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Form **990**
 Department of the Treasury
 Internal Revenue Service

Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)
 The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047
2010
Open to Public Inspection

A For the 2010 calendar year, or tax year beginning 10-01-2010 and ending 09-30-2011

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization AFFINITY HEALTH SYSTEM		D Employer identification number 39-1568866
	Doing Business As		E Telephone number (920) 720-1300
	Number and street (or P O box if mail is not delivered to street address) 1570 MIDWAY PL	Room/suite	G Gross receipts \$ 63,791,738
	City or town, state or country, and ZIP + 4 MENASHA, WI 54952		
F Name and address of principal officer JEFF BADGER 1570 MIDWAY PL MENASHA, WI 54952		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) H(c) Group exemption number	
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
J Website: WWW.AFFINITYHEALTH.ORG			

K Form of organization: Corporation Trust Association Other **L** Year of formation: 1986 **M** State of legal domicile: IL

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities THE MISSION OF AFFINITY HEALTH SYSTEM IS TO LIVE OUT THE HEALING MINISTRY OF CHRIST BY PROVIDING SERVICES THAT PROMOTE THE HEALTH AND WELL-BEING OF THE COMMUNITIES WE SERVE, ESPECIALLY THE POOR		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	18
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	10
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	511
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	70,890	137,049
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	53,151,258	60,167,451
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,661,191	3,483,058
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	0	0
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	54,883,339	63,787,558
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	49,100
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0	0
	16a Professional fundraising fees (Part IX, column (A), line 11e)	31,121,287	34,640,535
	b Total fundraising expenses (Part IX, column (D), line 25) \rightarrow 0	0	0
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	0	0
	18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	34,622,951	39,801,691
19 Revenue less expenses Subtract line 18 from line 12	65,744,238	74,491,326	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	-10,860,899	-10,703,768
	21 Total liabilities (Part X, line 26)	Beginning of Current Year	End of Year
	22 Net assets or fund balances Subtract line 21 from line 20	130,707,919	185,013,054
		355,293,928	432,420,322

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	***** Signature of officer	2012-08-02 Date
	JEFF BADGER CFO Type or print name and title	

Paid Preparer Use Only	Print/Type preparer's name: TERRI REXRODE CPA MST	Preparer's signature: TERRI REXRODE CPA MST	Date: 2012-08-02	Check if self-employed: <input type="checkbox"/>	PTIN:
	Firm's name: WIPFLI LLP	Firm's EIN:			
	Firm's address: PO BOX 12237 GREEN BAY, WI 543072237	Phone no: (920) 662-0016			

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III Yes No

1 Briefly describe the organization's mission

THE MISSION OF AFFINITY HEALTH SYSTEM IS TO LIVE OUT THE HEALING MINISTRY OF CHRIST BY PROVIDING SERVICES THAT PROMOTE THE HEALTH AND WELL-BEING OF THE COMMUNITES WE SERVE, ESPECIALLY THE POOR

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

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

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O

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

4a (Code) (Expenses \$ 13,392,773 including grants of \$ 49,100) (Revenue \$ 60,187,162)

THE ENTITY BELIEVES IN MEETING THE HEALTHCARE NEEDS OF THE POOR, INDIGENT, AND UNDERSERVED CARE IS PROVIDED TO THE PATIENTS WITHOUT REGARD FOR THE ABILITY TO PAY THE ENTITY PROVIDES ADMINISTRATIVE SUPPORT TO THREE HOSPITALS, AND TWENTY-FIVE CLINIC LOCATIONS THE ENTITY ALSO PROVIDES FREE NEWSLETTERS FOCUSING ON WOMEN'S HEALTH ISSUES, CHILDREN'S HEALTH AND SAFETY ISSUES, HEALTH INFORMATION SPOTS ON TELEVISION AND RADIO, AND CLASSES ON A VARIETY OF HEALTH RELATED TOPICS INCLUDING PREGNANCY AND CHILD REARING

4b (Code) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code) (Expenses \$ including grants of \$) (Revenue \$)

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

4e Total program service expenses \$ 13,392,773

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> <input checked="" type="checkbox"/>	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> <input checked="" type="checkbox"/>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> <input checked="" type="checkbox"/>	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b-24d and complete Schedule K. If "No," go to line 25</i>	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
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? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> <input checked="" type="checkbox"/>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i> <input checked="" type="checkbox"/>	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	35	Yes	
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> <input checked="" type="checkbox"/>	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> <input checked="" type="checkbox"/>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	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
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	Yes	
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return.		
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		No
3b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		No
b	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.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		No
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		No
5c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		No
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		No
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		No
7d	If "Yes," indicate the number of Forms 8282 filed during the year.		
7e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		No
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		No
7g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
9a	Did the organization make any taxable distributions under section 4966?		
9b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter		
10a	Initiation fees and capital contributions included on Part VIII, line 12.		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		
11	Section 501(c)(12) organizations. Enter		
11a	Gross income from members or shareholders.		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
13a	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.		
13b	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.		
13c	Enter the amount of reserves on hand.		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		No
14b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.		

