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DLN: 93493134066613

Department of the Treasury

Return of Organization Exempt From Income Tax

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

OMB No 1545-0047

Open to Public Inspection

The organization may have to use a copy of this return to satisfy state reporting requirements Internal Revenue Service A For the 2011 calendar year, or tax year beginning 07-01-2011 and ending 06-30-2012 D Employer identification number Name of organization ASPIRUS WAUSAU HOSPITAL Inc B Check if applicable Address change 39-1138241 Doing Business As E Telephone number Name change (715)847-2988 Initial return umber and street (or P O box if mail is not delivered to street address) **G** Gross receipts \$ 396,344,991 333 Pine Ridge Blvd Terminated Amended return City or town, state or country, and ZIP + 4 Wausau, WI 54401 Application pending Name and address of principal officer **H(a)** Is this a group return for Marita Hattem affiliates? 333 Pine Ridge Blvd Wausau, WI 54401 H(b) Are all affiliates included? If "No," attach a list (see instructions) **▼** 501(c)(3) Tax-exempt status 501(c) () ◀ (insert no) ☐ 4947(a)(1) or ☐ 527 Group exemption number 🕨 H(c) **Website: ►** www aspirus org K Form of organization ✓ Corporation ☐ Trust ☐ Association ☐ Other ► M State of legal domicile WI L Year of formation 1970 Summary Part I Briefly describe the organization's mission or most significant activities ASPIRUS IS AN INTEGRATED, COMMUNITY-GOVERNED HEALTHCARE SYSTEM WHICH leads by advancing initiatives dedicated to improving the health of all we serve Activities & Governance 2 Check this box 🚩 if the organization discontinued its operations or disposed of more than 25% of its net assets Number of voting members of the governing body (Part VI, line 1a) . . . 20 4 Number of independent voting members of the governing body (Part VI, line 1b) . 10 5 2,673 Total number of individuals employed in calendar year 2011 (Part V, line 2a) 6 756 Total number of volunteers (estimate if necessary) 7a 1,286,307 7a Total unrelated business revenue from Part VIII, column (C), line 12 ${f b}$ Net unrelated business taxable income from Form 990-T, line 34 **7**b 137,040 **Current Year** Contributions and grants (Part VIII, line 1h) . 560,171 543,612 344,511,521 352,474,883 Program service revenue (Part VIII, line 2g) . 5,935,482 7,634,324 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 11 2,437,273 2,899,438 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12 353,444,447 363,552,257 13 360,975 126,208 Grants and similar amounts paid (Part IX, column (A), lines 1-3). 0 14 Benefits paid to or for members (Part IX, column (A), line 4) . 0 Salaries, other compensation, employee benefits (Part IX, column (A), lines 15 134,976,179 Expenses 140,137,735 0 16a Professional fundraising fees (Part IX, column (A), line 11e) . . . b Total fundraising expenses (Part IX, column (D), line 25) ▶ 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) . . . 177,586,676 182,560,951 312,923,830 322,824,894 18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) 19 Revenue less expenses Subtract line 18 from line 12 . 40,520,617 40,727,363 Assets or defined by the control of **Beginning of Current End of Year** Year 396,800,774 20 Total assets (Part X, line 16) . 380,823,479 End Fund 21 Total liabilities (Part X, line 26) . . . 137,267,852 137,923,004 22 243,555,627 258,877,770 Net assets or fund balances Subtract line 21 from line 20 Signature Block Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge. 2013-05-14 Signature of officer Date Sign Here Sidney Sczygelski Sr VP Finance/CFO/Asst Treasure Type or print name and title Check if Preparer's taxpayer identification number

ERNST & YOUNG US LLP

INDIANAPOLIS, IN 46204 May the IRS discuss this return with the preparer shown above? (see instructions) .

111 MONUMENT CIRCLE STE 2600

sıgnature

Firm's name (or yours

if self-employed), address, and ZIP + 4

Paid

Preparer's

Use Only

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Yes T No

Phone no (317) 681-7000

Par	t III	Statement of I			lishments uestion in this Part II	ı	F
1	Brief	y describe the orga	nızatıon's mıssıoı	า			
DED	ICATE		THE HEALTH OF	ALL WE SERV	E WE WORK COLLA	1 WHICH LEADS BY ADVANCI BORATIVELY WITH OTHERS	
2	the pr	or Form 990 or 99	0-EZ?		ervices during the yea	r which were not listed on	Yes ▼ No
		s," describe these r					
3	servi	ces?				onducts, any program 	Yes Vo
	If "Ye	s," describe these o	hanges on Scheo	lule O			
4	exper	ises Section 501(c)(3) and 501(c)(4	1) organızatıon	s and section 4947(a	hree largest program services, a)(1) trusts are required to repor ch program service reported	
4a	(Code) (Expenses \$ INC PROVIDES HOS	238,979,022 PITAL SERVICES F	including grants of \$ DR residents of Wausau an	126,208) (Revenue \$ and the surrounding communities regard	354,606,460) less of ability to pay
4b	(Code	2) (Expenses \$		ıncludıng grants of \$) (Revenue \$)
4 c	(Code	e) (Expenses \$		ıncludıng grants of \$) (Revenue \$)
	· ·		/D : - :				
4d		er program services enses \$	•	nedule O) luding grants o	f\$) (Revenue \$)
4e	Tota	l program service ex	xpenses ⊩ \$	238,979,02	22		

Form 990 (<u> </u>
Part IV	Checklist of Required Schedules

	•		Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? 🕏	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I^{\bullet}	3		No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5		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 1	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If</i> " <i>Yes," complete Schedule D, Part V</i>	10		No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
а	Did the organization report an amount for land, buildings, and equipment in Part X, line10? If "Yes," complete Schedule D, Part VI.	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.	11d		Νo
e	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X.	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	12a		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	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(II)? If "Yes," complete Schedule E	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, 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	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $$5,000$ of grants or assistance to any organization or entity located outside the U S? If "Yes," complete Schedule F, Part II and IV	15		No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S ? If "Yes," complete Schedule F, Part III and IV	16		No
17	Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I	17		No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18		No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19		No
20a	Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b	Yes	

Par	t IV Checklist of Required Schedules (continued)			
21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II \blacksquare	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	Yes	
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to line 25	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		Νo
C	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
а	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part			
	IV	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		No
С	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</i> "Yes," complete Schedule L, Part IV	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If</i> "Yes," complete Schedule M	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Schedule R, Part I	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34	Yes	
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)? If "Yes," complete Schedule R, Part V, line 2	35b	Yes	
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	Yes	
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	
		F	orm 99 0	(2011)

Part V	Statements Regarding Other IRS Filings and Tax Compliance

	Check if Schedule O contains a response to any question in this Part V		. [
			Yes	No
a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable			
	1a 312			
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable 1b			
С	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes	
a	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			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)		105	
а	Did the organization have unrelated business gross income of \$1,000 or more during the			
-	year?	3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? <i>If "No," provide an explanation in Schedule O</i>	3b	Yes	
a	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	4a		No
h	·			110
•	If "Yes," enter the name of the foreign country ►			
	See mediactions for iming requirements for Form 1D F 30-22 1, Report of Foreign Bank and Financial Accounts			
a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		No
	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
		30		
С	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the	6a		Νο
	organization solicit any contributions that were not tax deductible?			
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts	د ا		
	were not tax deductible?	6b		
	Organizations that may receive deductible contributions under section 170(c).			N
а	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		Νo
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to			
	file Form 8282?	7c		Νo
d	If "Yes," indicate the number of Forms 8282 filed during the year			
е	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		Νo
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		No
	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		
	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess			
	business holdings at any time during the year?	8		
	Sponsoring organizations maintaining donor advised funds.			
а	Did the organization make any taxable distributions under section 4966?	9a		
	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
0	Section 501(c)(7) organizations. Enter			
	Initiation fees and capital contributions included on Part VIII, line 12 10a			
	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club			
_	facilities			
1	Section 501(c)(12) organizations. Enter			
а	Gross income from members or shareholders			
b	Gross income from other sources (Do not net amounts due or paid to other			
	sources against amounts due or received from them)			
2a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
	If "Yes," enter the amount of tax-exempt interest received or accrued during the			
_	year 12b			
3	Section 501(c)(29) qualified nonprofit health insurance issuers.			
а	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			
C	Enter the aggregate amount of reserves on hand 13c			
4>	Did the organization receive any payments for indoor tanning services during the tax year?	14a		NI o
	If "Yes" has it filed a Form 720 to report these payments? If "No" provide an explanation in Schedule O	14a 14b		No
L)	or resilians in media como 770 do report mese naviments CD. No. provide an explanation in Schedille D	- 44F)		

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.

