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Part III

Statement of Program Service Accomplishments

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

1

Briefly describe the organization’s mission

MUNSON HEALTHCARE AND ITS PARTNERS WORK TOGETHER TO PROVIDE SUPERIOR QUALITY CARE AND PROMOTE COMMUNITY HEALTH

2

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

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?

If “Yes,” describe these changes on Schedule O

4

Describe the organization’s program service accomplishments for each of its three largest program services, as measured 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 \$ 5,309,223 including grants of \$) (Revenue \$ 5,597,867)

PARENT HOLDING COMPANY FOR CORPORATIONS PROVIDING HEALTH CARE AND RELATED SERVICES

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 \$ 5,309,223







Part IV

Checklist of Required Schedules

		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 	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 		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 	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 		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I 		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II 		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 		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 		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V 	Yes	
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? If "Yes," complete Schedule D, Part VI. 	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. 	Yes	
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. 		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. 		No
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X. 	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. 		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII 		No
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 	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		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, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Part I 	Yes	
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S ? If "Yes," complete Schedule F, Part II and IV . . . 		No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S ? If "Yes," complete Schedule F, Part III and IV . . . 		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		No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		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		No
20a	Did the organization operate one or more hospitals? If "Yes," complete Schedule H		No
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. All Form 990 filers that operated one or more hospitals must attach audited financial statements		
20b			

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> 	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25</i>	24a		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 owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> 	33		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> 	34	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	35a	Yes	
b	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> 	35b	Yes	
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> 	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> 	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? 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 <input type="checkbox"/>		
		YesNo
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. .	1a52
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b0
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements filed for the calendar year ending with or within the year covered by this return. .	2a57
b	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).	2bYes
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3aYes
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	3bYes
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 or securities account)? .	4aNo
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?	5aNo
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5bNo
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6aNo
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b
7	Organizations that may receive deductible contributions under section 170(c).	
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7aNo
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7cNo
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7eNo
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7fNo
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8
9	Sponsoring organizations maintaining donor advised funds.	
a	Did the organization make any taxable distributions under section 4966?	9a
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b
10	Section 501(c)(7) organizations. Enter	
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b
11	Section 501(c)(12) organizations. Enter	
a	Gross income from members or shareholders.	11a
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b
13	Section 501(c)(29) qualified nonprofit health insurance issuers.	
a	Is the organization licensed to issue qualified health plans in more than one state? Note. All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state.	13a
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b
c	Enter the aggregate amount of reserves on hand.	13c
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14aNo
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	14b

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		
1a	26		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	19
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	No
4	Did the organization make any significant changes to its 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	Did the organization have members or stockholders?	6	Yes
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	Yes
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	Yes
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a	The governing body?	8a	Yes
b	Each committee with authority to act on behalf of the governing body?	8b	Yes
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	No

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

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

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed <input checked="" type="checkbox"/> MI
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 made 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 made 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"/> CORPORATE FINANCE 4230 COPPER RIDGE DR TRAVERSE CITY, MI 49684 (231) 935-7777

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

☐ Check this box if neither the organization nor any related organizations compensated any current or former officer, director, or trustee

Form **990** (2011)

Part VII

1b	Sub-Total	▼			
c	Total from continuation sheets to Part VII, Section A	▼			
d	Total (add lines 1b and 1c)	▼	3,120,481	110,078	531,140

2 Total number of individuals (including but not limited to those listed in Item 1) who received more than \$100,000 of reportable compensation from the organization. 5

		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>	3 Yes	
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>	4 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>	5	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. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
DELOITTE CONSULTING LLP PO BOX 7247-6447 PHILADELPHIA, PA 19170	CONSULTING	296,535
KAUFMAN HALL 5202 OLD ORCHARD RD STE N700 SKOKIE, IL 60077	CONSULTING	186,806
HURON CONSULTING 3005 MOMENTUM PLACE CHICAGO, IL 60689	CONSULTING	175,334
ERNST YOUNG PO BOX 96550 CHICAGO, IL 60693	AUDIT SERVICES	154,199

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ▶4

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d	22,500				
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f					
	g	Noncash contributions included in lines 1a-1f \$ _____						
	h	Total. Add lines 1a-1f		22,500				
Program Service Revenue			Business Code					
	2a	CONTRACT REVENUES	561000	5,192,525	5,192,525			
	b	CONTRACT REVENUES	561000	66,768		66,768		
	c							
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f		5,259,293				
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)		555,641	311,626		244,015	
	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	(ii) Other				
			220,695					
	b	Less cost or other basis and sales expenses						
	c	Gain or (loss)	220,695					
	d	Net gain or (loss)		220,695			220,695	
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a					
	b	Less direct expenses	b					
	c	Net income or (loss) from fundraising events . . .						
9a	Gross income from gaming activities See Part IV, line 19	a						
b	Less direct expenses	b						
c	Net income or (loss) from gaming activities . . .							
10a	Gross sales of inventory, less returns and allowances	a						
b	Less cost of goods sold	b						
c	Net income or (loss) from sales of inventory . . .							
Miscellaneous Revenue		Business Code						
11a	MISCELLANEOUS	561000	24,283	24,283				
b	PASS THROUGH UBI FOR JV	900003	665		665			
c								
d	All other revenue							
e	Total. Add lines 11a-11d		24,948					
12	Total revenue. See Instructions		6,083,077	5,528,434	67,433	464,710		

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)

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

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 United States See Part IV, line 21				
2	Grants and other assistance to individuals in the United States See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	1,874,718	824,937	979,799	69,982
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	599,144		599,144	
7	Other salaries and wages	3,644,186	2,777,267	866,919	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	700,594	583,123	117,471	
9	Other employee benefits	443,458	349,872	93,586	
10	Payroll taxes	326,047	242,618	83,429	
11	Fees for services (non-employees)				
a	Management				
b	Legal	16,265		16,265	
c	Accounting	74,927		74,927	
d	Lobbying				
e	Professional fundraising See Part IV, line 17				
f	Investment management fees				
g	Other	1,499,326	49,012	937,005	513,309
12	Advertising and promotion	2,730	2,082	648	
13	Office expenses	39,641	31,839	7,802	
14	Information technology	138,241	126,107	12,134	
15	Royalties				
16	Occupancy	30,000	30,000		
17	Travel	71,317	45,193	26,124	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	2,472	2,472		
20	Interest				
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	58,521	44,905	13,616	
23	Insurance	5,134	3,820	1,314	
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	DUES AND SUBSCRIPTIONS	324,218	175,386	148,832	
b	MISCELLANEOUS	28,742	19,913	8,829	
c	BANK FEES	1,256	656	600	
d	INCOME TAXES	1,119		1,119	
e					
f	All other expenses	41	21	20	
25	Total functional expenses. Add lines 1 through 24f	9,882,097	5,309,223	3,989,583	583,291
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				1	
	2	Savings and temporary cash investments			449,869	2	260,196
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			37,027	4	56,374
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L				5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L				6	
	7	Notes and loans receivable, net				7	
	8	Inventories for sale or use				8	
	9	Prepaid expenses and deferred charges			818,204	9	491,998
	10a	Land, buildings, and equipment, cost or other basis. Complete Part VI of Schedule D	10a	499,617	14,262	10c	179,128
	b	Less accumulated depreciation	10b	320,489			
	11	Investments—publicly traded securities			9,246,188	11	9,461,060
	12	Investments—other securities. See Part IV, line 11			11,037,207	12	11,737,257
	13	Investments—program-related. See Part IV, line 11				13	
	14	Intangible assets				14	
	15	Other assets. See Part IV, line 11			204,156	15	
16	Total assets. Add lines 1 through 15 (must equal line 34)			21,806,913	16	22,186,013	
Liabilities	17	Accounts payable and accrued expenses			1,728,552	17	1,366,516
	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				23	
	24	Unsecured notes and loans payable to unrelated third parties				24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D			3,063,415	25	1,701,923
	26	Total liabilities. Add lines 17 through 25			4,791,967	26	3,068,439
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			17,014,946	27	19,117,574
	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			17,014,946	33	19,117,574
	34	Total liabilities and net assets/fund balances			21,806,913	34	22,186,013

