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DLN: 93493136075472

Department of the Treasury Internal Revenue Service

Return of Organization Exempt From Income Tax

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

OMB No 1545-0047

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

plicable ASPIRUS WAUSAU HOSPITAL INC ange Doing Business As	d ending 06-30-2011			
Doing Business As ge			D Employe	r identification number
nge			39-113	8241
		ŀ	E Telephon	e number
Number and street (or P O box if mail is not delivered to st	treet address)	Room/suite	(715)84	47-2988
333 Pine Ridge Blvd	,		(/15/0	17 2300
eturn City or town, state or country, and ZIP + 4			G Gross rece	eipts \$ 362,837,261
Wausau, WI 54401 pending				
		H(a)		
DIANE POSTLER-SLATTERY		ri(a) isthisag	rouprecumor a	illiates (Tes (No
		H(b) Are all at	filiates include	ed?
·		_		st (see instructions)
pt status 🔽 501(c)(3))(1) or 527	H(c) Group	exemption	number F
: www aspirus org				
anization		L Year of form	ation 1970	M State of legal domicile WI
Summary				<u> </u>
sriefly describe the organization's mission or most significat	nt activities			
SPIRUS IS AN INTEGRATED, COMMUNITY-GOVERNED	HEALTHCARE SYS		EADS BY	ADVANCING
NITIATIVES DEDICATED TO IMPROVING THE HEALTH	OF ALL WE SERVE			
,		more than 25	1	1
				22
				+
			<u> </u>	2,728
			_	
·	•		<u> </u>	
, , , , , , , , , , , , , , , , , , ,		Prior '		Current Year
Contributions and grants (Part VIII, line 1h)			613,805	560,171
		31		· · · · · · · · · · · · · · · · · · ·
Investment income (Part VIII, column (A), lines 3, 4, and	17d)		3,020,147	5,935,482
Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c,	10c, and 11e)		1,246,680	2,437,273
			3 444 027	353,444,447
		1 32		
				-
5-10)		12		
Professional fundraising fees (Part IX, column (A), line 11	e)		0	0
Total fundraising expenses (Part IX, column (D), line 25) $\blacktriangleright 0$				
Revenue less expenses Subtract line 18 from line 12 .		+		40,520,617
				End of Year
Total assets (Part X, line 16)		35	1,052,128	380,823,479
Total liabilities (Part X, line 26)		14	9,916,016	137,267,852
Net assets or fund balances Subtract line 21 from line 20)	20	1,136,112	243,555,627
Signature Block	ling accompanying sch			
	assets (Part X, line 16)	DIANE POSTLER-SLATTERY 333 Pine Ridge Blvd Wausau, WI 54401 It status ▼ 501(c)(3) ▼ 501(c) () ◀ (insert no) ▼ 4947(a)(1) or ▼ 527 www.aspirus.org Inization ▼ Corporation ▼ Trust ▼ Association ▼ Other ► Summary Tiefly describe the organization's mission or most significant activities SPIRUS IS AN INTEGRATED, COMMUNITY-GOVERNED HEALTHCARE SYS NITIATIVES DEDICATED TO IMPROVING THE HEALTH OF ALL WE SERVE Theck this box ► if the organization discontinued its operations or disposed of umber of voting members of the governing body (Part VI, line 1a)	DIANE POSTLER-SLATTERY 33 Pine Ridge Blvd Wausau, WI 54401 If 'No, www aspirus org Intraction ▼ Corporation ▼ Trust ↑ Association ↑ Other ▶	DIANE POSTLER-SLATTERY 33 Pine Ridge Blvd Wausau, WI 54401 It status

DEDICATED TO IMPROVING THE HEALTH OF ALL WE SERVE WE WORK COLLABORATIVELY WITH OTHERS WHO SHARE OUR	Form	990 (2010)				Page 2
ASPIRUS IS AN INTEGRATED, COMMUNITY-GOVERNED HEALTHCARE SYSTEM WHICH LEADS BY ADVANCING INITIATIVES DEDICATED TO IMPROVINCE HEALTH OF ALL WE SERVE WE WORK COLLABORATIVELY WITH OTHERS WHO SHARE OUR PASSION FOR EXCELLENCE AND COMPASSION FOR PEOPLE 2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-E2?	Par					୮
DEDICATED TO IMPROVING THE HEALTH OF ALL WE SERVE WE WORK COLLABORATIVELY WITH OTHERS WHO SHARE OUR PASSION FOR PEOPLE 2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-E27	1	Briefly describe the org	ganızatıon's mıssıon			
the prior Form 990 or 990-E2?	DEDI	CATED TO IMPROVIN	G THE HEALTH OF ALL	WE SERVE WE WORK COLLABO		
the prior Form 990 or 990-E2?						
Did the organization cease conducting, or make significant changes in how it conducts, any program services or schedule O 1f **Ves,* describe these changes on Schedule O 2escribe the exempt purpose a chievements for each of the organization's three largest program services by expenses section \$91(c)(3) and \$51(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, francy, for each program service reported 2e	2	the prior Form 990 or 9	90-EZ?			es 🔽 No
services?		If "Yes," describe these	new services on Schedi	ıle O		
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 49.47(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	3	services?				es 🔽 No
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 \$ 206,851,307 including grants of \$ 360,975) (Revenue \$ 345,969,254) ASPIRUS WUJSAU HOSPITAL, INC. PROVIDES HOSPITAL SERVICES FOR RESIDENTS OF WAUSAU AND THE SURROUNDING COMMUNITIES REGARDLESS OF ABILITY OF PAY 4b (Code) (Expenses \$ including grants of \$) (Revenue \$) 4c (Code) (Expenses \$ including grants of \$) (Revenue \$) 4d Other program services (Describe in Schedule O) (Expenses \$ including grants of \$) (Revenue \$)		•	_			
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4b (Code) (Expenses \$ including grants of \$) (Revenue \$) 4c (Code) (Expenses \$ including grants of \$) (Revenue \$) 4d Other program services (Describe in Schedule O) (Expenses \$ including grants of \$) (Revenue \$)	4a	(Code) (Expenses \$ 20	16,851,307 including grants of \$	360,975) (Revenue \$	345,969,254)
4c (Code) (Expenses \$ including grants of \$) (Revenue \$) 4d Other program services (Describe in Schedule O) (Expenses \$ including grants of \$) (Revenue \$)			AL, INC PROVIDES HOSPITAL S	ERVICES FOR RESIDENTS OF WAUSAU AF	ND THE SURROUNDING COMMUNITIES	REGARDLESS OF ABILITY
4d Other program services (Describe in Schedule O) (Expenses \$ including grants of \$) (Revenue \$)	4b	(Code) (Expenses \$	including grants of \$) (Revenue \$)
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(Expenses \$ including grants of \$) (Revenue \$)						
(Expenses \$ including grants of \$) (Revenue \$)						
	4d	· -) (Revenue \$)
	4e				·	

art IV	Checkl	ist 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 (see instruction)? 😼	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^{\bullet}	3		No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? 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 1	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? 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 quasiendowments? If "Yes," complete Schedule D, Part V	10		No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
а	Did the organization report an amount for land, buildings, and equipment in Part X, line10? If "Yes," complete Schedule D, Part VI.	11a	Yes	
b	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.	11b		No
C	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.	11c		No
d	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.	11d		No
е	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.	11e	Yes	
f	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 (ASC 740)? If "Yes," complete Schedule D, Part X.	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? <i>If</i> "Yes," complete Schedule D, Parts XI, XII, and XIII	12a		Νo
b	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional	12b	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, Parts I and IV	14b		Νo
15	Did the organization report on Part IX, column (A), line 3, more than $$5,000$ of grants or assistance to any organization or entity located outside the U S ? If "Yes," complete Schedule F, Parts II and IV	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $$5,000$ of aggregate grants or assistance to individuals located outside the U S ? If "Yes," complete Schedule F, Parts III and IV.	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 (see instructions)	17		N o
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If</i> "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		N o
20a	Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b	Yes	

Par	t 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? If "Yes," complete Schedule I, Parts I and II	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? If "Yes," complete Schedule I, Parts I and III	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? If "Yes," complete Schedule J	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? If "Yes," answer lines 24b-24d and complete Schedule K. If "No," go to line 25	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		Νo
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part 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? If "Yes," complete Schedule L, Part 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? If "Yes," complete Schedule L, Part II	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? If "Yes," complete Schedule L, Part III	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)			
а	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part			
		28a		No
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If</i> "Yes," complete Schedule L, Part IV	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29		Νo
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If</i> " <i>Yes,"</i> complete <i>Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31		Νo
32		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? If "Yes," complete Schedule R, Part I	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	35	Yes	
а	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section $512(b)(13)$? If "Yes," complete Schedule R, Part V, line 2 \bigcirc Yes \checkmark No			
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	Yes	
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? If "Yes," complete Schedule R, Part VI	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?	38	Yes	

Part V	Statements Regarding Other IRS Filings and Tax Compliance	

	Check if Schedule O contains a response to any question in this Part V		. [
			Yes	No
	Enter the number reported in Box 3 of Form 1096 Enter -0 - if not applicable 1a 283			
)	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable 1b 0			
:	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1 c	Yes	
	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements filed for the calendar year ending with or within the year covered by this return			
)	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			
	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	Yes	
,	If "Yes," has it filed a Form 990-T for this year? <i>If "No," provide an explanation in Schedule O</i>	3b	Yes	
	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
,	If "Yes," enter the name of the foreign country			
	See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts			
	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		No
	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
	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
	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
	Organizations that may receive deductible contributions under section 170(c).			
	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		N
	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		N
	If "Yes," indicate the number of Forms 8282 filed during the year			
	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit			
	contract?	7e 7f		N ·
	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	71 7g		1111
	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
	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		
	Sponsoring organizations maintaining donor advised funds.	<u> </u>		
	Did the organization make any taxable distributions under section 4966?	9a		
	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
	Section 501(c)(7) organizations. Enter			
	Initiation fees and capital contributions included on Part VIII, line 12 10a			
	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities			
	Section 501(c)(12) organizations. Enter			
	Gross income from members or shareholders			
	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)			
	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
	If "Yes," enter the amount of tax-exempt interest received or accrued during the year			
	Section 501(c)(29) qualified nonprofit health insurance issuers.			
	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O	13a		
,	Enter the amount of reserves the organization is required to maintain by the states			
	In which the organization is licensed to issue qualified health plans Enter the amount of reserves on hand			
	13c			
	Did the organization receive any payments for indoor tanning services during the tax year?	14a		No
	If "Voc " has it filed a Form 720 to report these payments? If "No " provide an explanation in Schedule O	1.4h		

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.

Check if Schedule O contains a response to any question in this Part VI										. F	7
---	--	--	--	--	--	--	--	--	--	-----	---

_Se	ection A. Governing Body and Management								
			Yes	No					
	Enterphy manufacture of the manufacture of the manufacture of the transfer of								
1a	Enter the number of voting members of the governing body at the end of the tax year								
b	Enter the number of voting members included in line 1a, above, who are independent								
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	Yes						
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No					
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	5		No					
6	Does the organization have members or stockholders?	6	Yes						
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		No					
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b	Yes						
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following								
а	The governing body?	8a	Yes						
ь	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		Νo					
	ection B. Policies (This Section B requests information about policies not required by the Internal evenue Code.)								
	venue couc.)		Yes	No					
10a	Does the organization have local chapters, branches, or affiliates?	10a		No					
	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							
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?								
	That the diganization provided a copy of this form 550 to an inembers of its governing sout service ining the form	11a		Νo					
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990								
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes						
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes						
С	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	b Other officers or key employees of the organization								
	If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)								
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes						
b	b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the								
	organization's exempt status with respect to such arrangements?	16b	Yes						
Se	ection C. Disclosure								
17	List the States with which a copy of this Form 990 is required to be filed▶WI								
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								

(715)847-2250

- 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 🕨 SIDNEY C SCZYGELSKI 333 PINE RIDGE BLVD Wausau, WI 54401

<u>Part VIII</u> Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

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

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

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

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

Check this box if neither the organ	er, director, or trust	ee								
(A) Name and Title	(B) Average hours		tion (′)			(D) Reportable compensation from the	(E) Reportable compensation from related	(F) Estimated amount of other compensation
	per week (describe hours for related organizations in Schedule O)	Individual trustee or director	Institutional Trustee Individual trustee or director		Highest compensated employee Key employee Officer Institutional Trustee		Former	organization (W- 2/1099-MISC)	organizations (W- 2/1099- MISC)	from the organization and related organizations
See Additional Data Table										

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

	(A) Name and Title	(B) Average hours per		(tion that a			ıll		Rep comp	(D) ortable ensation m the	(E) Reportable compensatior from related	ו ה	(F) Estima amount o compens	ited fother
		week (describe hours for related organizations in Schedule O)	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	organiz	ration (W- 9-MISC)	organizations (W- 2/1099- MISC)		from t organizati relati organiza	the on and ed
See A	Addıtıonal Data Table													
				\vdash				\dagger						
				 	<u> </u>			\vdash				+		
				\vdash			1	\vdash				+		
				\vdash				\vdash						
				 			+	 				_		
				<u> </u>			-	-						
				<u> </u>								_		
				<u> </u>	<u> </u>			<u> </u>						
				<u> </u>	<u> </u>			<u> </u>						
1b						•		•						
	Total from continuation sheets						-	>		2,030,068	4,076,29	1		326,809
d 	Total (add lines 1b and 1c) . Total number of individuals (incl								receive	, ,		1		320,009
_	\$100,000 in reportable compen						above	<i>,</i> wiic	71000140	id more tha	11			
													Yes	No
3	Did the organization list any for					ey e	mploy	ee, o	r highes	t compens	ated employee			
	on line 1a? If "Yes," complete Sci					•	•	•				3	Yes	
4	For any individual listed on line corganization and related organize individual											4	Yes	
5	Did any person listed on line 1a services rendered to the organiz									anızatıon o	r individual for •	5		No
Se	ection B. Independent Con	tractors												
1	Complete this table for your five \$100,000 of compensation from	the organization		ındep	end	ento	ontra	ctors	that red	eived more				
	Nar	(A) me and business ad	dress							Descr	(B) iption of services		(C Comper	
Mc K	esson Drug Co									i –		ſ		

(A) Name and business address	(B) Description of services	(C) Compensation
Mc Kesson Drug Co 12748 COLLECTION CENTER DR WAUSAU, IL 60693	ER Physicians	13,112,653
Medline Industries Inc DEPT CH 14400 CHICAGO, IL 600554400	Equip Maintenance	9,174,468
Wisconsin Emergency Medical 333 Pine Ridge Blvd MILWAUKEE, WI 54401	Family Physician	5,909,045
Prescription Service Division PO BOX 840336 PLOVER, TX 752840336	Laundry	4,673,625
Medtronic Sofamor Danek 4642 COLLECTION CENTER DR MEGUON, IL 60693	Insurance	3,752,965
2 Total number of independent contractors (including but not limited to those listed above) \$100,000 in compensation from the organization ►195) who received more than	

art V		Statement of Reve	inue		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	excluded from tax under
								512, 513, or 514
2 22	1a	Federated campaigns .	. 1a					
contributions, gins, grants and other similar amounts	b	Membership dues	1b					
ಕ್≗∣		•						
કું હ	С	Fundraising events	1c					
<u>5,≅</u>	d	Related organizations .	1d	559,471				
£,₩	e	Government grants (contribution	ns) 1e					
올높	£	All other contributions, gifts, gra	nts, and 1f	700				
<u>ē</u> ∯	•	similar amounts not included ab	ove					
돌유니	g	Noncash contributions included i	ın lınes 1a-1f \$					
S =	h	Total. Add lines 1a-1f.			560,171			
				Business Code				
ž	2a			Busiliess Code				
ey	Za	PATIENT SERVICE REVENUE		621400	285,887,800	285,887,800		
22	b	LAB REVENUE		621400	50,338,025	50,001,050	336,975	
92	c	RENTAL REVENUE		532000	3,770,053	3,770,053		
Program Serwce Revenue	d	CONTRACT SERVICE REVENUE		621400	2,684,173			
<i>S</i>	е	MOBILE UNIT REVENUE		621400	567,176	567,176		
<u> </u>	f	All other program service	revenue			1,264,294		
နို ိ			_		1,264,294			
			<u> </u>		344,511,521			
	3	Investment income (inclu	_ ·	_	6.041.000			6.044.00
		and other similar amounts			6,041,080			6,041,08
	4	Income from investment of tax-	-exempt bond proceeds		0			
1	5	Royalties			0			
			(ı) Real	(II) Personal				
•	6a	Gross Rents						
	b	Less rental expenses						
	С	Rental income						
		or (loss)	`					
	d	Net rental income or (loss	·					
			(i) Securities	(II) O ther				
	7a	Gross amount from sales of	8,366,155	921,061				
		assets other than inventory						
	ь	Less cost or	8,451,705	941,109				
		other basis and sales expenses						
	c	Gain or (loss)	-85,550	-20,048				
	d	Net gain or (loss)			-105,598	-20,048		-85,55
.		Gross income from fundra						
omer nevenue		(not including						
5 ∣		\$						
ည်း		of contributions reported of See Part IV, line 18.						
_		See ruie IV, iiie IO	 а					
	ь	Less direct expenses .	b					
>					0			
		Net income or (loss) from	tungraising events					
1.		Net income or (loss) from Gross income from gaming		a	-			
	9a	Gross income from gaming	g activities See Part IV, line 19 .	_				
	9a b	Gross income from gaming	g activities See Part IV, line 19.	a	0			
	9a b c	Gross income from gaming Less direct expenses . Net income or (loss) from	g activities See Part IV, line 19	_	0			
:	9a b c	Gross income from gaming	g activities See Part IV, line 19	_	0			
	9a b c	Gross income from gaming Less direct expenses . Net income or (loss) from Gross sales of inventory,	g activities See Part IV, line 19	_	0			
	9a b c 10a	Gross income from gaming Less direct expenses . Net income or (loss) from Gross sales of inventory,	g activities See Part IV, line 19 gaming activities	_	0			
	9a b c 10a	Gross income from gaming Less direct expenses . Net income or (loss) from Gross sales of inventory, returns and allowances .	g activities See Part IV, line 19	_	0			
	9a b c 10a	Gross income from gaming Less direct expenses Net income or (loss) from Gross sales of inventory, returns and allowances Less cost of goods sold	g activities See Part IV, line 19 gaming activities	_	0			
	9a b c 10a b	Gross income from gaming Less direct expenses Net income or (loss) from Gross sales of inventory, returns and allowances Less cost of goods sold Net income or (loss) from	g activities See Part IV, line 19	b	0 518,760		518,760	
	9a b c 10a b c	Gross income from gaming Less direct expenses Net income or (loss) from Gross sales of inventory, returns and allowances Less cost of goods sold Net income or (loss) from Miscellaneous Revenu	g activities See Part IV, line 19	Business Code	0			
	9a b c 10a b c	Gross income from gaming Less direct expenses Net income or (loss) from Gross sales of inventory, returns and allowances Less cost of goods sold Net income or (loss) from Miscellaneous Revenu GINVESTMENT IN WESTW CAFETERIA AND VENDI	g activities See Part IV, line 19	Business Code 523000	0 518,760 1,497,461	1,404,567	92,894	
	9a b c 10a b c c	Gross income from gaming Less direct expenses Net income or (loss) from Gross sales of inventory, returns and allowances Less cost of goods sold Net income or (loss) from Miscellaneous Revenu INVESTMENT IN WESTW CAFETERIA AND VENDI PHONE RENTAL	g activities See Part IV, line 19 gaming activities	Business Code 523000 722210	0 518,760 1,497,461 267,249	1,404,567	92,894 267,249	
	9a b c 10a b c 11a b c d	Gross income from gaming Less direct expenses Net income or (loss) from Gross sales of inventory, returns and allowances Less cost of goods sold Net income or (loss) from Miscellaneous Revenu INVESTMENT IN WESTW CAFETERIA AND VENDI PHONE RENTAL All other revenue	g activities See Part IV, line 19	Business Code 523000 722210	0 518,760 1,497,461	1,404,567	92,894 267,249	
	9a b c 10a b c 11a b c d	Gross income from gaming Less direct expenses Net income or (loss) from Gross sales of inventory, returns and allowances Less cost of goods sold Net income or (loss) from Miscellaneous Revenu INVESTMENT IN WESTW CAFETERIA AND VENDI PHONE RENTAL	g activities See Part IV, line 19	Business Code 523000 722210	0 518,760 1,497,461 267,249	1,404,567 73,214	92,894 267,249	
:	9a b c 10a b c	Gross income from gaming Less direct expenses Net income or (loss) from Gross sales of inventory, returns and allowances Less cost of goods sold Net income or (loss) from Miscellaneous Revenu INVESTMENT IN WESTW CAFETERIA AND VENDI PHONE RENTAL All other revenue Total. Add lines 11a-11d	g activities See Part IV, line 19	Business Code 523000 722210	518,760 1,497,461 267,249 153,803	1,404,567 73,214	92,894 267,249	
:	9a b c 10a b c	Gross income from gaming Less direct expenses Net income or (loss) from Gross sales of inventory, returns and allowances Less cost of goods sold Net income or (loss) from Miscellaneous Revenu INVESTMENT IN WESTW CAFETERIA AND VENDI PHONE RENTAL All other revenue	g activities See Part IV, line 19	Business Code 523000 722210	518,760 1,497,461 267,249 153,803	1,404,567 73,214	92,894 267,249 80,589	

Part IX Statement of Functional Expenses
Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

