronic diseases-hypertension, diabetes mellitus, chronic obstructive pulmonary disease, congestive heart failure, and asthma Clay City Center for Family Medicine reached capacity as a teaching site for residents and there remains an enormous need for additional providers in the small communities surrounding UH as well as clinical training sites Therefore, the Lugar Center is expanded training capacity for future health care providers through collaborative efforts with a rural underserved community in Vermillion County This project focuses on the Community Health Center model or FQHC (Federally Qualified Health Center) This model delivery system began with a group of community members who serve as the Governing Board of Directors for a community-owned health care facility, receiving federal 330 funds to provide services to the uninsured Lugar Center was instrumental in writing the application for a HRSA New Access Point grant for \$1.6 million for this community in September 2007 This site serves as an integral training site for UH residents, IU School of Medicine medical students, and other learners Our operating expenses for the fiscal year 2010 were \$1,001,759 The Lugar Center also received funding from the Indiana State Departments of Health Community Health Center Grant \$361,849</p>

Identifier	Return Reference	Explanation
		<p>Schedule H, Part VI, Line 5 Rural Health Innovation Collaborative On Dec 2, 2008, Union Hospital's Lugar Center helped launch a rural health collaborative aimed at improving and expanding health care in our community What began as an informal exercise in creative problem-solving has become the Rural Health Innovation Collaborative (the RHIC) Founding partners include Indiana State University (ISU), Indiana University School of Medicine (IUSM) , Union Hospital and it's Richard G Lugar Center for Rural Health (UH), the Terre Haute Economic Development Corporation (THEDC), the City of Terre Haute (the City), and Ivy Tech Community College Wabash Valley (Ivy Tech) The mission of the Rural Health Innovation Collaborative (RHIC) is to improve and expand education and training of health care professionals and future health care professionals, especially for those committed to serving rural and underserved populations Key components of this mission include To promote the retention of health care professionals to serve rural and underserved populations, To invite community revitalization by promoting the enhancement of opportunities for education, training, and experience in health-related professions and fields, To promote social welfare and to encourage and coordinate community initiatives to address challenges affecting health care delivery, To promote the efficient use of public and private resources and collaborate with other entities with similar or complementary purposes, To design and implement innovative best practices and strategies that are capable of replication in other areas of the United States, and To disseminate educational information, thereby potentially or actually benefiting those other areas A recent study commissioned by RHIC partners and conducted by Indiana University School of Medicine's Bowen Research Center, found shortages in almost every health care field in the Wabash Valley The Wabash Valley is a region with counties in both Indiana and Illinois Nurses and physicians top the list of shortage areas The survey found a need for 702 to 827 additional nurses and 134 to 275 primary care physicians in an 11-county area of west-central Indiana The eleven counties included in this region were Clay, Fountain, Greene, Montgomery, Owen, Parke, Putnam, Sullivan, Vermillion, Vigo, and Warren Significant shortages were also found in mentalhealth counselors, physical therapists, pharmacists, social workers, health educators, speech pathologists, physician assistants and psychologists In more than three fourths of the professions analyzed the study projects that by 2016 the number of health care providers per 100,000 residents will be lower in the Wabash Valley than statewide Additionally the study found a need for increased access to education programs, expanding existing programs and making new programs available RHIC leaders envision tackling the current and worsening health care worker shortages through innovations and collaborations in health care education across the partnership The partners are focused not just on increasing numbers of students and educational opportunities, but also on transforming our traditional education model to ensure an optimally prepared workforce, resulting in improved access to care and patient outcomes There are several challenges to minimizing the health care workforce shortages in rural west-central Indiana and throughout the nation One of the biggest challenges is changing the educational methodology when training future health care providers Traditionally, our workforce is educated in "silos", rather than in interprofessional teams Even a quick review of the literature reveals qualitative and quantitative evidence suggesting the need to change the methods that have historically been utilized to train health professionals Yet, this is not an easy task The RHIC partners have begun to address this challenge by embracing Interprofessional Education (IPE) as a major focus of the RHIC One important component of the RHIC's IPE initiative is to develop a collaborative curriculum where students from multiple health care professions learn together As a part of this effort, the RHIC envisions implementing a collaborative Simulation Center for interprofessional education and training The primary purpose of the RHIC simulation center initiative is to establish a center dedicated to enhancing hands-on educational opportunities for teams of future health care professionals, particularly those preparing to practice in rural areas The Center will ensure a robust, well-prepared team of health care professionals who will provide enhanced access to quality care in rural communities In addition to more and better prepared health care professionals this collaborative will lead to additional cutting-edge training and research facilities, as well as support for business and health care service expansion This outcome will lead the way for neighborhood revitalization</p>