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	6,083,077
2	Total expenses (must equal Part IX, column (A), line 25)	2	9,882,097
3	Revenue less expenses Subtract line 2 from line 1	3	-3,799,020
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	17,014,946
5	Other changes in net assets or fund balances (explain in Schedule O)	5	5,901,648
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	19,117,574

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 checked="" type="checkbox"/> Separate basis <input 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)

Department of the Treasury
Internal Revenue Service

Name of the organization
MUNSON HEALTHCARE

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2011

Open to Public Inspection

Employer identification number

38-2640544

Part I

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

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

- 1

☐

A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**
- 2

☐

A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)
- 3

☐

A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4

☐

A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state
- 5

☐

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)
- 6

☐

A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7

☐

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 8

☐

A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9

☐

An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)
- 10

☐

An organization organized and operated exclusively to test for public safety See**section 509(a)(4).**
- 11

☒

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

a

☐

Type I

b

☒

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Other

e

☒

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

f

☐

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

g

☐

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

(i)

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

(ii)

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

(iii)

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

h

☐

Provide the following information about the supported organization(s)

	Yes	No
11g(i)		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	
(A) MUNSON MEDICAL CENTER	381362830	3	Yes		Yes		Yes		2,127,079
Total									2,127,079

Part II

Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I 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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions)					12	
13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage						
14 Public Support Percentage for 2011 (line 6 column (f) divided by line 11 column (f))		14				
15 Public Support Percentage for 2010 Schedule A, Part II, line 14		15				
16a 33 1/3% support test—2011. 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—2010. 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—2011. 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—2010. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization						
18 Private Foundation If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions						

Part IIISupport Schedule for Organizations Described in IRC 509(a)(2)

(Complete only if you checked the box on line 9 of Part I 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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(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) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11 and 12.)						
14 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage			
15 Public Support Percentage for 2011 (line 8 column (f) divided by line 13 column (f))	15		
16 Public support percentage from 2010 Schedule A, Part III, line 15	16		

Section D. Computation of Investment Income Percentage			
17 Investment income percentage for 2011 (line 10c column (f) divided by line 13 column (f))	17		
18 Investment income percentage from 2010 Schedule A, Part III, line 17	18		
19a 33 1/3% support tests—2011. 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—2010. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization			
20 Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions			

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

Facts And Circumstances Test

Explanation

SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ Complete if the organization is described below.

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

OMB No 1545-0047

2011

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), then

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

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

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

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

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

Name of the organization MUNSON HEALTHCARE	Employer identification number 38-2640544
---	--

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

1

Provide a description of the organization's direct and indirect political campaign activities on behalf of or in opposition to candidates for public office in Part IV

2

Political expenditures

▶ \$

3

Volunteer hours

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

1

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

▶ \$

2

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

▶ \$

3

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

☐ Yes ☒ No

4a

Was a correction made?

☐ Yes ☒ No

b

If "Yes," describe in Part IV

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

1

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

▶ \$

2

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

▶ \$

3

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

▶ \$

4

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

☐ Yes ☒ No

5

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

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

Part II-A

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

- A

Check

☐

if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)
- B

Check

☐

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

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

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B

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

		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
	a Volunteers?		No	
	b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
	c Media advertisements?		No	
	d Mailings to members, legislators, or the public?		No	
	e Publications, or published or broadcast statements?		No	
	f Grants to other organizations for lobbying purposes?		No	
	g Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
	h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
	i Other activities? If "Yes," describe in Part IV	Yes		21,311
	j Total lines 1c through 1i			21,311
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		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	No
2	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	No
3	Did the organization agree to carryover lobbying and political expenditures from the prior year?	3	No

Part III-B

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

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

Part IV

Supplemental Information

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

Identifier	Return Reference	Explanation
	SCHEDULE C, PART II-B, LINE 1	PORTION OF DUES TO REGIONAL AND NATIONAL ORGANIZATIONS THAT RELATE TO LOBBYING ACTIVITY

SCHEDULE D
(Form 990)

Supplemental Financial Statements

► Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization MUNSON HEALTHCARE	Employer identification number 38-2640544
---	--

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

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

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

1

Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or pleasure) ☐ Preservation of an historically importantly land area
☐ Protection of natural habitat ☐ Preservation of a certified historic structure
☐ Preservation of open space

2

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

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

3

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

4

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

5

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

☐ Yes ☒ No

6

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

7

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

8

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

☐ Yes ☒ No

9

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

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

1a

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

b

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

(i)

Revenues included in Form 990, Part VIII, line 1

► \$ _____

(ii)

Assets included in Form 990, Part X

► \$ _____

2

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

a

Revenues included in Form 990, Part VIII, line 1

► \$ _____

b

Assets included in Form 990, Part X

► \$ _____

Part III

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

3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

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

5

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

☐ Yes☒ No

Part IV

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

1a

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

☐ Yes☒ No

b

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

	Amount
1c	
1d	
1e	
1f	

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	9,246,188	7,963,804	7,152,653	8,311,745
b	Contributions				
c	Investment earnings or losses	263,504	1,326,802	835,431	-1,119,240
d	Grants or scholarships				
e	Other expenditures for facilities and programs				
f	Administrative expenses	48,632	44,418	24,280	39,852
g	End of year balance	9,461,060	9,246,188	7,963,804	7,152,653

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶ 100 000 %

b

Permanent endowment ▶

c

Term endowment ▶

3a

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

(i)

unrelated organizations

3a(i)

No

(ii)

related organizations

3a(ii)

No

b

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

3b

No

4

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

Part VI

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

Description of property	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		499,617	320,489	179,128
e Other				
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				179,128

Part VII

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 valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests	5,021,759	F
(3) Other		
(A) INSURANCE INVESTMENTS	2,799,031	F
(B) INVEST HOUGHTON LAKE AMBULATORY SUR	1,491,430	F
(C) INVESTMENT IN MEDICAL ARTS GROUP	1,055,007	F
(D) INVESTMENT IN SUPPLY ALLIANCE	811,747	F
(E) INVESTMENT IN PRIORITY HEALTH	558,283	F
Total. (Column (b) should equal Form 990, Part X, col (B) line 12)	11,737,257	

Part VIII

Investments—Program Related.

See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. (Column (b) should equal Form 990, Part X, col (B) line 13)		

Part IX

Other Assets.

See Form 990, Part X, line 15.

(a) Description	(b) Book value
Total. (Column (b) should equal Form 990, Part X, col.(B) line 15.)	

Part X

Other Liabilities.

See Form 990, Part X, line 25.

1 (a) Description of Liability	(b) Amount	
Federal Income Taxes		
INSURANCE CLAIMS RESERVE	1,648,009	
AFFILIATE PAYABLE	53,914	
Total. (Column (b) should equal Form 990, Part X, col (B) line 25)	1,701,923	

2. Fin 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740)

Part XI

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

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

Part XII

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

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

Part XIII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

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

Part XIV

Supplemental Information

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

Identifier	Return Reference	Explanation
INTENDED USES FOR ENDOWMENT FUNDS	SCHEDULE D, PAGE 2, PART V, LINE 4	THE BOARD-DESIGNATED FUNDS ARE MAINTAINED FOR THE FUTURE USE OF THE MUNSON HEALTHCARE SYSTEM. EARNINGS FROM THE INVESTMENTS ARE USED CURRENTLY, FOR THE OPERATIONS OF MUNSON HEALTHCARE AS PARENT ORGANIZATION IN THE SYSTEM. MUNSON HEALTHCARE HAS NO FIN 48 LIABILITIES, AND THEREFORE, NO FOOTNOTE DISCLOSURE ON THE CONSOLIDATED AUDITED FINANCIAL STATEMENTS. SEE AUDITED FINANCIAL STATEMENTS.