Α	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 no	ot include amounts reported on lines 6b, o, 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	355,975	355,975		·				
2	Grants and other assistance to individuals in the U.S. See Part IV, line 22	5,000	5,000						
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0	3,000						
4	Benefits paid to or for members	0							
5	Compensation of current officers, directors, trustees, and key employees	3,441,056		3,441,056					
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0							
7	Other salaries and wages	101,625,459	68,645,965	32,979,494					
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	4,950,866	3,300,594	1,650,272					
9	Other employee benefits	17,755,220	11,837,405	5,917,815					
10	Payroll taxes	7,203,578	4,802,409	2,401,169					
а	Fees for services (non-employees) Management	1,823,445		1,823,445					
b	Legal	190,265		190,265					
C	Accounting	304,043		304,043					
d	Lobbying	0							
e	Professional fundraising services See Part IV, line 17	0							
f	Investment management fees	259,009		259,009					
g	Other	31,317,741	20,878,598	10,439,143					
12	Advertising and promotion	2,316,734	1,544,564	772,170					
13	Office expenses	66,169,538	44,113,246	22,056,292					
14	Information technology	0							
15	Royalties	0							
16	Occupancy	9,173,267	6,115,542	3,057,725					
17	Travel	376,878	251,253	125,625					
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0							
19	Conferences, conventions, and meetings	602,076	401,404	200,672					
20	Interest	2,656,766	1,771,266	885,500					
21	Payments to affiliates	0							
22	Depreciation, depletion, and amortization	15,438,581	10,292,439	5,146,142					
23 24	Insurance	101,531	67,688	33,843					
а	Hospital Tax	8,138,981	5,426,014	2,712,967					
b	Bad Debt	3,926,868	3,926,868	· · · · ·					
c	Equipment Rental & Maintenance	3,390,343	2,260,240	1,130,103					
d	Residency Program	1,972,755	1,315,177	657,578					
e	Amortization	119,830		119,830					
f	All other expenses	29,308,025	19,539,660	9,768,365					
25	Total functional expenses. Add lines 1 through 24f	312,923,830	206,851,307	106,072,523	0				
26	Joint costs. Check here ► ☐ If following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation			, ,					

Pa	rt X	Balance Sheet					
					(A) Beginning of year		(B) End of year
	1	Cash—non-interest-bearing			41,139,903	1	33,916,131
	2	Savings and temporary cash investments			4,474,938	2	4,720,695
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			43,696,866	4	44,589,661
	5	Receivables from current and former officers, directors, trustee highest compensated employees Complete Part II of	s, key	employees, and			
		Schedule L			22,667	5	0
s	6	Receivables from other disqualified persons (as defined under spersons described in section $4958(c)(3)(B)$, and contributing esponsoring organizations of section $501(c)(9)$ voluntary emploorganizations (see instructions)	mploy	ers, and			
- 55		Schedule L				6	
ssets	7	Notes and loans receivable, net				7	
۲	8	Inventories for sale or use			5,693,768	8	5,726,054
	9	Prepaid expenses and deferred charges		1,223,060	9	1,063,830	
	10a	Land, buildings, and equipment cost or other basis <i>Complete Part VI of Schedule D</i>	10a	291,517,986			
	b	Less accumulated depreciation	10b	165,886,015	126,434,867	10 c	125,631,971
	11	Investments—publicly traded securities	120,253,189	11	149,322,405		
	12	Investments—other securities See Part IV, line 11		12	_		
	13	Investments—program-related See Part IV, line 11			3,090,070	13	2,844,097
	14	Intangible assets				14	
	15	Other assets See Part IV, line 11	5,022,800	15	13,008,635		
	16	Total assets. Add lines 1 through 15 (must equal line 34) .			351,052,128	16	380,823,479
	17	Accounts payable and accrued expenses .			32,418,130	17	23,006,233
	18	Grants payable				18	
	19	Deferred revenue				19	
	20	Tax-exempt bond liabilities	107,615,000	20	104,985,000		
es	21	Escrow or custodial account liability Complete Part IV of Schedu				21	
bilities	22	Payables to current and former officers, directors, trustees, ke employees, highest compensated employees, and disqualified	y				
Lia		persons Complete Part II of Schedule L				22	
	23	Secured mortgages and notes payable to unrelated third partie	s.	•		23	
	24	Unsecured notes and loans payable to unrelated third parties			0	24	0
	25	Other liabilities Complete Part X of Schedule D			9,882,886	25	9,276,619
	26	Total liabilities. Add lines 17 through 25			149,916,016	26	137,267,852
<u></u>		Organizations that follow SFAS 117, check here ▶ 🔽 and com	plete	lines 27			
ψ		through 29, and lines 33 and 34.					п
lan	27	Unrestricted net assets			201,136,112	27	243,555,627
Fund Balances	28	Temporarily restricted net assets		28			
덛	29	Permanently restricted net assets			29		
₫		Organizations that do not follow SFAS 117, check here ► ┌ a	nd cor	nplete			
ō		lines 30 through 34.					H
	30	Capital stock or trust principal, or current funds				30	
Assets	31	Paid-in or capital surplus, or land, building or equipment fund				31	
	32	Retained earnings, endowment, accumulated income, or other f	unds			32	
Net A	33	Total net assets or fund balances			201,136,112	33	243,555,627
_	34	Total liabilities and net assets/fund balances			351,052,128	34	380,823,479

Ра	Check if Schedule O contains a response to any question in this Part XI			. 🔽	
1	Total revenue (must equal Part VIII, column (A), line 12)	1		353.4	144,447
2	Total expenses (must equal Part IX, column (A), line 25)	2			23,830
3	Revenue less expenses Subtract line 2 from line 1	3			520,617
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4		201,1	136,112
5	Other changes in net assets or fund balances (explain in Schedule O)	5		1,8	398,898
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6		243,5	555,627
Pai	Tt XII Financial Statements and Reporting Check if Schedule O contains a response to any question in this Part XII			୮	
1	Accounting method used to prepare the Form 990			Yes	No
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		2a		No
b	Were the organization's financial statements audited by an independent accountant?		2b	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of 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 its Schedule O		2c	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were in on a separate basis, consolidated basis, or both	ssued			
_	Separate basis Consolidated basis Both consolidated and separated basis				
3 a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in th Single Audit Act and OMB Circular A-133?	e	За		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the raudit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	equired	3b		

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As Filed Data -

DLN: 93493136075472

OMB No 1545-0047

SCHEDULE A

(Form 990 or 990EZ)

Name of the organization ASPIRUS WAUSAU HOSPITAL INC

Department of the Treasury Internal Revenue Service

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

Public Charity Status and Public Support

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

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

Inspection **Employer identification number**

39-1138241

	organı		•	te roundation becaus	•		- ,	•	•		
1	_			on of churches, or as				ection 170(b)(1)(A)(i).		
2	। जि			in section 170(b)(1				170(E\/4\	(A)(:::)		
3	<u> </u>			perative hospital sei						IN/AN/##N ==	ator the
4	'			h organization operat ty, and state	ea in conjun	ction with a	nospitai desc	ribed in sec	tion 170(B)(1	L)(A)(III). E1	iter the
5	Γ			erated for the benefit		or universit	y owned or o	perated by a	government	al unit descr	ribed in
	_			(A)(iv). (Complete P							
6				local government or	_						
7	ı	describ	ed in	at normally receives (A)(vi) (Complete P		ıl part of its :	support from	a governme	ntal unit or fro	om the gene	ral public
8	Г			described in section		A)(vi) (Com	nplete Part II)			
9	Ē			at normally receives					outions, mem	bership fees	, and gross
	•	_		rities related to its ex							_
				oss investment inco	•	-			• •		
		-	_	ganızatıon after June				-		•	
10	Γ			ganızed and operated							
11	Γ	one or the box	more public	ganized and operated ly supported organiza bes the type of supp b Type I	ations descri orting organi	ibed in secti i <u>za</u> tion and c	on 509(a)(1)	or section 5 s 11e throug	509(a)(2) Se gh 11h	e section 5 0	• •
e f	Γ	other tl section	nan foundatı ı 509(a)(2)	ox, I certify that the ion managers and other received a written de	ner than one	or more pub	licly supporte	ed organizat	ions describe	d in section	509(a)(1) or
g		check t Since A	his box	2006, has the organi						т очрвети.	g 01 gam2a 101,
		(i) a pe	rson who di	rectly or indirectly c	ontrols, eithe	er alone or to	ogether with p	persons des	crıbed ın (ıı)		Yes No
		and (III) below, the	governing body of th	e the suppor	ted organıza	tion?			11g(
				er of a person descri						11g(
				lled entity of a perso						11 g(i	ii)
h		Provide	the followi	ng information about	the supporte	ed organızatı	on(s)				
(i) Name of supported organization		e of orted	e of (ii) (described on col (i) listed in red EIN lines 1- 9 above your governing		(v) Did you not organizati col (i) of suppor	ion in your	(vi) Is the organizati col (i) orga in the U	on in anized	(vii) A mount of support		
				instructions))	Yes	No	Yes	No	Yes	No	
Ota	1			ĺ		I	1	1	1	I	1

Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1) (A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

S	ection A. Public Support		and to quanty t			out complete	
	endar year (or fiscal year beginning						
Care	in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1	Gifts, grants, contributions, and						
	membership fees received (Do not						
	ınclude 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						
Ū	line 4						
S	ection B. Total Support		<u> </u>	I I.			
	endar year (or fiscal year beginning						
	ın) >	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7	A mounts from line 4						
8	Gross income from interest,						
Ū	dividends, payments received on						
	securities loans, rents, royalties						
	and income from similar						
	sources						
9	Net income from unrelated						
	business activities, whether or						
	not the business is regularly						
	carried on						
10	Other income Do not include gain						
	or loss from the sale of capital						
	assets (Explain in Part IV)						
11	Total support (Add lines 7						
	through 10)					<u> </u>	
12	Gross receipts from related activiti	es, etc (See inst	ructions)			12	
13	First Five Years If the Form 990 is t	for the organizati	on's first, second	, thırd, fourth, or	fifth tax year as a	501(c)(3) organı	
	check this box and stop here						►
	-tiC Ct-tiC D-l	L'a Carana at B					
<u> </u>	ection C. Computation of Pub Public Support Percentage for 2010			11 column (f))			
	· ·		•	II Column (1))		14	
15	Public Support Percentage for 2009	Schedule A, Pa	rt II, line 14			15	
16a	33 1/3% support test—2010. If the				line 14 is 33 1/3%	or more, check	
_	and stop here. The organization qua						▶ □
b	33 1/3% support test—2009. If the				5a, and line 15 is 3	33 1/3% or more,	- -
	box and stop here. The organization				45.46		►
1/a	10%-facts-and-circumstances test-						
	is 10% or more, and if the organization made						rt a d
	in Part IV how the organization mee	ts the "racts and	circumstances"	test ine organiz	ration qualifies as	a publicly suppo	
L	organization	_2000 If+ba a	anization did not	chack a hay an l	no 12 165 166 -	r 17a and line	► □
D	10%-facts-and-circumstances test- 15 is 10% or more, and if the organ						
	Explain in Part IV how the organization						v
	supported organization	aon meets the 10	acts and circuilis	tances test file	z organizacion qual	mes as a publici	y ▶[¯
18	Private Foundation If the organizati	on did not check	a box on line 13	. 16a. 16b. 17a o	r 17b, check this	box and see	- 1
	instructions	on ala not check	a box on fine 15	, 100, 100, 1700	I by check tills	SON GING SCC	▶ □

organization

Part III Support Schedule for Organizations Described in Section 509(a)(2) (Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.) Section A. Public Support Calendar year (or fiscal year beginning (a) 2006 **(b)** 2007 (c) 2008 (d) 2009 (e) 2010 (f) Total ın) 🟲 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants") Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose Gross receipts from activities that are not an unrelated trade or business under section 513 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf The value of services or facilities furnished by a governmental unit to the organization without charge Total. Add lines 1 through 5 7a Amounts included on lines 1, 2, and 3 received from disqualified Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year c Add lines 7a and 7b Public Support (Subtract line 7c from line 6) Section B. Total Support Calendar year (or fiscal year beginning (a) 2006 **(b)** 2007 (c) 2008 (d) 2009 (e) 2010 (f) Total in) 9 Amounts from line 6 Gross income from interest, 10a dividends, payments received on securities loans, rents, royalties and income from similar sources Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 Add lines 10a and 10b C Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on Other income Do not include 12 gain or loss from the sale of capital assets (Explain in Part IV) Total support (Add lines 9, 10c, 11 and 12) First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here Section C. Computation of Public Support Percentage Public Support Percentage for 2010 (line 8 column (f) divided by line 13 column (f)) 15 16 Public support percentage from 2009 Schedule A, Part III, line 15 16 Section D. Computation of Investment Income Percentage Investment income percentage for **2010** (line 10c column (f) divided by line 13 column (f)) 17 **17** Investment income percentage from 2009 Schedule A, Part III, line 17 18 18 19a 33 1/3% support tests—2010. 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

33 1/3% support tests-2009. 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 **Private Foundation** If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions

▶□

Part IV

Supplemental Information. Supplemental Information. Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Schedule A (Form 990 or 990-EZ) 2010

DLN: 93493136075472

OMB No 1545-0047

SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527 ► Complete if the organization is described below.

Political Campaign and Lobbying Activities

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

Open to Public **Inspection**

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

- ◆ 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

	e organization answered "Ye ection 501(c)(4), (5), or (6) organi	s," to Form 990, Part IV, Line 5 (F	Proxy Tax) or For	m 990-EZ, Part V, line 35a	(Proxy Tax), then
Na	me of the organization PIRUS WAUSAU HOSPITAL INC	'		Employerıden	tification number
ASP	PIROS WAOSAO HOSPITAL INC			39-1138241	
Par	t I-A Complete if the or	ganization is exempt under	section 501(c) or is a section 527	organization.
1	Provide a description of the or	ganızatıon's dırect and ındırect polıt	ıcal campaıgn act	ıvıtıes ın Part IV	
2	Political expenditures			▶	\$
3	Volunteer hours				
Par	t I-B Complete if the or	ganization is exempt under	section 501(c)(3).	
1		e tax incurred by the organization u			\$
2	Enter the amount of any excise	e tax incurred by organization mana	gers under section	n 4955 🕨	\$
3	If the organization incurred a s	section 4955 tax, did it file Form 47	20 for this year?		☐ Yes ☐ No
4a	Was a correction made?				┌ Yes ┌ No
b	If "Yes," describe in Part IV				
Par	t I-C Complete if the or	ganization is exempt under	section 501(c) except section 501	l(c)(3).
1	Enter the amount directly expe	ended by the filing organization for s	ection 527 exemp	ot function activities 🕨	\$
2	Enter the amount of the filing of exempt funtion activities	organization's funds contributed to o	ther organizations	s for section 527	\$
3	Total exempt function expendi	tures Add lines 1 and 2 Enter here	and on Form 112	0-POL, line 17b	\$
4	Did the filing organization file I	Form 1120-POL for this year?			⊤ Yes
5	organization made payments l amount of political contribution	nd employer identification number (For each organization listed, enter t ns received that were promptly and political action committee (PAC) I	he amount paid fro directly delivered	om the filing organization's f to a separate political orga	unds Also enter the nızatıon, such as a
	(a) Name	(b) Address	(c) EIN	(d) A mount paid from filing organization's funds If none, enter -0-	(e) A mount of political contributions received and promptly and directly delivered to a separate political organization If none, enter - 0-
For F	Paperwork Reduction Act Notice, se	 ee the Instructions for Form 990 or 99	 		

Р	art II-A Complete if the organization under section 501(h)).	is exempt under section 501(c)(3)	and filed Form 5768	(election
	Check If the filing organization belongs to a Check If the filing organization checked bo	n affiliated group x A and "limited control" provisions apply		
	Limits on Lobbying E (The term "expenditures" means ar		(a) Filing O rganization's Totals	(b) Affiliated Group Totals
1a	Total lobbying expenditures to influence public o	pınıon (grass roots lobbyıng)		
b	Total lobbying expenditures to influence a legisl	ative body (direct lobbying)		
C	Total lobbying expenditures (add lines 1a and 1	o)		
d	O ther exempt purpose expenditures			
е	Total exempt purpose expenditures (add lines 1	c and 1d)		
f	Lobbying nontaxable amount Enter the amount to columns	rom the following table in both		
	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		
	Grassroots nontaxable amount (enter 25% of lir	e 1f)		
h	Subtract line 1g from line 1a If zero or less, ent	er -0 -		
i	Subtract line 1f from line 1c If zero or less, ente	r-0-		
j	If there is an amount other than zero on either lii section 4911 tax for this year?	ne 1h or line 1i, did the organization file Form	4720 reporting	┌ Yes ┌ 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 Expendit	ures During 4	4-Year Avera	ging Period		
	Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(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 Fo	rm 5768
	(election under section 501(h)).		

			(6	a)	(b)
legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of Volunteers? No Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? No Media advertisements? No Mailings to members, legislators, or the public? Publications, or published or broadcast statements? Grants to other organizations for lobbying purposes? No Direct contact with legislators, their staffs, government officials, or a legislative body? No Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? No Other activities? If "Yes," describe in Part IV Yes 8,64 Joid the activities in line 1 cause the organization to be not described in section 501(c)(3)? No If "Yes," enter the amount of any tax incurred under section 4912 If "Yes," enter the amount of any tax incurred by organization managers under section 4912			Yes	No	Amount
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? c Media advertisements? d Mailings to members, legislators, or the public? e Publications, or published or broadcast statements? f Grants to other organizations for lobbying purposes? g Direct contact with legislators, their staffs, government officials, or a legislative body? h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? i Other activities? If "Yes," describe in Part IV yes 8,64 j Total lines 1c through 1i 2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? b If "Yes," enter the amount of any tax incurred under section 4912 c If "Yes," enter the amount of any tax incurred by organization managers under section 4912	1	legislation, including any attempt to influence public opinion on a legislative matter or referendum,			
d Mailings to members, legislators, or the public? Publications, or published or broadcast statements? Grants to other organizations for lobbying purposes? Direct contact with legislators, their staffs, government officials, or a legislative body? No Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? No Other activities? If "Yes," describe in Part IV Total lines 1c through 1: Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? No If "Yes," enter the amount of any tax incurred under section 4912 If "Yes," enter the amount of any tax incurred by organization managers under section 4912	а	Volunteers?		No	
Mailings to members, legislators, or the public? Publications, or published or broadcast statements? No Grants to other organizations for lobbying purposes? Direct contact with legislators, their staffs, government officials, or a legislative body? No No Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? No Other activities? If "Yes," describe in Part IV Total lines 1c through 1: Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? No If "Yes," enter the amount of any tax incurred under section 4912 If "Yes," enter the amount of any tax incurred by organization managers under section 4912	b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		Νo	
Publications, or published or broadcast statements? If Grants to other organizations for lobbying purposes? Direct contact with legislators, their staffs, government officials, or a legislative body? No No Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? Other activities? If "Yes," describe in Part IV Total lines 1c through 1: Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? If "Yes," enter the amount of any tax incurred under section 4912 If "Yes," enter the amount of any tax incurred by organization managers under section 4912	C	Media advertisements?		Νo	
f Grants to other organizations for lobbying purposes? Direct contact with legislators, their staffs, government officials, or a legislative body? No Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? No Other activities? If "Yes," describe in Part IV Total lines 1c through 1: Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? No If "Yes," enter the amount of any tax incurred under section 4912 If "Yes," enter the amount of any tax incurred by organization managers under section 4912	d	Mailings to members, legislators, or the public?		Νo	
p Direct contact with legislators, their staffs, government officials, or a legislative body? h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? i Other activities? If "Yes," describe in Part IV Total lines 1c through 1: 2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? b If "Yes," enter the amount of any tax incurred under section 4912 c If "Yes," enter the amount of any tax incurred by organization managers under section 4912	е	Publications, or published or broadcast statements?		No	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? i Other activities? If "Yes," describe in Part IV yes 8,64 j Total lines 1c through 1: Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? b If "Yes," enter the amount of any tax incurred under section 4912 c If "Yes," enter the amount of any tax incurred by organization managers under section 4912	f	Grants to other organizations for lobbying purposes?		No	
i Other activities? If "Yes," describe in Part IV j Total lines 1c through 1: 2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? b If "Yes," enter the amount of any tax incurred under section 4912 c If "Yes," enter the amount of any tax incurred by organization managers under section 4912	g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
j Total lines 1c through 1i 2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? b If "Yes," enter the amount of any tax incurred under section 4912 c If "Yes," enter the amount of any tax incurred by organization managers under section 4912	h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? b If "Yes," enter the amount of any tax incurred under section 4912 c If "Yes," enter the amount of any tax incurred by organization managers under section 4912	i	Other activities? If "Yes," describe in Part IV	Yes		8,642
b If "Yes," enter the amount of any tax incurred under section 4912 c If "Yes," enter the amount of any tax incurred by organization managers under section 4912	j	Total lines 1c through 1i			8,642
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912	2a	Did the activities in line 1 cause the organization to be not described in section $501(c)(3)$?		No	
	b	If "Yes," enter the amount of any tax incurred under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?	c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912		İ	
	d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		No	

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		
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).		
а	Current year	2a	
b	Carryover from last year	2b	
С	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	

Part IV Supplemental Information

5 Taxable amount of lobbying and political expenditures (see instructions)

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
LOBBYING ACTIVITIES		Wisconsin Hospital Association, Inc membership dues for WHA dues of \$80,767 includes 10 7% of lobbying

DLN: 93493136075472

OMB No 1545-0047

Department of the Treasury

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.