Identifier	Return Reference	Explanation
		<p>lization and economic development in Terre Haute and in surrounding rural, underserved communities. The RHIC collaborative includes urban and rural partners as well as private, public and government partners. The leaders of each partner organization bring multiple resources and expertise to the collaborative and provide guidance as a part of a robust board of directors. Committees of the board manage activities in communications, education, facilities, finance, economic development and resource development. Ad-hoc committees are created as needed for targeted study and work. Through this robust collaborative--including through the sharing of resources among urban, rural, government, public and private entities that are all represented within the RHIC--we will improve efficiencies, create and implement innovative advances in curriculum and training for interprofessional teams of providers, and ensure long-term results toward improved access to quality health care in all of our communities, especially including our surrounding rural communities. No collaboration ever comes easily. Yet, it is through collaboration that we are able to achieve the most. RHIC members have hired a full-time director to assist with thoughtfully building a solid foundation for the RHIC collaborative, including through the creation of formal bylaws and other governing mechanisms. Toward this end, in December 2009, the RHIC was formally recognized by the IRS as a 501(c)(3) nonprofit entity. RHIC members come together monthly for intense meetings during what has come to be known as "RHIC Week" each month. The board is made up of members from the highest levels of leadership from each of the partner entities. In addition to RHIC committee members meeting monthly, these leaders are also coming together on a continuous, consistent basis. This sharing of time to review vision documents as well as the most mundane documents, has been invaluable in terms of moving the collaborative forward toward its ultimate goal of ensuring a robust workforce and environment to be able to provide long-term, sustainable access to quality health care. Future goals, as stated above, include creating a truly innovative interprofessional health curriculum and training program. In addition to creating a robust innovative, learning environment, the RHIC members envision creating a "District" that connects Union Hospital to the Indiana State University campus in Terre Haute. This "neighborhood", about 270 acres, between the Union Hospital and ISU campuses is a blighted neighborhood. Through this economic development initiative of the RHIC, we envision creating a mixed-use learn-live-work-play District that incorporates healthy living design features and fosters job creation and a culture of innovation, continuous learning and excellence. Toward this end, the RHIC partners have hired an architectural firm to lead a master planning process that will involve stakeholders from across the community and from across disciplines. We fully expect this "RHIC District" to become a model in the United States for innovation and excellence. Current operating expenses are funded through the RHIC member organizations. In addition, some initial federal and state grants have been secured to begin implementation. For example, a \$100,000 grant was secured through the Health Resources and Services Administration to establish the collaborative Simulation Center. In addition, the RHIC's Resource Development Committee has taken a leading role to begin applying for grants to assist with program development and implementation to maximize impact and further the vision of providing a robust healthcare workforce that is sufficient to meet all of the healthcare needs in our service areas, especially including in our rural underserved communities throughout the west-central region of Indiana.</p>

Identifier	Return Reference	Explanation
		<p>Schedule H, Part VI, Line 5 Pre-Natal Care for Indigent Population Union Hospital serves as the community safety net to assure that prenatal and birth care is available to all pregnant women in the Wabash Valley regardless of financial status through its family medicine center. As in many areas of health care, fiscal realities affect services that can be provided. We are striving to maintain and innovatively improve services and options for the vulnerable and high risk population we serve. Each county that we serve has a higher percent of reported prenatal smoking than the 2005 reported state of Indiana average of 17.9%. There is a combined average of 27.94% for women from the five counties that we serve. We strive to address this problem as well as breastfeeding and prenatal care initiation in the first trimester. The MHC is proud to provide a multidisciplinary approach to care from physicians, resident physicians, midwives, a family nurse practitioner, nurses, social workers, a sonographer, and a substance abuse counselor. Referrals are made to appropriate community agencies with services for housing, food stamps, women infants and children nutrition program, adoption resources, dental, transportation, domestic abuse support resources, mental health counseling, bereavement, child protection, family planning, and baby supplies. We enrolled 478 new patients in the past fiscal year. In 2006-2007, 45% of our patients were assessed as being moderate to high risk socially. Approximately 95% of our clients were Medicaid funded and the majority of the other 5% are clients that are non American citizens that are unable to receive Medicaid benefits. These clients are charged on a sliding fee scale. The poverty rate in Vigo County in 2008 was 19.7%. Because of this, it is apparent that women in our area are in need of the services that the MHC provides. We are a Medicaid enrollment site, and we provide care on a sliding fee for service scale for those who are not eligible for Medicaid. First trimester care has been increased from 77% in 2007 to 81% in 2009. Breastfeeding rates have increased from 65.8% in 2007 to 69.6% in 2009. Over half of our clients who smoked when they became pregnant stopped smoking by the time their babies were born. We have recently started auricular (ear) acupressure and acupuncture in our clinic to assist in decreasing smoking rates. Women are ready to be helped during pregnancy to decrease and/or stop smoking. We have implemented home visits, education, and auricular therapy to aid in this transition. We know that women want consistent care and many want female providers. We have the care providers to do just those things. We promote and assist with breastfeeding education and support. We adopted an incentive program to motivate women to participate in educational opportunities and make positive behavior changes. Patients earn points for keeping appointments, changing diets, releasing addictions, and breastfeeding. These points can be exchanged for used clothing and household items at the nonprofit store run by The Helping Hands organization. By 2009, we plan to have our first trimester care rates at 80% and our breastfeeding at 60%. Through our options for smoking reduction, we plan to decrease this rate to 98%.</p>