Se	ection 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			
ь	Enter the number of voting members included in line 1a, above, who are			
_	ındependent			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?.	3	Yes	
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .	5		No
6	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		No
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			
а	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
Se	ection B. Policies (This Section B requests information about policies not required by the Internal			
Re	evenue Code.)			ı
			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	
ь	Were officers, directors or trustees, and key employees required to disclose annually interests that could give			
	rise to conflicts?	12b	Yes	
С	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?			
а	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)			
	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	Yes	
Se	ection C. Disclosure			
17	List the States with which a copy of this Form 990 is required to be filed▶WI			
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)			

- 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
 - ☐ O wn website ☐ A nother's website ☑ U pon 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 ► SIDNEY C SCZYGELSKI 333 PINE RIDGE BLVD Wausau, WI 54401

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

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

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

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

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

Check this box if neither the or	ganization nor any re	lated o	rgan	ızatı	ons	compe	ensat	ted any current or fo	rmer officer, direc	tor, or trustee
(A) Name and Title	(B) A verage hours per week (describe	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-	(F) Estimated amount of other compensation from the organization and
	hours for related organizations in Schedule O)	Individual trustae or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former		MISC)	related organizations
See Additional Data Table										
				\vdash			_			

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

	(A) Name and Title	(B) Average hours per week (describe hours	unles an	on (d e thar	n one son er ai	e bo is bo nd a stee	x, oth)		Rep comp fro organiz	(D) ortable ensation m the ration (W- 9-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	Estim amount of compen from organizat	(F) Estimated amount of other compensation from the organization and related		
		for related organizations in Schedule O)	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensate employee	Former			HI3C)	organiz			
See A	dditional Data Table						_					+			
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		+										+			
		+										-			
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								<u> </u>				<u> </u>			
1b	Sub-Total					•									
	Total from continuation sheets Total (add lines 1b and 1c) .					•	_	•		3,203,262	4,629,506	i	1,292,780		
2	Total number of individuals (inc					ted	above) who	receive	d more tha	ın	1			
	\$100,000 of reportable compen	isation from the	organız	ation	► 57										
												Yes	No		
3	Did the organization list any for							ee, c	r highes	t compens	ated employee				
4	on line 1a? If "Yes," complete Sci							•			· · · ·	3 Yes	_		
4	For any individual listed on line organization and related organiz														
	ındıvıdual			•	•	•		•				4 Yes			
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for														
3									_	anızatıon d	or individual for	_	No		
	services rendered to the organiz								_	anızatıon d	or individual for •	5	No		
Se	services rendered to the organizection B. Independent Con	zation? If "Yes,"	complet	e Sch	edul	e J f	or sucl	h per	son .			5	No		
	services rendered to the organiz	ration? If "Yes," tractors highest comper	complet nsated i	e Sch ndep	<i>edul</i> ende	e J fo	or such	t per	sthat rec	eived more	e than	5	No		
Se	services rendered to the organizection B. Independent Con Complete this table for your five	tractors highest compernate organization	complet nsated i	e Sch ndep	<i>edul</i> ende	e J fo	or such	t per	sthat rec	eived more	e than ng with				
Se1	ection B. Independent Con Complete this table for your five \$100,000 of compensation from or within the organization's tax y	tractors highest comper	nsated in Repo	e Sch ndep	<i>edul</i> ende	e J fo	or such	t per	sthat rec	eived mor r year endi	e than	(0			
See 1 Wisco 333 P	ection B. Independent Con Complete this table for your five \$100,000 of compensation from or within the organization's tax y Name of the property of the prop	etractors highest compernation of the organization of the organiza	nsated in Repo	e Sch ndep	<i>edul</i> ende	e J fo	or such	t per	sthat rec	eived mor r year endi	e than ng with (B) ription of services	((Compe	<u> </u>		
Wisco 333 P WAUS Hospit PO Bo	cction B. Independent Con Complete this table for your five \$100,000 of compensation from or within the organization's tax y Name of the State of t	etractors highest compernation of the organization of the organiza	nsated in Repo	e Sch ndep	<i>edul</i> ende	e J fo	or such	t per	sthat rec	eived mor r year endi Desci	e than ng with (B) ription of services	Compe	c) nsation		
Wisco 333 P WAUS Hospit PO Bo CINCI GE Me 8200	services rendered to the organization B. Independent Com Complete this table for your five \$100,000 of compensation from or within the organization's tax your substitution of the services of	etractors highest compernation of the organization of the organiza	nsated in Repo	e Sch ndep	<i>edul</i> ende	e J fo	or such	t per	sthat rec	eived mor r year endi Desci ER physician	e than ng with (B) ription of services s	Compe	c) nsation 5,216,053		
Wisco 333 P WAUS Hospit PO Bo CINCI GE Me 8200 MILW/ Judge PO Bo	cction B. Independent Con Complete this table for your five \$100,000 of compensation from or within the organization's tax y Name of the second of the seco	etractors highest compernation of the organization of the organiza	nsated in Repo	e Sch ndep	<i>edul</i> ende	e J fo	or such	t per	sthat rec	Description on the contract physician	e than ng with (B) ription of services s sicians	Compe	c) nsation 5,216,053 2,989,597		
Wisco 333 P WAUS Hospit PO Bo CINCI GE Me 8200 MILW/ Judge PO Bo PLOVE	services rendered to the organization B. Independent Com Complete this table for your five \$100,000 of compensation from or within the organization's tax your summer summ	etractors highest compernation of the organization of the organiza	nsated in Repo	e Sch ndep	<i>edul</i> ende	e J fo	or such	t per	sthat rec	Descr ER physician contract phy	e than ng with (B) ription of services s sicians enance	Compe	c) nsation 5,216,053 2,989,597 2,792,549		
Wisco 333 P WAUS Hospit PO Bo CINCI GE Me 8200 MILW/ Judge PO Bo PLOVE GE He po bo MILW/	services rendered to the organization B. Independent Com Complete this table for your five \$100,000 of compensation from or within the organization's tax your summer summ	etractors highest comper	nsated in Repo	ndep	ende	e J fo	contra-	ctors	s that rec	Description Descri	e than ng with (B) ription of services s sicians enance ices	Compe	2,989,597 2,792,549		