Open to Public

tema	l Revenue Service	► Attach to Fe	orm 990. ► See separate instructions.			Inspect	tion
	me of the organi			Emp	loyer ident if ica	tion numbe	er
ASF	PIRUS WAUSAU HOSE	TIME INC		39-1	1138241		
Pa			dvised Funds or Other Similar F			Complet	te if the
	organiz	zation answered "Yes" to Form 99			(1.) F	.1	
L	Total number a	t and afvent	(a) Donor advised funds	-	b) Funds and o	tner accou	nts
<u>.</u>		tributions to (during year)					
3		nts from (during year)					
ļ		le at end of year					
5	Did the organiz	zation inform all donors and donor advi	sors in writing that the assets held in dor organization's exclusive legal control?	ıor advı	sed	┌ Yes	┌ No
5	used only for c		donor advisors in writing that grant funds efit of the donor or donor advisor, or for a			┌ Yes	┌ No
Pa	rt III Conse	rvation Easements. Complete	ıf the organization answered "Yes" t	o Forn	า 990, Part IV	, line 7.	
2	Protection Preservati Complete lines	ion of land for public use (e g , recreati i of natural habitat ion of open space s 2a–2d if the organization held a qual he last day of the tax year	on or pleasure) Preservation of ar Preservation of a Preservation of a	certified	d historic struct	•	a
					Held at the	End of the	Year
a	Total number o	of conservation easements		2a			
b	Total acreage	restricted by conservation easements		2b			
C	Number of con	servation easements on a certified his	toric structure included in (a)	2c			
d	Number of cons	servation easements included in (c) a	cquired after 8/17/06	2d			
1 5	the taxable year Number of stat Does the organ	ar F es where property subject to conserva	the periodic monitoring, inspection, han			Yes	⊏ No
			ecting and enforcing conservation easen	nents di	uring the year 🕨		, 110
	A mount of exp	enses incurred in monitoring, inspecti	ng, and enforcing conservation easement	s durıng	g the year ► \$ _		
1		servation easement reported on line 2) and 170(h)(4)(B)(ii)?	2(d) above satisfy the requirements of sec	tion		┌ Yes	┌ No
	balance sheet,		onservation easements in its revenue and the footnote to the organization's financia nents				
aı	TIII Organ Comple	izations Maintaining Collection etc. If the organization answered '	ns of Art, Historical Treasures, 'Yes" to Form 990, Part IV, line 8.	or Otl	ner Similar <i>I</i>	Assets.	
.a	art, historical t	reasures, or other similar assets held	116, not to report in its revenue stateme for public exhibition, education or resear lancial statements that describes these i	ch ın fu			≘,
b	historical treas		116, to report in its revenue statement a public exhibition, education, or research i s			•	
	(i) Revenues I	ncluded in Form 990, Part VIII, line 1			► \$		
	(ii) Assets incl	luded in Form 990, Part X			► \$_		
2	If the organizat	·	orıcal treasures, or other sımılar assets fo S 116 relatıng to these ıtems	or finan			
а	Revenues inclu	uded in Form 990. Part VIII. line 1			► \$		

b Assets included in Form 990, Part X

Part	•••• Organizations Maintaining Co	llections of Art	t, His	tori	<u>cal T</u>	reas	ures, or O	the	<u>r Similar Ass</u>	ets (co	ontinued)
3	Using the organization's accession and othe items (check all that apply)	r records, check an	y of th	he fol	owing	that a	ire a significa	ant u	se of its collection	on	
а	Public exhibition		d	Γ	Loan	orex	change progi	rams			
b	Scholarly research		e	Γ	Othe	r					
c	Preservation for future generations										
4	Provide a description of the organization's co	ollections and expla	ıın hov	w the	y furth	er the	organızatıor	ı's ex	kempt purpose in		
5	During the year, did the organization solicit of assets to be sold to raise funds rather than t									Yes	┌ No
Par	Escrow and Custodial Arrang Part IV, line 9, or reported an an						n answere	d "Y	es" to Form 99	0,	
1a	Is the organization an agent, trustee, custod included on Form 990, Part X?	ian or other interm	edıary	for c	ontrıb	utions	or other ass	ets		Yes	┌ No
b	If "Yes," explain the arrangement in Part XIV	/ and complete the	follow	ving t	able		Г		Amo	t	
_	Da manana ha la a a a							1.	Amo	unt	
c d	Beginning balance						-	1c 1d			
	Additions during the year										
e •	Distributions during the year						_	1e 1f			
f	Ending balance						L	11		-	
2a	Did the organization include an amount on Fo		e 21?	•					1	Yes	│ No
	If "Yes," explain the arrangement in Part XIV				1 115 4						
Pai	rt V Endowment Funds. Complete	f the organizatio (a)Current Year)Prior			Form 990, wo Years Back			o\Eour V	ears Back
1a	Beginning of year balance	(a)Curient real	(D	JPHOL	Teal	(6)	WO TEATS DACK	(u)	Tillee feats back (e)roui i	ears back
b	Contributions					 		+			
_	Investment earnings or losses					 		+			
C C	_										
d	Grants or scholarships							+			
е	Other expenditures for facilities and programs										
f	Administrative expenses										
g	End of year balance										
2	Provide the estimated percentage of the yea	r end balance held	as						•		
а	Board designated or quasi-endowment										
b	Permanent endowment 🕨										
С	Term endowment ▶										
За	Are there endowment funds not in the posses	ssion of the organiz	ation	that	are hel	d and	administere	d for	the		
	organization by									Yes	No
	(i) unrelated organizations					•		•	3a(i)		
_	(ii) related organizations								3a(ii)	
	If "Yes" to 3a(II), are the related organizatio	•				•		•	3b		
4	Describe in Part XIV the intended uses of th					200 5	2-12/1	10			
Par	t VI Investments—Land, Buildings	s, and Equipme	nt. S				T '				
	Description of investment				Cost or (Inves		(b)Cost or of basis (othe		(c) Accumulated depreciation	(d) Bo	ok value
1 a	Land		•				9,080	,160			9,080,160
b I	Buildings						172,467	,454	86,576,129	8	5,891,325
c I	Leasehold improvements						183	,331	52,567		130,764
d I	Equipment						90,652	,600	74,308,701	1	.6,343,899
_e (Other	<u></u> .					19,134	,441	4,948,618	1	.4,185,823
Tota	I. Add lines 1a-1e <i>(Column (d) should equal Fo</i>	orm 990, Part X, colu	mn (B,), line	10(c).) .			▶	12	25,631,971
									Schedule D	(Form 9	90) 2010

Investments—Other Securities. See	Form 990, Part X, line 12		
(a) Description of security or category (including name of security)	(b)Book value	(c) Method of valuat Cost or end-of-year mark	
(1)Financial derivatives		Cost of end of year mark	tet value
(2)Closely-held equity interests Other			
Other			
Total. (Column (b) should equal Form 990, Part X, col (B) line 12)			
Part VIII Investments—Program Related. See		13.	
		(c) Method of valuat	ıon
(a) Description of investment type	(b) Book value	Cost or end-of-year mark	
Total. (Column (b) should equal Form 990, Part X, col (B) line 13) ▶			
Part IX Other Assets. See Form 990, Part X, Irr	ie 15.		
(a) Descrip	tion	(b) Bo	ook value
Total. (Column (b) should equal Form 990, Part X, col.(B) line 1			
Part X Other Liabilities. See Form 990, Part X			
1 (a) Description of Liability	(b) A mount		
Federal Income Taxes	0		
AMOUNTS PAYABLE TO 3RD PARTY REIMB	368,360		
RETIREE HEALTHCARE BENEFITS	2,788,642		
INTEREST RATE SWAP	4,575,000		
DEFERRED COMPENSATION ACCRUAL	811,145		
LONG TERM INSURANCE LIABILITY	733,471		
Total. (Column (b) should equal Form 990, Part X, col (B) line 25)	9,276,619		

Par	Reconciliation of Change in Net Assets from Form 990 to Financial Statemen	<u>its</u>	
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		10	
	Excess or (deficit) for the year per financial statements Combine lines 3 and 9 XIII Reconciliation of Revenue per Audited Financial Statements With Revenue p		turn
1	Total revenue, gains, and other support per audited financial statements	1	turri
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12	-	
2 a	Net unrealized gains on investments 2a		
b	Donated services and use of facilities		
c	Recoveries of prior year grants		
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)		
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	
	Reconciliation of Expenses per Audited Financial Statements With Expenses	-	Return
1	Total expenses and losses per audited financial	F	
	statements	1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
а	Donated services and use of facilities]	
b	Prior year adjustments]	
С	Other losses]	
d	Other (Describe in Part XIV)		
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:		
а	Investment expenses not included on Form 990, Part VIII, line 7b 4a]	
b	Other (Describe in Part XIV)		
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	
	t XIV Supplemental Information		
	plete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Pa V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete t		

Identifier Return Reference Explanation

additional information

OMB No 1545-0047

Open to Public Inspection

SCHEDULE H (Form 990)

Department of the Treasury Internal Revenue Service

Name of the organization ASPIRUS WAUSAU HOSPITAL INC

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

Hospitals

Employer identification number

Pa	ITT Financial Assista	nce and C	ertain Oth	er Community Be		1138241			
								Yes	No
1a	Did the organization have a fi	nnancıal assı	stance policy	during the tax year?	[f "No," skip to questio	n 6a .	1a	Yes	
ь	If "Yes," is it a written policy	·					1b	Yes	
2	If the organization has multip	le hospitals, i	ındıcate whic	h of the following best	describes application o	of the financial		1.55	
	assistance policy to its vario	us hospital fa	cılıtıes durın	g the tax year					
	Applied uniformly to all ho Generally tailored to indiv		ls	Applied uniformly	to most hospitals				
3	Answer the following based or			nce eligibility criteria t	hat applied to the large	st number of the			
а	Does the organization use Fe income individuals? If "Yes,"						3a	Yes	
	Г 100% Г 150%	□ 20	о% Г	Other	% 9/a				
ь	Does the organization use FP					duviduale 2 I f			
D	"Yes," indicate which of the fo		= :	=		ividuais. II	26	V = =	
		_			_		3b	Yes	
	200% 250%	₹ 30	о% Г	350% — 40	0% Other_	<u>%</u>			
С	If the organization does not u determining eligibility for free test or other threshold, regard	or discounte	d care Inclu	de in the description w	hether the organizatior				
4	Did the organization's financi					uring the tax year	4	Yes	
5a	provide for free or discounted Did the organization budget amount			_		, year?	_	I., I	
эа b	If "Yes," did the organization		•			·	<u>5a</u>	Yes	
_	If "Yes" to line 5b, as a result						5b	Yes	
٠	care to a patient who was elig	_		=	· · · · · · · · · · · · · · · · · · ·		5c		No
6a	Does the organization prepare			ort during the tax			6a	Yes	
6b	year?			ublic?			6b	Yes	
	Complete the following table worksheets with the Schedule	using the worl	•		instructions Do not s	ubmit these	<u> </u>	103	
7	Financial Assistance and C	ertain Other	Community I	Benefits at Cost					
	Financial Assistance and	(a) Number of	(b) Persons	(c) Total community	(d) Direct offsetting	(e) Net community b	enefit	(f) Pero	ent of
	Means-Tested Government Programs	activities or programs (optional)	served (optional)	benefit expense	revenue	expense		total ex	
а	Financial Assistance at cost (from Worksheets 1 and 2)			15,501,816		15,50	1,816	5	020 %
b	Unreimbursed Medicaid (from			35,690,247	20,502,812	15,18	7.425	4	920 %
с	Worksheet 3, column a) Unreimbursed costs—other means-tested government programs (from Worksheet 3,			33,090,247	20,302,612	·		4	920 70
d	column b)			3,878,417	3,876,656		1,761		
	Means-Tested Government Programs			55,070,480	24,379,468	30,69	1,012	9	940 %
e	Other Benefits Community health improvement services and community								
	benefit operations (from (Worksheet 4)	42	13,142	1,197,858	991,544	20	6,314	0	070 %
f	Health professions education (from Worksheet 5)	3	1,351	1,869,412		1,86	9,412	0	600 %
g	Subsidized health services				2 404 274				
h	(from Worksheet 6) Research (from Worksheet 7)	5	2,033	5,171,965 103,000	3,491,371		0,594 3,000		540 % 030 %
i	Cash and in-kind contributions to community groups (from Worksheet 8)	8	6,833	45,589			5,589	0	010 %
-	Total Other Benefits	59	23,359	8,387,824	4,482,915	3,90	4,909	1	250 %
k '	Total. Add lines 7d and 7j	59	23,359	63,458,304	28,862,383	34,59	5,921	11	190 %

Page 2 Part II Community Building Activities during the tax year, and describe in Part VI how its community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves. (a) Number of (b) Persons (c) Total community (d) Direct offsetting (e) Net community (f) Percent of served (optional) activities or building expense revenue building expense total expense programs (optional) Physical improvements and housing Economic development 3,234 3,234 Community support 232 23,094 23,094 0 010 % Environmental improvements Leadership development and training for community members 6 Coalition building 167 3,843 3,843 Community health improvement advocacy 55 8.542 8.487 Workforce development 465 3,729 3,729 9 Other 10 Total 55 18 864 42,442 42,387 0 010 % **Bad Debt, Medicare, & Collection Practices** Part III Section A. Bad Debt Expense Yes No Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Yes Enter the amount of the organization's bad debt expense (at cost) 2 1,511,844 Enter the estimated amount of the organization's bad debt expense (at cost) 3 attributable to patients eligible under the organization's financial assistance policy Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit Section B. Medicare Enter total revenue received from Medicare (including DSH and IME) 81,052,074 5 Enter Medicare allowable costs of care relating to payments on line 5 85.967.943 6 Subtract line 6 from line 5 This is the surplus or (shortfall) . . . -4,915,869 7 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used Cother Cost to charge ratio Cost accounting system **Section C. Collection Practices** Does the organization have a written debt collection policy? . 9a Yes If "Yes," does the organization's collection policy contain provisions on the collection practices to be followed for 9b Yes patients who are known to qualify for charity care or financial assistance? Describe in Part VI Part IV Management Companies and Joint Ventures (a) Name of entity (b) Description of primary (c) Organization's (d) Officers, directors, (e) Physicians' trustees, or key employees' profit % profit % or stock activity of entity profit % or stock ownership % ownership % or stock ownership% 1 2 3 4 5 6 8 9 10 11 12 13

Part	V Facility Information									
(list in larges How m	on A. Hospital Facilities order of size, measured by total revenue per facility, from t to smallest) nany hospital facilities did the organization operate during x year? 1	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Ortical access hospital	Research facility	ER-24 hours	ER-other	
Name	and address									Other (Describe)
1	Aspirus Wausau Hospital Inc 333 Pine Ridge Blvd Wausau, WI 54401	х	х					х		
		-								
		_			ļ	_				
		-								

lov	v many non-hospital facilities did the organizatio	n operate during the tax year?
lar	ne and address	Type of Facility (Describe)
•	Northwoods Surgery Center LLC 611 Veterans Parkway Woodruff, WI 54568	GENERAL MEDICAL & SURGICAL
2	Northwoods Surgery Center LLC 611 Veterans Parkway Woodruff, WI 54568	GENERAL MEDICAL & SURGICAL
3	Northwoods Surgery Center LLC 611 Veterans Parkway Woodruff, WI 54568	GENERAL MEDICAL & SURGICAL
0		

Part V Facility Information (continued)

Schedule H (Form 990) 2010 Page 8

Part VI Supplemental Information

Complete this part to provide the following information

- Required descriptions. Provide the description required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21
- Needs assessment. Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B
- 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 financial assistance policy
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- Promotion of community health. Provide any other information important to describing how the organization's hospital facilities 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.)
- 6 **Affiliated health care system.** 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
- 5 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report

The costing methodology used was the patient care cost to charge ratio which was derived fine calculation on IRS worksheet 2. The provision for bad debts of \$3,926,868 is based on management's assessment of historical and expected net collection considering business and economic conditions, trends in healthcare coverage, and the collection indicators. Throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon these trends. The results of this review are then used to make any modifications to the provision for bad debts to establish an estimated allowance for uncollectible accounts based upon these setmated allowance for uncollectible accounts. As a work of the account of the provision of the provision for bad debts to establish an estimated allowance for uncollectible accounts. As a work of the provision of the provision for bad debts to establish an estimated allowance for uncollectible accounts. As a work of the provision of the provision for bad debts to establish an estimated allowance for uncollectible accounts. As a work of the provision for bad debts to establish an estimated allowance for uncollectible accounts and provision of the provision for bad debts on the provision of the provisio	Identifier	ReturnReference	Explanation
	PART I, LINE 7		The costing methodology used was the patient care cost to charge ratio which was derived from the calculation on IRS worksheet 2 The provision for bad debts of \$3,926,868 is based on management's assessment of historical and expected net collection considering business and economic conditions, trends in healthcare coverage, and other collection indicators. Throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon these trends. The results of this review are then used to make any modifications to the provision for bad debts to establish an estimated allowance for uncollectible accounts. Accounts receivable are written off after all collection efforts have been followed in accordance with Aspirus' policies. Bad Debt Policy and Procedure. I Wausau Hospital's financial policy requires settlement of a patient bill in one of four manners. A Payment in full in 45 days. B. 3-4 equal monthly payments. C. Placing the account on a medical note. D. Special arrangements made through the Financial Counselor II. Failure to meet these requirements will result in the account being considered a bad debt once all collection efforts have been exhausted. The account will be removed from accounts receivable and turned over to an outside agency for collection. Prior to this happening, the following criteria must be met. A. Patient Financial Services staff will make reasonable collection efforts by way of. 1 Monthly statements? Collection letters? Collection phone calls III. The number of statement (minimum of.) and collection letters (minimum of.) is determined by the parameters set to the financial codes. Collection calls are made Monday through Friday from 8.00 a.m. through 8.00 p.m. IV. All collection activity and patient contacts will be completely documented electronically on the individual accounts. V. A. Medicare account must be over 120 days outstanding from the date of the initial bill to the patient before it can be considered a bad debt and placed with a collection agency.

Identifier	ReturnReference	Explanation
Identifier PART II		As any good corporate citizen, Aspirus Wausau Hospital is involved in a wide range of comm unity building activities. And while some of these are undertaken simply because there is a community need and Aspirus is in a position to help, others are undertaken for much more specific reasons. The goal of Aspirus Wausau Hospitals community benefits activities is to address key community health issues as identified by two community proceeds assessments. The Marathon County LTER Report spearheaded by the United Way of Marathon County, and the He althy Marathon County. Report produced by the Marathon County Health Department. As explain ed in Question Two of this section, Aspirus Wausau Hospital collaborated with the United Way and the county health department in the design and production of these reports. The following is a list of Community Building activities reported in Part II and brief descriptions of them. Economic Development (F2) Centergy (Administration). Centergy is an organization comprising business and civic leaders working together to address the regions workforce, business and community development needs. It works to encourage business sector development, support local businesses, attract new businesses, achieve growth for higher education facilities, and improve life in general for all central Wisconsin residents. Central Waus au Progress (Administration). This is another community development program that combines the vision, resources and efforts of many partners throughout the Wausau area. City County IT Meeting (Administration). This group collaborates to address information technology is sues in Wausau and Marathon County As the countys largest employer, Aspirus Wausau Hospit all plays a significant role MCDEV CO (Administration). Marathon County Economic Development Corporation, in private and public partnership with Marathon County Government and The Wausau Region Chamber of Commerce, provides leadership for reviewing and recommending all i initiatives related to education and economic developme
		centered, values-focu sed programs that build healthy spirits, minds and bodies This helps address the Marathon County

Identifier	ReturnReference	Explanation
ART II		Marathon County Reports Health Priority of Obesity and
		Related Disorders Aspirus employees have had leadership
		roles in this action teams activities, and continue to participate
		In efforts to increase physical activity and health eating habits
		in Marathon County *Heal thy Babies for Marathon County
		(Womens Health Administration) An action team established to
		address the Healthy Marathon County Reports Health Priority of
		Utilization of Prenatal Care and the Marathon County LIFE
		Reports Key Call to Action of Early Childhood Success The
		group seeks to increase healthy activities in pregnant women,
		such as seeking regular a nd timely prenatal health care and
		quitting tobacco use Community Health Improvement Advo
		cacy (F7) Wisconsin Hospital Association (Administration)
		Through involvement with this o rganization, Aspirus Wausau
		Hospital is able to address issues such as health care workfor
		ce shortages and health care quality Workforce Development
		(F8) Junior Achievement (Admin istration) This is another
		opportunity for the leaders of Aspirus Wausau Hospital to give
		their time in the community, educating young people about
		careers in the health care indu stry and what it takes to pursue
		them NTC Foundation (Administration) Northcentral Techn
		ical College (NTC) is a thriving source of well-trained,
		dedicated health care workers thatt feeds Aspirus Wausau
		Hospitals workforce Through work with the NTC Foundation,
		Aspirus Wausau Hospital maintains a strong relationship with
		NTC and intimate involvement with the schools operations
		Young Adult Medicine Class Through innovative educational
		initiative s such as the Young Adult Medicine Class, Aspirus
		Wausau Hospital is supporting an elevate d understanding of
		health care and planting the seeds for future health care
		workers Clinical Preceptor Program Through collaboration
		with Northcentral Technical College, Aspirus Wausau Hospital
		provides a vital job shadow program that offers real-life work
		exposure t o NTC students entering the health care field

Identifier	ReturnReference	Explanation
Identifier PART III, LINE 4		The provision for bad debts is based on management's assessment of historical and expected net collection considering business and economic conditions, trends in healthcare coverage, and other collection indicators. Throughtout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon these trends. The results of this review are then used to make any modifications to the provision for bad debts to establish an estimated allowance for uncollectible accounts. Accounts receivable are written off after all collection efforts have been followed in accordance with Aspirus' policies. Bad Debt Policy and Procedure. I Wausau Hospital's financial policy requires settlement of a patient bill in one of four manners. A Payment in full in 45 days. B. 3-4 equal monthly payments. C. Placing the account on a medical note. D. Special arrangements made through the Financial Counselor. II. Failure to meet these requirements will result in the account being considered a bad debt once all collection efforts have been exhausted. The account will be removed from accounts receivable and turned over to an outside agency for collection. Prior to this happening, the following criteria must be met. A. Patient Financial Services staff will make reasonable collection efforts by way of. 1. Monthly statements. 2. Collection letters. 3. Collection phone calls. III. The number of statement (minimum of. 3) and collection letters (minimum of. 1) is determined by the parameters set to the financial codes. Collection calls are made. Monday through Friday from 8.00 a.m. through 8.00 p.m. and on Saturday from 8.00 a.m. through 5.00 p.m. IV. All collection activity and patient contacts will be completely documented electronically on the individual accounts. V. A. Medicare account must be over 1.20 days outstanding from the date of the initial bill to the patient before it can be considered a bad debt and placed with a collection agency. Commercial and Selfpay accounts that have received their final 10-day letter
		collection letters (minimum of 1) is determined by the parameters set to the financial codes. Collection calls are made Monday through Friday from 8 00 a m through 8 00 p m and on Saturday from 8 00 a m through 5 00 p m IV. All collection activity and patient contacts will be completely documented electronically on the individual accounts. V. A. Medicare account must be over 120 days outstanding from the date of the initial bill to the patient before it can be considered a bad debt and placed with a collection agency. Commercial and Selfpay accounts that have received their final 10-day letter could then be considered a bad debt and placed with a collection agency. A default order with the state can be filed for Worker's Compensation accounts that are over \$5,000 00 with no response from the insurer after 60 days. The state will send a
		letter to the insurer requesting the review and will allow the insurer 20 days to respond VI All collection accounts are to be treated the same regardless of payor type—self-pay, general insurance, Medicare, or Medical Assistance—VII—Patient Financial Services staff will use sound business judgment when working with the account—At the discretion of the Financial Counselor, credit reports will be requested from the Credit Bureau and property verification obtained through the County Treasurer's Office—VIII—All individuals qualifying for Community Care under the Hospital's policy are considered indigent—These accounts are written to the Community Care allowance once eligibility is determined—There is no minimum waiting period

Identifier	ReturnReference	Explanation
PART III, LINE 8		The costing methodology is CMS2552 as filed cost report Aspirus Wausau Hospital feels that the medicare shortfall should be treated as a community benefit Aspirus is there to treat the community and they have a large percentage of medicare benefit patients If those patients were to be refused, then they would not receive healthcare

Identifier	ReturnReference	Explanation
PART III, LINE 9B		Aspirus Wausau Hospital uses reasonable efforts to determine if financial assistance should be offered before assigning a case to a collection agency. Aspirus informs patients and offers them charity care application forms at the time of registration, in emergency rooms, financial service offices, the billing office, and on statements and letters. Aspirus only pursues the applicants who complete the forms in their entirety.