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year		
1b	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?	Yes	
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?		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		No
6	Does the organization have members or stockholders?	Yes	
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	Yes	
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	Yes	
8b	Each committee with authority to act on behalf of the governing body?	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		No

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

		Yes	No
10a	Does the organization have local chapters, branches, or affiliates?		No
10b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	Yes	
11b	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	Yes	
12b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	Yes	
12c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	Yes	
13	Does the organization have a written whistleblower policy?	Yes	
14	Does the organization have a written document retention and destruction policy?	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?		
15a	The organization's CEO, Executive Director, or top management official	Yes	
15b	Other officers or key employees of the organization	Yes	
	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?		No
16b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed <input checked="" type="checkbox"/> 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. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization <input checked="" type="checkbox"/> JEFF BADGER 1570 MIDWAY PLACE MENASHA, WI 54952 (920) 720-1300

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

Check if Schedule O contains a response to any question in this Part VII

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 organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) CARLA ALTEPETER BOARD MEMBER	30	X					0	0	0	
(2) FRED KLEIN MD BOARD MEMBER	30	X					0	0	0	
(3) JOHN RUSSO BOARD SECRETARY	30	X		X			0	0	0	
(4) MARY HARP-JIRSCHLE BOARD MEMBER	30	X					0	0	0	
(5) RICHARD WELLS BOARD MEMBER	30	X					0	0	0	
(6) STEPHEN MORTON BOARD TREASURER	30	X		X			0	0	0	
(7) SUSAN VETTE BOARD MEMBER	30	X					0	0	0	
(8) THOMAS SCHMIDT BOARD MEMBER	30	X					0	0	0	
(9) WAYNE TREMBLY BOARD MEMBER	30	X					0	0	0	
(10) BARBARA STRAND MD BOARD MEMBER/PHYSICIAN	30	X					0	264,298	43,300	
(11) JOSEPH MCCORMICK MD BOARD MEMBER/PHYSICIAN	30	X					0	1,097,589	41,533	
(12) STACEY SENSOR DO BOARD MEMBER/PHYSICIAN	30	X					0	482,023	40,878	
(13) CATHERINE TIERNEY BOARD SECRETARY	30	X		X			0	0	0	
(14) DAVID GITTER BOARD TREASURER	30	X		X			0	0	0	
(15) MARK FAUSTICH MD BOARD MEMBER/PHYSICIAN	30	X					0	369,720	35,440	
(16) JAY MULLER MD BOARD MEMBER/PHYSICIAN	30	X					0	373,057	37,687	

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

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(17) DAN NEUFELDER PRESIDENT/CEO	30	X		X				0	834,152	65,399
(18) NICHOLAS DESIEN PRESIDENT-MINISTRY	30	X		X				0	0	0
(19) JOHN OLIVERIO PRESIDENT-WHEATON	30	X		X				0	0	0
(20) CHRISTOPHER ROCKE DO BOARD MEMBER	30	X						0	232,694	35,386
(21) KATHRYN SIEMAN BOARD MEMBER	30	X						0	0	0
(22) MONICA VOMASTIC BOARD MEMBER	30	X						0	0	0
(23) JEFF BADGER CFO	0 00			X				0	444,491	62,470
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								0	4,098,024	362,093

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **0**

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
MINISTRY HEALTHCARE MHC SSO 11925 LAKE PARK DR SUITE 100 MILWAUKEE, WI 53224	IS SERVICES	5,111,439
STATE COLLECTION SERVICE 2509 S STOUGHTON MADISON, WI 53716	COLLECTION AGENCY	1,134,919
VON BRISEN & ROPER 411 E WISCONSIN AVE SUITE 700 MILWAUKEE, WI 53202	LEGAL	1,092,784
MEDICAL INFORMATION TECHNOLOGY PO BOX 74569 CHICAGO, IL 60696	IS SERVICES	737,786
NEW RESOURCES CONSULTINIG 1000 N WATER ST SUITE 950 MILWAUKEE, WI 53202	IS SERVICES	583,244