Form 99								Page 9
Part V	<u>/##1</u>	Statement o	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
इइ	1a	Federated cam	paıgns 1a					
필드	b	Membership du	ies 1b					
S, g	c	Fundraising ev	ents 1c					
∄ੁ≅	d	Related organiz	zations 1d	543,612				
Ę,	e	Government grant	s (contributions) 1e					
Contributions, gifts, grants and other similar amounts	f g	sımılar amounts no	ibutions included in					
ပ္ပန္	h		s 1a-1f	▶	543,612			
<u> </u>				Business Code				
nua	2a	PATIENT SERVICE	REVENUE	621400	286,525,705	286,525,705		
æ	ь	LAB REVENUE		621400	54,928,724	54,544,144	384,580	
Program Serwce Revenue	c	RENTAL REVENUE		532000	4,892,984	4,892,984		
Z.	d	CONTRACT SERVIO	CE REVENUE	621400	2,915,693	2,915,693		
Ě	e	MOBILE UNIT REVE	ENUE	621400	616,157	616,157		
20 810	f	All other progra	am service revenue		2,595,620	2,595,620		
Ě	g	Total. Add line:	s 2a – 2f		352,474,883			
	3	Investment inc	ome (including dividen	ds, interest				
			aramounts)	<u> </u>	4,851,458			4,851,458
	4		stment of tax-exempt bond		0			
	5	Royalties	· · · · · · · · ·		0			
	6a	Gross rents	(ı) Real	(II) Personal				
	Ь	Less rental						
	_c	expenses Rental income						
		or (loss)						
	d	Net rental inco	me or (loss) (i) Securities	► (II) Other				
	7a	Gross amount from sales of assets other	35,366,422	209,178				
	ь	than inventory Less cost or other basis and sales expenses	32,717,422	75,312				
	c	Gain or (loss)	2,649,000	133,866	2 702 066	122.066		2.540.000
	d 8a	Net gain or (los	ss) Trom fundraising	;▶	2,782,866	133,866		2,649,000
Other Revenue		events (not inc \$ of contributions See Part IV, lir	luding s reported on line 1c) ne 18					
Ě	b с		penses b (loss) from fundraising	events	0			
•	9a	Gross income f	rom gaming activities ne 19 a	events	J			
	b c		penses b (loss) from gaming acti	vities▶	0			
	10a	Gross sales of returns and allo						
	b c		oods sold b (loss) from sales of inv	entory ►	o			
		Miscellaneou		Business Code				
	11a	INVESTMENT	IN WESTWOOD	523000	466,978		466,978	
	Ь	CAFETERIA A	ND VENDING	722210	1,576,492	1,485,345	91,147	
	С	PHONE RENTA	\ L	561439	211,442		211,442	
	d		ue		644,526	512,366	132,160	
	12	Total revenue	s 11a-11d See Instructions .	· · · •	2,899,438			
		iotai ievenue.	Sec instructions .		363,552,257	354,221,880	1,286,307	7,500,458

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

	neck if Schedule O contains a response to any question in this Part IX	<u> </u>			(D)
	ot include amounts reported on lines 6b, o, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States See Part IV, line 21				
	in the Officed States See Part IV, fine 21	120,208	120,208		
2	Grants and other assistance to individuals in the United States See Part IV, line 22	6,000	6,000		
3	Grants and other assistance to governments,				
	organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	3,091,384		3,091,384	
6	Compensation not included above, to disqualified persons (as defined under section $4958(f)(1)$) and persons described in section $4958(c)(3)(B)$	0			
7	Other salaries and wages	105,438,919	98,316,738	7,122,181	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	4,787,650	3,191,926	1,595,724	
9	Other employee benefits	19,268,637	12,846,400	6,422,237	
10	Payroll taxes	7,551,145	5,034,348	2,516,797	
11	Fees for services (non-employees)	, ,	, ,	, ,	
а	Management	2,244,573		2,244,573	
b	Legal	639,424		639,424	
С	Accounting	286,738		286,738	
d	Lobbying	0		,	
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees	76,833		76,833	
g	Other	34,472,117	22,982,560	11,489,557	
12	Advertising and promotion	2,229,764	1,486,584	743,180	
13	Office expenses	67,128,777	44,754,756	22,374,021	
14	Information technology	0			
15	Royalties	0			
16	Occupancy	8,886,397	5,924,561	2,961,836	
17	Travel	417,576	278,398	139,178	_
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	658,002	438,690	219,312	
20	Interest	2,187,833	1,458,628	729,205	_
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	14,692,937	9,795,781	4,897,156	
23	Insurance	90,521	60,350	30,171	
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)				
а	HOSPITAL TAX	8,493,584	5,662,672	2,830,912	
ь	BAD DEBT	3,777,747	2,518,624	1,259,123	
c	EQUIPMENT RENTAL & MAINTENANCE	3,744,356	2,496,362	1,247,994	
d	RESIDENCY PROGRAM	1,862,004	1,241,398	620,606	
e		,,	,,-30	,	
f	All other expenses	30,671,768	20,364,038	10,307,730	
25	Total functional expenses. Add lines 1 through 24f	322,824,894	238,979,022	83,845,872	0
26	Joint costs. Check here ► ☐ If following	,,	,,	, -,	
	SOP 98-2 (ASC 958-720) Complete this line only if the				
	organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				
	compined educational campaign and idiidiaising solicitation			<u> </u>	m 990 (2011)

Part X **Balance Sheet** (A) (B) Beginning of year End of year 33,916,131 44,681,380 1 4.720.695 4.795.000 2 2 3 0 3 0 44.589.661 45.666.342 4 4 5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L 0 0 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 ol 0 Schedule L 6 0 0 7 5.726.054 8 5.939.229 9 1.063,830 1.301.311 Prepaid expenses and deferred charges 10a 300.189.713 Land, buildings, and equipment cost or other basis *Complete* Part VI of Schedule D 10a 10b 179,241,612 b Less accumulated depreciation 125,631,971 10c 120,948,101 149,322,405 11 156,351,141 11 0 12 12 Investments—other securities See Part IV, line 11 13 2,844,097 13 2,691,986 Investments—program-related See Part IV, line 11 . . 14 14 13,008,635 15 14,426,284 15 380,823,479 396,800,774 16 **Total assets.** Add lines 1 through 15 (must equal line 34) . . . 16 23,006,233 17 23,025,786 17 Accounts payable and accrued expenses . 18 18 0 19 19 0 20 104.985.000 20 100.620.000 21 Escrow or custodial account liability Complete Part IV of Schedule D . . 21 0 Liabilities 22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified 0 0 22 0 0 23 Secured mortgages and notes payable to unrelated third parties . . . 23 ol 24 Unsecured notes and loans payable to unrelated third parties 24 0 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 9,276,619 25 14,277,218 D 26 137,267,852 26 137,923,004 **Total liabilities.** Add lines 17 through 25 Organizations that follow SFAS 117, check here ▶ 🔽 and complete lines 27 Balances through 29, and lines 33 and 34. 27 243,555,627 27 258,877,770 Unrestricted net assets ol 28 0 28 Temporarily restricted net assets Fund 29 ol 29 0 Permanently restricted net assets Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34. ö 30 30 Capital stock or trust principal, or current funds Assets 31 31 Paid-in or capital surplus, or land, building or equipment fund 32 32 Retained earnings, endowment, accumulated income, or other funds ž 33 243.555.627 33 258.877.770 Total net assets or fund balances 380.823,479 34 Total liabilities and net assets/fund balances 34 396,800,774

Pal	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		363,5	552,25
2	Total expenses (must equal Part IX, column (A), line 25)	2			324,89
3	Revenue less expenses Subtract line 2 from line 1	3		40,7	727,36
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4		243,5	555,62
5	Other changes in net assets or fund balances (explain in Schedule O)	5		-25,4	105,22
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		258,8	377,770
Par	The Financial Statements and Reporting Check if Schedule O contains a response to any question in this Part XII			୮	
1	Accounting method used to prepare the Form 990 Cash Accrual Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			Yes	No
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?		2a		No
b	Were the organization's financial statements audited by an independent accountant?	[2b	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of 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		2c	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were is on a separate basis, consolidated basis, or both	sued			
	Separate basis Consolidated basis Both consolidated and separated basis				
За	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?		3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the reaudit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	quired	3b		