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Identifier	ReturnReference	Explanation
Identifier NEEDS ASSESSMENT		In many ways, Aspirus Wausau Hospital is a leader in needs assessment. It has developed strong partnerships with the Marathon County Health Department and with the United Way of Marathon County. These two organizations have spearheaded initiatives to assess the community's health needs and other needs supporting a high quality of life and vibrant community. In 1996, the United Way led a collaborative effort to perform a community health assessment that focused on data rather than perception. With support from Aspirus and other community partners, the United Way performed a community assessment and published in June 1997 the first issue of what was called the Marathon County LIFE Report. Since that time, Aspirus Wausau Hospital has maintained strong involvement in the community assessment process, from pledging cash support and in-kind donations to steering committee members. The seventh and most recent version of the needs assessment (2009-2011) identified five Key Calls to Action. Alcohol Use/Abuse o Basic Needs - Food and Housing/Jobs o Domestic Abuse/Child Abuse and Neglect o Early Childhood Success o Healthy Lifestyles - Obesity, Oral Health, Tobacco In addition to the above-listed five health priorities, the 2009-2011 LIFE Report also identified. "Elder Issues" as an issue to watch. As the largest local health care provider, Aspirus Wausau Hospital has a mission and ability to address Healthy Lifestyles Here's what the report summary said about the issue. "Preventing behaviors that increase the risk of serious health issues and improving people's health and wellness can positively affect their productivity, lower their health care costs, and lengthen life expectancy." Here are some facts about Marathon County o Of surveyed residents, 29 percent did not have health insurance for part or all of the previous year. That is up from 14 percent in 2007 9 percent in 2005 o Of surveyed residents, 52 percent said they get physical activity three or more days per week, meaning that 48 percent don't exercise regularly
		health priorities -Alcohol Use and Misuse -Concerns About The Cost of Health Care -Health Care for the Elderly -Obesity and Related Disorders -Suicide and Mental Health -Tobacco Use and Exposure -Utilization of Prenatal Care The following link provides wonderful context for the action teams that were created often with leadership from Aspirus Wausau Hospital experts to address the health priorities
		http://healthymarathoncounty.org/_support/doc/Marathon% 20County%20Communit.y%20Health%20Assessment% 202006-2010.ppt#257,1,Marathon County Community Health Assessment 2006-2010

Identifier	ReturnReference	Explanation
PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE		Aspirus Wausau Hospital makes lists of available government assistance programs available to patients and families in the cashiers office, which is located off the main lobby. In addition, all patients are made aware of Aspirus Wausau Hospitals financial aid programs through statements and follow-up letters. Financial counselors seek to meet one-on-one with any patients who do not have insurance, so counselors can explain all options available.

Identifier	ReturnReference	Explanation
Identifier COMMUNITY INFORMATION		According to the U.S. Census Bureau, Marathon County had a population of 134,063. And while there are demographic and population numbers for the areas that Aspirus Wausau Hospital considers its primary and secondary market areas, Marathon County bears special attention, as it is the home of Aspirus Wausau Hospital and many of the systems corporate functions. In fact, Marathon County in many respects is the "home" of Aspirus and is the single largest source of patients among the counties Aspirus serves. About Marathon County Persons per square mile (2010) 86.8 Persons under 5 years old (2010) 6.5% Persons ouder 18 years old (2010) 24.5% Persons 65 years and over (2010) 14.2% White persons (2010) 91.3%. Asian persons (2010) 14.2% White persons (2010) 91.3% Asian persons (2010) 15.3% Persons per household (2010) 2.49 Persons below poverty level (2010) 8.7% Service Areas and Demographics Aspirus Wausau Hospital monitors its market share focusing on 13.00 and Demographics of the counties in persons of the secondary service areas and account for 95.9 percent of all admissions. The following table presents data about the demographics of the counties that make up this area 2009 2009 % of All admissions. The following table presents data about the demographics of the counties that make up this area 2009 2009 % of Median 11/2010 2000 2010 Pop Household Unemploy- Primary Area Pop Pop Incr. Age 65+ Income ment for 95.9% of all admissions. The following table presents data about the demo
		Comprehensive Annual Financial Report Marathon County, Wisconsin for the Year Ended December 31, 2010 Much of north central and central Wisconsin and the Upper Peninsula of Michigan qualify as health professional shortage areas and
		shortage areas Clark, Florence, Forest, Iron (WI), Langlade, Marathon, Oneida, Price, Shawano, Taylor, Vilas, Wood, Gogebic, Iron (MI), Keweenaw, and Ontonagon The following 14 counties are designated as health professional shortage areas for mental health Clark, Florence, Forest, Iron (WI), Langlade, Marathon, Oneida, Price, Shawano, Taylor, Vilas, Wood, Gogebic, and Iron (MI) Similarly, all or part of the following 18 counties are designated as medically underserved areas Clark,
		Florence, Forest, Iron (WI), Langlade, Marathon, Portage, Price, Shawano, Taylor, Vilas, Wood, Baraga, Gogebic, Houghton, Iron (MI), Keweenaw, and Ontonagon

Identifier	ReturnReference	Explanation
AFFILIATED HEALTH CARE SYSTEM		Aspirus Wausau Hospital is one of six hospitals under the Aspirus, Inc umbrella While each of the other five hospitals is a small, critical access facility, though, Aspirus Wausau Hospital is a regional tertiary care facility. The Aspirus system is relatively young, especially in the Upper Peninsula of Michigan, where three of the critical access hospitals are located. These facilities all operate as local sources of charity care and strong corporate citizens. In fact, Aspirus Keweenaw Hospital received in January 2011, the Winks Gundlach Award for strong and consistent support of the Keweenaw Community Foundation. This commitment to local community is reflected throughout the Aspirus service area. In Wausau, Wis the Aspirus Health Foundation raises money for various health related initiatives in the community and within Aspirus. In addition to raising money and receiving community gifts, the Foundation also determines the best way to utilize its resources to make the biggest impact on the community. Throughout the Aspirus service area, affiliated foundations serve the needs of their respective communities. The Community Health Foundation serves Antigo, Wis and surrounding communities. Aspirus Ontonagon Foundation serves Ontonagon, Mi. and surrounding communities. Aspirus Grand View Foundation serves Ironwood, Mi. and surrounding communities. While Aspirus has grown and expanded its service area rapidly in the past five years, system leaders are making a concerted effort to collaborate internally, to make the continuum of care as seamless as possible for customers. This means providing high-quality, efficient service from primary care to specialty services and post-acute care such as rehabilitation and home care. By integrating services, and communicating effectively among providers, Aspirus is better.
		able to meet patient needs and improve outcomes This could be the most important community benefit of all

Identifier	ReturnReference	Explanation
STATE FILING OF COMMUNITY BENEFIT REPORT		Aspirus has three hospitals within Wisconsin They are Aspirus Wausau Hospital in Wausau, Langlade Hospital in Antigo and Memorial Health Center in Medford Each of these centers files a community benefit report Aspirus also has three hospitals in Michigans Upper Peninsula They are Aspirus Keweenaw Hospital in Laurium, Aspirus Grand View in Ironwood and Aspirus Ontonagon Hospital in Ontonagon Each of these facilities is responsible for its own community benefits reporting

Schedule H (Form 990) 2010

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Part I General Information on Grants and Assistance

Schedule I (Form 990)

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

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

► Attach to Form 990

OMB No 1545-0047

2010

DLN: 93493136075472

Open to Public Inspection

Department of the Treasury Internal Revenue Service

FIRST ST STE 15 WAUSAU, WI 54403

(8) LEIGH YAWKEY

WOODSON ART MUSEUM 700 N TWELFTH STREET WAUSAU, WI 54403

Name of the organization
ASPIRUS WAUSAU HOSPITAL INC

Employer identification number

39-1138241

	to award the grants ganization's procedu er Assistance to	or assistance? res for monitoring the us Governments and	e of grant funds in the Organizations in	United States the United State	s. Complete if the oi	ganızatıon answere	d "Yes" to
	v, line 21 for any tional space is ne	recipient that received eded			no one recipient rece		000. Part II can be
1 (a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) A mount of cash grant	(e) A mount of non- cash assistance	(f) Method of valuation (book, FMV, appraisal other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) WOODSON YMCA FOUNDATION INC707 THIRD STREET WAUSAU,WI 54403	39-6066206	501(c)(3)	10,000				PLEDGE
(2) WAUSAU AREA MOBILE MEALS610 SCOTT STREET STE G WAUSAU, WI 54403	39-1238060	501(c)(3)	22,000				General Support
(3) WAUSAU DANCE THEATREPO BOX 18015 MERRIFIELD, VA 22118	23-7367344	501(c)(3)	7,500				SPONSORSHIP
(4) COMMUNITY FOUNDATION OF NORTH CENTRAL WI500 FIRST STREET WAUSAU, WI 54403	39-1577472	501(c)(3)	162,897				GENERAL SUPPORT
(5) HODAG FACILITIES FOUNDATION INCPO BOX 1522 RHINELANDER, WI 54501	05-0572723	501(c)(3)	31,250				GENERAL SUPPORT
(6) MARATHON COUNTY HEALTH DEPARTMENT 1200 LAKEVIEW DRIVE WAUSAU,WI 54401	23-7240695	501(c)(3)	35,000				GENERAL SUPPORT
(7) CENTERGY INC 500	39-1643470	170(c)(1)	10.000				GENERAL SUPPORT

7,500

N/A

23-7281913

GENERAL SUPPORT

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

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

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

Identifier	Return Reference	Explanation
Form 990, Schedule I	Description of Organization's Procedures for Monitoring the Use of Grants-	THE EXECUTIVE DIRECTOR OF ASPIRUS HEALTH FOUNDATION ADMINISTERS THE FUNDS IN THE ASPIRUS COMMUNITY PARTNER FUND (CPF) THE FUNDS FROM CPF ARE GIVEN TO COMMUNITY PROGRAMS TO INCREASE THE QUALITY OF LIFE IN THE REGION OR ARE RELATED TO HEALTH INITIATIVES THEY ARE NOT USED, IN GENERAL, FOR SPONSORSHIPS OR MARKETING-ALBEIT, WE WORK CLOSELY WITH MARKETING WHEN DISPERSING FUNDS FROM THE ACCOUNT AN ANNUAL BUDGET IS SET FOR THE CPF AND THROUGH OUT THE YEAR WE MAINTAIN RECORDS TO TRACK WHO GETS THE FUNDS, AMOUNTS DISPERSED AND WHY

DLN: 93493136075472

OMB No 1545-0047

Schedule J (Form 990)

Department of the Treasury Internal Revenue Service

Compensation Information For certain Officers, Directors, Trustees, Key Employees, and Highest **Compensated Employees**

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

► Attach to Form 990. ► See separate instructions.

Open to Public Inspection

Name of the organization	
ASPIRUS WAUSAU HOSPITAL INC	

Employer identification number

39-1138241

Pa	rt I Questions Regarding Compensation			
			Yes	Νo
1a	Check the approplate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items			
	First-class or charter travel Housing allowance or residence for personal use			
	▼ Travel for companions			
	▼ Tax idemnification and gross-up payments ▼ Health or social club dues or initiation fees			
	Discretionary spending account Personal services (e.g., maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	1b	Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all			
	officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	Yes	
3	Indicate which, if any, of the following the organization uses to establish the compensation of the			
	organization's CEO/Executive Director Check all that apply			
	Compensation committee			
	Independent compensation consultant			
	Form 990 of other organizations Approval by the board or compensation committee			
_				
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
а	Receive a severance payment or change-of-control payment from the organization or a related organization?	4a		Νo
b	b Participate in, or receive payment from, a supplemental nonqualified retirement plan?			
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		Νo
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any			
	compensation contingent on the revenues of			
а	The organization?	5a		Νo
b	Any related organization?	5b		Νo
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990 , Part VII, Section A, line $1a$, did the organization pay or accrue any compensation contingent on the net earnings of			
а	The organization?	6a		No
ь	Any related organization?	6b		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed			
•	payments not described in lines 5 and 6? If "Yes," describe in Part III	7		Νo
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was			
	subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe			
	ın Part III	8		Νo
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations			
	section 53 4958-6(c)?	9		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

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

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

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation		(C) Retirement and	(D) Nontaxable	(E) Total of columns	(F) Compensation		
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation	other deferred compensation	benefits	(B)(ı)-(D)	reported in prior Form 990 or Form 990-EZ	
See Additional Data Table								
(2)								
(3)								
(4)								
(5)								
(6)								
(7)								
(8)								
(9)								
(10)								
(11)								
(12)								
(13)								
(14)								
(15)								
(16)								

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
Supplemental Compensation Information		HOUSING ALLOWANCE INTERIM HOUSING-JOEL RUEBER \$6,000, TRAVEL FOR COMPANIONS RETREAT IN WHICH SPOUSES ATTENDED, SPOUSAL PORTION TAXED COMPANION TRAVEL WENDY HANNEMANN \$234 BRIAN SMITH \$199 THOMAS VOELKER \$234 DIANE POSTLER- SLATTERY \$117 DUANE ERWIN \$234 SIDNEY SCZYGELSKI \$137 JEANNE ROWE \$234 GROSS-UP PAYMENTS WENDY HANNEMANN \$8,099 BRIAN SMITH \$8,099 RICK REDING \$8,099 DAVID TANGE \$6,699 ROBERT MILLICAN \$6,699 CLUB DUES PETER HESSERT \$1,055 DUANE ERWIN \$803 JEANNE ROWE \$556 JEAN BURGENER \$556 KATHRYN DRENGER \$803 TIMOTHY GENGLER \$995 MARITA HATTEM \$556 JEANNE SCINTO \$1,054 RICK NEVERS \$995 JOEL RUEBER \$211 ROBERT ERICKSON \$381
Information		4B) SUPPLEMENTAL NONQUALIFIED RETIREMENT 457F DISTRIBUTION- DIANE POSTLER-SLATTERY \$23,506 JEAN BURGENER \$23,443 MARITA HATTEM \$11,958 RICK NEVERS \$9,991 LELAND OLKOWSKI \$12,602 ROBERT ERICKSON \$18,526
457(F) Retirement Plan Profile		KEY EMPLOYEES OF THE COMPANY OR A PARTICIPATING AFFILIATE ARE ELIGIBLE TO PARTICIPATE IN PLAN THE PLAN YEAR IS JANUARY 1 TO DECEMBER 31ST EMPLOYER CONTRIBUTIONS THE CONTRIBUTION MADE BY THE EMPLOYER IS A THREE-TIERED STRUCTURE DEPENDING UPON THE EXECUTIVES POSITION, WHICH ARE AS FOLLOWS 9% FOR VICE PRESIDENT, 13% FOR SENIOR LEADERSHIP COUNCIL, AND 15% FOR THE CEO IF THE PARTICIPANT TERMINATES DURING THE YEAR, THE PARTICIPANT'S EXECUTIVE ALLOWANCE IS PRORATED BASED ON THE NUMBER OF FULL CALENDAR MONTHS FROM THE BEGINNING OF THE PLAN YEAR TO THE BEGINNING OF THE CALENDAR MONTH CLOSEST TO THE CHANGE OR TERMINATION OF EMPLOYMENT, TO 12 DISTRIBUTIONS CONTINUATION OF EMPLOYMENT THROUGH THE DEFERRED VESTING DATE, THE DATE ON WHICH THE PARTICIPANT INCURS AN INVOLUNTARY SEPARATION FROM SERVICE WITHOUT REASONABLE CAUSE, OR THE DATE THAT IS 24 MONTHS FOLLOWING THE PARTICIPANT'S INTEREST HAS NOT BEEN FORFEITED FOR COMPETITION DURING SUCH 24 MONTH PERIOD AND THE PARTICIPANT HAS NOT ENGAGED IN COMPETITION AFTER HIS OR HER SEPARATION FROM SERVICE AND PRIOR TO HIS OR HER DEATH, THE PARTICIPANT SHALL BE VESTED AT HIS OR HER DATE OF DEATH

Schedule J (Form 990) 2010

Schedule K

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

DLN: 93493136075472

Open to Public **Inspection**

(i) Pool

Internal Revenue Service Name of the organization

Department of the Treasury

(Form 990)

ASPIRUS WAUSAU HOSPITAL INC

Bond Issues

Employer identification number

(h) On

39-1138241

Χ

Χ

Χ

Χ

Χ

Χ

Χ

	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue P	rice	(f) Description) Description of Purpose		(f) Description of Purpose (g)		(g) Defeased Behal				Pool ancing
									Yes	No	Yes	No	Yes	No		
A	Wisconsin Health & Educational Facilities Auth	39-1337855	97710BLY6	10-07-2009	23,000		Refund Bonds Issued 3/18/2009			Х		Х		х		
В	Wisconsin Health & Educational Facilities Auth	39-1337855	97710BLW0	10-07-2009	27,200		Refund Bonds Issued 3/18/2009			Х		х		х		
c	Wisconsin Health & Educational Facilities Auth	39-1337855	97710BLV2	10-07-2009	20,000	1 000 1	Series 1998B-Va Demand	r Rate		Х		×		х		
_																
D	art II Proceeds															
	Proceeds					<u> </u>		3		С		1				
1	Amount of bonds retired						0	0			(
2	A mount of bonds legally defeased						0 0		С							
3	Total proceeds of issue					24,345,	5,462 27,833,241		20,841,864		1					
4	Gross proceeds in reserve fur	nds				0 0			(
5	Capitalized interest from proc	eeds					0	0			(
6	Proceeds in refunding escrow	ı				0 0 0										
7	Issuance costs from proceed	ls				1,064,	1,064,490 1,429,347			340,678						
8	Credit enhancement from pro	ceeds					0	0			(
9	Working capital expenditures from proceeds						0	0			(
10	O Capital expenditures from proceeds				23,280,	972	26,403,894		20,	501,186	5					
11	1 Other spent proceeds					0	0			(
12	Other unspent proceeds						0	0			(
13	Year of substantial completio	n			20	01	20	06	1999		1999					
					Yes	No	Yes	No	Yes		No	Yes		No		
	14/ the beauteressed		4		1		l			1						

Dart III	Drivate	Rucinece	llca

allocation of proceeds?

14

15

16

17

		A		В		c		<u> </u>)
		Yes	No	Yes	No	Yes	No	Yes	No
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		Х		X		×		
2	Are there any lease arrangements that may result in private business use of bond-financed property?		×		X		×		

Χ

Χ

Were the bonds issued as part of a current refunding issue?

Has the final allocation of proceeds been made?

Were the bonds issued as part of an advance refunding issue?

Does the organization maintain adequate books and records to support the final

Χ

Part III Private Business Use (Continued)

			4	В		С)
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use?		х		х		х		
b	Are there any research agreements that may result in private business use of bond-financed property?		×		х		×		
c	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?		х		х		х		
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		1 460 % 0 960 % 1 110 %		1 110 %				
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government	0 %			0 %		0 %		
6	Total of lines 4 and 5		1 460 %	0 960 %		0 960 %			
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	×		Х		×			

Part IV Arbitrage

		A		В		С		D	
		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?	х		×		х			
2	Is the bond issue a variable rate issue?	Х		X		X			
3a	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		х		х		х		
ь	b Name of provider		NA		NA		NA		
С	Term of hedge	0		0		0			
d	Was the hedge superintegrated?		х		Х		Х		
e	Was a hedge terminated?		х		Х		Х		
4a	Were gross proceeds invested in a GIC?		Х		Х		Х		
b	b Name of provider		NA		NA		NA		
С	Term of GIC		0		0		0		
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?		x		Х		x		
5	Were any gross proceeds invested beyond an available temporary period?		х		Х		Х		
6	Did the bond issue qualify for an exception to rebate?	Х		×		×			

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule K (see instructions)

Identifier	Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS

SCHEDULE O

As Filed Data -

DLN: 93493136075472

OMB No 1545-0047

2010

Open to Public
Inspection

(Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.