Identifier	Return Reference	Explanation
		<p>Schedule H, Part VI, Line 5 St Ann Medical Clinic Founded in September 1997 to provide comprehensive outpatient medical care for the poor of Vigo and surrounding counties St Ann Medical Clinic is a program of Providence Self Sufficiency Ministries Clients served must be financially at or below the 125% poverty level as established by the federal guidelines, must have no insurance and no physician, and be without the resources of Medicare or Medicaid Union's physicians, nurses and others provide volunteer service and leadership with one of our physicians serving as medical director, and leaders such as the Union Hospital Foundation director, the chairman of the board of directors and the hospital's legal counsel serving on its Advisory Committee Hospital physicians and staff provide thousands of volunteer hours to the clinic each year Beginning in 2007, Union Health System placed a nurse practitioner full time within the clinic In addition, Union Hospital UH annually provides more than \$13,000 in monetary support and nearly \$150,000 in in-kind support in the form of follow up testing and care Since 1997, the clinic has tallied 60,000 client visits with nearly 20,800 of those visits occurring since fiscal year 2007 The clinic operates with a staff of 105 dedicated core volunteers, including doctors, nurse practitioners, nurses, pharmacists and clerical support The number of underserved poor in the Vigo county area is increasing rapidly as evidenced by the increasing numbers of clinic visits and decreasing economic opportunities The clinic has decreased visits to the already overloaded hospital emergency rooms Furthermore individuals and families, who have no other resources, would typically not seek medical care, thus resulting in higher in higher incidences of more serious medical conditions going untreated, poorer quality of life and increasing stress on the family</p>



Identifier	Return Reference	Explanation
		<p>Schedule H, Part VI, Line 5 Union Hospital Clara Fairbanks Center for Wome Clara Fairbanks Center for Women provides quality care and state-of-the-art technology in mammography services for all patients of the Wabash Valley and surrounding counties We now have three locations to serve our patients the main center at 1711 N 6 1/2 St , Suite 300, Hux Cancer Center in Terre Haute, second location is south of the city at Thomas Plaza, 5500 S US Hwy 41, Terre Haute, and the third location at Union Hospital Clinton, 801 S Main, Clinton, IN The services provided include digital mammography, breast ultrasound, stereotactic and ultrasound guided breast biopsy procedures, bone density scans, and a boutique to supply special garments for patients w ho have undergone breast surgery Because personalized care is as vital a part of guiding a patient through breast care, as it is important to be sure to treat each patient as an individual not just a cancer diagnosis, the Center identified the need for a Patient Navigator in 2004 The Patient Navigator helps guide the patients and their families through the sometimes-overw helming process of a breast cancer diagnosis and treatment She is able to accomplish this by making herself available to answer questions, schedule appointments and coordinate referrals The staff educates the patients and community about breast care, available grant dollars, and mammography services through direct communication w ith the Center, community health fairs and public speaking The Clara Fairbanks Center meets all standards set forth by the Healthcare Facilities Accreditation Program (HFAP), Federal Drug Administration (FDA), American College of Radiology (ACR), and the requirements set forth by the Indiana State Department of Health The Center is the leading mammography facility in the Wabash Valley Since 1998, the Center has been a major participant in the Indiana Breast and Cervical Cancer Prevention Program (BCCP), a program to assist indigent w omen w ith funding for mammography services For the last four years, the Center has been approved for grant dollars through the Indiana Breast Cancer Awareness Trust In 2010, the Clara Fairbanks Center provided over 16,500 mammography services (breast biopsies, ultrasounds, and mammograms) This same year, the Clara Fairbanks Center for Women diagnosed 137 w omen w ith breast cancer The BCCP gave funds for approximately 165 mammography services Through a Wabash Valley Komen Foundation Grant in the amount of \$50,000 another 88 w omen and tw o men were assisted w ith additional services (mostly breast biopsy procedures and diagnostic mammography) Seventy-six w omen received screening mammograms from a \$10,000 grant from Indiana Breast Cancer Awareness Trust These were w omen and men w ho mght not have received these services if this funding had not been available Breast cancer shows no age boundaries, early detection is still the best prevention With earlier diagnosis, there is less treatment cost and better prognosis for the patient While BCCP is a w orthw hile program to assist indigent w omen w ith mammography services, it only supplies funding for mammography services for w omen 40 years and older We know that breast cancer has the potential to grow more rapidly in younger w omen therefore it is of utmost importance to detect these cancers at the first possible sign Since there has been an increased need for funding to include screening, diagnosis, and treatment for w omen under the age of 40, Clara Fairbanks w ill continue to partner w ith organizations like the Susan G Komen Foundation The Center w ill look for every opportunity to request grants to help assist not only w omen but men for these services The Center w ill continue to educate about the importance of early detection and further enhance the hospital's "Team Approach" for breast cancer patients</p>