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OMB No 1545-0047

Inspection

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury Internal Revenue Service

Name of the organization ASPIRUS WAUSAU HOSPITAL Inc

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

Public Charity Status and Public Support

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

Employer identification number

								39-1138			
Part			Public Charity				•	<u> </u>	instruction	S	
	_		rivate foundation be								
1	_		vention of churches				b)(1)(A)(I)	•			
2			ribed in section 170								
- :	_	· ·	cooperative hospit	=							
4			earch organization on earch organization on control of the control	perated in conj	unction with	a hospital des	scribed in s e	ection 170(b)	(1)(A)(iii).	Enter the	
5		=	n operated for the b		ge or univer	sity owned or	operated by	a governme	ntal unit des	cribed in	
_			(1)(A)(iv). (Compl	•							
6	A	federal, stat	e, or local governme	ent or governme	ental unit de	scribed in sect	tion 170(b)((1)(A)(v).			
7	d	lescribed in	n that normally rece (1)(A)(vi) (Compl		itial part of i	ts support fron	n a governm	iental unit or	from the ger	neral public	3
8	_		rust described in s e)(A)(vi) (C	omnlete Part 1	Π.)				
9	_		n that normally rece					abutions me	mhershin fea	es and aro	cc
,		=	activities related to					•	· ·		33
			m gross investment								
		• •	e organization after				•		. tax) nom b	usillesses	
ا ما	_		_								
LO L1			n organized and open n organized and open							the nurne	ana of
,	0	ne or more pu	iblicly supported or escribes the ty <u>pe</u> of	ganızatıons des	cribed in se anization an	ction 509(a)(1	l) or sectior es 11e thro	n 509(a)(2) : ugh 11h	See section		. Check
e f g	o s I c S	other than four ection 509 (a f the organiza theck this box Since August	tion received a writ : 17, 2006, has the c	nd other than o	ne or more p	ublicly suppor IRS that it is a	ted organiza	ations descri	bed in section	on 509(a)(1) or
		ollowing perso i) a person wi	ons? no directly or indired	tly controls, e	ther alone o	r together with	persons de	scribed in (ii)	Yes	No
			the governing body			_				g(i)	\vdash
	(ii) a family m	ember of a person d	escribed in (i) a	bove?					g(ii)	\vdash
	-	-	ntrolled entity of a p) above?				ı(iii)	\vdash
h			lowing information a							<u> </u>	
(i) Name suppor organiza		e of (ii) (described on col (i) listed in vour governing		(v) Did you notify the organization in col (i) of your support?		(v) Is t organize col (i) or in the	he ition in ganized	A mo	/ii) unt of port?		
			instructions)) Yes	No	Yes	No	Yes	No		
							1				
							1		1		
							1	+	+		
							+	+	+		
							1	1	1		
otal											
~		1	i						1		

instructions

Sch	edule A (Form 990 or 99	90-EZ)2011						Page 2
	(Complet	e only if you	checked the	box on line 5,	7, or 8 of Part	(b)(1)(A)(iv) I or if the orgar	nızatıon faıle	d to qualify
			<u>organızatıon f</u>	fails to qualify ι	<u>under the tests</u>	listed below, pl	<u>lease comple</u>	ete Part III.)
	ection A. Public Su					Т	1	
Cal	endar year (or fiscal ye in)	ar beginning	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1	Gifts, grants, contribut	ions, and						
	membership fees recei							
	ınclude any "unusual							
_	grants ") Tax revenues levied fo	rtho						
2	organization's benefit a							
	paid to or expended on							
	behalf							
3	The value of services of							
	furnished by a governme the organization withou							
4	Total. Add lines 1 thro	_						
5	The portion of total cor	-						
-	by each person (other	than a						
	governmental unit or p	•						
	supported organization line 1 that exceeds 2%							
	amount shown on line 1							
	(f)	21,0014						
6	Public Support. Subtractine 4	ct line 5 from						
S	ection B. Total Sup	port						
Cal	endar year (or fiscal yea	r beginning	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
_	ın)	_	(4) 2007	(2) 2000	(4) 2005	(4) 2020	(0) 2022	(1) 1 3 4 4
7 8	A mounts from line 4 Gross income from inte	rost –						
0	dividends, payments re							
	securities loans, rents							
	and income from simila	ır						
_	sources							
9	Net income from unrela business activities, wh							
	not the business is reg							
	carried on							
10	Other income (Explain							
	IV) Do not include gai from the sale of capital							
11	Total support (Add line							
	through 10)							
12	Gross receipts from re	lated activities	s, etc (See inst	ructions)			12	
13	First Five Years If the		r the organizati	on's first, second	l, thırd, fourth, or	fıfth tax year as a	501(c)(3) or	
	check this box and sto	p here						▶ □
S	ection C. Computat	ion of Publ	ic Support F	Percentage				
14	Public Support Percen	tage for 2011	(line 6 column	(f) dıvıded by lıne	11 column (f))		14	
15	Public Support Percen	tage for 2010	Schedule A , Pa	rt II, line 14			15	
16a	33 1/3% support test-					line 14 is 33 1/3%	% or more, che	
h	and stop here. The org 33 1/3% support test					6a and line 15 is	33 1/20% or m	ore check this
D	box and stop here. The					oa, and inte 15 IS	1/3%0 UI M	ore, check this
17a	10%-facts-and-circum	-	•		-	ne 13, 16a, or 16	b and line 14	٠,
	ıs 10% or more, and ıf							
	in Part IV how the orga	anızatıon meet	s the "facts and	d circumstances"	test The organiz	zatıon qualıfıes as	a publicly su	
b	organization 10%-facts-and-circum	stances test—	2010. If the ora	anization did not	check a hov on li	ne 13, 16a 16b	or 17a and lin	▶ □
,	15 is 10% or more, an							-
	Explain in Part IV how	the organizati						
10	supported organization Private Foundation If t		n did not chools	a hov on line 12	16a 16h 17a a	or 17h chack this	hov and coc	► □

▶□

Schedule A (Form 990 or 990-EZ) 2011 Page 3 Part III Support 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 (a) 2007 **(b)** 2008 (c) 2009 (d) 2010 (e) 2011 (f) Total ın) Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ") Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose Gross receipts from activities that are not an unrelated trade or business under section 513 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf The value of services or facilities furnished by a governmental unit to the organization without charge Total. Add lines 1 through 5 7a Amounts included on lines 1, 2, and 3 received from disqualified persons Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year c Add lines 7a and 7b Public Support (Subtract line 7c from line 6) Section B. Total Support Calendar year (or fiscal year beginning (a) 2007 **(b)** 2008 (c) 2009 (d) 2010 (e) 2011 (f) Total ın) Amounts from line 6 Gross income from interest, 10a dividends, payments received on securities loans, rents, royalties and income from similar sources Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 Add lines 10a and 10b C Net income from unrelated 11 business activities not included in line 10b, whether or not the business is regularly carried on Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV) Total support (Add lines 9, 10c, 13 11 and 12) First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here Section C. Computation of Public Support Percentage Public Support Percentage for 2011 (line 8 column (f) divided by line 13 column (f)) 15 15 Public support percentage from 2010 Schedule A, Part III, line 15 16 16 Section D. Computation of Investment Income Percentage

Investment income percentage for 2011 (line 10c column (f) divided by line 13 column (f))

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

18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions

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

more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

Investment income percentage from 2010 Schedule A, Part III, line 17

17

18

17

18

▶[

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 A (Form 990 or 990-EZ) 2011

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DLN: 93493134066613

OMB No 1545-0047

SCHEDULE C (Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

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

Political Campaign and Lobbying Activities

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

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

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

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

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

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	orga	nızatıd	n
ASPIRU:	s w	/AUS	AU H	OSPITAL	Inc

Employer identification number

Yes

Yes

39-1138241

Part I-A	Complete if the org	janization is exer	npt under sectio	n 501(c) or is	a section 527	organization.