Supplemental Information to Form 990 or 990-EZ

► Attach to Form 990 or 990-EZ.

Name of the organization ASPIRUS WAUSAU HOSPITAL INC **Employer identification number**

39-1138241

ldentifier	Return Reference	Explanation
DELEGATION OF CONTROL OVER MANAGEMENT DUTIES	Form 990, Part VI, Question 3	ASPIRUS WAUSAU HOSPITAL, INC HAS AN AGREEMENT WITH NORTH CENTRAL HEALTH CARE TO MANAGE THE BEHAVIORAL HEALTH DEPARTMENT

ldentifier	Return Reference	Explanation
MEMBERS OR	FORM 990, PART VI,	ASPIRUS, INC IS THE SOLE CORPORATE MEMBER OF ASPIRUS WAUSAU
STOCKHOLDERS	QUESTION 6	HOSPITAL, INC

ldentifier	Return Reference	Explanation
Descr Classes of Persons, Decisions Requiring Appr & Type of Voting Rights	Form 990, Part VI, Question 7b	THE FOLLOWING ACTIONS MUST BE APPROVED BY THE SOLE MEMBER OF THE ORGANIZATION, ASPIRUS WAUSAU HOSPITAL 1) CHANGE OR AMEND THE ARTICLES OF INCORPORATION OR BY LAWS, 2) CHANGE THE MISSION, PURPOSE OR SCOPE OF THE CORPORATION, 3) RATIFICATION OR REMOVAL OF DIRECTORS OR OFFICERS, 4) CHANGE THE FORMULA OR METHODOLOGY FOR DETERMINING PHY SICIAN COMPENSATION, 5) APPROVAL OF ANNUAL OPERATING AND CAPITAL EXPENDITURE BUDGETS, STRATEGIC AND LONG RANGE PLANS Describe the Process used by Management &/or Governing Body to Review 990 FORM 990, PART VI, LINE 11A THE RETURN WAS REVIEWED BY MANAGEMENT PRIOR TO FILING

ldentifier	Return Reference	Explanation
Description of Process to Monitor Transactions for Conflicts of Interest	Form 990, Part VI, Question 12c	BOARD MEMBERS AND KEY EMPLOYEES ARE REQUIRED TO SIGN ANNUAL CONFLICT OF INTEREST STATEMENTS AND ALL MANAGERS ARE REQUIRED TO SIGN BIANNUAL CONFLICT OF INTEREST STATEMENTS THE ORGANIZATION'S CEO AND BOARD CHAIR REVIEW THE STATEMENTS AND HIGHLIGHT POTENTIAL CONFLICTS THE BOARD DETERMINES ON A CASE BY CASE BASIS ANY ACTIONS REQUIRED INDIVIDUALS ARE NOT PERMITTED TO VOTE ON ANY TRANSACTION WHERE A CONFLICT HAS BEEN DETERMINED TO EXIST ALL CONFLICTS AND PROCEEDINGS ARE NOTED IN THE MEETING MINUTES

ldentifier	Return Reference	Explanation
Offices & Positions for Which Process was Used, & Year Process was Begun	Form 990, Part VI, Question 15a & 15b	THE ORGANIZATION HAD AN INDEPENDENT AUDIT FOR EXECUTIVE COMPENSATION WHICH INCLUDED BASE SALARY, INCENTIVE PLANS, AND BENEFITS FOR ALL OFFICER AND EXECUTIVE POSITIONS THE REVIEW WAS COMMISSIONED BY THE COMPENSATION COMMITTEE OF THE BOARD AND WAS CONDUCTED BY AN INDEPENDENT CONSULTING FIRM THE MARKET ANALYSIS WAS COMPLETED IN JUNE AND JULY OF 2009 AND PRESENTED TO THE COMPENSATION COMMITTEE OF THE BOARD IN AUGUST FOR FINAL COMPENSATION DETERMINATION

ldentifier	Return Reference	Explanation
Avail of Gov Docs, Conflict of Interest Policy, & Fin Stmts to Gen Public	Form 990, Part VI, Question 19	THE ORGANIZATION DOES NOT MAKE ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, NOR ITS FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC

ldentifier	Return Reference	Explanation
Hours Devoted to Related Organizations	Form 990, Part VII	THE HOURS DEVOTED TO THE POSITIONS REPORTED ON PART VII AND SCHEDULE J REFLECT THE AGGREGATE TOTAL HOURS THESE INDIVIDUALS DEVOTE TO THEIR POSITIONS FOR ASPIRUS WAUSAU HOSPITAL, INC. AND ASPIRUS, INC. SUBSIDIARIES

Identifier Return Reference		Explanation
Other changes in net assets or fund balances	Form 990, Part XI, Line 5	Unrealized gain on investments 15,735,629 Interest rate swap (517,979) Interest rate swap valuation adjustment (53,965) Postretirement healthcare benefit adjustment (264,787) Net asset transfer (13,000,000) Total adjustments 1,898,898

ldentifier	Return Reference	Explanation
Schedule K, Part I, Bond B		ASPIRUS WAUSAU HOSPITAL IS A MEMBER OF AN OBLIGATED GROUP FOR THIS BOND THAT INCLUDES MEMORIAL HEALTH CENTER, INC. ASPIRUS WAUSAU HOSPITAL'S SHARE OF THE PROCEEDS WAS \$44,750,000

efile GRAPHIC print - DO NOT PROCESS | As Filed Data -**SCHEDULE R**

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

DLN: 93493136075472

2010

OMB No 1545-0047

Open to Public Inspection

Schedule R (Form 990) 2010

Employer identification number

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.

Department of the Treasury Internal Revenue Service

Name of the organization

(Form 990)

SPIRUS WAUSAU HOSPITAL INC	30-1138241	39-1138241						
Part I Identification of Disregarded Entities (Comple	te if the organization	on answered "Ye	es" on	Form 990, Pa				
(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (or foreign coun	state itry)	(d) Total income	(e) End-of-year assets	(f) Direct contro entity	lıng	
1) Stevens Point Surgery Center LLC 3409 Vern Holmes Drive Stevens Point, WI 54481 30-2259562	Medical Srvs	WI		1,036,0	267,7	34 NA		
Part II Identification of Related Tax-Exempt Organization or more related tax-exempt organizations during the	ations (Complete e tax year.)	ıf the organızatı	on an	swered "Yes" (on Form 990, Part	IV, line 34 becai	ise it had	one
(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	: Exei	(d) mpt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	cont	g) 512(b)(13 rolled nization
ee Additional Data Table							Yes	No
ee Additional Data Table			+					
			+					

Cat No 50135Y

Part III		_	ble as a Partners reated as a partne	 _	answered "Y	es" on Form 990,	Part IV, lır	ne 34
		(c)	(a)		(h)	(i)	(j)	

(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	Disproprtionate allocations?				(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j Gene mana parti	ral or aging	(k) Percentage ownership
							Yes	No		Yes	No			
Down TV Idomaid	instinut of Bolot	0		bla sa s Carrara	tion or Truck (C.				navigand IIVaall on		000	Dowl TV		

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	(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
		country)		,			
(1) Aspirus Network Inc 3000 Westhill Drive Suite 300 Wasau, WI54401 39-1931679	Medical Contracts	WI	NA	C Corp			

(6)

Fe	LV	Transactions with Related Organizations (Complete in the organization answered Te	on rolling 30, Par	(1 v , III le 34 , 33 , 3	JA, 01 30.)			
	Note.	Complete line 1 if any entity is listed in Parts II, III or IV					Yes	No
1 Du	rıng th	e tax year, did the orgranization engage in any of the following transactions with one or more related orgai	nizations listed in Parts	s II-IV?	Γ	T		
а	Receij	pt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity			1	La		No
b	Gıft, g	rant, or capital contribution to other organization(s)			1	Lb		No
c	Gıft, g	rant, or capital contribution from other organization(s)			1	lc \	Yes	
d	Loans	or loan guarantees to or for other organization(s)			1	Ld		No
e	Loans	or loan guarantees by other organization(s)			1	le		No
f	Sale o	fassets to other organization(s)			1	lf		No
g	Purch	ase of assets from other organization(s)			<u> </u>		Yes	
h Exchange of assets								No
i I	_ease	of facilities, equipment, or other assets to other organization(s)			_1	1i '	Yes	
						\perp		
j	Lease	of facilities, equipment, or other assets from other organization(s)			 		Yes	
k Performance of services or membership or fundraising solicitations for other organization(s)							Yes	
I Performance of services or membership or fundraising solicitations by other organization(s)							Yes	
m	m Sharing of facilities, equipment, mailing lists, or other assets							No
n	Sharır	ng of paid employees			1	Ln '	Yes	
						\perp		
0	Reımb	ursement paid to other organization for expenses			<u> </u>	_	Yes	
р	Reımb	ursement paid by other organization for expenses			1	Lp '	Yes	
						\bot		
q	Other	transfer of cash or property to other organization(s)				Lq		No
r	Other	transfer of cash or property from other organization(s)			[1	1r '	Yes	
2	Ifthea	answer to any of the above is "Yes," see the instructions for information on who must complete this line, ii	ncluding covered relati	onships and transact	ion thresholds			
		(a)	(b) Transaction	(c)	(d) Method of deterr		a amo	unt
		Name of other organization	type(a-r)	Amount involved	involv			
(1)								
	litional I	Data Table						
(2)								
(3)						—		
(3)								
(4)								
()								
(5)								
\- <i>y</i>								

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d Are parti sect 501(d organiz	ners :ion :)(3) :ations?	(e) Share of end-of-year assets		r) ortionate tions?	(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	mana part	h) eral or laging tner?
			Yes	No		Yes	No		Yes	No
			+						+	1
			-				\vdash		+	╁
									+	-
										+
										┢
			+							
			<u> </u>							

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation
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Schedule R (Form 990) 2010

Software ID: **Software Version:**

EIN: 39-1138241

Name: ASPIRUS WAUSAU HOSPITAL INC

Form 990, Schedule R, Part II - Identification of Rela	ated Tax-Exempt O	rganizations					
(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	(g Section (b)(: contro organiz	n 512 13) olled
						Yes	No
Aspirus Inc 425 Pine Ridge Blvd Wausau, WI54401	Healthcare	WI	501(C)(3)	11- Type II	NA		
39-1328331							
Aspirus Doctor's Clinic Inc							
420 Dewey Street Wisconsin Rapids, WI 54495 39-1972671	Medical Serv	WI	501(c)(3)	9	Aspirus Inc		
Aspirus Grand View							
N 10561 Grand View Lane Ironwood, WI49938 38-2908586	Hospital	WI	501(c)(3)	3	Aspırus Inc		
Aspirus Buildings Inc							
333 Pine Ridge Blvd Wausau, WI54401 39-1406537	Leasing	WI	501(c)(3)	9	Aspırus Inc		
Aspirus Specialists Inc							
425 Pine Ridge Blvd Wausau, WI54401 39-1945080	Medical Svcs	WI	501(c)(3)	9	Aspırus Inc		
Aspirus Extended Services							
425 Pine Ridge Blvd Wausau, WI54401 39-0782130	Nursing Home	WI	501(C)(3)	9	Aspırus Inc		
Aspirus Clinics Inc							
425 Pine Ridge Blvd Wausau, WI54401 39-1670223	Medical Srvcs	WI	501(c)(3)	9	Aspırus Inc		
Aspirus VNA Home Health Inc							
520 N 32nd Avenue Wausau, MI54401 39-0808511	Home Health	WI	501(c)(3)	9	Aspırus Inc		
Aspirus VNA Extended Care Inc							
520 N 32nd Avenue Wausau, WI54401 39-1597350	Personal Care	WI	501(c)(3)	9	Aspırus Inc		
Aspirus Ontonagon Hospital Inc							
601 Seventh Street Ontonagon, WI49953 26-0806477	Hospital	WI	501(c)(3)	3	Aspirus Inc		
Aspirus Health Foundation							1
	Public Fdn		501(c)(3)	7	Aspirus Inc		
39-1256656							

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

Form 9	990, Schedule R, Part V - Transactions With Related Organizations (a) Name of other organization	(b) Transaction type(a-r)	(c) A mount Involved (\$)	(d) Method of determining amount involved
(1)	Aspirus Buildings Inc	J	481,521	
(2)	Aspirus Buildings Inc	N	112,104	
(3)	Aspirus Buildings Inc	Р	135,548	
(4)	Aspirus Clinics Inc	G	897,483	
(5)	Aspirus Clinics Inc	I	2,562,419	
(6)	Aspirus Clinics Inc	J	1,124,015	
(7)	Aspirus Clinics Inc	к	162,714	
(8)	Aspirus Clinics Inc	L	533,438	
(9)	Aspirus Clinics Inc	N	4,301,963	
(10)	Aspirus Clinics Inc	0	2,264,292	
(11)	Aspirus Clinics Inc	Р	3,035,107	
(12)	Aspirus Clinics Inc	R	67,870	
(13)	Aspirus Doctors Clinic	к	229,705	
(14)	Aspirus Doctors Clinic	N	1,132,693	
(15)	Aspirus Doctors Clinic	Р	177,784	
(16)	Aspirus Extended Services Inc	N	622,514	
(17)	Aspirus Extended Services Inc	Р	1,060,993	
(18)	Aspirus Grand View	N	511,292	
(19)	Aspirus Health Foundation	С	366,926	
(20)	Aspirus Health Foundation	N	75,695	
(21)	Aspirus Network Inc	к	50,100	
(22)	Aspirus Network Inc	N	137,603	
(23)	Aspirus Ontonogon Hospital	N	998,792	
(24)	Aspirus Ontonogon Hospital	Р	304,146	
(25)	Aspirus Specialists Inc	L	135,699	
(26)	Aspirus Specialists Inc	Р	172,570	
(27)	Aspirus Stevens Point Surgery Center	I	198,737	
(28)	Aspirus Stevens Point Surgery Center	N	64,663	
(29)	Aspirus Visiting Nurses Association	I	80,360	
(30)	Aspirus Visiting Nurses Association	J	96,825	

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) A mount Involved (\$)	(d) Method of determining amount involved
(31)	Aspirus Visiting Nurses Association	N	1,506,703	
(32)	Aspirus Visiting Nurses Association	Р	466,922	

Software ID: Software Version:

EIN: 39-1138241

Name: ASPIRUS WAUSAU HOSPITAL INC

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

Compensated Employees, and Independent Contractors											
(A) Name and Title	(B) Average hours	Posi t	tion (that a	che	/)			(D) Reportable compensation from the	(E) Reportable compensation from related	(F) Estimated amount of other compensation	
	per week	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	organization (W- 2/1099-MISC)	organizations (W- 2/1099- MISC)	from the organization and related organizations	
James E Wanserskı Chair	1 0	Х						0	0	0	
Kathy J Strasser Vice Chair	1 0	Х						0	0	0	
Brian J Prunty Secretary	1 0	Х						0	0	0	
Todd R Nicklaus Treasurer	1 0	Х						0	0	0	
Robert J Bernklau Board Member	1 0	Х						0	0	0	
R Mark Campbell Board Member	1 0	Х						0	0	0	
Kathy Kelsey Foley Board Member	1 0	Х						0	0	0	
Stephen P Fox MD Board Member	1 0	Х						0	0	0	
Wendy L Hanneman Board Member/Physician	1 0	Х						0	510,603	34,268	
David M Heck Board Member	1 0	Х						0	0	0	
Ronald L Klimish Board Member	1 0	Х						0	0	0	
Jon G Krueger Board Member	1 0	Х						0	0	0	
Jeffery M Nehring Board Member	1 0	Х						0	0	0	
Kevin J O'Connell MD Board Member	1 0	Х						0	0	0	
Christopher A Reising MD Board Member	1 0	Х						0	0	0	
Fernando A Riveron MD Board Member	1 0	Х						0	0	0	
Matthew D Rowe Board Member	1 0	X						0	0	0	
Brian D Smith MD Board Member/Physician	1 0	Х						0	320,004	34,268	
Stephen B Stine MD Board Member	1 0	Х						0	0	0	
Alan Verploegh Board Member	1 0	Х						0	0	0	
Thomas A Voelker MD Board Member/Physician	1 0	Х						0	285,038	33,686	
Mark A Voss MD Board Member	1 0	Х						0	0	0	
Duane L Erwin CEO	40 0			х				0	637,361	106,584	
Diane S Postler-Slattery President/COO	40 0			х				344,020	0	52,821	
Peter L Hessert Sr V P & General Counsel	40 0			Х				0	324,538	53,257	

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest

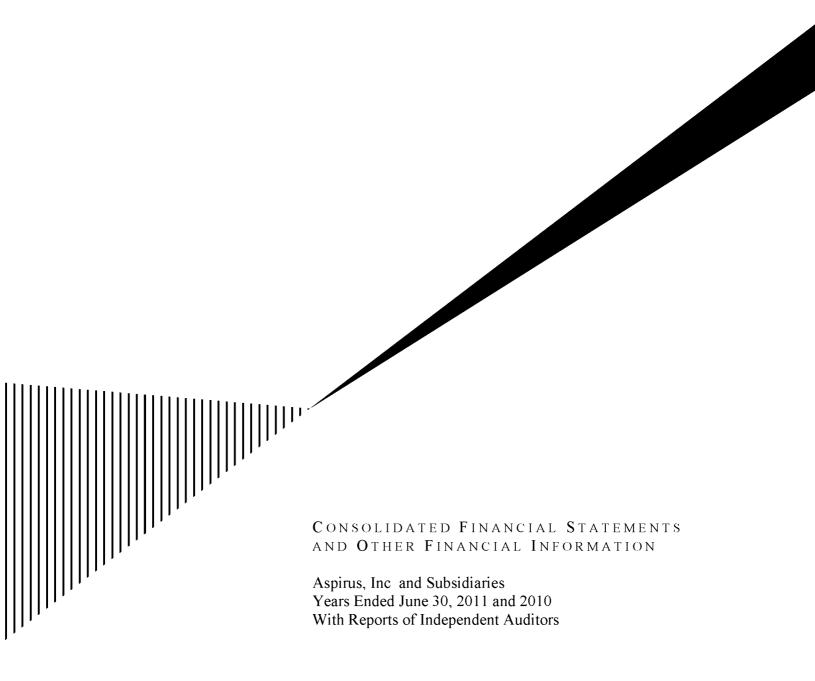
(A) Name and Title	(B) A verage	Posi	(i tion	C) (che	ck a	II		(D) Reportable	(F) Estimated	
	hours per	that apply)						compensation from the	Reportable compensation from related	amount of other compensation
	week	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	organization (W- 2/1099-MISC)	organizations (W- 2/1099- MISC)	from the organization and related organizations
Sıdney C Sczygelskı Sr V P of Fınance CFO	40 0			х				0	351,315	55,062
Jeanne Rowe Sr VP of Medical Affairs	40 0				х			342,023	0	42,657
Norma Jean Burgener VP Extended Services	40 0				х			0	200,160	21,549
Kathryn J Drengler VP Clinical Services	40 0				х			0	180,087	36,194
Timothy P Gengler Chief Nursing Officer	40 0				х			183,589	0	38,793
Marıta Hattem VP Physician Support Services	40 0				х			199,919	0	33,935
Jeanne D Scinto VP Corp Quality&Patient Safety	40 0				х			180,664	0	40,643
Rick L Nevers Administrator/COO (MI)	40 0				х			0	219,761	44,330
Joel Rueber Exec Dir-Aspirus Netwrk	40 0				х			185,216	0	16,704
Thomas Rengel Physician	40 0					Х		399,478	0	13,330
Jeffrey Limmer Chief Medical Physicist	40 0					Х		195,159	0	28,699
Rick R Reding Physician	40 0					Х		0	303,512	34,268
David Tange Physician	40 0					Х		0	257,336	34,268
Robert Millican NEPHROLOGY PHYSICIAN	40 0					Х		0	274,449	34,268
Leland Olkowskı Former Board Member/Admın Cons	24 0						х	0	137,931	21,186
Robert Erickson Former Board Member/Reg COO	40 0						х	0	74,196	16,039

Software ID: Software Version:

EIN: 39-1138241

Name: ASPIRUS WAUSAU HOSPITAL INC

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees									
(A) Name			f W-2 and/or 1099-MI		(C) Deferred	(D) Nontaxable	(E) Total of columns	(F) Compensation reported in prior Form 990 or Form 990-EZ	
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation	compensation	benefits	(B)(ı)-(D)		
Wendy L Hanneman	(I) (II)	0 494,387	0	0 16,216	0 16,864	0 17,404	0 544,871	0 0	
Brian D Smith MD	(I) (II)	0 303,163	0	0 16,841	0 16,864	0 17,404	0 354,272	0	
Thomas A Voelker MD	(I) (II)	0 261,869	0 15,000	0	0 16,864	0 16,822	0	0	
Duane L Erwin	(I) (II)		0 129,735	0	0 11,140	0 95,444	743,945	0	
Diane S Postler- Slattery	(I) (II)			25,745	13,332	39,489		0	
Peter L Hessert	(I) (II)		0 53,373	0 8,184	0 13,332	0 39,925	0 377,795	0	
Sidney C Sczygelski	(1)	0	0	0 4,868	0 13,332	0 41,730	0	0	
Thomas Rengel	(1)			İ	4,900	8,430		0	
Jeffrey Limmer	(I) (II)		20,158	8,598	10,460	18,239	223,858	0	
Jeanne Rowe	(I) (II)		59,312 0	3,753	9,116	33,541	384,680	0	
Norma Jean Burgener	(I) (II)		0 28,525	0 30,020	0 7,244	0 14,305	0 221,709	0	
Kathryn J Drengler	(I) (II)		0	0 3,146	0 9,228	0 26,966	0	0	
Timothy P Gengler	(I) (II)		28,619 0	4,098 0	7,981 0	30,812	222,382	0	
Marita Hattem	(I) (II)		25,050 0	21,391 0	6,284 0	27,651 0	233,854	0	
Jeanne D Scinto	(I) (II)		25,725 0	3,560 0	7,985 0	32,658 0	221,307 0	0	
Rick L Nevers	(I) (II)	0 166,149	0 40,933	0 12,679	0 10,387	0 33,943	0 264,091	0 0	
Joel Rueber	(I) (II)	168,132 0	10,000	7,084 0	3,143 0	13,561 0	201,920	0 0	
Rick R Reding	(I) (II)	0 284,950	0	0 18,562	0 16,864	0 17,404	0 337,780	0 0	
Leland Olkowskı	(I) (II)		0	0 14,387	0 7,924	0 13,262	0 159,117	0	
David Tange	(I) (II)		0	0 20,713	0 16,864	0 17,404	0 291,604	0	
Robert Millican	(I) (II)		0	0 16,306	0 16,864	0 17,404	0 308,717	0 0	
Robert Erickson	(I) (II)	0 51,311	0	0 22,885	0 6,504	0 9,535	0 90,235	0	



Ernst & Young LLP



Aspirus, Inc. and Subsidiaries

Consolidated Financial Statements and Other Financial Information

Years Ended June 30, 2011 and 2010

Contents

Report of Independent Auditors	1
Consolidated Financial Statements	
Consolidated Balance Sheets	2
Consolidated Statements of Operations and Changes in Net Assets	4
Consolidated Statements of Cash Flows	5
Notes to Consolidated Financial Statements	6
Other Financial Information	
Report of Independent Auditors on Other Financial Information	35
Consolidating Balance Sheet	36
Consolidating Statement of Operations and Changes in Net Assets	40



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Report of Independent Auditors

The Board of Directors Aspirus, Inc

We have audited the accompanying consolidated balance sheets of Aspirus, Inc and Subsidiaries (Aspirus) as of June 30, 2011 and 2010, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of Aspirus' management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of Aspirus Grand. View Hospital, Inc., Aspirus Clinics, Inc., and Aspirus Health Foundation, Inc., consolidated affiliates, which statements reflect total assets of 18% and 8% as of June 30, 2011 and 2010, respectively, and total revenue of 19% and 12% for the years then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Aspirus Grand View Hospital, Inc., Aspirus Clinics, Inc. and Aspirus Health Foundation, Inc., is based solely on the reports of other auditors.