OMB No 1545-0047

**Open to Public
Inspection**

38-2640544

3 Activites per Region (Use Part V if additional space is needed)

Schedule F (Form 990) 2011

1

(i) Method of valuation (book, FMV, appraisal, other)

3 Enter total number of other organizations or entities ►

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16.
Use Part V if additional space is needed.

[illegible]

Part IV Foreign Forms

- 1

Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926 (see instructions for Form 926)*

☐ Yes ☐ No
- 2

Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520 and/or Form 3520-A. (see instructions for Forms 3520 and 3520-A)*

☐ Yes ☐ No
- 3

Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with respect to Certain Foreign Corporations. (see instructions for Form 5471)*

☐ Yes ☐ No
- 4

Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see instructions for Form 8621)*

☐ Yes ☐ No
- 5

Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with respect to Certain Foreign Partnerships. (see instructions for Form 8865)*

☐ Yes ☐ No
- 6

Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see instructions for Form 5713).*

☐ Yes ☐ No

Part V **Supplemental Information**

Complete this part to provide the information (see instructions) required in Part I, line 2, and any additional information.

Identifier	Return Reference	Explanation
		CENTRAL AMERICA AND THE CARIBBEAN 430,656 0 CENTRAL AMERICA AND THE CARIBBEAN 0 2,039,000

Identifier	Return Reference	Explanation
ADDITIONAL INFORMATION	SCHEDULE F, PAGE 5, PART V	EXPENDITURES ARE REPORTED BASED ON THE ACCRUAL METHOD OF ACCOUNTING

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2011

Open to Public Inspection

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

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

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization MUNSON HEALTHCARE	Employer identification number 38-2640544
---	--

Part I

Questions Regarding Compensation

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

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

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

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, columns (D) and (E) for that individual

(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) EDWIN A NESS	(i)	548,165	150,241	1,409	218,655	20,072	938,542	
	(ii)	21,920		71	1,083	774	23,848	
(2) MARK A HEPLER	(i)	228,393	25,779	68,663	27,822	20,647	371,304	20,253
	(ii)							
(3) PAUL SHIRILLA	(i)	259,620	29,778	3,811	31,773	15,369	340,351	
	(ii)							
(4) JAMES D AUSTIN	(i)	176,495	45,865	33,996	22,596	18,005	296,957	3,698
	(ii)							
(5) MARY BETH MORRISON	(i)	160,178	18,125	20,602	20,111	17,771	236,787	3,234
	(ii)							
(6) MARK S DEPONIO	(i)	180,666	15,411	1,776	22,126	21,328	241,307	
	(ii)							
(7) DESIREE A WORTHINGTON	(i)	159,123	27,289	232	17,949	19,726	224,319	
	(ii)							
(8) SHARI L WILSON	(i)	143,174	7,701	329	15,934	9,415	176,553	
	(ii)							
(9) K DOUGLAS DECK	(i)			589,160		9,984	599,144	
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
SEVERANCE, NONQUALIFIED, AND EQUITY-BASED PAYMENTS	SCHEDULE J, PAGE 1, PART I, LINE 4	EDWIN A. NESS 0 206,806 0 MARK A. HEPLER 0 14,118 0 PAUL SHIRILLA 0 16,196 0 JAMES D. AUSTIN 0 12,006 0 MARY BETH MORRISON 0 10,500 0 MARK S. DEPONIO 0 11,286 0 DESIREE A. WORTHINGTON 0 9,870 0 SHARI L. WILSON 0 8,718 0 K. DOUGLAS DECK 589,160 0 0
OTHER ADDITIONAL INFORMATION	SCHEDULE J, PART III	EXECUTIVE SUPPLEMENTAL EXECUTIVE RETIREMENT PLANS. SUBJECT TO REVIEW AND APPROVAL BY THE BOARD COMPENSATION AND EXECUTIVE LEADERSHIP COMMITTEE, IN ORDER TO RECRUIT AND MAINTAIN QUALIFIED EXECUTIVES, INCLUDING THE PRESIDENT AND VICE-PRESIDENTS, A COMPETITIVE BENEFIT PACKAGE IS OFFERED WHICH INCLUDES PARTICIPATION IN A NON-QUALIFIED SUPPLEMENTAL RETIREMENT PLAN. FOR THE PRESIDENT, THE PLAN PROVIDES A TARGETED BENEFIT AT AGE 62. ANNUAL CONTRIBUTIONS, AT MUNSON'S DISCRETION, ARE MADE TO THE PLAN IN ORDER TO ACHIEVE THE TARGETED RETIREMENT BENEFIT LEVEL. VICE-PRESIDENTS ARE ELIGIBLE TO PARTICIPATE IN AN AMOUNT NOT TO EXCEED 6% OF BASE COMPENSATION, FUNDED ANNUALLY, AT THE SOLE DISCRETION OF MUNSON. THESE FUNDS ARE AVAILABLE TO VESTED PARTICIPANTS UPON SEPARATION OF EMPLOYMENT FROM MUNSON. EXECUTIVE SEVERANCE PLAN. SUBJECT TO REVIEW AND APPROVAL BY THE BOARD COMPENSATION AND EXECUTIVE LEADERSHIP COMMITTEE, IN ORDER TO RECRUIT AND MAINTAIN QUALIFIED EXECUTIVES, A COMPETITIVE BENEFIT PACKAGE IS OFFERED TO THE PRESIDENT AND VICE-PRESIDENTS, WHICH INCLUDES A SEVERANCE PLAN. MUNSON HAS A SEVERANCE PLAN FOR PRESIDENT AND VICE-PRESIDENT/EXECUTIVE LEVEL POSITIONS, WHICH PROVIDES FOR THE PRESIDENT UP TO TWO YEARS OF PAY IN THE EVENT EMPLOYMENT ENDS UNDER CERTAIN CONDITIONS, AND FOR THE VICE-PRESIDENTS, UP TO ONE-YEAR OF PAY IN THE EVENT EMPLOYMENT ENDS UNDER CERTAIN CONDITIONS. THE PLAN PROVIDES FOR A 50% OFFSET FOR SUBSEQUENT EMPLOYMENT DURING THE SEVERANCE PERIOD. MEDICAL BENEFITS ARE PROVIDED DURING THE SEVERANCE PERIOD.

2011

Open to Public Inspection

SCHEDULE O

(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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.