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **23**

Part VIII Statement of Revenue

		(A)	(B)	(C)	(D)	
		Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a Federated campaigns 1a					
	b Membership dues 1b					
	c Fundraising events 1c					
	d Related organizations 1d					
	e Government grants (contributions) 1e					
	f All other contributions, gifts, grants, and similar amounts not included above 1f	137,049				
	g Noncash contributions included in lines 1a-1f \$					
	h Total. Add lines 1a-1f ▼	137,049				
	Program Service Revenue	2a SERVICES TO AFFILIATES	561000	59,815,596	59,815,596	
b MISCELLANEOUS OPERATIN		561000	300,156	300,156		
c WOMEN'S CENTER		561000	34,168	34,168		
d LAMAZE CLASSES		561000	17,531	17,531		
e						
f All other program service revenue						
g Total. Add lines 2a-2f ▼			60,167,451			
Other Revenue		3 Investment income (including dividends, interest and other similar amounts) ▼		3,484,438		3,484,438
	4 Income from investment of tax-exempt bond proceeds ▼					
	5 Royalties ▼					
	6a Gross Rents	(i) Real				
		(ii) Personal				
		b Less rental expenses				
		c Rental income or (loss)				
	d Net rental income or (loss) ▼					
	7a Gross amount from sales of assets other than inventory	(i) Securities		2,800		
		(ii) Other				
		b Less cost or other basis and sales expenses		4,180		
		c Gain or (loss)		-1,380		
	d Net gain or (loss) ▼		-1,380		-1,380	
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 a					
		b Less direct expenses b				
c Net income or (loss) from fundraising events ▼						
9a Gross income from gaming activities See Part IV, line 19 a						
	b Less direct expenses b					
	c Net income or (loss) from gaming activities ▼					
10a Gross sales of inventory, less returns and allowances a						
	b Less cost of goods sold b					
	c Net income or (loss) from sales of inventory ▼					
11a Miscellaneous Revenue	Business Code					
	b					
	c					
	d All other revenue					
	e Total. Add lines 11a-11d ▼					
	12 Total revenue. See Instructions ▼		63,787,558	60,167,451	0	3,483,058

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	49,100	49,100		
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees				
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	25,723,258	5,539,985	20,183,273	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	1,201,637	258,795	942,842	
9	Other employee benefits	6,068,467	1,306,563	4,761,904	
10	Payroll taxes	1,647,173	354,750	1,292,423	
a	Fees for services (non-employees)				
	Management				
b	Legal	961,797		961,797	
c	Accounting	391,916		391,916	
d	Lobbying				
e	Professional fundraising services See Part IV, line 17				
f	Investment management fees				
g	Other	6,562,988	256,250	6,306,738	
12	Advertising and promotion	1,199,256		1,199,256	
13	Office expenses	2,772,560	241,955	2,530,605	
14	Information technology	5,835,965	274,344	5,561,621	
15	Royalties				
16	Occupancy	1,308,790	300,365	1,008,425	
17	Travel	945,762	19,495	926,267	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest	12,641,459	2,901,191	9,740,268	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	5,875,354	1,348,383	4,526,971	
23	Insurance	49,861		49,861	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	MISCELLANEOUS EXPENSES	587,438	109,560	477,878	
b	RELATED ORGANIZATIONAL	409,078	409,078		
c	DUES AND LICENSES	153,362	22,959	130,403	
d	RECRUITING EXPENSE	106,105		106,105	
e					
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	74,491,326	13,392,773	61,098,553	0
26	Joint costs. Check here <input type="checkbox"/> 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				

Part X Balance Sheet

		(A)		(B)
		Beginning of year		End of year
Assets	1 Cash—non-interest-bearing	400	1	400
	2 Savings and temporary cash investments	2,761,622	2	2,358,444
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	74,046,367	4	95,717,533
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers, and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Schedule L		6	
	7 Notes and loans receivable, net	36,677,000	7	71,156,938
	8 Inventories for sale or use	850,982	8	870,367
	9 Prepaid expenses and deferred charges	1,127,899	9	1,473,302
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	51,014,662		
	10b Less accumulated depreciation	38,985,595		
		9,926,224	10c	12,029,067
	11 Investments—publicly traded securities		11	
	12 Investments—other securities See Part IV, line 11		12	
	13 Investments—program-related See Part IV, line 11		13	
	14 Intangible assets		14	
15 Other assets See Part IV, line 11	5,317,425	15	1,407,003	
16 Total assets. Add lines 1 through 15 (must equal line 34)	130,707,919	16	185,013,054	
Liabilities	17 Accounts payable and accrued expenses	11,152,627	17	12,408,550
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	338,644,409	23	404,717,717
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities Complete Part X of Schedule D	5,496,892	25	15,294,055
	26 Total liabilities. Add lines 17 through 25	355,293,928	26	432,420,322
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	-224,586,009	27	-247,407,268
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	-224,586,009	33	-247,407,268	
34 Total liabilities and net assets/fund balances	130,707,919	34	185,013,054	

Part XI Reconciliation of Net Assets

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	63,787,558
2	Total expenses (must equal Part IX, column (A), line 25)	2	74,491,326
3	Revenue less expenses Subtract line 2 from line 1	3	-10,703,768
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-224,586,009
5	Other changes in net assets or fund balances (explain in Schedule O)	5	-12,117,491
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	-247,407,268

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		No
b	Were the organization's financial statements audited by an independent accountant?	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

SCHEDULE A
(Form 990 or 990EZ)

Public Charity Status and Public Support

2010

Open to Public Inspection

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

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

Department of the Treasury
Internal Revenue Service

Name of the organization
AFFINITY HEALTH SYSTEM

Employer identification number

39-1568866

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

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

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 8 A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)
- 10 An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h
 - a Type I
 - b Type II
 - c Type III - Functionally integrated
 - d Type III - Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 - (i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?
 - (ii) a family member of a person described in (i) above?
 - (iii) a 35% controlled entity of a person described in (i) or (ii) above?
- h Provide the following information about the supported organization(s)