Identifier	Return Reference	Explanation
		<p>Schedule H, Part VI, Line 5 Franklin Elementary School What began in 1983 as an Indiana State University graduate student's project to link local businesses with elementary schools has become a long-standing partnership to encourage healthy lifestyles in one of Terre Haute's poorest elementary schools. The pairing of Union Hospital with Benjamin Franklin Elementary School in Terre Haute has proven to be a "perfect partnership" in matching the needs of students with staff and volunteers from the hospital. Franklin School is located in a poor inner city neighborhood where 98% of students qualify for the federal free breakfast and lunch program. The student population is transient, 90% of students who begin elementary school at Franklin do not finish elementary school at the school due to instability in their home and family lives. For most, good nutrition, hygiene and physical fitness are not taught or encouraged in the home. Each year Union program directors meet with the principal and teachers from the school to set criteria and plan the year's activities. Engaging the classroom teacher in the planning and preparation for these activities and working with them to incorporate good health messages into their curricula is vital to the programs success. Activities may vary from year to year but two activities have remained constant: the annual health fair and the health careers day. For the student health fair, students are tested on health indicators: height, weight, blood pressure, situp, sit and reach, bar hang and shuttle run. The results of each test are recorded and sent to the homes of each student. During Career Day, health professionals talk about their work and the education they've received. Physicians, pharmacists, fitness experts, nurses, therapists, nutrition services staff and many others have volunteered time to talk to the kids. This partnership is far from one-sided. For each holiday, students from the school make tray favors for patient meal trays to brighten their day. Carolers from the school at Christmas provide cheer to patients and staff. More than 350 students participate each year in these activities. Given the transient nature of this population, it is difficult to measure the long-term effects; however, at every Health Fair, 3-6 students are identified with significant health issues such as high blood pressure, high blood sugar, malnourishment or obesity. Follow-up is done with families to encourage further medical evaluation and link them to appropriate social services. Anecdotally, nurses and other health professionals have told us of the influence our staff had in their decision to become care providers as a result of hearing them at Franklin School. While the school has had three principals in the last 15 years, each one has kept the program growing and viable. An average of \$2,000 is spent from the marketing budget each year on T-shirts, printing, ribbons, bus transportation and meals. Donations of bicycles, movie passes and shoes are obtained from local merchants. Staff donates about 60 hours each year for these activities. To help fight childhood obesity and to better combat heart disease the Franklin School health program will undergo a major overhaul in 2011. The new program titled, Union Hospital Healthy Me at Franklin Elementary will be a more formalized program that will include pre and post health testing. Building on our adoption of the Presidential Fitness Challenge in FY 2010, the Healthy Me program will include follow-up testing at the end of the school year. If the students do not eat healthy and exercise outside of school, the Healthy Me program will be less impactful. Thus, the new program will feature three family dinner nights, offering a free meal and education from a Union Hospital nutritionist and Fitness Center specialists will include families in the program.</p>