Name of the organization

MUNSON HEALTHCARE

Employer identification number

38-2640544

Identifier	Return Reference	Explanation
CLASSES OF MEMBERS OR STOCKHOLDERS	FORM 990, PAGE 6, PART VI, LINE 6	MUNSON HEALTHCARE IS A MEMBERSHIP ORGANIZATION

Identifier	Return Reference	Explanation
ELECTION OF MEMBERS AND THEIR RIGHTS	FORM 990, PAGE 6, PART VI, LINE 7A	THERE ARE TWO CLASSES OF MEMBERS OF MUNSON HEALTHCARE (1) ELECTED MEMBERS, AND (2) EX-OFFICIO MEMBERS THERE IS NO SEPARATE VOTING BY CLASS ON MATTERS BROUGHT TO VOTE BY THE MEMBERS EACH ELECTED MEMBER AND EACH EX-OFFICIO MEMBER SHALL HAVE ONE (1) VOTE ON EACH MATTER SUBMITTED TO A VOTE OF THE MEMBERS THE ELECTED MEMBERS OF THE CORPORATION SHALL CONSIST OF NOT MORE THAN TWO HUNDRED (200) PERSONS, AT LEAST TWO-THIRDS OF WHOM SHALL BE RESIDENTS OF GRAND TRAVERSE, LEELANAU, BENZIE, KALKASKA AND ANTRIM COUNTIES OF THE STATE OF MICHIGAN AT THE TIME OF THEIR ELECTION TO MEMBERSHIP NO PERSON SHALL BE ELIGIBLE AS AN ELECTED MEMBER AFTER ATTAINING THE AGE OF EIGHTY-FIVE EACH ELECTED MEMBER SHALL BE NOMINATED BY THE BOARD OF DIRECTORS PURSUANT TO RECOMMENDATION BY THE GOVERNANCE COMMITTEE AND ELECTED BY THE MEMBERS TO SERVE A FIVE (5) YEAR TERM AN ELECTED MEMBER'S TERM SHALL AUTOMATICALLY CEASE IN THE EVENT THE INDIVIDUAL BECOMES AN EX-OFFICIO MEMBER THE ELECTED MEMBERS SHALL BE DIVIDED INTO STAGGERED TERMS SO THAT NEARLY EQUAL NUMBERS SHALL BE ELECTED EACH YEAR THE EX-OFFICIO MEMBERS OF THE CORPORATION SHALL CONSIST OF EACH DIRECTOR OR TRUSTEE SERVING ON THE BOARDS OF DIRECTORS OR BOARD OF TRUSTEES OF CERTAIN SUBSIDIARY AND AFFILIATE ORGANIZATIONS

Identifier	Return Reference	Explanation
DECISIONS SUBJECT TO APPROVAL OF MEMBERS	FORM 990, PAGE 6, PART VI, LINE 7B	THE MEMBERS VOTE TO ELECT THE ELECTED MEMBERS AND THE ELECTED DIRECTORS OF THE CORPORATION. ADDITIONALLY, ANY AMENDMENT, REPEAL OR ADOPTION OF NEW BYLAWS, TO THE EXTENT IT AFFECTS THE RIGHTS AND POWERS OF THE MEMBERS OF THE CORPORATION, SHALL BE EFFECTIVE ONLY UPON RATIFICATION BY THE MEMBERS. CERTAIN ACTIONS UNDER THE MICHIGAN NONPROFIT CORPORATIONS ACT ALSO REQUIRE THE APPROVAL OF THE MEMBERSHIP INCLUDING A MERGER, CONSOLIDATION, CORPORATE REORGANIZATION, SALE OF SUBSTANTIALLY ALL THE ASSETS, A MENDMENT OF THE ARTICLES OF INCORPORATION AND DISSOLUTION.

Identifier	Return Reference	Explanation
ORGANIZATION'S PROCESS USED TO REVIEW FORM 990	FORM 990, PAGE 6, PART VI, LINE 11B	THE MUNSON HEALTHCARE BOARD IS COMMITTED TO THE ACCURACY AND THOROUGHNESS OF THE FORM 990 REPORTING. MUNSON HEALTHCARE IS THE PARENT COMPANY IN THE MUNSON HEALTHCARE SYSTEM, WHICH UNDERGOES AN AUDIT BY AN EXTERNAL AUDIT FIRM. AT THE CORPORATE LEVEL, THE RESPONSIBLE INDIVIDUALS FROM THE FINANCE, ADMINISTRATION, PATIENT FINANCIAL SERVICES, LEGAL, HUMAN RESOURCES, PUBLIC RELATIONS, AND FUND DEVELOPMENT DEPARTMENTS PREPARE AND REVIEW PORTIONS OF THE FORM 990. THE COMPENSATION AND LEADERSHIP DEVELOPMENT COMMITTEE REVIEWS THE COMPENSATION INFORMATION CONTAINED IN THE CORE FORM AS WELL AS THE SCHEDULE J INFORMATION. THE CONFLICT, VALUATION AND COMPLIANCE COMMITTEE OVERSEES THE CONFLICT OF INTEREST DISCLOSURE PROCESS FOR BOARD MEMBERS AND KEY EMPLOYEES TO ENSURE COMPLIANCE WITH THE CONFLICT OF INTEREST POLICY. THE AUDIT COMMITTEE OVERSEES THE FORM 990 PREPARATION PROCESS BY ENSURING PROPER CONTROLS, POLICIES, PEOPLE AND RESOURCES ARE IN PLACE TO PRODUCE AN ACCURATE RETURN.

Identifier	Return Reference	Explanation
ENFORCEMENT OF CONFLICTS POLICY	FORM 990, PAGE 6, PART VI, LINE 12C	THE MUNSON HEALTHCARE BOARD OF DIRECTORS (THE SYSTEM PARENT ORGANIZATION) HAS A STANDING CONFLICT, VALUATION AND COMPLIANCE ("CVC") COMMITTEE THE CVC COMMITTEE IS COMPOSED OF INDEPENDENT BOARD AND COMMUNITY MEMBERS THE CVC COMMITTEE IS DELEGATED AUTHORITY BY THE BOARD TO REVIEW AND APPROVE THE REASONABLENESS/FAIR MARKET VALUE OF FINANCIAL TRANSACTIONS/ARRANGEMENTS WITH DISQUALIFIED PERSONS ANNUALLY, EACH BOARD MEMBER OF MUNSON HEALTHCARE AND ALL OF ITS SUBSIDIARY/CONTROLLED ENTITIES AND ALL MUNSON EXECUTIVES ARE REQUIRED TO COMPLETE A CONFLICT OF INTEREST DISCLOSURE/QUESTIONNAIRE THE RESPONSES TO THE DISCLOSURE/QUESTIONNAIRE ARE REVIEWED BY THE MUNSON LEGAL DEPARTMENT ANY FINANCIAL ARRANGEMENTS/POTENTIAL CONFLICTS IDENTIFIED THROUGH THE DISCLOSURE/QUESTIONNAIRES ARE PRESENTED TO THE CVC COMMITTEE FOR ITS REVIEW AND DETERMINATION AS TO THE REASONABLENESS/FAIR MARKET VALUE

Identifier	Return Reference	Explanation
COMPENSATION PROCESS FOR TOP OFFICIAL	FORM 990, PAGE 6, PART VI, LINE 15A	THE PROCESS FOR DETERMINING APPROPRIATE LEVELS OF PAY FOR EXECUTIVE POSITIONS WITHIN MUNSON HEALTHCARE IS CAREFULLY AND THOUGHTFULLY DIRECTED BY THE BOARD OF DIRECTORS, THROUGH THE COMPENSATION AND EXECUTIVE LEADERSHIP DEVELOPMENT COMMITTEE THE COMMITTEE UTILIZES "BEST PRACTICES" METHODS OF DETERMINING COMPENSATION AND, AS SUCH, IS COMPOSED OF EIGHT MEMBERS WHOSE VOTING MEMBERS ARE INDEPENDENT THE COMMITTEE IS CHARGED WITH ENSURING THAT EXECUTIVE COMPENSATION IS DESIGNED TO ATTRACT AND RETAIN HIGH QUALITY, PROFESSIONAL LEADERSHIP WHILE MAINTAINING STRONG STEWARDSHIP FOR THE ORGANIZATION ANNUALLY, THE COMMITTEE RETAINS A NATIONAL INDEPENDENT CONSULTANT TO ENSURE THAT MHC'S COMPENSATION PRACTICES AND LEVELS ARE INDEPENDENTLY REVIEWED WHILE BEING COMPETITIVE AND REASONABLE COMPENSATION LEVELS REFLECT THE SCOPE OF EACH EXECUTIVE'S RESPONSIBILITIES, EDUCATIONAL BACKGROUND, EXPERIENCE, AND INDUSTRY STANDING AS WELL AS INDIVIDUAL AND ORGANIZATIONAL PERFORMANCE ANNUAL COMPENSATION FOR MUNSON EXECUTIVES IS DETERMINED IN PART BY MEASURABLE PROGRESS TOWARD THE ORGANIZATION'S GOALS INCLUDING CONTINUED IMPROVEMENT IN CLINICAL QUALITY, COMMUNITY HEALTH, AND OPERATIONAL EFFICIENCIES MUNSON HEALTHCARE'S INTENT FOR EXECUTIVE BASE COMPENSATION IS TO BE AT THE MEDIAN WHEN COMPARED TO LIKE-SIZE NON-PROFIT HOSPITALS AND HEALTHCARE SYSTEMS