- in opposition to candidates for public office in Part IV
- Political expenditures
- 3 Volunteer hours

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

Provide a description of the organization's direct and indirect political campaign activities on behalf of or

- Enter the amount of any excise tax incurred by the organization under section 4955 1
- 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?
- Was a correction made?
- 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).

- Enter the amount directly expended by the filing organization for section 527 exempt function activities
- 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
- Did the filing organization file Form 1120-POL for this year?

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) A mount paid from filing organization's funds If none, enter -0-	(e) A mount of political contributions received and promptly and directly delivered to a separate political organization If none, enter - 0 -

f Grassroots lobbying expenditures

(The term "expenditures" means amounts paid or incurred.) Lia 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 If the amount on line 1e, column (a) or (b) is: The lobbying nontaxable amount is: Not 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 \$1,000,000 but not over \$1,000,000 \$1,000,000 g Grassroots nontaxable amount (enter 25% of line 1f) 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? 4-Year Averaging Period Under Section 501(h) (Some organizations that made a section 501(h) election do not have to complete all columns below. See the instructions for lines 2a through 2f on page 4.)	ווטפ	edule C (F	01111 9 9 0 01 9 9 0 - EZ) 2 0 1 1					Page ∠
A Check If the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member expenses, and share of excess lobbying expenditures) 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.) Organization Total Incurred (The term "expenditures" means amounts paid or incurred.) Organization Total Incurred (The term "expenditures to influence a legislative body (direct lobbying)	Pa	rt II-A		n is exempt under	section 501(c)(3) and fi	iled Form 5768	(election
expenses, and share of excess lobbying expenditures) Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.) Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.) Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.) Limits on Lobbying Expenditures (The term "expenditures to influence public opinion (grass roots lobbying) Lobbying expenditures to influence a legislative body (direct lobbying) Total lobbying expenditures (add lines 1a and 1b) Other exempt purpose expenditures Total obtaining purpose expenditures (add lines 1c and 1d) Lobbying nontaxable amount Enter the amount from the following table in both columns If the amount on line 1e, column (a) or (b) is: If the amount on line 1e, column (a) or (b) is: If the amount on line 1e, column (a) or (b) is: Not over \$500,000 but not over \$1,000,000 Over \$1,000,000 but not over \$1,000,000 Over \$1,000,000 but not over \$1,500,000 S1,000,000 but not over \$1,500,000 Over \$1,000,000 but not over \$1,500,000 Over \$1,000,000 but not over \$1,500,000 S1,000,000 but not over \$1,500,000 Over \$1,000,000 but not over \$1,500,000 S1,000,000 but not over \$1,500,000 S1,000,000 but not over \$1,500,000 Over \$1,000,000 but not over \$1,500,000 S1,000,000 but not over \$1,500,000 Over \$1,000,000 but not over \$1,500,000 Over \$1,000,000 but not over \$1,500,000 S1,000,000 but not over \$1,500,000 Over \$1,000,000 but not over \$1,500,000 S1,000,000 but not over \$1,500,000 S1,000,000 but not over \$1,500,000 Over \$1,000,000 but not over \$1,500,000 S1,000,000 but not over \$1,500,000 S1,000,000 but not over \$1,500,000 S1,000,000 but not over \$1,500,000 S1,000 but not over \$1,500,	١	Check		an affiliated group (and	lıst ın Part IV ea	ch affiliated gr	oup member's nam	e, address, EIN,
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Jection 4911 tax for this year? 4-Year Averaging Period Under Section 501(h) (Some organizations that made a section 501(h) election do not have to complete all 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) 20 Lobbying ceiling amount								
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(Some organizations that made a section 501(h) election do not have to complete al 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) 20 Lobbying non-taxable amount							F - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -	┌ Yes ┌ No
Calendar year (or fiscal year beginning in) (a) 2008 (b) 2009 (c) 2010 (d) 2009 Lobbying non-taxable amount		(Sor	ne organizations that made a	section 501(h) el	ection do not	have to co		ne five
beginning in) (a) 2008 (b) 2009 (c) 2010 (d) 20 2a Lobbying non-taxable amount b Lobbying ceiling amount			Lobbying Exp	enditures During	4-Year Avera	ging Period	d	
b Lobbying ceiling amount				(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
	2a	Lobbyin	g non-taxable amount					
	b							
c Total lobbying expenditures	c	Total loi	obying expenditures					
d Grassroots non-taxable amount	d	Grassro	ots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))	e							

Part II-B	Complete if the organization is exempt under section 501(c)(3) and ha	as 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			
а	Volunteers?		Νo	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		Νo	
C	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		Νo	
e	Publications, or published or broadcast statements?		Νo	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		Νo	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities? If "Yes," describe in Part IV	Yes		17,570
j	Total lines 1c through 1:			17,570
2a	Did the activities in line 1 cause the organization to be not described in section $501(c)(3)$?		No	
Ь	If "Yes," enter the amount of any tax incurred under section 4912			
С	If "Yes," enter the amount of any tax incurred by organization managers under section 4912		Ī	
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		No	
Par	t III-A Complete if the organization is exempt under section 501(c)(4), sectio 501(c)(6).	n 501(c)(5), o	r section

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

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

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

Part IV Supplemental Information

Dues, assessments and similar amounts from members

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

Identifier	Return Reference	Explanation
Lobbying Activities	, , , , , , , , , , , , , , , , , , ,	A PORTION OF OUR ANNUAL WISCONSIN HOSPITAL ASSOCIATION AND AMERICAN HOSPITAL ASSOCIATION DUES ARE USED FOR LOBBYING ACTIVITIES FOR AHA THE PERCENT THAT IS SPECIFIC TO LOBBYING PURPOSES IS 24 6% AND FOR THE WHA PORTION THE LOBBYING IS 10 7%

1 1

DLN: 93493134066613

OMB No 1545-0047

Open to Public

Inspection

(Form 990)

SCHEDULE D

Department of the Treasury Internal Revenue Service

► 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.