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

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
See Additional Data Table									
Total									0

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

(Complete only if you checked the box on line 5, 7, or 8 of Part I 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.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public Support. Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions)					12	
13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2010 (line 6 column (f) divided by line 11 column (f))	14	
15 Public Support Percentage for 2009 Schedule A, Part II, line 14	15	
16a 33 1/3% support test—2010. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶		
b 33 1/3% support test—2009. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶		
17a 10%-facts-and-circumstances test—2010. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶		
b 10%-facts-and-circumstances test—2009. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization ▶		
18 Private Foundation If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions ▶		

Part 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 in) 	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public Support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in) 	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11 and 12)						
14 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here 						

Section C. Computation of Public Support Percentage

15 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

17 Investment income percentage for 2010 (line 10c column (f) divided by line 13 column (f))	17	
18 Investment income percentage from 2009 Schedule A, Part III, line 17	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 organization 		
b 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 		
20 Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions 		

Part IV **Supplemental Information.** Supplemental Information. Complete this part to provide the 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).

Additional Data

Software ID:
Software Version:
EIN: 39-1568866
Name: AFFINITY HEALTH SYSTEM

Form 990, Schedule A, Part I, Line 11h - Provide the following information about the organizations the organization supports.

(i) Name of Supported Organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section)	(iv) Is the organization in (i) listed in your governing document?		(v) Did you notify the organization in (i) of your support?		(vi) Is the organization in (i) organized in the U S ?		(vii) Amount of support?
			Yes	No	Yes	No	Yes	No	
(A) MERCY MEDICAL CENTER OF OSHKOSH INC	390806268	3	Yes		Yes		Yes		0
(B) MERCY HEALTH FOUNDATION	237140261	9	Yes		Yes		Yes		0
(C) ST ELIZABETH HOSPITAL INC	390816818	3	Yes		Yes		Yes		0
(D) ST ELIZABETH HOSPITAL COMMUNITY FOUNDATION INC	391256677	11A	Yes		Yes		Yes		0
(E) NETWORK HEALTH SYSTEM INC	391127163	3	Yes		Yes		Yes		0
(F) CALUMET MEDICAL CENTER	390905385	3	Yes		Yes		Yes		0

SCHEDULE D (Form 990)

OMB No 1545-0047

Supplemental Financial Statements

2010

Open to Public Inspection

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

Department of the Treasury Internal Revenue Service

Name of the organization AFFINITY HEALTH SYSTEM

Employer identification number 39-1568866

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

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows 1-4: Total number at end of year, Aggregate contributions to (during year), Aggregate grants from (during year), Aggregate value at end of year.

- 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

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

- 1 Purpose(s) of conservation easements held by the organization (check all that apply): Preservation of land for public use, Protection of natural habitat, Preservation of open space, Preservation of an historically important land area, Preservation of a certified historic structure.

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

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

Table with 2 columns: Held at the End of the Year. Rows 2a, 2b, 2c, 2d.

- 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year
4 Number of states where property subject to conservation easement is located
5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?
6 Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year
7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year
8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?
9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

	Yes	No
(i) unrelated organizations	3a(i)	
(ii) related organizations	3a(ii)	
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings		466,337	212,864	253,473
c Leasehold improvements		3,409,694	3,409,694	0
d Equipment		44,190,636	34,793,920	9,396,716
e Other		2,947,995	569,117	2,378,878
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				12,029,067

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	63,787,558
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	74,491,326
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	-10,703,768
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	-12,117,491
9	Total adjustments (net) Add lines 4 - 8	9	-12,117,491
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-22,821,259

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	639,838
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	-3,253,720
e	Add lines 2a through 2d	2e	-3,253,720
3	Subtract line 2e from line 1	3	3,893,558
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	59,894,000
c	Add lines 4a and 4b	4c	59,894,000
5	Total Revenue Add lines 3 and 4c . (This should equal Form 990, Part I, line 12)	5	63,787,558

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	14,266,652
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	14,266,652
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	60,224,674
c	Add lines 4a and 4b	4c	60,224,674
5	Total expenses Add lines 3 and 4c . (This should equal Form 990, Part I, line 18)	5	74,491,326

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X	FASB ASC SUBTOPIC 740-10, INCOME TAXES OVERALL, PRESCRIBES A RECOGNITION THRESHOLD AND MEASUREMENT ATTRIBUTE FOR THE FINANCIAL STATEMENT RECOGNITION AND MEASUREMENT OF A TAX POSITION TAKEN OR EXPECTED TO BE TAKEN IN A TAX RETURN. THE AMOUNT OF UNRECOGNIZED TAX EXPENSE RELATED TO THESE CRITERIA FOR THE CORPORATION WAS ZERO AS OF SEPTEMBER 30, 2011 AND 2010.
PART XI, LINE 8 - OTHER ADJUSTMENTS		GAIN ON INVESTMENT IN NETWORK HEALTH PLAN 786,434 MINISTRY E H R 264,728 PENSION ADJUSTMENT -10,095,339 TWIN MED DISTRIBUTION -228,672 CHANGE IN INTEREST IN NETWORK HEALTH SYSTEM, INC - 2,844,642
PART XII, LINE 2D - OTHER ADJUSTMENTS		ALLOCATED REVENUE REIMBURSED TO RELATED PARTIES -409,078 SUBSIDIARY INCOME/LOSS - NHP -2,844,642
PART XII, LINE 4B - OTHER ADJUSTMENTS		ALLOCATED EXPENSES REIMBURSED BY RELATED PARTIES 59,815,596 DONATIONS REPORTED TO NET ASSETS 78,404
PART XIII, LINE 4B - OTHER ADJUSTMENTS		ALLOCATED EXPENSES REIMBURSED BY RELATED PARTIES 59,815,596 ALLOCATED REVENUE REIMBURSED TO RELATED PARTIES 409,078