Identifier	Return Reference	Explanation
COMPENSATION PROCESS FOR OFFICERS	FORM 990, PAGE 6, PART VI, LINE 15B	COMPENSATION OF OTHER OFFICERS AND KEY EMPLOYEES IS CONSISTENT WITH THAT OF THE TOP EXECUTIVES FOR MUNSON HEALTHCARE

Identifier	Return Reference	Explanation
GOVERNING DOCUMENTS DISCLOSURE EXPLANATION	FORM 990, PAGE 6, PART VI, LINE 19	THE MUNSON HEALTHCARE ARTICLES OF INCORPORATION ARE AVAILABLE TO THE PUBLIC ON THE MICHIGAN DEPARTMENT OF TREASURY WEBSITE. MUNSON HEALTHCARE DOES NOT MAKE THE BYLAWS, CONFLICT OF INTEREST POLICY OR FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC. ANNUALLY, MUNSON HEALTHCARE PREPARES AND DISTRIBUTES AN ANNUAL REPORT TO THE COMMUNITY, WHICH CONTAINS FINANCIAL AS WELL AS PROGRAM DATA.

Identifier	Return Reference	Explanation
GROUP RETURN METHOD	FORM 990, PAGE 7, PART VII	PARENT ORGANIZATION HAS FILED A CONSOLIDATED RETURN

Identifier	Return Reference	Explanation
RELATED ORGANIZATIONS	FORM 990, PAGE 7, PART VII	EDWIN A NESS WAS PRESIDENT OF MUNSON HEALTHCARE AND ALLOCATED 90% OF HIS TIME TO MUNSON HEALTHCARE SYSTEM MATTERS AND 10% OF HIS TIME TO THE MUNSON HEALTHCARE REGIONAL FOUNDATION MARK HEPLER, CFO, ALLOCATES 40% OF HIS TIME TO MUNSON HEALTHCARE, SYSTEM PARENT ORGANIZATION, 60% TO MUNSON MEDICAL CENTER, AND LESS THAN AN HOUR A WEEK TO THE REMAINING ORGANIZATIONS IN THE MUNSON HEALTHCARE SYSTEM IN HIS CAPACITY AS CFO FOR ALL MUNSON SYSTEM ORGANIZATIONS PAUL M SHIRILLA, VICE PRESIDENT OF GENERAL COUNSEL FOR THE MUNSON HEALTHCARE SYSTEM, ALLOCATES 85% OF HIS TIME TO SYSTEM MATTERS AND 15% TO MUNSON MEDICAL CENTER DESIREE WORTHINGTON ALLOCATES 85% OF HER TIME TO MUNSON HEALTHCARE REGIONAL FOUNDATION AS ITS PRESIDENT AND 15% OF HER TIME TO PAUL OLIVER MEMORIAL HOSPITAL FOUNDATION AS ITS PRESIDENT JAMES D AUSTIN ALLOCATES 16 HOURS TO PAUL OLIVER MEMORIAL HOSPITAL AND THE REMAINDER OF HIS TIME TO OTHER MUNSON HEALTHCARE SYSTEM RESPONSIBILITIES MARK S DEPONIO ALLOCATES 55% OF HIS TIME TO NORTHERN MICHIGAN SUPPLY ALLIANCE, APPROXIMATELY 20% OF HIS TIME TO MUNSON DIALYSIS AND THE REMAINING TIME TO MUNSON SUPPORT SERVICES AND MUNSON MOBILE IMAGING

Identifier	Return Reference	Explanation
OTHER CHANGES IN NET ASSETS EXPLANATION	FORM 990, PART XI, LINE 5	THE OTHER CHANGES IN NET ASSETS INCLUDE THE FOLLOWING ITEMS TRANSFERS FROM AFFILIATES 6,100,000 UNREALIZED GAINS ON POOLED INVESTMENT ACCOUNTS - 198,352 TOTAL 5,901,648

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
MUNSON HEALTHCARE

Employer identification number
38-2640544

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
See Additional Data Table							

Part III

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of- year assets	(h) Disproporionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) MUNSON MEDICAL BUILDING PARTNERS PO BOX 1188 TRAVERSE CITY, MI 496851188 38-2830005	REAL ESTAT	MI	N/A					No			No	
(2) NORTHERN MICHIGAN SUPPLY ALLIANCE 2651 AERO PARK DR TRAVERSE CITY, MI 49686 38-3453378	SUPPLY PUR	MI	MUNSON HEA MUNSON HEALTHCARE	RELATED	5,464,138	2,214,308		No	665	Yes		67 750 %
(3) MUNSON MEDICAL BUILDING PARTNERS PO BOX 1188 TRAVERSE CITY, MI 496851188 38-2830005	REAL ESTAT	MI	N/A					No			No	
(4) NORTHERN MICHIGAN SUPPLY ALLIANCE 2651 AERO PARK DR TRAVERSE CITY, MI 49686 38-3453378	SUPPLY PUR	MI	MUNSON HEA MUNSON HEALTHCARE	RELATED	5,464,138	2,214,308		No	665	Yes		67 750 %

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
See Additional Data Table							

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 related organization(s)

c

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

d

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

e

Loans or loan guarantees by related organization(s)

f

Sale of assets to related organization(s)

g

Purchase of assets from related organization(s)

h

Exchange of assets with related organization(s)

i

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

j

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

k

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

l

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

m

Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)

n

Sharing of paid employees with related organization(s)

o

Reimbursement paid to related organization(s) for expenses

p

Reimbursement paid by related organization(s) for expenses

q

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

r

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

Yes

No

1a

1b

1c

1d

1e

1f

1g

1h

1i

1j

1k

1l

1m

1n

1o

1p

1q

1r

No

No

No

No

No

No

No

No

No

Yes

Yes

Yes

No

Yes

Yes

No

No

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

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

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

[illegible]

Part VII

Supplemental Information

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

Identifier	Return Reference	Explanation
ADDITIONAL INFORMATION	SCHEDULE R	MUNSON HEALTHCARE USED THE ACCRUAL METHOD OF ACCOUNTING TO VALUE THE TRANSACTIONS WITH RELATED ENTITIES ALL INTERCOMPANY TRANSACTIONS WITH RELATED ENTITIES WERE REVIEWED SUMMARIZED AND RECONCILED TO DETERMINE THE DISCLOSURE AMOUNTS

Software ID:

Software Version:

EIN: 38-2640544

Name: MUNSON HEALTHCARE

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

(a) Name, address, and EIN of related organization	(b) Primary Activity	(c) Legal Domicile (State or Foreign Country)	(d) Exempt Code section	(e) Public charity status (if 501(c)(3))	(f) Direct Controlling Entity	(g) Section 512 (b)(13) controlled organization	
MUNSON DIALYSIS CENTER 1105 SIXTH ST TRAVERSE CITY, MI 49684 38-3097861	DIALYSIS	MI	(C)(3)	3	MUNSON HC HEALTHCARE	Yes	
MUNSON HEALTHCARE REGIONAL FOUNDATI 1105 SIXTH ST TRAVERSE CITY, MI 49684 38-2642724	RAISE FUND	MI	(C)(3)	7	MUNSON HC HEALTHCARE	Yes	
MUNSON HOME CARE 1105 SIXTH ST TRAVERSE CITY, MI 49684 38-2191390	HOME HEALT	MI	(C)(3)	9	MUNSON HC MUNSON HOME HEATLH	Yes	
MUNSON HOME HEALTH 1105 SIXTH ST TRAVERSE CITY, MI 49684 38-3335362	HOME HEALT	MI	(C)(3)	11B	MUNSON HC HEALTHCARE	Yes	
MUNSON HOME SERVICES 1105 SIXTH ST TRAVERSE CITY, MI 49684 38-2543463	HOME HEALT	MI	(C)(3)	9	MUNSON HC MUNSON HOME HEALTH	Yes	
MUNSON MEDICAL CENTER 1105 SIXTH ST TRAVERSE CITY, MI 49684 38-1362830	HOSPITAL	MI	(C)(3)	3	MUNSON HC HEALTHCARE	Yes	
NORTH FLIGHT INC 1105 SIXTH ST TRAVERSE CITY, MI 49684 38-2657917	MED TRANSP	MI	(C)(3)	11B	MUNSON HC HEALTHCARE	Yes	
PAUL OLIVER MEMORIAL HOSPITAL 1105 SIXTH ST TRAVERSE CITY, MI 49684 38-1415623	HEALTHCARE	MI	(C)(3)	3	MUNSON HC HEALTHCARE	Yes	
PAUL OLIVER MEMORIAL HOSPITAL FOUND 1105 SIXTH ST TRAVERSE CITY, MI 49684 23-7201619	RAISE FUND	MI	(C)(3)	7	MUNSON HC HEALTHCARE	Yes	
MUNSON MEDICAL GROUP 1105 SIXTH ST TRAVERSE CITY, MI 49684 27-3600575	PHYSICIAN	MI	(C)(3)	9	MUNSON MED MUNSON MEDICAL CENTER		No

Form 990, Schedule R, Part IV - Identification of Related Organizations Taxable as a Corporation or Trust

(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
MUNSON SUPPORT SERVICES PO BOX 1188 TRAVERSE CITY, MI 496851188 38-2872821	LAUNDRY	MI	N/A				
MEDICAL OFFICE BUILDING CONDOMINIUM MEDICAL OFFICE BUILDING CONDOMINIUM PO BOX 1188 TRAVERSE CITY, MI 496851188 38-3567278	REAL ESTAT	MI	N/A				
MUNSON SERVICES INC PO BOX 1188 TRAVERSE CITY, MI 496851188 38-3144382	PHARMACY	MI	MUNSON HEA MUNSON HEALTHCARE	C CORP	3,219,573	5,462,040	100 000 %
SIXTH STREET DRUGS INC PO BOX 1188 TRAVERSE CITY, MI 496851188 38-2298290	PHARMACY	MI	MUNSON SER MUNSON SERVICES INC	C CORP	1,510,774	2,531,182	
MEDICAL OFFICE CONDOMINIUM MEDICAL OFFICE CONDOMINIUM PO BOX 1188 TRAVERSE CITY, MI 496851188 20-1902620	REAL ESTAT	MI	N/A				
MUNSON MOBILE IMAGING PO BOX 1188 TRAVERSE CITY, MI 496851188 38-2704069	IMAGING	MI	MUNSON HEA MUNSON HEALTHCARE	C CORP	2,300,197	1,374,786	100 000 %
MUNSON SUPPORT SERVICES PO BOX 1188 TRAVERSE CITY, MI 496851188 38-2872821	LAUNDRY	MI	N/A				
MEDICAL OFFICE BUILDING CONDOMINIUM MEDICAL OFFICE BUILDING CONDOMINIUM PO BOX 1188 TRAVERSE CITY, MI 496851188 38-3567278	REAL ESTAT	MI	N/A				
MUNSON SERVICES INC PO BOX 1188 TRAVERSE CITY, MI 496851188 38-3144382	PHARMACY	MI	MUNSON HEA MUNSON HEALTHCARE	C CORP	3,219,573	5,462,040	100 000 %
SIXTH STREET DRUGS INC PO BOX 1188 TRAVERSE CITY, MI 496851188 38-2298290	PHARMACY	MI	MUNSON SER MUNSON SERVICES INC	C CORP	1,510,774	2,531,182	
MEDICAL OFFICE CONDOMINIUM MEDICAL OFFICE CONDOMINIUM PO BOX 1188 TRAVERSE CITY, MI 496851188 20-1902620	REAL ESTAT	MI	N/A				
MUNSON MOBILE IMAGING PO BOX 1188 TRAVERSE CITY, MI 496851188 38-2704069	IMAGING	MI	MUNSON HEA MUNSON HEALTHCARE	C CORP	2,300,197	1,374,786	100 000 %

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)	MUNSON DIALYSIS CENTER	C	500,000	FMV
(2)	MUNSON DIALYSIS CENTER	K	65,712	FMV
(3)	MUNSON DIALYSIS CENTER	P	52,385	FMV
(4)	MUNSON HEALTHCARE REGIONAL FOUNDATI FOUNDATION	L	513,309	FMV
(5)	MUNSON HEALTHCARE REGIONAL FOUNDATI FOUNDATION	N	830,765	FMV
(6)	MUNSON HOME CARE	P	59,904	FMV
(7)	MUNSON HOME HEALTH	K	134,784	FMV
(8)	MUNSON HOME HEALTH	N	222,990	FMV
(9)	MUNSON MEDICAL BUILDING PARTNERS	P	54,825	FMV
(10)	MUNSON MEDICAL CENTER	C	4,100,000	FMV
(11)	MUNSON MEDICAL CENTER	K	1,428,288	FMV
(12)	MUNSON MEDICAL CENTER	N	698,791	FMV
(13)	MUNSON MEDICAL CENTER	O	6,592,892	FMV
(14)	MUNSON MEDICAL CENTER	P	2,503,239	FMV
(15)	MUNSON MEDICAL GROUP	K	80,772	FMV
(16)	MUNSON MEDICAL GROUP	N	142,140	FMV
(17)	MUNSON MEDICAL GROUP	P	111,505	FMV
(18)	MUNSON MOBILE IMAGING	C	700,000	FMV
(19)	MUNSON SERVICES INC	K	85,644	FMV
(20)	MUNSON SUPPORT SERVICES	N	129,882	FMV