Supplemental Financial Statements

Name of the organization ASPIRUS WAUSAU HOSPITAL Inc

Employer identification number

Par				Other Sim		-1138 or A		s. Comple	te if the
	organization answered "Yes" to Form 99	_ ' 		1.6	<u> </u>	<i>-</i>	<u> </u>		
1	otal number at end of year	(a) Dono	rad	vised funds		(D) Ft	inas ana	other accou	ınts
	Aggregate contributions to (during year)								
	Aggregate grants from (during year)								
	Aggregate value at end of year								
5	Did the organization inform all donors and donor advis funds are the organization's property, subject to the o					vised		┌ Yes	┌ No
5	Did the organization inform all grantees, donors, and used only for charitable purposes and not for the beniconferring impermissible private benefit	donor advisors in	writ	ing that gran	nt funds may		oose	┌ Yes	┌ No
Par	Conservation Easements. Complete	ıf the organızat	on	answered '	'Yes" to Fo	m 990), Part I	V, line 7.	
1	Purpose(s) of conservation easements held by the or Preservation of land for public use (e g , recreating Protection of natural habitat	-		Preservation	on of an histo on of a certif	•	•	•	ea
	Preservation of open space								
	Complete lines 2a-2d if the organization held a quali easement on the last day of the tax year	fied conservation	con	trıbutıon ın t	he form of a	conser	vation		
						Н	eld at the	End of the	e Year
а	Total number of conservation easements				2a				
	Total acreage restricted by conservation easements				2b				
_	Number of conservation easements on a certified his			ed in (a)	2c				
d	Number of conservation easements included in (c) ac	equired after 8/17	/06		2d				
	Number of conservation easements modified, transfe the taxable year 🛌	rred, released, ex	ting	uished, or te	rminated by	the org	anization	during	
ŀ	Number of states where property subject to conserva	ation easement is	loca	ted ►					
;	Does the organization have a written policy regarding enforcement of the conservation easements it holds?		itori	ng, inspection	on, handling	of viola	tions, and	^d	┌ No
5	Staff and volunteer hours devoted to monitoring, insp	ecting and enforc	ıng	conservation	n easements	during	the year	<u> </u>	
•	A mount of expenses incurred in monitoring, inspectin \$	ng, and enforcing (cons	ervation eas	sements duri	ng the	year		
	Does each conservation easement reported on line 2 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)?	(d) above satisfy	the	requirement	s of section			┌ Yes	┌ No
	In Part XIV, describe how the organization reports co balance sheet, and include, if applicable, the text of t the organization's accounting for conservation easem	he footnote to the							
art	Organizations Maintaining Collectio Complete if the organization answered "					ther	Similar	Assets.	
	If the organization elected, as permitted under SFAS art, historical treasures, or other similar assets held provide, in Part XIV, the text of the footnote to its fin	for public exhibiti	on, e	education or	research in				e,
_	If the organization elected, as permitted under SFAS historical treasures, or other similar assets held for p provide the following amounts relating to these items	oublic exhibition, e						•	
	(i) Revenues included in Form 990, Part VIII, line 1						► \$		
	(ii) Assets included in Form 990, Part X					ı	► \$_		
<u>!</u>	If the organization received or held works of art, histofollowing amounts required to be reported under SFAS				ssets for fina				
a	Revenues included in Form 990, Part VIII, line 1						► \$		

Assets included in Form 990, Part X

ing the organization's accession and other ms (check all that apply) Public exhibition Scholarly research Preservation for future generations	r records, check an	y of th	ne foll	_		re a significar change progra		se of its collection	on	
Scholarly research		d	_	Loan o	rexc	change progra	ms			
		_	_							
Preservation for future generations		-	-	Other						
ovide a description of the organization's cort XIV	ollections and expla	ın hov	w they	/ further	r the	organızatıon's	s ex	empt purpose ın		
ring the year, did the organization solicit of sets to be sold to raise funds rather than t									Yes	┌ No
						n answered	"Ye	es" to Form 99	0,	
	ian or other interme	ediary	for c	ontrıbut	ions	or other asse	ts n		Yes	┌ No
Yes," explain the arrangement in Part XIV	/ and complete the	follow	ıng ta	able		Г		A mo	unt	
gunning halance						-		Alik	, unc	
							-			
						<u> </u>	-			
						_	\rightarrow			
<u>-</u>	orm 990 Part V lin	210 ما						Г	Vec	□ No
-		C 21'						'	163	, 140
		n ans	Were	d "Yes	s" to	Form 990 I	Part	TV line 10		
Endownient i anabi complete i	(a)Current Year								e) Four Y	ears Back
ginning of year balance										
ntributions										
estment earnings or losses										
ants or scholarships										
ministrative expenses										
d of year balance										
ovide the estimated percentage of the yea	r end balance held	as		•		•		•		
ard designated or quasi-endowment 🕨										
rmanent endowment 🕨										
rm endowment 🕨										
	ssion of the organiz	ation t	that a	re held	and	admınıstered	for t	the	Yes	No
unrelated organizations								3a(i))	
								3a(ii)	
	•							3b		
Land, Buildings, and Equipme	ent. See Form 99	₹U, Pa	T				Т	Т		
Description of property								(c) Accumulated depreciation	(d) Bo	ok value
1						9,080,1	160			9,080,160
dings						185,397,3	369	94,562,921	g	0,834,448
						183,3	331	73,935		109,396
sehold improvements		•				105,5				109,390
sehold improvements						95,431,7	\neg	79,286,870	1	6,144,921
	· · · · · ·	· ·					91	·		
	Escrow and Custodial Arrang Part IV, line 9, or reported an and the organization an agent, trustee, custod luded on Form 990, Part X? Yes," explain the arrangement in Part XIV ginning balance diditions during the year stributions during the year stributions during the year ding balance dithe organization include an amount on Form Yes," explain the arrangement in Part XIV Endowment Funds. Complete ginning of year balance intributions vestment earnings or losses intributions vestment expenditures for facilities diprograms intributions vestment expenditures for facilities diprograms intributions vestment earnings or losses vestment earnings or losses intributions vestment earnings or losses vestment earnings vestment earni	Escrow and Custodial Arrangements. Complementally, line 9, or reported an amount on Form 99 the organization an agent, trustee, custodian or other intermiluded on Form 990, Part X? Yes," explain the arrangement in Part XIV and complete the distributions during the year stributions during the year diding balance did the organization include an amount on Form 990, Part X, line did the organization include an amount on Form 990, Part X, line did the organization include an amount on Form 990, Part X, line did the organization include an amount on Form 990, Part X, line did the organization of year balance	Escrow and Custodial Arrangements. Complete If Part IV, line 9, or reported an amount on Form 990, Part No. line 9, Part X? The organization an agent, trustee, custodian or other intermediary luded on Form 990, Part X? Yes," explain the arrangement in Part XIV and complete the following ginning balance and distinct during the year stributions during the year stributions during the year and distinct during the arrangement in Part XIV Endowment Funds. Complete If the organization and (a)Current Year (b) (b) (a) (a) (a) (b) (b) (c) (c) (c) (c) (c) (c) (c) (c) (c) (c	Escrow and Custodial Arrangements. Complete if the Part IV, line 9, or reported an amount on Form 990, Part X the organization an agent, trustee, custodian or other intermediary for cluded on Form 990, Part X? Yes," explain the arrangement in Part XIV and complete the following to diditions during the year diding balance diditions during the year diding balance diditions during the year diding balance. The first explain the arrangement in Part XIV Endowment Funds. Complete if the organization answere diditions of year balance in the organization answere diditions. The first explain the arrangement in Part XIV Endowment Funds. Complete if the organization answere did the organization that a did the organization did the organization that a did the organization and the possession of the organization that a did the organizations did the organization that a did the organizations did the organization that a did the organizations did the organization that a did the organization did the organization that a did the organizations did the organization that a did the organizations did the organization that a did the organizations did the organization that a did the organization did the organi	Escrow and Custodial Arrangements. Complete if the organization and agent, trustee, custodian or other intermediary for contributions of the organization and agent, trustee, custodian or other intermediary for contributional did not be represented and amount on Form 990, Part X, line 2 the organization and agent, trustee, custodian or other intermediary for contributional did not form 990, Part X? Exercise in Part XIV and complete the following table arrangement in Part XIV and complete the following table arise in Part XIV and complete the following table aris	Escrow and Custodial Arrangements. Complete if the organization Part IV, line 9, or reported an amount on Form 990, Part X, line 21. the organization an agent, trustee, custodian or other intermediary for contributions luded on Form 990, Part X? Yes," explain the arrangement in Part XIV and complete the following table dittions during the year stributions during the year stributions during the year dittions during the year dittions during the year dittions during the year stributions during the year dittions during the year seplain the arrangement in Part XIV Endowment Funds. Complete if the organization answered "Yes" to "Alexandria" (c) "To ginning of year balance	Escrow and Custodial Arrangements. Complete if the organization answered Part IV, line 9, or reported an amount on Form 990, Part X, line 21. The organization an agent, trustee, custodian or other intermediary for contributions or other asseluded on Form 990, Part X? The organization an agent, trustee, custodian or other intermediary for contributions or other asseluded on Form 990, Part X? The organization an agent, trustee, custodian or other intermediary for contributions or other asseluded on Form 990, Part X? The organization in Part XIV and complete the following table arrangement in Part XIV and complete the following table arrangement in Part XIV In the organization include an amount on Form 990, Part X, line 21? The organization include an amount on Form 990, Part X, line 21? The organization include an amount on Form 990, Part X, line 21? The organization include an amount on Form 990, Part X, line 21? The organization include an amount on Form 990, Part X, line 21? The organization include an amount on Form 990, Part X, line 21? The organization include an amount on Form 990, Part X, line 21? The organization include an amount on Form 990, Part X, line 21? The organization include an amount on Form 990, Part X, line 21? The organization include an amount on Form 990, Part X, line 21? The organization include an amount on Form 990, Part X, line 21? The organization include an amount on Form 990, Part X, line 10. The organization of property The organization of the organization is endowment funds The late organization of property The organization of the organization is endowment funds The organization of property The organization of the organization is endowment funds The organization of property The organization of the organization is endowment funds The organization of property The organization of the organization is endowment funds The organization of property The organization of the organization is endowment funds The organization of the organization is endowment funds	Escrow and Custodial Arrangements. Complete if the organization answered "Yespart IV, line 9, or reported an amount on Form 990, Part X, line 21. the organization an agent, trustee, custodian or other intermediary for contributions or other assets in luded on Form 990, Part X? Yes," explain the arrangement in Part XIV and complete the following table ginning balance Iditions during the year Idition and the arrangement in Part XIV Interpolation include an amount on Form 990, Part X, line 21? Yes," explain the arrangement in Part XIV Interpolation include an amount on Form 990, Part X, line 21? Yes," explain the arrangement in Part XIV Interpolation include an amount on Form 990, Part X, line 21? Yes," explain the arrangement in Part XIV Interpolation include an amount on Form 990, Part X, line 21? Yes," explain the arrangement in Part XIV Interpolation include an amount on Form 990, Part X, line 21? Yes," explain the arrangement in Part XIV Interpolation of year balance Interpolation of year balance Interpolation of year balance Interpolation of the year end balance held as and designated or quasi-endowment formal manual to the possession of the organization that are held and administered for the part year in Part XIV the intended uses of the organization sendowment funds I Land, Buildings, and Equipment. See Form 990, Part X, line 10. Description of property Interpolation of property Interpolation of part XIV the intended uses of the organization's endowment funds I Land, Buildings, and Equipment. See Form 990, Part X, line 10.	Escrow and Custodial Arrangements. Complete if the organization's collection? Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 99 Part IV, line 9, or reported an amount on Form 990, Part X, line 21. the organization an agent, trustee, custodian or other intermediary for contributions or other assets not liuded on Form 990, Part X? Yes," explain the arrangement in Part XIV and complete the following table Ame	## Sets to be sold to raise funds rather than to be maintained as part of the organization's collection? 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. Part IV, line 9, or reported an amount on Form 990, Part X, line 21. Part IV, line 9, or reported an amount on Form 990, Part X, line 21. Amount lided on Form 990, Part X?