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

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

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

Identifier	Return Reference	Explanation
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Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2010

Open to Public Inspection

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

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

▶ Attach to Form 990. ▶ See separate instructions.

Department of the Treasury
Internal Revenue Service

Name of the organization
AFFINITY HEALTH SYSTEM

Employer identification number

39-1568866

Part I Questions Regarding Compensation

	Yes	No								
<p>1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items</p> <table border="0"> <tr> <td><input type="checkbox"/> First-class or charter travel</td> <td><input type="checkbox"/> Housing allowance or residence for personal use</td> </tr> <tr> <td><input checked="" type="checkbox"/> Travel for companions</td> <td><input type="checkbox"/> Payments for business use of personal residence</td> </tr> <tr> <td><input type="checkbox"/> Tax idemnification and gross-up payments</td> <td><input checked="" type="checkbox"/> Health or social club dues or initiation fees</td> </tr> <tr> <td><input type="checkbox"/> Discretionary spending account</td> <td><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</td> </tr> </table>	<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use	<input checked="" type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence	<input type="checkbox"/> Tax idemnification and gross-up payments	<input checked="" type="checkbox"/> Health or social club dues or initiation fees	<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)		
<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use									
<input checked="" type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence									
<input type="checkbox"/> Tax idemnification and gross-up payments	<input checked="" type="checkbox"/> Health or social club dues or initiation fees									
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)									
<p>b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain</p>		No								
<p>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?</p>	Yes									
<p>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</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Compensation committee</td> <td><input checked="" type="checkbox"/> Written employment contract</td> </tr> <tr> <td><input checked="" type="checkbox"/> Independent compensation consultant</td> <td><input checked="" type="checkbox"/> Compensation survey or study</td> </tr> <tr> <td><input type="checkbox"/> Form 990 of other organizations</td> <td><input checked="" type="checkbox"/> Approval by the board or compensation committee</td> </tr> </table>	<input checked="" type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract	<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study	<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee				
<input checked="" type="checkbox"/> Compensation committee	<input checked="" type="checkbox"/> Written employment contract									
<input checked="" type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study									
<input type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee									
<p>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</p>										
<p>a Receive a severance payment or change-of-control payment from the organization or a related organization?</p>		No								
<p>b Participate in, or receive payment from, a supplemental nonqualified retirement plan?</p>		No								
<p>c Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III</p>		No								
<p>Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.</p>										
<p>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</p>										
<p>a The organization?</p>		No								
<p>b Any related organization? If "Yes," to line 5a or 5b, describe in Part III</p>		No								
<p>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</p>										
<p>a The organization?</p>		No								
<p>b Any related organization? If "Yes," to line 6a or 6b, describe in Part III</p>		No								
<p>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</p>		No								
<p>8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III</p>		No								
<p>9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?</p>										

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 other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) BARBARA STRAND MD	(i)	0	0	0	0	0	0	0
	(ii)	262,911	0	1,387	22,346	20,954	307,598	0
(2) JOSEPH MCCORMICK MD	(i)	0	0	0	0	0	0	0
	(ii)	1,096,449	0	1,140	18,640	22,893	1,139,122	0
(3) STACEY SENSOR DO	(i)	0	0	0	0	0	0	0
	(ii)	480,983	0	1,040	22,374	18,504	522,901	0
(4) MARK FAUSTICH MD	(i)	0	0	0	0	0	0	0
	(ii)	368,541	0	1,179	28,196	7,244	405,160	0
(5) JAY MULLER MD	(i)	0	0	0	0	0	0	0
	(ii)	372,671	0	386	18,692	18,995	410,744	0
(6) DAN NEUFELDER	(i)	0	0	0	0	0	0	0
	(ii)	614,707	212,462	6,983	49,920	15,479	899,551	0
(7) CHRISTOPHER ROCKE DO	(i)	0	0	0	0	0	0	0
	(ii)	232,298	0	396	17,670	17,716	268,080	0
(8) JEFF BADGER	(i)	0	0	0	0	0	0	0
	(ii)	325,066	97,103	22,322	42,515	19,955	506,961	0
(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
	PART I, LINE 1B	BUSINESS TRAVEL EXPENSES FOR SPOUSES OF EXECUTIVES AND GOLF CLUB MEMBERSHIP FOR EXECUTIVES ARE REIMBURSED AS PART OF THEIR TAXABLE EXECUTIVE FLEX CREDIT ACCOUNT. RECEIPTS ARE PROVIDED TO SR ADMINISTRATIVE ASSISTANT IN HR WHO REVIEWS FOR ACCURACY, COMPLETES A REIMBURSEMENT FORM WITH SUBSTANTIATION TO PAYROLL FOR REIMBURSEMENT. THESE REIMBURSEMENTS ARE TAXABLE AND, WHEN ADDED TO THE COMPENSATION PACKAGE TAKEN AS A WHOLE, HAVE BEEN INCLUDED WHEN COMPARED TO THE COMPENSATION STUDIES.