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
(21)	NORTH FLIGHT INC	B	200,000	FMV
(22)	NORTH FLIGHT INC	K	85,644	FMV
(23)	NORTH FLIGHT INC	P	50,334	FMV
(24)	NORTHERN MICHIGAN SUPPLY ALLIANCE	K	120,144	FMV
(25)	NORTHERN MICHIGAN SUPPLY ALLIANCE	N	129,882	FMV
(26)	PAUL OLIVER MEMORIAL HOSPITAL	C	1,000,000	FMV
(27)	PAUL OLIVER MEMORIAL HOSPITAL	K	135,948	FMV
(28)	PAUL OLIVER MEMORIAL HOSPITAL	N	124,936	FMV
(29)	PAUL OLIVER MEMORIAL HOSPITAL	P	120,366	FMV
(30)	MUNSON DIALYSIS CENTER	C	500,000	FMV
(31)	MUNSON DIALYSIS CENTER	K	65,712	FMV
(32)	MUNSON DIALYSIS CENTER	P	52,385	FMV
(33)	MUNSON HEALTHCARE REGIONAL FOUNDATI FOUNDATION	L	513,309	FMV
(34)	MUNSON HEALTHCARE REGIONAL FOUNDATI FOUNDATION	N	830,765	FMV
(35)	MUNSON HOME CARE	P	59,904	FMV
(36)	MUNSON HOME HEALTH	K	134,784	FMV
(37)	MUNSON HOME HEALTH	N	222,990	FMV
(38)	MUNSON MEDICAL BUILDING PARTNERS	P	54,825	FMV
(39)	MUNSON MEDICAL CENTER	C	4,100,000	FMV
(40)	MUNSON MEDICAL CENTER	K	1,428,288	FMV

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
(41)	MUNSON MEDICAL CENTER	N	698,791	FMV
(42)	MUNSON MEDICAL CENTER	O	6,592,892	FMV
(43)	MUNSON MEDICAL CENTER	P	2,503,239	FMV
(44)	MUNSON MEDICAL GROUP	K	80,772	FMV
(45)	MUNSON MEDICAL GROUP	N	142,140	FMV
(46)	MUNSON MEDICAL GROUP	P	111,505	FMV
(47)	MUNSON MOBILE IMAGING	C	700,000	FMV
(48)	MUNSON SERVICES INC	K	85,644	FMV
(49)	MUNSON SUPPORT SERVICES	N	129,882	FMV
(50)	NORTH FLIGHT INC	B	200,000	FMV
(51)	NORTH FLIGHT INC	K	85,644	FMV
(52)	NORTH FLIGHT INC	P	50,334	FMV
(53)	NORTHERN MICHIGAN SUPPLY ALLIANCE	K	120,144	FMV
(54)	NORTHERN MICHIGAN SUPPLY ALLIANCE	N	129,882	FMV
(55)	PAUL OLIVER MEMORIAL HOSPITAL	C	1,000,000	FMV
(56)	PAUL OLIVER MEMORIAL HOSPITAL	K	135,948	FMV
(57)	PAUL OLIVER MEMORIAL HOSPITAL	N	124,936	FMV
(58)	PAUL OLIVER MEMORIAL HOSPITAL	P	120,366	FMV
(59)	MUNSON DIALYSIS CENTER	C	500,000	FMV
(60)	MUNSON DIALYSIS CENTER	K	65,712	FMV

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
(61)	MUNSON DIALYSIS CENTER	P	52,385	FMV
(62)	MUNSON HEALTHCARE REGIONAL FOUNDATI FOUNDATION	L	513,309	FMV
(63)	MUNSON HEALTHCARE REGIONAL FOUNDATI FOUNDATION	N	830,765	FMV
(64)	MUNSON HOME CARE	P	59,904	FMV
(65)	MUNSON HOME HEALTH	K	134,784	FMV
(66)	MUNSON HOME HEALTH	N	222,990	FMV
(67)	MUNSON MEDICAL BUILDING PARTNERS	P	54,825	FMV
(68)	MUNSON MEDICAL CENTER	C	4,100,000	FMV
(69)	MUNSON MEDICAL CENTER	K	1,428,288	FMV
(70)	MUNSON MEDICAL CENTER	N	698,791	FMV
(71)	MUNSON MEDICAL CENTER	O	6,592,892	FMV
(72)	MUNSON MEDICAL CENTER	P	2,503,239	FMV
(73)	MUNSON MEDICAL GROUP	K	80,772	FMV
(74)	MUNSON MEDICAL GROUP	N	142,140	FMV
(75)	MUNSON MEDICAL GROUP	P	111,505	FMV
(76)	MUNSON MOBILE IMAGING	C	700,000	FMV
(77)	MUNSON SERVICES INC	K	85,644	FMV
(78)	MUNSON SUPPORT SERVICES	N	129,882	FMV
(79)	NORTH FLIGHT INC	B	200,000	FMV
(80)	NORTH FLIGHT INC	K	85,644	FMV

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
(81)	NORTH FLIGHT INC	P	50,334	FMV
(82)	NORTHERN MICHIGAN SUPPLY ALLIANCE	K	120,144	FMV
(83)	NORTHERN MICHIGAN SUPPLY ALLIANCE	N	129,882	FMV
(84)	PAUL OLIVER MEMORIAL HOSPITAL	C	1,000,000	FMV
(85)	PAUL OLIVER MEMORIAL HOSPITAL	K	135,948	FMV
(86)	PAUL OLIVER MEMORIAL HOSPITAL	N	124,936	FMV
(87)	PAUL OLIVER MEMORIAL HOSPITAL	P	120,366	FMV
(88)	MUNSON DIALYSIS CENTER	C	500,000	FMV
(89)	MUNSON DIALYSIS CENTER	K	65,712	FMV
(90)	MUNSON DIALYSIS CENTER	P	52,385	FMV
(91)	MUNSON HEALTHCARE REGIONAL FOUNDATI FOUNDATION	L	513,309	FMV
(92)	MUNSON HEALTHCARE REGIONAL FOUNDATI FOUNDATION	N	830,765	FMV
(93)	MUNSON HOME CARE	P	59,904	FMV
(94)	MUNSON HOME HEALTH	K	134,784	FMV
(95)	MUNSON HOME HEALTH	N	222,990	FMV
(96)	MUNSON MEDICAL BUILDING PARTNERS	P	54,825	FMV
(97)	MUNSON MEDICAL CENTER	C	4,100,000	FMV
(98)	MUNSON MEDICAL CENTER	K	1,428,288	FMV
(99)	MUNSON MEDICAL CENTER	N	698,791	FMV
(100)	MUNSON MEDICAL CENTER	O	6,592,892	FMV

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
(101)	MUNSON MEDICAL CENTER	P	2,503,239	FMV
(102)	MUNSON MEDICAL GROUP	K	80,772	FMV
(103)	MUNSON MEDICAL GROUP	N	142,140	FMV
(104)	MUNSON MEDICAL GROUP	P	111,505	FMV
(105)	MUNSON MOBILE IMAGING	C	700,000	FMV
(106)	MUNSON SERVICES INC	K	85,644	FMV
(107)	MUNSON SUPPORT SERVICES	N	129,882	FMV
(108)	NORTH FLIGHT INC	B	200,000	FMV
(109)	NORTH FLIGHT INC	K	85,644	FMV
(110)	NORTH FLIGHT INC	P	50,334	FMV
(111)	NORTHERN MICHIGAN SUPPLY ALLIANCE	K	120,144	FMV
(112)	NORTHERN MICHIGAN SUPPLY ALLIANCE	N	129,882	FMV
(113)	PAUL OLIVER MEMORIAL HOSPITAL	C	1,000,000	FMV
(114)	PAUL OLIVER MEMORIAL HOSPITAL	K	135,948	FMV
(115)	PAUL OLIVER MEMORIAL HOSPITAL	N	124,936	FMV
(116)	PAUL OLIVER MEMORIAL HOSPITAL	P	120,366	FMV
(117)	MUNSON DIALYSIS CENTER	C	500,000	FMV
(118)	MUNSON DIALYSIS CENTER	K	65,712	FMV
(119)	MUNSON DIALYSIS CENTER	P	52,385	FMV
(120)	MUNSON HEALTHCARE REGIONAL FOUNDATI FOUNDATION	L	513,309	FMV