Identifier	Return Reference	Explanation
		<p>Schedule L, Part IV Business Transactions involving interested persons (A) Name of Person Physician Group (B) Relationship between interested person and organization Robert Haerr is a Union Hospital Board Member and Physician Group member (D) Description of Transaction The physician group provides oncology services to the hospital on an arms length basis (A) Name of Person Forest Sherer, Inc (B) Relationship between interested person and organization John Lukens is the Union Hospital Board Chairman and President of Forrest Sherer, Inc (D) Description of Transaction The hospital purchases insurance from the independent insurance agency on an arms length basis (A) Name of Person AP&amp;S Clinic Northside (B) Relationship between interested person and organization Anna Zimmerman is a Union Hospital board member and Medical Doctor for AP&amp;S Clinic Northside (D) Description of Transaction The hospital has a contractual arrangement for services which are provided on an arms length basis A) Name of Person Bunch Nurseries, Inc (B) Relationship between interested person and organization Entity is more than 35% owned by husband of Cindy Martin, Union Board Member (D) Description of Transaction Entity provided Services to the Hospital</p>

SCHEDULE R  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization  
UNION HOSPITAL INC

Employer identification number  
35-0876396

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
IPACS Inc 1606 N seventh St Terre Haute, IN 47804 35-1720998	clinic management	IN	617,906	1,736,782	UNION HOSPITAL

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
Union Hospital Foundation  1659 N Seventh St  Terre Haute, IN 47804 35-1642823	Fundraising	IN	501c3	line 3	UNION HOSPITAL
Union Hospital Health Services Inc  1606 N Seventh St  Terre Haute, IN 47804 35-1642805	Health Services	IN	501c3	line 9	UNION HOSPITAL
Visiting Nurse Association of Wabash Valley inc  400 Eight Ave  Terre Haute, IN 47804 35-0869064	Charitable home health	IN	501c3	line 7	UNION HOSPITAL
Center for Occupational Health  4001 Wabash Ave  Terre Haute, IN 47803 35-2118417	Occupational health services	IN	501c3	line 7	UNION HOSPITAL
UNION HEALTH SYSTEMS  1606 N Seventh St  terre Haute, IN 47804 27-0581133	MANAGEMENT ORGANIZATION	IN	501c3		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) Disproporionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?	
							Yes	No		Yes	No

Part IV

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
Union Associated Physicians 1606 N Seventh St Terre Haute, IN47804 27-0581401	physician group	IN	N/A				

Part V

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

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

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

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

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

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

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

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

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

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

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

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

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

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

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

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

Yes

No

1a Yes

1b No

1c Yes

1d No

1e No

1f No

1g No

1h No

1i Yes

1j No

1k Yes

1l No

1m No

1n Yes

1o No

1p Yes

1q No

1r No

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved
(1) UNion Hospital Foundation	A	42,229
(2) Union Hospital Foundation	P	468,902
(3)		
(4)		
(5)		
(6)		

Schedule R (Form 990) 2009

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

[illegible]

Additional Data

Software ID:

Software Version:

EIN: 35-0876396

Name: UNION HOSPITAL 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			
John Lukens Chairman	2 00	X						0	0	0
Curtis Brighton Vice Chairman	2 00	X						0	0	0
William G Grimes Secretary	2 00	X						0	0	0
Frederick Bauer Asst Secretary	2 00	X						0	0	0
Dan DeBard Treasurer	2 00	X						0	0	0
Ward Hubbard Asst Treasurer	2 00	X						0	0	0
Molly Callahan Member	2 00	X						0	0	0
Robert Haerr Member	2 00	X						0	0	0
Mark Lynch Member	2 00	X						0	0	0
Cindy Martin Member	2 00	X						0	0	0
Steven McDonald Member	2 00	X						0	0	0
Robert McLaughlin Member	2 00	X						0	0	0
Anna Zimmerman Member	2 00	X						0	0	0
David Doerr President/CEO	40 00	X		X				489,408	0	22,775
Scott Teffeteller Vice President/COO	40 00			X				250,680	0	21,275
Wayne Hutson SR VP Finance/CFO	40 00			X				268,808	0	15,058
Ronald Leach Medical Director	40 00			X				190,879	0	0
Kym Pfrank Vice President	40 00			X				200,506	0	15,046
Carol Roesch Vice President	40 00			X				186,313	0	14,828
Sally Zuel Vice President	40 00			X				157,331	0	8,980
Aaron Berkey Radiologist	40 00					X		817,314	0	20,455
Nabil Mnayari Cardiac Physician	40 00					X		945,488	0	23,018
Pradeep Narotam Radiologist	40 00					X		930,796	0	23,019
Lingan Sidda Radiologist	40 00					X		949,894	0	15,958
Ramesh Tank Radiologist	40 00					X		930,796	0	23,019



(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			
Kristi Williams System Director Pharmacy	40 00				X			151,512	0	13,708
Ronald King System Director Surgery	40 00				X			155,499	0	15,393