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

2010

**Open to Public
Inspection**

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

Department of the Treasury
Internal Revenue Service

Name of the organization
AFFINITY HEALTH SYSTEM

Employer identification number

39-1568866

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 2		DAN NEUFELDER AND KATHERINE SIEMAN HAVE A BUISNESS RELATIONSHIP

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 6		CORPORATE MEMBERS ARE MINISTRY HEALTH CARE AND WHEATON FRANCISCAN SERVICES, INC

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7A		MINISTRY HEALTH CARE AND WHEATON FRANCISCAN SERVICES, INC HAVE JOINT POWER TO ELECT AND REMOVE THE BOARD OF DIRECTORS OF AHS

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 7B		AMENDMENTS OF THE ARTICLES OF INCORPORATION AND BYLAWS MUST BE APPROVED BY CORPORATE MEMBERS

Identifier	Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11		THE CONTROLLER AND CFO OF AFFINITY HEALTH SYSTEM PERFORM A DETAIL REVIEW OF THE 990 AFTER MANAGEMENT REVIEW, A COPY OF THE 990 IS PROVIDED TO THE BOARD OF DIRECTORS PRIOR TO FILING

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	THE BOARD OF DIRECTORS RECEIVES A CONFLICT OF INTEREST QUESTIONAIRE EVERY YEAR

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	EACH YEAR THE ORGANIZATION ENGAGES AN INDEPENDENT COMPENSATION FIRM TO PROVIDE MARKET DATA FOR CEO, EXECUTIVES AND KEY EMPLOYEE POSITIONS THIS STUDY IS SHARED WITH THE COMPENSATION COMMITTEE OF THE BOARD OF DIRECTORS FOR THEIR REVIEW AND RECOMMENDATIONS REGARDING ANY COMPENSATION CHANGES THE COMPENSATION COMMITTEE IS COMPRISED OF INDEPENDENT MEMBERS THE CEO REVIEWS EACH EXECUTIVE AND KEY EMPLOYEE'S ANNUAL PERFORMANCE APPRAISAL RATINGS IN MAKING HIS COMPENSATION RECOMMENDATIONS TO THE COMPENSATION COMMITTEE THE COMPENSATION COMMITTEE HAS THE FINAL AUTHORITY TO APPROVE ANY AND ALL AMOUNTS OF COMPENSATION FOR MEMBERS OF THE EXECUTIVE TEAM THE FINAL APPROVAL OF COMPENSATION AMOUNTS ARE DOCUMENTED WAGES FOR AFFINITY HEALTH SYSTEM ARE ALLOCATED TO AFFILIATED RELATED ORGANIZATIONS

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION BELIEVES THE FINANCIAL STATEMENTS, GOVERNING DOCUMENTS, AND POLICIES ARE THE PROPERTY OF THE ORGANIZATION AND ARE NOT AVAILABLE FOR PUBLIC INSPECTION

Identifier	Return Reference	Explanation
HOURS WORKED FOR RELATED ORGANIZATIONS	FORM 990, PART VII	<p>MARK FAUSTICH, MD WORKED AN AVERAGE OF 40 HOURS PER WEEK FOR A RELATED ORGANIZATIONS JOSEPH MCCORMICK, MD WORKED AN AVERAGE OF 40 HOURS PER WEEK FOR A RELATED ORGANIZATIONS JAY MULLER, MD WORKED AN AVERAGE OF 40 HOURS PER WEEK FOR A RELATED ORGANIZATIONS CHRISTOPHER ROCKE WORKED AN AVERAGE OF 40 HOURS PER WEEK FOR A RELATED ORGANIZATIONS STACEY SENSOR, DO WORKED AN AVERAGE OF 40 HOURS PER WEEK FOR A RELATED ORGANIZATIONS BARBARA STRAND, MD WORKED AN AVERAGE OF 40 HOURS PER WEEK FOR A RELATED ORGANIZATIONS DANIEL NEUFELDER WORKED AN AVERAGE OF 40 HOURS PER WEEK FOR RELATED ORGANIZATIONS JEFF BADGER WORKED AN AVERAGE OF 40 HOURS PER WEEK FOR RELATED ORGANIZATIONS MARK KEHRBERG WORKED AN AVERAGE OF 40 HOURS PER WEEK FOR RELATED ORGANIZATIONS VINCENT GALLUCCI WORKED AN AVERAGE OF 40 HOURS PER WEEK FOR RELATED ORGANIZATIONS SHEILA JENKINS WORKED AN AVERAGE OF 40 HOURS PER WEEK FOR RELATED ORGANIZATIONS TRAVIS ANDERSEN WORKED AN AVERAGE OF 40 HOURS PER WEEK FOR RELATED ORGANIZATIONS WILLIAM CALHOUN WORKED AN AVERAGE OF 40 HOURS PER WEEK FOR RELATED ORGANIZATIONS TIMOTHY LOCH WORKED AN AVERAGE OF 40 HOURS PER WEEK FOR RELATED ORGANIZATIONS THOMAS VEESER WORKED AN AVERAGE OF 40 HOURS PER WEEK FOR RELATED ORGANIZATIONS</p>