We conducted our audits in accordance with auditing standards generally accepted in the United States Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of Aspirus' internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Aspirus' internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits and the reports of other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Aspirus, Inc at June 30, 2011 and 2010, and the consolidated results of its operations and its cash flows for the years then ended, in conformity with U S generally accepted accounting principles

September 20, 2011

1105-1258814

Ernst + Young LLP

Aspirus, Inc. and Subsidiaries

Consolidated Balance Sheets

	June 30			
		2011		2010
		(In Tho	แรตก	nds)
Assets				
Current assets				
Cash and cash equivalents	\$	66,077	\$	57,272
Short-term investments		1,309		607
Current portion of investments limited as to use		5,289		3,893
Patient accounts receivable, net		65,365		54,822
Amount due from third-party reimbursement programs		_		88
Inventory		8,587		7,099
Prepaid expenses and other		7,451		5,503
Total current assets		154,078		129,284
Investments		58,536		52,509
Investments limited as to use		134,788		105,437
Property and equipment, net		180,379		160,963
Other assets				
Investments in unconsolidated entities		57,583		47,230
Goodwill and other intangibles		4,316		956
Deferred bond issuance costs, net		1,573		1,677
Cash value of life insurance and other		3,155		1,028
Total other assets		66,627		50,891
Total assets	\$	594,408	\$	499,084
Total assets	\$	594,408	\$	499,0

1105-1258814

	June 30		
		2011	2010
		(In Thous	ands)
Liabilities and net assets			
Current liabilities			
Current maturities of long-term debt			
Hospital revenue bonds	\$	4,675 \$	2,630
Clinic revenue bonds		150	100
Other debt		3,388	2,476
		8,213	5,206
Accounts payable		7,149	7,716
Amounts payable to third-party reimbursement programs		2,050	_
Accrued interest payable		955	1,096
Accrued salaries and wages		17,442	18,122
Other accrued liabilities		16,221	13,482
Total current liabilities		52,030	45,622
Long-term liabilities Long-term debt			
Hospital revenue bonds		102,455	104,985
Clinic revenue bonds		7,350	7,500
Other debt		2,621	2,727
		112,426	115,212
Deferred compensation		14,147	8,588
Postretirement benefits		3,626	3,061
Interest rate swaps		4,575	5,435
Other long-term liabilities		1,541	1,750
Total long-term liabilities		136,315	134,046
Total liabilities		188,345	179,668
Net assets			
Net assets		392,778	317,073
Net assets attributable to non-controlling interest		13,285	2,343
Total unrestricted net assets		406,063	319,416
Total liabilities and net assets	\$	594,408 \$	499,084

See accompanying notes.

1105-1258814

Consolidated Statements of Operations and Changes in Net Assets

	Year Ended June 30			
		2011 (In Thoi	2010	
Revenue		(IN THOI	(Sanas)	
Net patient service revenue	\$	476,509	§ 411.869	
Other operating revenue	9	26,608	22.306	
Total revenue		503,117	434,175	
Expenses		505,117	7.77.175	
Salaries and wages		202,378	176.217	
Employee benefits		53,618	48,163	
Medical fees		4,228	4,365	
Supplies		80,135	71,131	
Purchased services and other		89,323	70,444	
Provision for bad debts		7,155	4,668	
Insurance and utilities		7,039	8,148	
Depreciation		26,452	27,111	
Interest		3,195	3,746	
Amortization		467	1,365	
Total expenses		473,990	415,358	
Income from operations		29,127	18,817	
Nonoperating gains (losses)		,		
Investment income		30,082	16,159	
Contributions		590	630	
Change in fair value of interest rate swap		(518)	(3,080)	
Loss on early extinguishment of debt		_	(547)	
Gain on acquisition of controlled affiliate		16,721	_	
Other (losses) gains		(500)	15	
Total nonoperating gains, net		46,375	13,177	
Revenue in excess of expenses before non-controlling interest		75,502	31,994	
Non-controlling interest		324	11_	
Revenue in excess of expenses		75,826	32,005	
Other changes in unrestricted net assets				
Increase (decrease) in non-controlling interest		10,942	(11)	
Change in fair value of interest rate swap		(54)	(54)	
Equity and other changes in net assets of unconsolidated affiliates		282	26	
Postretirement healthcare benefit adjustment		(349)	(394)	
Increase in unrestricted net assets		86,647	31,572	
Unrestricted net assets at beginning of year		319,416	287.844	
Unrestricted net assets at end of year	\$	406,063	319,416	

See accompanying notes

Consolidated Statements of Cash Flows

	Year Ended June 30 2011 2010				
		(In Thousand	ds)		
Operating activities	40	06647 0	21.572		
Increase in unrestricted net assets	\$	86,647 \$	31,572		
Adjustments to reconcile increase (decrease) in unrestricted net assets to net					
cash provided by operating activities		26.010	20.17/		
Depreciation and amortization		26,919 7,155	28,476		
Provision for bad debts		7,155	4,668		
Net change in unrealized gains and losses on investments		(23,968)	(11,814)		
Change in interest rate swap value		572	3,134		
Interest rate lock amortization		64	64		
Share of earnings in unconsolidated affiliates		(6,659)	(5,103)		
Gain on purchase of controlled affiliate		(16,721)	-		
Loss on early extinguishment of debt		_	547		
Loss on sale of property and equipment		324	379		
Write-off of goodwill		579	_		
Changes in assets and liabilities		(10.000)	((2.52)		
Patient accounts receivable		(12,200)	(6,352)		
Other current assets		(3,071)	(1.270)		
Investments		(8,913)	(21,335)		
Accounts payable, accrued and other liabilities		647	1,103		
Other long-term assets and liabilities		(12,542)	1,774		
Net cash provided by operating activities		38,833	25,843		
Investing activities					
Additions to property and equipment		(26,109)	(10.993)		
Cash from acquisition of controlled affiliate		4,644	_		
Purchase of interest in unconsolidated entities		(3,673)	(3,376)		
Cash used in investing activities		(25,138)	(14,369)		
Financing activities					
Principal payments on bonds		(4,858)	(2.605)		
Bond issue costs		(32)	(468)		
Proceeds from long-term debt		_	70,200		
Retirement of long-term debt		_	(70,200)		
Cash used in financing activities		(4,890)	(3,073)		
Net increase in cash and cash equivalents		8,805	8,401		
Cash and cash equivalents at beginning of year		57,272	48,871		
Cash and cash equivalents at end of year	\$	66,077 \$	57,272		
Supplemental disclosure of cash flow information					
Interest paid	<u>\$</u>	3,318 \$	3,558		

See accompanying notes

Notes to Consolidated Financial Statements

June 30, 2011

1. Summary of Significant Accounting Policies

Principal Business Activity

Aspirus, Inc and Subsidiaries (collectively, Aspirus) provide comprehensive medical, surgical, emergency, outpatient, nursing home, home care, hospice, and clinical services to the residents of central and northern Wisconsin and the upper peninsula of Michigan

Principles of Consolidation

All significant intercompany accounts and transactions have been eliminated in consolidation

Aspirus, Inc 's subsidiaries are Aspirus Wausau Hospital, Inc (AWH), Aspirus Ontonagon Hospital, Inc (AOH), Aspirus Grand View Hospital, Inc (AGV), Aspirus Clinics, Inc (ACI), Aspirus Doctors Clinic, Inc (ADC), Aspirus Specialists, Inc (ASI), Aspirus Extended Services, Inc (formerly known as Aspirus Lillian Kerr Healthcare Center, Inc) (AES), Aspirus VNA Home Health, Inc (AVNA), Aspirus Buildings, Inc (ABI), Aspirus Network, Inc (ANI), and Aspirus Health Foundation, Inc (AHF)

Use of Estimates

The preparation of consolidated financial statements in conformity with U S generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in these consolidated financial statements and accompanying notes Although estimates are considered to be fairly stated at the time the estimates are made, actual results could differ from those estimates

Aspirus considers critical accounting estimates to be those that require more significant judgments and include the allowance for contractual adjustments, community care, doubtful accounts, liability to third-party reimbursement programs, and reserves for losses and expenses related to self-funded health and dental insurance

Cash Equivalents and Short-Term Investments

Aspirus considers all highly liquid debt instruments with an original maturity of three months or less to be cash equivalents, excluding amounts held as short-term investments in the investment portfolio and amounts whose use is limited Short-term investments consist of certificates of deposits with an original maturity of one year or less but more than three months and are stated at cost, which approximates fair value

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Patient Accounts Receivable

Patient accounts receivable are uncollateralized patient obligations that are stated at the amount management expects to collect from outstanding balances. These obligations are primarily from local residents, most of whom are insured under third-party payor agreements. Aspirus bills third-party payors on each patient's behalf, or if a patient is uninsured, the patient is billed directly. Once claims are settled with the primary payor, any secondary insurance is billed, and patients are billed for co-pay and deductible amounts that are the patient's responsibility. Payments on accounts receivable are applied to the specific claim identified on the remittance advice or statement. Aspirus does not charge interest on past-due accounts.

Patient accounts receivable are recorded in the accompanying consolidated balance sheets, net of allowances for contractual adjustments, community care, and doubtful accounts

The provision for bad debts is based on management's assessment of historical and expected net collection considering business and economic conditions, trends in healthcare coverage, and other collection indicators. Throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon these trends. The results of this review are then used to make any modifications to the provision for bad debts to establish an estimated allowance for uncollectible accounts. Accounts receivable are written off after all collection efforts have been followed in accordance with Aspirus' policies.

Net Patient Service Revenue

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined

Changes in estimated reimbursement related to prior periods increased net patient service revenue by approximately \$3,429,000 and \$2,344,000 for the years ended June 30, 2011 and 2010, respectively

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Inventory

Inventory is valued at the lower of cost, determined using the average cost method, or market value

Investments and Investment Income

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the accompanying consolidated balance sheets

Investments limited as to use are stated at fair value and consist of investments held by bond trustees under the terms of bond agreements, investments designated by the Boards of Directors for future facility replacement and expansion, amounts set aside for compensation agreements, and investments held for various other purposes Investments limited as to use that are required for obligations classified as current liabilities are reported as current assets

Investment income or loss (including realized gains and losses on investments, interest, and dividends) is included in other income unless the income or loss is restricted by donor or law Unrealized gains and losses on investments are included in investment income in the consolidated statement of operations and changes in net assets Realized gains and losses are determined by specific identification

Property and Equipment

Property and equipment are recorded at cost if purchased, fair value at date received if contributed, or net book value if transferred from a related party Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method Estimated useful lives range from 3 to 25 years for land improvements, 5 to 40 years for buildings, 5 to 39 years for building equipment, and 3 to 25 years for equipment

Aspirus capitalizes interest on the financing of major capital, including projects financed with tax-exempt borrowings

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Aspirus periodically evaluates whether events and circumstances have occurred that may affect the estimated useful life or recoverability of the net book value of property and equipment and the unamortized excess cost over net assets acquired. If such events or circumstances indicate that the carrying amounts may not be recoverable, an impairment loss is recorded based on an undiscounted cash flow analysis.

Gifts of long-lived assets such as land, buildings, or equipment are reported as unrestricted support and are excluded from revenue in excess of (less than) expenses if the donor does not specify how the donated assets must be used

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long these long-lived assets must be maintained, expirations of donor restrictions are reported when the donated or acquired long-lived assets are placed in service.

Deferred Bond Issuance Costs

Costs relating to the issuance of revenue bonds are deferred and amortized over the life of the bonds on a basis that approximates the effective interest method

Interest Rate Swaps

Aspirus uses derivative instruments to manage its risk related to interest rate movements Aspirus' interest rate risk management strategy is to stabilize cash flow requirements by maintaining the interest rate swaps to convert a portion of their variable rate debt to a fixed rate None of Aspirus' interest rate swaps are designated as a hedge, and accordingly, changes in fair value of the interest rate swaps are recorded in nonoperating gains (losses) in the consolidated statements of operations and changes in net assets

Intangible assets

Intangible assets consist of goodwill and other intangible assets Intangible assets whose lives are indefinite, primarily goodwill, are not amortized and are evaluated for impairment at least annually, while intangible assets with definite lives are amortized over their expected useful lives using the straight-line method

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Investments in Unconsolidated Entities

Investments in unconsolidated entities are accounted for using the equity or cost method, whichever is applicable

Since the date of acquisition, Aspirus' share of the operating results and other changes in net assets (if any) of its investments in unconsolidated entities are included in nonoperating gains and changes in net assets, respectively, in Aspirus' consolidated statements of operations and changes in net assets

Revenue in Excess of Expenses

The consolidated statements of operations and changes in net assets include the classification revenue in excess of expenses, which is considered to be the performance indicator. Changes in net assets, which are excluded from the performance indicator, consistent with industry practice, include permanent transfer of assets to and from affiliates for other than goods and services, changes in the funded status of postretirement benefits, and contributions of long-lived assets, including assets acquired using contributions, which by donor restriction were to be used for the purposes of acquiring such assets

Community Care

Aspirus provides care to patients who meet certain criteria under the community care policy without charge or at amounts less than the established rates Aspirus maintains records to identify and monitor the level of community care provided These records include the amount of charges forgone for services and supplies furnished under the community care policy Since Aspirus does not pursue collection of amounts determined to qualify as community care, they are not reported as net patient service revenue

Contributions

Contributions are considered available for unrestricted use unless specifically restricted by the donor

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Unconditional promises to give cash and other assets to Aspirus are reported at fair value at the date the promise is received Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and are reported in the consolidated statements of operations and changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying consolidated financial statements

Unemployment Compensation

Aspirus has elected reimbursement financing under provisions of the Wisconsin and Michigan unemployment compensation laws Unemployment claims are paid to the state of Wisconsin and the state of Michigan as incurred Aspirus has obtained letters of credit totaling \$1,789,000 and \$306,000 at June 30, 2011, and \$1,573,000 and \$234,000 at June 30, 2010, to comply with the funding requirements for the states of Wisconsin and Michigan, respectively

Advertising Costs

Advertising expenses amounted to \$2,813,000 and \$2,764,000 for the years ended June 30, 2011 and 2010, respectively All advertising costs are expensed as incurred

Income Taxes

All subsidiaries, except for Aspirus Network, Inc, are tax-exempt corporations as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and are exempt from federal income taxes on related income pursuant to Section 501(a) of the Code They are also exempt from state income tax

Aspirus pays taxes on certain activities considered taxable in accordance with the Code Taxes for Aspirus Network, Inc , a for-profit taxable corporation, were immaterial for the years ended June 30, 2011 and 2010

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Reclassifications

Certain reclassifications have been made to the 2010 financial statements to conform with the 2011 classifications, which had no impact on net assets or change in net assets as previously reported

Recent Accounting Pronouncements

In January 2010, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No 2010-07, *Not-for-Profit Entities Mergers and Acquisitions*, (ASU 2010-07), which establishes accounting and disclosure requirements for how a not-for-profit entity determines whether a combination is a merger or an acquisition, how to account for each, and the required disclosures. In addition, ASU 2010-07 included amendments to FASB's Accounting Standards Codification (the Codification or ASC) Topic 350, *Intangibles – Goodwill and Other*, (ASC Topic 350), and Topic 810, *Consolidation*, (ASC Topic 810) to make both applicable to not-for-profit entities. ASC Topic 350 clarifies the accounting for goodwill and indefinite-lived identifiable intangible assets recognized in a not-for-profit entity's acquisition of a business or nonprofit activity. Such assets are tested for impairment at least annually rather than being amortized. ASC Topic 810 clarifies the accounting for non-controlling interests and establishes accounting and reporting standards for the non-controlling interest in a subsidiary, including classification as a component of net assets. Aspirus adopted the guidance relative to ASU 2010-07 as of July 1, 2010. The adoption of this guidance resulted in goodwill impairment of \$579,000, which has been recorded through a retrospective application of the new principle to all prior periods presented.

In August 2010, the FASB issued ASU No 2010-23, *Measuring Charity Care for Disclosure* The ASU amends ASC 954 and requires entities to use cost as the measurement basis for charity care disclosures, including both direct and indirect costs. Entities also are required to disclose the method used to determine these costs, such as directly from a costing system or through an estimation process. The guidance is effective for Aspirus for the year ending June 30, 2012.

In August 2010, the FASB issued ASU No 2010-24, *Health Care Entities (Topic 954):* Presentation of Insurance Claims and Related Insurance Recoveries. The amendments in this ASU clarify that a health care entity may not net insurance recoveries against related claim liabilities. In addition, the amount of the claim liability must be determined without consideration of insurance recoveries. This ASU is effective for Aspirus on July 1, 2011. Aspirus currently is evaluating the impact on its financial position and results of operations and changes in net assets from the adoption of this pronouncement.

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

In July 2011, the FASB issued ASU No 2011-07, Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and Allowance for Doubtful Accounts for Certain Health Care Entities. The ASU amends ASC Topic 954 and requires healthcare entities to change the presentation of their statement of operations and changes in net assets by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue Entities also are required to enhance disclosures about their policies for recognizing revenue and assessing bad debts In addition, the guidance requires disclosure of qualitative and quantitative information about changes in the allowance for doubtful accounts The guidance is effective for Aspirus for the year ending June 30, 2013, with early adoption permitted

2. Reimbursement Arrangements With Third-Party Payors

Aspirus has agreements with third-party payors that provide for reimbursement at amounts that vary from their established rates A summary of the basis of reimbursement with major third-party payors follows

Medicare

Inpatient hospital acute care services rendered to Medicare program beneficiaries and defined capital costs are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Other inpatient acute care services, which include rehabilitation, behavioral health, and hospice, are paid based on cost-reimbursement methods with certain services subject to a historical expense target limitation, prospectively determined daily rates, established fee schedules, or a combination thereof. Outpatient services are paid primarily based on prospectively determined rates or fixed fee schedules. Nursing home resident care is paid based on a predetermined rate per patient day, which varies depending upon the patient's level of care and type of services provided. Home care services are paid based upon a predetermined rate per episode of care, which varies depending on the patient's level of care and types of services provided.

Medicaid

Hospital, nursing home, and home health services rendered to Medicaid program beneficiaries are reimbursed primarily based upon prospectively determined rates

Notes to Consolidated Financial Statements (continued)

2. Reimbursement Arrangements With Third-Party Payors (continued)

Blue Cross

Inpatient and outpatient services rendered are reimbursed on a controlled-charge basis

Aspirus also receives increased lump-sum payments for Medicaid HMO beneficiaries based on their percentage of beneficiaries with claims during the preceding month to all Medicaid claims processed the preceding month within the state. These new payments were part of the State of Wisconsin Act 2 and Act 28 signed into law on February 19, 2009 and June 29, 2009, respectively, which established a hospital revenues assessment tax on most Wisconsin hospitals for the state fiscal years 2009 to 2011. For the years ended June 30, 2011 and 2010, Aspirus' tax totaled \$8,139,000 and \$7,642,000, respectively, which is reported as an expense and the related additional Medicaid reimbursement of \$11,870,956 and \$7,816,000, respectively, as net patient service revenue in the consolidated statements of operations and changes in net assets.