Investments—Other Securities. See	Form 990, Part X, line 12		
(a) Description of security or category (including name of security)	(b)Book value		d of valuation - year market value
(1)Financial derivatives		Cost of end of	year market value
(2)Closely-held equity interests Other			
Other			
Total. (Column (b) should equal Form 990, Part X, col (B) line 12)			
Part VIII Investments—Program Related. See		13.	
			d of valuation
(a) Description of investment type	(b) Book value		-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, lin	ne 15.		
(a) Descrip	tion		(b) Book value
Total. (Column (b) should equal Form 990, Part X, col.(B) line 1			
Part X Other Liabilities. See Form 990, Part X			
1 (a) Description of Liability	(b) A mount		
Federal Income Taxes	200,000		
AMOUNTS PAYABLE TO 3RD PARTY REIMB	899,740		
RETIREE HEALTHCARE BENEFITS	3,197,598		
INTEREST RATE SWAP	7,477,000		
DEFFERRED COMPENSATION ACCRUAL	937,367		
LONG TERM INSURANCE LIABILITY	1,565,513		
I I			
Total. (Column (b) should equal Form 990, Part X, col (B) line 25)	14,277,218		

	Reconciliation of Change in Net Assets from Form 990 to Financial Statemen	ILS	
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
	Total expenses (Form 990, Part IX, column (A), line 25)	2	
	Excess or (deficit) for the year Subtract line 2 from line 1	3	
	Net unrealized gains (losses) on investments	4	
	Donated services and use of facilities	5	
	Investment expenses	6	
	Prior period adjustments	7	
		8	
	Other (Describe in Part XIV)		
	Total adjustments (net) Add lines 4 - 8	9	
)	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	
14	Reconciliation of Revenue per Audited Financial Statements With Revenue p		eturn
	Total revenue, gains, and other support per audited financial statements	1	
	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
	Net unrealized gains on investments		
)	Donated services and use of facilities		
:	Recoveries of prior year grants		
ı	Other (Describe in Part XIV)		
•	Add lines 2a through 2d	2e	
	Subtract line 2e from line 1	3	
	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
	Investment expenses not included on Form 990, Part VIII, line 7b . 4a		
	Other (Describe in Part XIV)		
	Add lines 4a and 4b	4c	
	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	
rt	Reconciliation of Expenses per Audited Financial Statements With Expenses	per	Return
	Total expenses and losses per audited financial statements	1	
	A mounts included on line 1 but not on Form 990, Part IX, line 25		
	Donated services and use of facilities		
)	Prior year adjustments		
	Other losses		
	Other (Describe in Part XIV) 2d		
:	Add lines 2a through 2d	2e	
	Subtract line 2e from line 1	3	
	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
•	Investment expenses not included on Form 990, Part VIII, line 7b 4a		
•	Other (Describe in Part XIV)		
	Add lines 4a and 4b	4c	
3			
!	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	

Identifier Return Reference Explanation

additional information

OMB No 1545-0047

Open to Public **Inspection**

SCHEDULE H (Form 990)