Identifier	Return Reference	Explanation
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 5	GAIN ON INVESTMENT IN NETWORK HEALTH PLAN 786,434 MINISTRY E H R 264,728 PENSION ADJUSTMENT -10,095,339 TWIN MED DISTRIBUTION -228,672 CHANGE IN INTEREST IN NETWORK HEALTH SYSTEM, INC -2,844,642 TOTAL TO FORM 990, PART XI, LINE 5 -12,117,491

Identifier	Return Reference	Explanation
PROCESS FOR OVERSIGHT OF AUDIT AND SELECTION OF INDEPENDENT ACCOUNTANT	FORM 990, PART XI, LINE 2B-2C	AFFINITY HEALTH SYSTEM (ORGANIZATION) DOES NOT RECEIVE SEPARATELY AUDITED FINANCIAL STATEMENTS. THE ORGANIZATION IS AUDITED AND REPORTED THROUGH CONSOLIDATED FINANCIAL STATEMENTS. THE AUDIT COMMITTEE IS RESPONSIBLE FOR THE AUDITOR SELECTION. THE AUDITED STATEMENTS ARE REVIEWED BY THE CONTROLLER, CFO, MINISTRY HEALTH CFO, AND THE AUDIT COMMITTEE. THIS PROCESS HAS NOT CHANGED FROM THE PRIOR YEAR.

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2010

Open to Public Inspection

▶ **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
AFFINITY HEALTH SYSTEM

Employer identification number

39-1568866

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

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) MERCY MEDICAL CENTER OF OSHKOSH INC 500 S OAKWOOD OSHKOSH, WI 54904 39-0806268	HOSPITAL	WI	501(C)(3)	3	AFFINITY HEALTH SYSTEM	Yes	
(2) CALUMET MEDICAL CENTER INC 614 MEMORIAL DRIVE CHILTON, WI 53014 39-0905385	HOSPITAL	WI	501(C)(3)	3	AFFINITY HEALTH SYSTEM	Yes	
(3) NETWORK HEALTH SYSTEM INC 1570 APPLETON ROAD MENASHA, WI 54952 39-1127163	CLINICAL HEALTHCARE SERVICES	WI	501(C)(3)	3	AFFINITY HEALTH SYSTEM	Yes	
(4) MERCY HEALTH FOUNDATION INC PO BOX 3370 OSHKOSH, WI 54903 23-7140261	PUBLIC WELFARE THROUGH COMMUNITY HEALTH DEVELOPMENT	WI	501(C)(3)	9	AFFINITY HEALTH SYSTEM	Yes	
(5) ST ELIZABETH HOSPITAL FOUNDATION INC 1506 S ONEIDA STREET APPLETON, WI 54915 39-1256677	RAISE FUNDS IN SUPPORT OF ST ELIZABETH HOSPITAL AND RELATED ENTITIES	WI	501(C)(3)	7	AFFINITY HEALTH SYSTEM	Yes	
(6) ST ELIZABETH HOSPITAL INC 1506 S ONEIDA STREET APPLETON, WI 54915 39-0816818	HOSPITAL	WI	501(C)(3)	3	AFFINITY HEALTH SYSTEM	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) TWIN MED LLP PO BOX 8005 MENASHA, WI54952 39-1180341	RENTAL PROPERTY	WI	NETWORK HEALTH SYSTEM INC	RELATED	373,376	988,602		No		Yes		64 000 %

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) NETWORK HEALTH PLAN INC 1570 MIDWAY PLACE MENASHA, WI54952 39-1442058	INSURANCE	WI	NETWORK HEALTH SYSTEM INC	C	30,544,538	103,113,529	100 000 %
(2) NETWORK HEALTH INSURANCE CORPORATION 1570 MIDWAY PLACE MENASHA, WI54952 39-2020474	INSURANCE	WI	NETWORK HEALTH PLAN INC	C	-4,320,742	51,574,868	100 000 %

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

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

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

- a** Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to other organization(s)
- c** Gift, grant, or capital contribution from other organization(s)
- d** Loans or loan guarantees to or for other organization(s)
- e** Loans or loan guarantees by other organization(s)