Aspirus has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment under these agreements includes prospectively determined rates per discharge, discounts from established charges, and fee schedules Aspirus also has policies to provide a discount from established charges to uninsured patients. Aspirus' discount was 12% and 10% for the years ended June 30, 2011 and 2010, respectively

Aspirus is reimbursed for certain cost-reimbursable items at tentative rates with final settlements determined after audit of the related annual cost reports by the respective Medicare and Medicaid fiscal intermediaries

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments Compliance with these laws and regulations, particularly those relating to the Medicare and Medicaid programs, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time Violations of these laws and regulations by healthcare providers could result in the imposition of fines and penalties, as well as repayments of previously billed and collected revenue from patient services Management believes Aspirus is in substantial compliance with current laws and regulations

1105-1258814 14

Notes to Consolidated Financial Statements (continued)

3. Patient Accounts Receivable

Patient accounts receivable consisted of the following at June 30

	 2011		2010		
	(In Thousands)				
Patient accounts receivable	\$ 121,878	\$	91,893		
Less					
Allowance for contractual adjustments	45,180		30,513		
Allowance for doubtful accounts and community care	11,333		6,558		
Patient accounts receivable, net	\$ 65,365	\$	54,822		

4. Net Patient Service Revenue

Net patient service revenue consisted of the following for the years ended June 30

		2011		2010	
	(In Thousands)				
Gross patient charges					
Inpatient services	\$	376,195	\$	332,271	
Outpatient services		325,504		254,764	
Physician clinic services		250,525		186,952	
Nursing home and long-term care services		12,139		14,660	
		964,363		788,647	
Less contractual adjustments		487,854		376,778	
Net patient service revenue	\$	476,509	\$	411,869	

The Medicare program represented 46% of gross patient charges for each of the years ended June 30, 2011 and 2010 The Medicaid program represents 12% and 11% of gross patient charges the years ended June 30, 2011 and 2010, respectively

Notes to Consolidated Financial Statements (continued)

5. Community Care

Aspirus maintains records to identify and monitor the level of community care it provides to patients The following information reflects the level of community care provided for the years ended June 30

	2011			2010	
		(In Thousands)			
Charges forgone, based on established rates	\$	23,933	\$	14,947	
Equivalent percentage of community care charges forgone to gross patient charges		2.5%	D	1 9%	

Total amount of charity care provided, determined on the basis of cost, was approximately \$11,629,000 and \$7,569,000 for the years ended June 30, 2011 and 2010, respectively Cost of providing care is estimated using internal cost data

6. Investments

At June 30, 2011 and 2010, investments, stated at fair value, totaled \$59,845,000 and \$53,116,000, respectively, of which \$58,496,000 and \$52,471,000, respectively, were invested in mutual funds

Investments designated as limited as to use are stated at fair value and consisted of the following at June 30

	 2011		2010		
	(In Thousands)				
Cash and cash equivalents Mutual funds	\$ 5,944 134,111	\$	4,684 104,617		
Corporate stocks	 22		29		
Total investments limited as to use	\$ 140,077	\$	109,330		

Notes to Consolidated Financial Statements (continued)

6. Investments (continued)

The composition of investments limited as to use at June 30 is summarized as follows

	2011			2010		
	(In Thousands)					
Cash and cash equivalents	\$	442	\$	475		
Bond sinking fund		2,070		1,972		
Debt service reserve fund		789		87		
By Board for capital improvements		115,659		92,103		
Held for deferred compensation		14,315		8,590		
Other		6,802		6,103		
Total assets limited as to use		140,077		109,330		
Less current portion of assets limited as to use		5,289		3,893		
Total noncurrent investments limited as to use	\$	134,788	\$	105,437		

Investment income (loss) consists of the following for the years ended June 30

		2011		2010	
	(In Thousands)				
Interest and dividend income	\$	7,111	\$	3,966	
Net realized (losses) gains		(997)		380	
Net change in unrealized gains and losses		23,968		11,813	
	\$	30,082	\$	16,159	

Investments are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of certain investments will occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements

7. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurement)

Notes to Consolidated Financial Statements (continued)

7. Fair Value Measurements (continued)

Certain of Aspirus' financial assets and financial liabilities are measured at fair value on a recurring basis, including money market, fixed income, equity instruments, and interest rate swap agreements

Aspirus' valuation methodology for assets and liabilities measured at fair value is as follows (a) fair value for Level 1 is based upon quoted market prices, (b) fair value for Level 2 is based on model-based valuation techniques performed by an independent third-party for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets, and (c) fair value for Level 3 is based on inputs that are unobservable and significant Inputs are obtained from various sources, including dealer counterparties and other independent market sources

There were no significant transfers into or out of Level 1 or Level 2 that occurred during the year ended June 30, 2011

The financial instruments carried at fair value as of June 30, 2011, by valuation hierarchy, are as follows

		Level 1]	Level 2		Level 3	Total
				(In Tho	นรสเ	ıds)	
Assets							
Cash equivalents	\$	7,280	\$	_	\$	_	\$ 7,280
Mutual funds							
Fixed-income securities		77,202		_		_	77,202
Equity securities		101,993		_		_	101,993
Deferred compensation plan,							
principally mutual funds		13,389		_		_	13,389
Corporate stocks		52		_		_	52
Accrued interest		6		_		_	6
Total	\$	199,922	\$	_	\$	_	\$ 199,922
Liabilities							
Interest rate swaps	<u>\$</u>		\$	(4,575)	\$		\$ (4,575)

Notes to Consolidated Financial Statements (continued)

7. Fair Value Measurements (continued)

The financial instruments carried at fair value as of June 30, 2010, by valuation hierarchy, are as follows

	Level 1]	Level 2		Level 3	Total
			(In Tho	บรสเ	nds)	
Assets						
Cash equivalents	\$ 5,434	\$	_	\$	_	\$ 5,434
Mutual funds						
Fixed-income securities	69,883		_		_	69,883
Equity securities	78,481		_		_	78,481
Deferred compensation plan,						
principally mutual funds	8,590		_		_	8,590
Corporate stocks	52		_		_	52
Accrued interest	6		_		_	6
Total	\$ 162,446	\$	_	\$	_	\$ 162,446
Liabilities						
Interest rate swaps	\$ 	\$	(5,435)	\$		\$ (5,435)

Carrying amounts of cash and cash equivalents, patient accounts receivable, accounts payable, and payable to third-party payors approximate fair value due to the short-term nature of these instruments

At June 30, 2011 and 2010, the fair value of Aspirus' long-term fixed-rate debt is estimated to be \$36,979,000 and \$37,477,000, respectively The recorded value of the variable rate bonds approximates fair value at June 30, 2011 and 2010

Notes to Consolidated Financial Statements (continued)

8. Property and Equipment

Property and equipment consisted of the following at June 30

	2011			2010			
		(In Thousands)					
Land	\$	12,164	\$	11,688			
Land improvements		10,383		9,155			
Buildings		145,660		124,558			
Building improvements		826		810			
Building equipment		76,812		77,296			
Equipment		149,046		118,804			
		394,891		342,311			
Less accumulated depreciation		226,230		183,635			
Net depreciated value		168,661		158,676			
Construction-in-progress		11,718		2,287			
Total property and equipment, net	\$	180,379	\$	160,963			

Aspirus' Board of Directors has approved various capital expenditures totaling approximately \$43,658,000 for continuing renovations at Aspirus Construction-in-progress includes \$9,003,000 related to these projects as of June 30, 2011 These amounts will be funded from operating funds

9. Investments in Unconsolidated Entities

Aspirus is a 50% corporate member of Memorial Health Center, Inc (MHC), an acute care hospital located in Medford, Wisconsin MHC is reimbursed by Medicare and Medicaid as a critical access hospital

Aspirus is a 40% corporate member in Langlade Memorial Hospital (LH), which is located in Antigo, Wisconsin LH operates a 25-bed acute care facility and assisted living centers On July 1, 2011, Aspirus acquired an additional 5% interest in LH, increasing its interest to 45% LH is reimbursed by Medicare and Medicaid as a critical access hospital

Aspirus is a 50% corporate member in Aspirus Keweenaw (AK), which is located in Laurium, Michigan, in the Upper Peninsula AK operates a 25-bed critical access hospital, clinics, and an assisted living center and is co-owner of an emergency medical transport service

Notes to Consolidated Financial Statements (continued)

9. Investments in Unconsolidated Entities (continued)

During 2010, AWH acquired a 40% interest in the Pine Ridge Surgery Center, LLC Pine Ridge is a company that was formed in early December 2009 to own, establish, and operate an ambulatory surgery center in Wausau, Wisconsin

AWH has a 49 8% interest in a joint venture, the Westwood Conference Center, LLC (Westwood), which owns and operates the Westwood Conference Center in Wausau, Wisconsin

Aspirus' investments in unconsolidated affiliates, which are included in other assets, and its share of the revenue in excess of expenses of the unconsolidated affiliates, which is included in other revenue, as of and for the year ended June 30 is as follows

	2011					2010					
	Investments		Share of Revenue in Excess of Vestments		Investments		Re E	hare of venue in xcess of xpenses			
				(In Tho	บรสทั้	ds)					
MHC LH AK AGC Westwood Northwoods Pine Ridge Surgery Center General Clinic Partnership 3200 Westhill LLP L C & H LLP 2500 Pine Ridge L L C 3300 Westhill L L C 2350 Pine Ridge L L C Aspirus Superior Other	\$	21,944 23,610 6,830 1,204 2,699 114 31 - 419 168 287 55 138 84	\$	4,502 2,325 242 (977) 353 251 (305) - 163 25 53 8 19	\$	17,437 17,615 6,308 1,617 2,745 143 202 502 143 240 47 127 84 20	\$	2,466 2,191 (452) (1,089) 382 196 (64) 1,237 159 26 36 5 10 -			
	\$	57,583	\$	6,659	\$	47,230	\$	5,103			

Notes to Consolidated Financial Statements (continued)

9. Investments in Unconsolidated Entities (continued)

Following is a summary of the financial position and operating results of Aspirus' investments accounted for under the equity method as of and for the year ended June 30

	 2011		2010	
	(In Thousands)			
Assets	\$ 237,068	\$	187,901	
Liabilities	73,190		72,158	
Equity	\$ 163,878	\$	115,743	
	2011		2010	
	(In The	วบรส	nds)	
Revenue	\$ 231,216	\$	174,135	
Expense	218,115		165,138	
Net Income	\$ 13,101	\$	8,997	

1105-1258814 22

Notes to Consolidated Financial Statements (continued)

10. Long-Term Debt

Hospital Revenue Bonds

Hospital revenue bonds consisted of the following at June 30

		2011		2010
Series 2004 Variable Rate Demand Revenue Bonds, subject to redemption through 2034 at amounts varying from \$1,800,000 on August 15, 2023, to \$2,800,000 on August 15, 2034, variable rate interest. Net unamortized discount is \$168,000 and \$175,000 at June 30, 2011 and		(In The	ousan	ds)
2010. respectively	\$	27,200	\$	27,200
Series 2000 Variable Rate Demand Revenue Bonds, subject to redemption through 2036 at amounts varying from \$525,000 on August 15, 2021, to \$5.075,000 on August 15, 2036, variable rate interest. Net unamortized discount is \$136,000 and \$146,000 at June 30, 2011 and 2010, respectively.		23,000		23,000
Series 1999 Refunding Revenue Bonds subject to redemption through 2016 at amounts varying from \$295,000 on October 1, 2010, to \$410,000 on October 1, 2016, annual interest rates varying from 4 20% to 5 88% Net unamortized discount is \$13,000 at June 30, 2011		2,145		_
Series 1998A Revenue Refunding Bonds, subject to redemption through 2020 at amounts varying from \$2,630,000 on August 15, 2010, to \$4,305,000 on August 15, 2020, annual interest rates varying from 5 00% to 5 50%. Net unamortized discount is \$1,097,000 and \$1,230,000 at June 30, 2011 and 2010, respectively		34,785		37.415
Series 1998B Variable Rate Demand Revenue Bonds, subject to redemption through 2021 at amounts varying from \$1.605.000 on August 15, 2011, to \$2.050,000 on August 15, 2021, variable rate interest. Net unamortized discount is \$73,000 and \$108,000 at June 30.		20.000		20,000
2011 and 2010, respectively		20,000		20,000
Less current maturities		107,130 4,675		107,615 2,630
Total long-term portion	<u> </u>	102,455	\$	104,985
Town Jong-Term Portion	<u> </u>	エリムゥすいい	Ψ	107,703

In October 2009, Aspirus' Obligated Group (the Obligated Group), which consists of AWH and MHC, reoffered its Series 2004, Series 2000, and Series 1998B bonds. The existing bank letters of credit for each bond series were replaced with letters of credit issued by a different bank and bond insurance policies were canceled. As a result, the Obligated Group wrote off the remaining cost of modification of the bonds totaling \$547,000 and capitalized \$468,000 of bond issuance costs relating to the 2010 reoffering.

Notes to Consolidated Financial Statements (continued)

10. Long-Term Debt (continued)

The Series 2004, Series 2000, and Series 1998B bonds are backed by a standby bond purchase agreement (liquidity facility), which currently expires in December 2013 Aspirus may request to extend the then current stated expiration date for a period of one or more years if the request is made within thirty (30) days prior to each anniversary of the closing date and ninety (90) days prior to the then current stated expiration date of the letter of credit. Under the terms of the letter of credit, in the event of a failed remarketing, the provider of the letter of credit will complete a liquidity advance to purchase the bonds with the first of twelve (12) equal quarterly installments in amounts sufficient to fully amortize the liquidity advance being due by Aspirus on the first business day, which is at least 367 days following the liquidity advance

Wisconsin Health and Educational Facilities Authority (the Authority) issued \$45,000,000 of Variable Rate Revenue Bonds for the benefit of the Obligated Group The proceeds from the Series 2004 bonds were shared by AWH, \$27,200,000, and MHC, \$17,800,000 The Series 2004 bonds were issued pursuant to, and secured by, the Master Trust Indenture dated December 1, 2004, between the Authority and the Obligated Group AWH and MHC are jointly and severally liable for the payment obligations under the loan agreement. The proceeds from the Series 2004 bonds were used to construct, renovate, and equip certain healthcare facilities of AWH and MHC and to pay certain expenses incurred in connection with the issuance. The Series 2004 Variable Rate Revenue Bonds bear interest at interest rates for seven-day auction periods. At June 30, 2011 and 2010, the adjusted annual rate was 0.10% and 0.22%, respectively. The average annual interest rate on the bonds was 0.24% and 0.71% for the years ended June 30, 2011 and 2010, respectively.

The Authority has issued \$23,000,000 of Variable Rate Demand Revenue Bonds for the benefit of AWH. The Series 2000 bonds were issued pursuant to and secured by a Bond Trust Indenture, dated March 1, 2000, between the Authority and the trustee. The proceeds from the Series 2000 bonds were used for the AWH building expansion and renovation and equipment and to pay certain expenses incurred in connection with the issuance. At June 30, 2011 and 2010, the adjusted annual rate was 0.06% and 0.14%, respectively. The average annual interest rate on the bonds was 0.19% and 0.82% for the years ended June 30, 2011 and 2010, respectively.

Notes to Consolidated Financial Statements (continued)

10. Long-Term Debt (continued)

The Gogebic County Hospital Finance Authority has issued \$4,655,000 of Fixed Rate Demand Revenue Bonds for the benefit of AGV. The Series 1999 bonds were issued pursuant to and secured by a Bond Trust Indenture, dated March 1, 1999, between the Gogebic County Hospital Finance Authority and the trustee. The proceeds from the Series 1999 bonds were used for the refinancing of the Series 1991 bonds. At June 30, 2011, the adjusted annual rate was 5 88%. The average annual interest rate on the bonds was 5 88% for the year ended June 30, 2011.

The Authority has issued \$75,070,000 of revenue bonds for the benefit of AWH. The Series 1998 bonds were issued pursuant to and secured by a Bond Trust Indenture dated January 15, 1998, between the Authority and the trustee. The bonds are comprised of two issues, the Revenue Refunding Bonds Series 1998A and the Variable Rate Demand Revenue Bonds Series 1998B. The Series 1998B proceeds were used for various AWH capital improvement projects and capital budget items. At June 30, 2011 and 2010, the adjusted annual rate was 0.10% and 0.22%, respectively. The average annual interest rate on the bonds was 0.24% and 0.71% during the years ended June 30, 2011 and 2010, respectively.

Required payments of principal on the revenue bonds, including current maturities, are as follows (in thousands)

2012	\$ 4,675
2013	4,860
2014	5,075
2015	5,285
2016	5,515
Thereafter	 81,720
Total	\$ 107,130

1105-1258814 25

Notes to Consolidated Financial Statements (continued)

10. Long-Term Debt (continued)

Clinic Revenue Bonds

The Authority has issued \$8,000,000 of Variable Rate Revenue Bonds for the benefit of Aspirus Clinics The Series 2001 bonds were issued pursuant to and secured by a bond trust indenture, dated February 1, 2001, between the Authority and the trustee

Aspirus Clinics' Variable Rate Revenue Bonds consisted of the following at June 30

	 2011		2010
	 (In Tho	บรสก	ds)
Series 2001 Variable Rate Revenue Bonds, subject to			
redemption through 2031 at amounts varying from			
\$100,000 on February 1, 2010, to \$650,000 on			
February 1, 2031, variable interest rate	\$ 7,500	\$	7,600
Less current maturities	 150		100
Total long-term portion	\$ 7,350	\$	7,500

The Series 2001 bonds bear interest at the market rate for demand loans. At June 30, 2011 and 2010, the annual rate was 1 01% and 1 04%, respectively. The average annual interest rate during 2011 and 2010 on the Series 2001 bonds was 0 99% and 0 72%, respectively. The bond indenture provides for various restrictive covenants. The recorded value of the variable rate bonds approximates fair value at June 30, 2011 and 2010.

Required payments of principal on the bonds, including current maturities, are as follows (in thousands)

2012	\$ 150
2013	150
2014	150
2015	150
2016	150
Thereafter	 6,750
Total	\$ 7,500

Notes to Consolidated Financial Statements (continued)

10. Long-Term Debt (continued)

At June 30, 2011 and 2010, other long-term debt totaled \$6,009,000 and \$5,203,000, respectively, including current maturities of \$3,388,000 and \$2,476,000, respectively

11. Interest Rate Swaps

The following is a summary of the outstanding positions under interest rate swap agreements at June 30, 2011

Instrument Type	Year of Issuance	Notional Amount	Maturity Date	Annual Interest Rate Paid	Annual Interest Rate Received
Interest rate swap	2007	\$ 30,050,000	August 15, 2020	3 60%	68% of 1-month London Interbank Offered Rate (LIBOR)
Interest rate swap	2004	12,000,000	August 15, 2034	3 56%	68% of 1-month LIBOR

The fair value of derivative instruments and related collateral at June 30 is as follows

	Balance Sheet Location	2011		2010
	Location		house	ands)
Derivatives not designated as hedging instruments	Interest rate swaps – long-term liability	\$ (3,062)	\$	(3,460)
Derivatives not designated as hedging instruments	Interest rate swaps – long-term liability	(1,513)		(1,975)
		\$ (4,575)	\$	(5,435)
Collateral posted for derivative instruments	Investments limited as to use – noncurrent asset	\$ 2,209	\$	2,028

Notes to Consolidated Financial Statements (continued)

11. Interest Rate Swaps (continued)

The effect of derivative instruments on the consolidated statements of operations and changes in net assets is as follows

	Statements of Operations and Changes in Net Assets		nount of Gain rivatives Reco Revenue Excess of Exp	gnized in in
	Location	Years Ended June 30		
			2011	2010
			(In Thousa	nds)
Net payments on interest rate swaps	Loss on interest rate swaps	\$	(1,432) \$	(1,452)
Unrealized gains (losses) on derivatives	Loss on interest rate swaps		914	(1,628)
	_	\$	(518) \$	(3,080)

The fair value of interest rate swaps contains credit risk in the event the parties are unable to meet the terms of the contract

12. Functional Expenses

Aspirus' functional expenses are as follows

 2011		2010	
(In Thousands)			
\$ 65,262	\$	55,068	
280,683		245,515	
32,602		30,371	
95,443		84,404	
\$ 473,990	\$	415,358	
\$ \$	\$ 65,262 280,683 32,602 95,443	(In Thousand \$ 65,262 \$ 280,683 32,602 95,443	

Notes to Consolidated Financial Statements (continued)

13. Malpractice Insurance

Aspirus has professional liability insurance for claim losses of less than \$1,000,000 per claim and a \$3,000,000 aggregate per year. The insurance covers professional liability claims incurred and filed within the policy year (claims-made coverage). Aspirus is covered against losses in excess of these amounts through mandatory participation in the Patients' Compensation Fund of the State of Wisconsin. The professional liability insurance policy is renewable annually and has been renewed by the insurance carrier for the annual period extending through March 1, 2012. In addition, Aspirus maintains umbrella coverage for claims in excess of the professional liability limits to a maximum of \$15,000,000 per occurrence and a \$15,000,000 aggregate per year.

Under a claims-made policy, the risk for claims and incidents not asserted within the policy period remains with Aspirus Aspirus has recorded a liability of \$2,160,000 and \$2,336,000 at June 30, 2011 and 2010, respectively, to cover claims, including unasserted claims

14. Self-Funded Insurance

Aspirus has self-funded health and dental plans, which provide medical and dental benefits to employees and their dependents. Health and dental costs are expensed as incurred. Health and dental expense includes claims paid, reinsurance premiums, administration fees, and unpaid claims at year-end.