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
(121) MUNSON HEALTHCARE REGIONAL FOUNDATI FOUNDATION	N	830,765	FMV
(122) MUNSON HOME CARE	P	59,904	FMV
(123) MUNSON HOME HEALTH	K	134,784	FMV
(124) MUNSON HOME HEALTH	N	222,990	FMV
(125) MUNSON MEDICAL BUILDING PARTNERS	P	54,825	FMV
(126) MUNSON MEDICAL CENTER	C	4,100,000	FMV
(127) MUNSON MEDICAL CENTER	K	1,428,288	FMV
(128) MUNSON MEDICAL CENTER	N	698,791	FMV
(129) MUNSON MEDICAL CENTER	O	6,592,892	FMV
(130) MUNSON MEDICAL CENTER	P	2,503,239	FMV
(131) MUNSON MEDICAL GROUP	K	80,772	FMV
(132) MUNSON MEDICAL GROUP	N	142,140	FMV
(133) MUNSON MEDICAL GROUP	P	111,505	FMV
(134) MUNSON MOBILE IMAGING	C	700,000	FMV
(135) MUNSON SERVICES INC	K	85,644	FMV
(136) MUNSON SUPPORT SERVICES	N	129,882	FMV
(137) NORTH FLIGHT INC	B	200,000	FMV
(138) NORTH FLIGHT INC	K	85,644	FMV
(139) NORTH FLIGHT INC	P	50,334	FMV
(140) NORTHERN MICHIGAN SUPPLY ALLIANCE	K	120,144	FMV

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
(141)	NORTHERN MICHIGAN SUPPLY ALLIANCE	N	129,882	FMV
(142)	PAUL OLIVER MEMORIAL HOSPITAL	C	1,000,000	FMV
(143)	PAUL OLIVER MEMORIAL HOSPITAL	K	135,948	FMV
(144)	PAUL OLIVER MEMORIAL HOSPITAL	N	124,936	FMV
(145)	PAUL OLIVER MEMORIAL HOSPITAL	P	120,366	FMV

TY 2011 GeneralDependencySmall**Name:** MUNSON HEALTHCARE**EIN:** 38-2640544**Business Name or Person Name:****Taxpayer Identification Number:****Form, Line or Instruction****Reference:****Regulations Reference:****Description:** GENERAL FOOTNOTE

Attachment Information: MUNSON HEALTHCARE (MHC) IS A MICHIGAN NONPROFIT CORPORATION ORGANIZED TO DIRECT THE DELIVERY OF A BROAD ARRAY OF HEALTH CARE SERVICES PROVIDED THROUGH ITS VARIOUS SUBSIDIARIES AND AFFILIATES. THE MUNSON HEALTHCARE SYSTEM CONSISTS OF A MAJOR TERTIARY REFERRAL HOSPITAL, MUNSON MEDICAL CENTER; A CRITICAL ACCESS HOSPITAL, PAUL OLIVER MEMORIAL HOSPITAL; EXTENSIVE OUTPATIENT TREATMENT AND REHABILITATION FACILITIES; AND ANCILLARY EMERGENCY, TRANSPORTATION AND HOME-BASED MEDICAL SERVICES. THE MUNSON HEALTHCARE SYSTEM ALSO HAS AFFILIATION RELATIONSHIPS WITH SEVERAL RURALLY BASED MEDICAL CENTERS AND HAS A SERVICE AREA THAT COVERS 24 COUNTIES IN MICHIGAN'S NORTHERN LOWER PENINSULA AND EASTERN PORTION OF THE UPPER PENINSULA. MUNSON HEALTHCARE PROVIDED 39.9 MILLION IN COMMUNITY BENEFIT FOR THE RESIDENTS OF NORTHERN MICHIGAN IN FISCAL YEAR 2011. INCLUDED IN THIS COMMUNITY BENEFIT IS THE COST OF PROVIDING CHARITY CARE, BAD DEBT, THE UNREIMBURSED COST OF MEDICARE AND MEDICAID SERVICES, AND NUMEROUS UNCOMPENSATED COMMUNITY HEALTH IMPROVEMENT SERVICES AND PROGRAMS. OF SPECIAL NOTE ARE THE OUTREACH PROGRAMS THAT MUNSON HEALTHCARE INITIATED, FACILITATED, AND SUPPORTED IN CARRYING OUT THE TAX-EXEMPT PURPOSE OF PROVIDING HEALTH CARE TO THE COMMUNITIES IT SERVES.

TY 2011 GeneralDependencySmall**Name:** MUNSON HEALTHCARE**EIN:** 38-2640544**Business Name or Person Name:****Taxpayer Identification Number:****Form, Line or Instruction****Reference:****Regulations Reference:****Description:** GENERAL FOOTNOTE**Attachment Information:**

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Additional Data

Software ID:
Software Version:
EIN: 38-2640544
Name: MUNSON HEALTHCARE

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
EDWIN A NESS PRESIDENT &	40 00	X		X				699,815	21,991	240,584
WARD R GILLETT MD DIRECTOR	4 00	X						9,375	26,145	0
DAVID WRIGHT MD DIRECTOR	4 00	X						0	27,542	0
DANIEL WOLF CHAIR	6 00	X		X				21,500	0	0
RAYMOND BOHRER MD DIRECTOR	4 00	X						12,500	6,400	0
ROBERT SPRUNK SECRETARY	6 00	X		X				9,375	6,125	0
THOMAS MCINTYRE FORMER CHAIR	4 00	X						15,500	0	0
BARBARA BENSON DIRECTOR	4 00	X						12,500	0	0
CHRISTINA MACINNES DIRECTOR	4 00	X						12,500	0	0
CONSTANCE DENEWETH TREASURER	6 00	X		X				12,500	0	0
DANIEL NAVIN MD DIRECTOR	4 00	X						3,125	9,375	0
DAVID RIPPER MD DIRECTOR	4 00	X						12,500	0	0
EMORY D JOHNSON DIRECTOR	4 00	X						12,500	0	0
JEAN HOWARD DIRECTOR	4 00	X						12,500	0	0
JERRY CARLSON DIRECTOR	4 00	X						12,500	0	0
ROBERT FOSTER DIRECTOR	4 00	X						12,500	0	0
TERRY ROGERS DIRECTOR	4 00	X						12,500	0	0
THOMAS GARTLAND DIRECTOR	4 00	X						12,500	0	0
JOHN C ERB DIRECTOR	4 00	X						0	12,500	0
THEODORE N BATZER MD DIRECTOR	4 00	X						9,375	0	0
CHARLES HAVILL DIRECTOR	4 00	X						9,375	0	0
ELAINE WOOD DIRECTOR	4 00	X						9,375	0	0
DEBORAH FELLOWS DIRECTOR	4 00	X						0	0	0
ROGER W SPOELMAN DIRECTOR	4 00	X						0	0	0
JOHN PELIZZARI VICE CHAIR	6 00	X		X				0	0	0

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
CARMEL ROBERTS DIRECTOR	4 00	X						0	0	0
MARK A HEPLER CFO	40 00			X				322,835	0	48,469
PAUL SHIRILLA VP LEGAL	40 00				X			293,209	0	47,142
JAMES D AUSTIN AFFILIATE AD	40 00					X		256,356	0	40,601
MARY BETH MORRISON VP PLANNING	40 00					X		198,905	0	37,882
MARK S DEPONIO VP SUPPLY CH	40 00					X		197,853	0	43,454
DESIREE A WORTHINGTON MHC FOUNDATI	40 00					X		186,644	0	37,675
SHARI L WILSON VP HOME HEAL	40 00					X		151,204	0	25,349
K DOUGLAS DECK FORMER CEO							X	589,160	0	9,984