- f** Sale of assets to other organization(s)
- g** Purchase of assets from other organization(s)
- h** Exchange of assets
- i** Lease of facilities, equipment, or other assets to other organization(s)

- j** Lease of facilities, equipment, or other assets from other organization(s)
- k** Performance of services or membership or fundraising solicitations for other organization(s)
- l** Performance of services or membership or fundraising solicitations by other organization(s)
- m** Sharing of facilities, equipment, mailing lists, or other assets
- n** Sharing of paid employees

- o** Reimbursement paid to other organization for expenses
- p** Reimbursement paid by other organization for expenses

- q** Other transfer of cash or property to other organization(s)
- r** Other transfer of cash or property from other organization(s)

	Yes	No
1a		No
1b		No
1c	Yes	
1d	Yes	
1e	Yes	
1f		No
1g		No
1h		No
1i		No
1j	Yes	
1k	Yes	
1l		No
1m		No
1n	Yes	
1o	Yes	
1p	Yes	
1q		No
1r		No

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) See Additional Data Table			
(2)			
(3)			
(4)			
(5)			
(6)			

Part VII **Supplemental Information**

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

Identifier**Return Reference****Explanation****Schedule R (Form 990) 2010**

Software ID:
Software Version:
EIN: 39-1568866
Name: AFFINITY HEALTH SYSTEM

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled organization	
						Yes	No
MERCY MEDICAL CENTER OF OSHKOSH INC 500 S OAKWOOD OSHKOSH, WI54904 39-0806268	HOSPITAL	WI	501(C)(3)	3	AFFINITY HEALTH SYSTEM	Yes	
CALUMET MEDICAL CENTER INC 614 MEMORIAL DRIVE CHILTON, WI53014 39-0905385	HOSPITAL	WI	501(C)(3)	3	AFFINITY HEALTH SYSTEM	Yes	
NETWORK HEALTH SYSTEM INC 1570 APPLETON ROAD MENASHA, WI54952 39-1127163	CLINICAL HEALTHCARE SERVICES	WI	501(C)(3)	3	AFFINITY HEALTH SYSTEM	Yes	
MERCY HEALTH FOUNDATION INC PO BOX 3370 OSHKOSH, WI54903 23-7140261	PUBLIC WELFARE THROUGH COMMUNITY HEALTH DEVELOPMENT	WI	501(C)(3)	9	AFFINITY HEALTH SYSTEM	Yes	
ST ELIZABETH HOSPITAL FOUNDATION INC 1506 S ONEIDA STREET APPLETON, WI54915 39-1256677	RAISE FUNDS IN SUPPORT OF ST ELIZABETH HOSPITAL AND RELATED ENTITIES	WI	501(C)(3)	7	AFFINITY HEALTH SYSTEM	Yes	
ST ELIZABETH HOSPITAL INC 1506 S ONEIDA STREET APPLETON, WI54915 39-0816818	HOSPITAL	WI	501(C)(3)	3	AFFINITY HEALTH SYSTEM	Yes	

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

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved (\$)	(d) Method of determining amount involved
(1) ST ELIZABETH HOSPITAL FOUNDATION	C	85,242	FAIR MARKET VALUE
(2) NETWORK HEALTH SYSTEM INC	D	1,000,000	FAIR MARKET VALUE
(3) MERCY MEDICAL CENTER INC	E	13,350,000	FAIR MARKET VALUE
(4) ST ELIZABETH HOSPITAL	E	13,350,000	FAIR MARKET VALUE
(5) NETWORK HEALTH PLAN	J	85,757	FAIR MARKET VALUE
(6) MERCY MEDICAL CENTER INC	K	10,118,181	FAIR MARKET VALUE
(7) ST ELIZABETH HOSPITAL	K	12,642,479	FAIR MARKET VALUE
(8) CALUMET MEDICAL CENTER	K	1,762,689	FAIR MARKET VALUE
(9) NETWORK HEALTH PLAN	K	2,806,030	FAIR MARKET VALUE
(10) NETWORK HEALTH SYSTEM INC	K	12,582,198	FAIR MARKET VALUE
(11) ST ELIZABETH HOSPITAL	N	177,055	FAIR MARKET VALUE
(12) MERCY MEDICAL CENTER INC	O	324,805	FAIR MARKET VALUE
(13) ST ELIZABETH HOSPITAL	O	501,786	FAIR MARKET VALUE
(14) NETWORK HEALTH SYSTEM INC	O	581,276	FAIR MARKET VALUE
(15) NETWORK HEALTH PLAN	O	145,418	FAIR MARKET VALUE
(16) MERCY MEDICAL CENTER INC	P	4,916,410	FAIR MARKET VALUE
(17) ST ELIZABETH HOSPITAL	P	6,214,424	FAIR MARKET VALUE
(18) NETWORK HEALTH SYSTEM INC	P	6,252,734	FAIR MARKET VALUE
(19) NETWORK HEALTH PLAN	P	1,281,320	FAIR MARKET VALUE
(20) CALUMET MEDICAL CENTER	P	830,051	FAIR MARKET VALUE