The health plan has reinsurance to cover catastrophic individual claims over \$300,000 The dental plan covers annual individual claims up to \$1,500 The plans have no aggregate reinsurance

Self-funded health and dental expense for the years ended June 30, 2011 and 2010, was \$25,465,000 and \$23,517,000, respectively A liability of \$3,542,000 and \$2,683,000 for claims outstanding has been recorded at June 30, 2011 and 2010, respectively

Notes to Consolidated Financial Statements (continued)

15. Retirement and Deferred Compensation Plans

Aspirus sponsors various defined-contribution retirement plans, which cover all eligible employees The contributions vary from 1% to 9% of participant compensation depending on years of service, age, and job classification Aspirus contributed \$8,667,000 and \$8,154,000 for the years ended June 30, 2011 and 2010, respectively, to the retirement plans

Aspirus also sponsors a nonqualified deferred compensation plan covering certain management employees The contributions vary from 9% to 17% of a participant's eligible compensation Aspirus contributed \$322,000 to the deferred compensation plan for each of the years ended June 30, 2011 and 2010 The total liability recorded for the deferred compensation plan, including unrealized gains and losses net of withdrawals, was \$2,573,000 and \$1,810,000 as of June 30, 2011 and 2010, respectively

Aspirus Clinics, Inc., Aspirus Doctors Clinic, Inc., Aspirus Specialists, Inc. (Aspirus Specialists), and Aspirus Ontonagon Hospital, Inc. also sponsor a nonqualified deferred compensation plan covering all eligible employees. The contributions are 6% of the participant's eligible compensation. These affiliates contributed \$1,035,000 and \$587,000 to the deferred compensation plan for the years ended June 30, 2011 and 2010, respectively. A liability including unrealized gains and losses on the investments held for the plan, net of withdrawals, totaled \$11,574,000 and \$6,779,000 as of June 30, 2011 and 2010, respectively.

16. Postretirement Benefits Other than Pensions

Aspirus provides certain medical benefits to certain qualifying retired employees that were hired prior to January 1, 2003. The benefits provided by the plan allow eligible retirees and dependents to continue participation in the health plans until eligible for Medicare, at full premium cost, plus 2%. At the time of eligibility for Medicare, the eligible retiree will be reimbursed up to a monthly amount equal to 1.5 times their consecutive years of service. Aspirus funds premium payments for current retirees only

Aspirus has recognized the funded status (i e, the difference between the fair value of plan assets and the projected benefit obligations) of its postretirement benefit plan on its balance sheet. At June 30, 2011 and 2010, \$1,576,000 and \$1,228,000, respectively, are included in other changes in unrestricted net assets that have not yet been recognized in net periodic pension cost.

Notes to Consolidated Financial Statements (continued)

16. Postretirement Benefits Other than Pensions (continued)

Amounts recognized in the consolidated balance sheets consisted of the following at June 30

	 2011		2010
	(In Tho	usar	ods)
Other accrued liabilities	\$ (95)	\$	(88)
Long-term liabilities	 (3,626)		(3,061)
Total liability recognized	\$ (3,721)	\$	(3,149)

17. Leases

Aspirus leases various items of equipment and office space under leases classified as operating leases. Future minimum lease payments on operating leases in effect on June 30, 2011, for each of the next five years are as follows (in thousands)

2012	\$ 907
2013	651
2014	547
2015	192
2016	366
Total	\$ 2,663

Rental expense was \$4,206,000 and \$2,780,000 for the years ended June 30, 2011 and 2010, respectively

18. Related Parties

AWH provided supplies and various services to MHC totaling \$1,165,000 and \$827,000 for the years ended June 30, 2011 and 2010, respectively. The amount owed to AWH from MHC was \$111,000 and \$31,000 at June 30, 2011 and 2010, respectively. AWH provided supplies and various services to LH totaling \$1,260,000 and \$1,190,000 for the years ended June 30, 2011 and 2010, respectively. The amount owed to AWH from LH was \$31,000 and \$4,000 at June 30, 2011 and 2010, respectively.

Notes to Consolidated Financial Statements (continued)

18. Related Parties (continued)

Aspirus, Inc provided computer services and other contracted services to MHC, LH, AKH, and AGC totaling \$453,000, \$293,000, \$124,000, and \$190,000, respectively, for the year ended June 30, 2011 The amount owed to Aspirus, Inc from MHC, LH, AKH, and AGC was \$40,000, \$23,000, \$9,000, and \$16,000, respectively, at June 30, 2011

Aspirus, Inc provided computer services and other contracted services to MHC, LH, AKH, and AGC totaling \$476,000, \$355,000, \$94,000, and \$224,000, respectively, for the year ended June 30, 2010 The amount owed to Aspirus, Inc from MHC, LH, AKH, and AGC was \$41,000, \$21,000, \$158,000, and \$15,000, respectively, at June 30, 2010

Aspirus Clinics provided insurance, recruitment, billing, and administrative services to MHC's clinics totaling \$136,000 and \$506,000 for the years ended June 30, 2011 and 2010, respectively

19. Concentrations of Credit Risk

Financial instruments that potentially subject Aspirus to credit risk consist principally of cash deposits in excess of insured limits, investments, assets limited as to use, and accounts receivable

Aspirus maintains depository relationships with financial institutions Operating cash requirements require that amounts on deposit exceed Federal Depository Insurance Corporation (FDIC) limits At June 30, 2011, the amount of Aspirus' bank deposits in excess of FDIC limits was \$57,271,000 In addition, the investments and assets limited as to use, held by financial institutions and investment companies, are uninsured

The mix of receivables from patients and third-party payors was as follows at June 30

	2011	2010
N.C. 13	220/	2.70/
Medicare	33%	37%
Medicaid	10	8
Other third-party payors	42	39
Patients	15	16
Total	100%	100%

Notes to Consolidated Financial Statements (continued)

20. Guarantees

Aspirus has guaranteed payment of \$2,360,000 of revenue bonds that MHC has with the Authority, dated June 3, 1999, which have terms of 10 years and are callable by the holder upon demand. The bonds carry an interest rate based on the average annual rate equivalent to the discount rate at which 13-week United States Treasury bills are sold. The amount paid to Aspirus by MHC for guarantees was \$13,000 and \$15,000 for the years ended June 30, 2011 and 2010, respectively.

Aspirus has guaranteed payment of bank loans for medical office buildings on behalf of a certain unconsolidated entity totaling \$2,040,000 as of June 30, 2011 The note payable carries a fixed annual interest rate of 5 75% and is due on February 12, 2012

21. Acquisitions and Divestitures

Effective October 1, 2010, Aspirus acquired a 70% interest in Grand View, a 25-bed critical access nonprofit hospital located in Ironwood, Michigan The affiliation is viewed as a strategic value to both Aspirus and Grand View Cash and notes receivable provided by Aspirus to Grand View totaled \$10,000,000 At the date of acquisition, Grand View's assets had a fair value of \$37,022,000, and liabilities were \$9,040,000 The resulting gain of \$16,721,000 is included in nonoperating gains in Aspirus' 2011 consolidated statement of operations and changes in net assets From October 1, 2010 to June 30, 2011, AGV's operating revenue and operating loss, which have been included in Aspirus' 2011 consolidated statement of operations and changes in net assets, were \$31,717,000 and \$(943,000), respectively For the years ended June 30, 2011 and 2010, AGV's operating revenue was \$353,000 and \$40,447,000, respectively, and operating loss was \$(1,204,000) and \$(1,712,000), respectively

Effective January 1, 2011, Aspirus Clinics, Inc acquired Cardiovascular Associates and Podiatry Associates of Wausau, S C, both located in Wausau, Wisconsin, for a purchase price totaling \$5,300,000

Effective November 1, 2010, Aspirus Extended Services, Inc (AES) sold Lillian Kerr Nursing Home in Phelps, Wisconsin The sale included the facility and all equipment related to the operation of the skilled nursing facility

Notes to Consolidated Financial Statements (continued)

21. Acquisitions and Divestitures (continued)

Effective January 1, 2010, Aspirus Wausau Hospital acquired a 40% interest in the Pine Ridge Surgery Center, LLC, which operates an ambulatory surgery center in Wausau, Wisconsin

Aspirus has entered into a collaborative agreement with other health care systems. The agreement will allow Aspirus to effectively respond to health care reform initiatives as a virtually integrated system in order to improve patient health, enhance patient experiences and reduce or control the cost of health care in the geographic areas served by the agreement

22. Subsequent Events

On July 1, 2011, Aspirus acquired an additional interest in LH for \$4,538,000, increasing its total interest to 45% On September 1, 2011 Aspirus made an additional contribution of \$1,000,000 to AGV as part of the acquisition agreement Future payments to AGV consist of three annual installments of \$1,000,000 each, which are due on the anniversary of the agreement

Aspirus has evaluated events and transactions occurring subsequent to June 30, 2011 through September 20, 2011, the date of issuance of its consolidated financial statements. During this period, there were no subsequent events requiring recognition in the consolidated financial statements. Non-recognized subsequent events requiring disclosure have been included in the consolidated financial statements.

1105-1258814 34

Other Financial Information



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Report of Independent Auditors on Other Financial Information

The Board of Directors Aspirus, Inc

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The consolidating details appearing in conjunction with the basic financial statements are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, is fairly stated in all material respects in relation to the basic financial statements taken as whole

September 20, 2011

Consolidating Balance Sheet (In Thousands)

June 30, 2011

	_Asj	oirus, Inc.	rus Wausau spital, Inc.	Aspir Ontona Hospital	gon	Aspirus Clinics Inc. and Subsidiary	Aspii Doctors Inc	Clinic	Aspirus ialists, Inc.
Assets									
Current assets									
Cash and eash equivalents	\$	6,330	\$ 33.916	\$	2.485	\$ 7.123	\$	223	\$ 1.041
Short-term investments		_	_		_	_		_	_
Current portion of investments									
limited as to use		_	4,703		14	_		_	_
Patient accounts receivable, net		502	44,590		1.551	9,024		1.058	419
Amount due from third-party									
reimbursement programs		_			-	_		_	_
Inventory		18	5.726		194	1.360			
Prepaid expenses and other		2,365	11,119		137	2,684		953	200
Total current assets		9,215	100,054		4.381	20,191		2,234	1.660
Investments		24,017	29,674		_	432		_	_
Investments limited as to use		1.762	119,666		200	10,121		_	272
Property and equipment, net		10,258	125,632		1.704	16,925		-	31
Other assets									
Investments in unconsolidated									
affiliates		52,384	2,844		_	1,204		_	_
Investments in subsidiars		25,977	_		_	_		_	_
Goodwill and other intangibles		_	_		-	3,808		_	_
Deferred bond issuance costs, net		_	1,495		_	17		_	_
Cash value of life insurance and									
other		518	1,458		-	87		_	42
Total other assets		78,879	5,797		-	5,116		_	42
Total assets	\$	124,131	\$ 380,823	\$	6,285	\$ 52,785	\$	2,234	\$ 2,005

Aspirus Extended Services, Inc.		Aspirus VNA Home Health, Inc. and Subsidiary	Aspirus Buildings, Inc.	Aspirus Network, Inc.	Aspirus Health Foundation Inc.	Aspirus Grand View Inc.	Eliminations	Consolidated		
\$	1.731	\$ 1.573	\$ 404	\$ 272 616	\$ 284	\$ 10.695 693	\$ -	\$ 66.077 1,309		
	_	_	_	010	_	093	_	1.309		
	_	_	_	_	458	264	(150)	5,289		
	368	1.787	264	=	=	5.887	(85)	65,365		
	_	_	_	_	_	_	_	_		
	21	301	_	_	_	967	_	8,587		
	145	119	77	183	221	1.629	(12,381)	7,451		
	2,265	3,780	745	1,071	963	20,135	(12.616)	154,078		
	_	463	375	_	3,575	_	_	58,536		
	498	_	_	23	4.125	2,250	(4.129)	134,788		
	2,473	260	3,342	-	5	19.749	-	180,379		
	_	84	1.067	_	_	_	_	57,583		
	-	_	_	_	_	_	(25.977)	_		
	-	93		_	-	415	-	4,316		
	=	_		_	=	61	-	1,573		
	_	_	_	_	_	3,651	(2.601)	3,155		
	_	177	1,067	-	_	4,127	(28,578)	66,627		
\$	5,236	\$ 4.680	\$ 5,529	\$ 1,094	\$ 8,668	\$ 46,261	\$ (45,323)	\$ 594,408		

Consolidating Balance Sheet (continued) (In Thousands)

June 30, 2011

	Aspirus, Inc		Aspirus Wausau Hospital, Inc.	Aspirus Ontonagon Hospital, Inc.	Aspirus Clinics, Inc. and Subsidiary	Aspirus Doctors Clinic Inc.	Aspirus Specialists, Inc.
Liabilities and net assets							
Current liabilities							
Current maturities of long-term							
liabilities Hospital revenue bonds	\$ -		\$ 4,365	\$ –	\$ -	\$ -	\$ -
Clinic revenue bonds	J) -	-	3 4,303	\$ -	150	5 –	3 –
Other debt	1.598	2	_	2,264	118	_	=
Offici debt	1,598		4.365	2.264	268		
Accounts payable	29-		5.093	182	819		- 1
Amounts payable to third-party	2)-	т	5.075	162	617		1
reimbursement programs	_	_	368	798	_	_	_
Accrued interest payable	198		833	21	_	_	_
Accrued salaries and wages	988		6,243	604	6,766	104	359
Other accrued habilities	3,220		10.838	1.825	7,511	957	984
Total current liabilities	6.30-	1	27,740	5.694	15,364	1,061	1.344
Long-term liabilities							
Long-term debt							
Hospital revenue bonds	-	_	100,620	_	-	_	_
Clinic revenue bonds	-	-	_	_	7,350	_	_
Other debt	2,600)	_	1,573	25	_	
	2,600)	100,620	1,573	7,375	-	
Deferred compensation	1,762	2	811	39	9,621	-	273
Postretirement benefits	248	3	2.789	_	589	_	_
Interest rate swaps	-	-	4,575	_	_	_	_
Other long-term liabilities		5	733	233	492	_	10
Total long-term liabilities	4.610	5	109,528	1.845	18,077	_	283
Total liabilities	10,920)	137,268	7.539	33,441	1.061	1.627
Net assets							
Net assets	113.21	1	243,555	(1.254)	19.344	1,173	378
Net assets attributable to noncontrolling interests	-	-	_	_	_	_	_
Total unrestricted net assets	113,21	1	243,555	(1,254)	19,344	1,173	378
Total liabilities and net assets	\$ 124.13	1		\$ 6.285	\$ 52,785	\$ 2,234	\$ 2,005

Aspirus Extended Services, Inc.		Aspirus VNA Home Health, Inc. and Subsidiary	Aspirus Buildings, Inc.	Aspirus Network, Inc.	Aspirus Health Foundation Inc.	Aspirus Grand View Inc.	Eliminations	Consolidated	
	·	•	<u> </u>						
\$	_	\$ -	\$ -	\$ -	\$ -	\$ 310	\$ -	\$ 4,675	
	_	_	-	_	_	-	_	150	
	103	_	_	_	_	258	(953)	3,388	
	103	-	_	_	-	568	(953)	8,213	
	36	261	_	_	17	531	(85)	7.149	
	_	_	_	_	_	884	_	2,050	
	_	_	_	_	_	31	(128)	955	
	182	524	-	_	_	1.672	_	17.442	
	142	368	302	322	387	996	(11,637)	16,221	
	463	1.153	302	322	404	4.682	(12.803)	52,030	
						1.025		102.155	
	_	_	_	_	_	1.835	_	102.455 7,350	
	_	_	_	_	_	1.024	(2.601)	2.621	
						2,859	(2.601)	112,426	
	_	_	_	23	_	1,618	(2,001)	14,147	
		_	_	23	_	1,016	_	3,626	
	_	_	_	_	_	_	_	4,575	
	23	44	_	_	3,942	_	(3,942)	1,541	
	23	44	_	23	3,942	4,477	(6,543)	136,315	
	486	1.197	302	345	4.346	9,159	(19.346)	188,345	
	4.750	3,483	5.227	749	4.322	37,110	(39.270)	392.778	
	_	_	_	_	_	(8)	13,293	13,285	
	4,750	3,483	5,227	749	4,322	37,102	(25,977)	406,063	
\$	5,236	\$ 4,680	\$ 5,529	\$ 1,094	\$ 8,668	\$ 46,261	\$ (45,323)		

Consolidating Statement of Operations and Changes in Net Assets (In Thousands)

Year Ended June 30, 2011

	Aspirus, Inc	pirus Wausau Tospital, Inc	Aspirus Intonagon Ispital, Inc	4	spirus Clinics, Inc. and Subsidiary	Doc	Aspirus etors Clinic Inc	Sp	Aspirus ecialists, Inc
Revenue									
Net patient service revenue	\$ 4 779	\$ 336 226	\$ 12 361	\$	54 194	\$	14 092	\$	6 654
Other operating revenue	10 943	10 723	357		9 622		207		249
Total revenue	15 722	346 949	12 718		63 816		14 299		6 903
Expenses									
Salaries and wages	14 209	105 067	6 029		38 528		8 720		4 050
Employee benefits	4 069	29 910	1 789		8 827		2 186		424
Medical fees	185	5 084	17		_		_		-
Supplies	275	64 015	1 417		7 710		726		30
Purchased services and other	(18.858)	82 499	2 834		13 534		3 487		4 450
Provision for bad debts	15	3 927	658		166		129		274
Insurance and utilities	48	4 208	417		1 063		269		28
Depreciation	5 678	15 459	352		1 739		196		57
Interest	180	2 655	198		78		5		10
Amortization	_	121	-		18		233		-
Total expenses	5 801	312 945	13 711		71 663		15 951		9 323
Income (loss) from operations	9 921	34 004	(993)		(7.847)		(1.652)		(2.420)
Nonoperating gains (losses)									
Investment (loss) income	6 826	21 692	2		76		_		_
Contributions	_	560	2		_		_		_
Change in fair value of interest rate									
swap	_	(518)	_		_		_		_
Loss on early extinguishment of debt	_	_	_		_		_		_
Gain on acquisition of controlled									
affiliate 1	17 235	_	_		_		(83)		(360)
Other	(500)	_	_		_		_		_
Total nonoperating gains (losses) net	23 561	21 734	4		76		(83)		(360)
Revenue in excess of (less than) expenses							/		
before non-controlling interest	33 482	55 738	(989)		(7 771)		(1.735)		(2.780)
Non-controlling interest	_	_	_		-		-		
Revenue in excess of (less than) expenses	33 482	55 738	(989)		(7 771)		(1.735)		(2.780)
Other changes in unrestricted net assets (Decrease) increase in non-controlling									
interest	_	-	-		-		_		-
Change in fair value of interest rate swap	_	(54)	_		-		=		_
Equity and other changes in net assets	202								
of unconsolidated affiliates Postretirement healthcare benefit	282	_	_		_		_		_
adjustment	(43)	(265)	-		(185)		144		-
Contribution of healthcare facilities Interaffiliate transfers	(2.700)	(13 000)	_		12 600		1 500		3 100
Increase (decrease) in unrestricted net assets	31 021	42 419	(989)		4 644		(91)		320
assets	51 021	42 419	(202)		+ 0++		(31)		270
Unrestricted net assets at beginning of year attributable to Aspirus	82 190	201 136	(265)		14 700		1 264		58
	0_ 190	201 150	(203)		1+ /(10)		1 _0+		_10
Unrestricted net assets at end of year attributable to Aspirus	\$ 113 211	\$ 243 555	\$ (1.254)	\$	19 344	\$	1 173	\$	378

1105-1258814 40

Aspirus Extend Services, Inc	ed	Aspirus VNA Home Health, Inc and Subsidiary	e Aspi	rus Buildings, Inc	Aspir	us Network, Inc	Aspirus Health Foundation Inc	Aspirus Grand View Inc	Eliminations	Consolidated
\$ 7.523		\$ 10.978	\$		\$		§	\$ 30 651	\$ (949)	
		1 428 12 406		1 553 1 553		700 700	587 587	1 066 31 717	(10 873)	26 608 503 117
7 503	,	12400		1 555		, (K)	207	51 717	(11 022)	305 117
3 969		6 683		125		489	257	13 893	359	202 378
890		2 165		12		170	76	3 100	-1 1100	53 618
1.510		7		_		28	-	1.502	(1.098)	4 228
1 519		386		4		6	1	4 503	(457)	80 135
994		2 678		509		408	304	6 914	(10.430)	89 323
58 211		5 152		123		7		1 923 705	(195)	7 155 7 039
211 946		150		510		/	2	1 363		26 452
ò >+c						_		213	- 152	3 195
-		- 37		_		_	_	213 58	(153)	3 193 467
8 601						1 108	643			473 990
		12 263		1 283				32 672	(11 974)	
(1 032	()	143		270		(408)	(56)	(955)	152	29 127
25	,	26		40		8	789	452	146	30 082
25	5	3		-		-	-	-	-	590
-	-	_		_		_	_	_	_	(518
-	-	-		_		_	-	_	_	_
-	-	(135)				_	-	64	_	16 721 (500
50	1	(106)		40		8	789	516	146	46 375
	_	(110)		71.7			702	210	170	40.575
(982	2)	37		310		(400)	733	(439)	298	75 502
	-	_		_		-	_	12	312	324
(982	2)	37		310		(400)	733	(427)	610	75 826
-	_	_		_		_	_	(8)	10 950	10 942
-	_	_		_		_	_	_	_	(54
										282
=	-	_		_		_	_	_	_	
=	-	-		_		_	_	-	-	(349
-	-	-				-	_	37 537	(37 537)	-
		<u> </u>		(1.500)				=		
(982	2)	37		(1 190)		(400)	733	37 102	(25 977)	86 647
5 732	2	3 446		6 417		1 149	3 589	-	-	319 416
\$ 4.750)	\$ 3.483	\$	5 227	\$	74 9	§ 4322	\$ 37 102	\$ (25 977)	\$ 406.063

1105-1258814 41

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