Department of the Treasury Internal Revenue Service

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

Hospitals

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

						1138241			
Ρ	art I Charity Care and	Certain O	ther Comr	nunity Benefits at	Cost			T	
_	Did the eventual house of	hawtu aawa ma	Junua TEUNIA	" akın ta guaatıan Ca		Г		Yes	No
1a							1a	Yes	
) b	If the organization had multip				describes application of	of the charity	1b	Yes	
2	care policy to the various hos		indicate whic	n or the following best	describes application (or the charity			
	Applied uniformly to all ho			Applied uniformly	to most hospitals				
	Generally tailored to indiv	ıdual hospıtal	ls						
3	Answer the following based or organization's patients during	•	_	y criteria that applies	to the largest number o	of the			
а	Did the organization use Fede If "Yes," indicate which of the					are?	За	Yes	
	Г 100% Г 150%	┌ 20	о% Г	Other	<u>%</u>			105	
b	Did the organization use FPG	to determine	eligibility for	providing <i>discounted</i> o	are? If				
	"Yes," indicate which of the fo	ollowing is the	family incor	ne limit for eligibility fo	r discounted care .		3b	Yes	
	□ 200% □ 250%	▽ 30	о% Г	350% Г 40	0% Г Other_	%			
c	If the organization did not use	EPG to deter	rmine eliqibil	ity describe in Part VI	_				
	determining eligibility for free test or other threshold, regard	or discounted	d care Inclu	de in the description w	hether the organizatior				
4			•	- ·			4	Yes	
5a	Did the organization budget a the tax year?	mounts for fre			_	7	5a	Yes	
Ь		s charity care	e expenses e	xceed the budgeted ar	nount?		<u>5a</u> 5b	Yes	
С	If "Yes" to line 5b, as a result care to a patient who was elig						5c	100	No
6a							6a	Yes	INU
6b	If "Yes," did the organization	•	-	-			6b	Yes	
	Complete the following table is worksheets with the Schedule	using the work				ubmit these			
7	Charity Care and Certain O		nity Benefits	at Cost					
	Charity Care and	(a) Number of	(b) Persons	(c) Total community	(d) Direct offsetting	(e) Net community be	enefit	(f) Pero	ent of
	Means-Tested Government Programs	activities or programs (optional)	served (optional)	benefit expense	revenue	expense		total ex	
а	Charity care at cost (from	, , ,		15,852,295	0	15,85	2 205	Λ	970 %
b	Medicaid (from Worksheet 3,					,			
c	column a)			37,598,002	19,602,067	17,99	5,935	5	640 %
	government programs (from Worksheet 3, column b)			4,051,686	3,876,656	17	5,030	0	050 %
a	Total Charity Care and Means-Tested Government Programs			57,501,983	23,478,723	34,02	3,260	10	660 %
_	Other Benefits Community health improvement								
е	services and community benefit operations (from	45	40.074	4 507 545	725.052	0.7	4 562	0	270.0/
f	(Worksheet 4)	45	10,974 440	1,597,515 1,805,195	725,953 5,000		1,562 0,195		270 % 560 %
g	Subsidized health services				4,351,102				850 %
h	(from Worksheet 6) Research (from Worksheet 7)	6 1	1,764 0	7,054,620 106,000	4,351,102	<u> </u>	3,518 6,000		030 %
	Cash and in-kind contributions for community benefit (from		44.2	·	0				
j	Worksheet 8) Total Other Benefits	8 82	412 13,590	21,889 10,585,219	5,082,055		1,889 3,164		010 % 720 %
-	Total. Add lines 7d and 7j	82	13,590	68,087,202	28,560,778	39,520			380 %

Pa	rt II Community Building	ng Activitie	s Complete t	hıs table ıf the or	ganızat	ion co	nducted	d any commur	nity l		g
	detivities.	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense		rect offs revenue	-	(e) Net communi building expense		(f) Perc total ex	
1	Physical improvements and housing		0)		0		0		0 %
2	Economic development	3	0	1,64	3		0	1	,648		0 %
3	Community support	1	0	3,24.	2		0	3	,242		0 %
4	Environmental improvements		0				0		0		0 %
5	Leadership development and training										
	for community members Coalition building	1	70	1,65	1		0	1	,651		0 %
7	Community health improvement		,,	1,03					,031		0 70
	Workforce development	6	59	6,86			0		,862		0 %
9	Other	6	59	9,56)		0	9	,565 0		0 %
10	Total	13	129	22,96	3		0	22	,968		0 %
Pai	Bad Debt, Medicar	e, & Collec	tion Practic	es							
Sect	ion A. Bad Debt Expense									Yes	No
1	Did the organization report ba		e ın accordance	with Heathcare Fin	ancıal M	anage	ment As	sociation	_		-115
_	Statement No 15?								1	Yes	
2 3	Enter the amount of the organ Enter the estimated amount or		•			2		3,777,747			
_	patients eligible under the org	-		•		3		0			
4	Provide in Part VI the text of t In addition, describe the costi rationale for including a portio	ng methodolog	gy used in detei	rmining the amounts							
Sect	ion B. Medicare										
5	Enter total revenue received f	rom Medicare	(ıncludıng DSH	and IME)		5		76,625,346			
6	Enter Medicare allowable cost							90,204,924	i		
7	Subtract line 6 from line 5 Th	•	, ,			7		-13,579,578			
8	Describe in Part VI the extent Also describe in Part VI the c Check the box that describes	osting method the method us	ology or source ed	e used to determine	the amo						
	Cost accounting system	I v Co	st to charge ra	tio I	Other						
	ion C. Collection Practices										
9a b	Did the organization have a wr If "Yes," did the organization's contain provisions on the coll assistance? Describe in Part	s collection po ection practice	licy that applied es to be followed	d to the largest num d for patients who ai	ber of its	patie to qua	lify for fi	nancıal	9a 9b	Yes	
Pa	rt IV Management Com	panies and	Joint Ventu	res (see instruct	ıons)						
	(a) Name of entity	(t	 Description of practivity of entite 		(c) Organı profit % o ownersh	r stock	em	Officers, directors, crustees, or key aployees' profit % stock ownership%	pro	e) Physic ofit % or ownershi	stock
1											
2		1							+		
3		+									
4											
		1							_		
5											
6											
7											
 8							+		+		
9									+		
									+		
10									_		
11											
12											
12		1		i			1		1		

Part	V Facility Information									
	on A. Hospital Facilities	Licene	Gener	Childre	Teach	Crtica	Resea	ER-24	ER-other	
(list in	order of size from largest to smallest)	Licensed hospital	General medical &	Children's hospital	Teaching hospital	al acces	Research facility	ER-24 hours	her	
	nany hospital facilities did the organization operate during x year? 1	pital	cal & surgical	epital	ptal	Critical access hospital	lity			
Name	and address									
Name	anu auuress									Other (Describe)
1	Aspirus Wausau Hospital Inc 333 Pine Ridge Blvd Wausau, WI 54401	×	x					х		
						<u> </u>				
						<u> </u>				
						1				
						<u> </u>				
						<u> </u>				
						 				
						<u> </u>				
		1								1

Part V Facility Information (continued) Section B. Facility Policies and Practices.

(Complete a separate Section B for each of the hospital facilities listed in Part V , Section A)

Aspırus Wausau Hospıtal Inc

Name of Hospital Facility:		
Line Number of Hospital Facility (from Schedule H. Part V. Section A):	1	

			Yes	No
Со	mmunity Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1	During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	1		
	If "Yes," indicate what the Needs Assessment describes (check all that apply)			
	a A definition of the community served by the hospital facility			
	b Demographics of the community			
	Existing health care facilities and resources within the community that are available to respond to the health			
	needs of the community			
	d How data was obtained			
	e The health needs of the community			
	Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and			
	minority groups			
	g The process for identifying and prioritizing community health needs and services to meet those needs			
	h The process for consulting with persons representing the community's interests			
	i 「 Information gaps that limit the hospital facility's ability to assess the community's health needs			
	j Other (describe in Part VI)			
2	Indicate the tax year the hospital facility last conducted a Needs Assessment 20			
3	In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who			
	represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3		
4	Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the			
	other hospital facilities in Part VI	4		
5	Did the hospital facility make its Needs Assessment widely available to the public?	5		
	If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
	a Hospital facility's website			
	b Available upon request from the hospital facility			
	c T Other (describe in Part VI)			
6	If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
	a Adoption of an implementation strategy to address the health needs of the hospital facility's community			
	b Execution of the implementation strategy			
	c Development of a community-wide community benefit plan for the facility			
	d Participation in community-wide community benefit plan			
	e 「 Inclusion of a community benefit section in operational plans			
	f Adoption of a budget for provision of services that address the needs identified in the CHNA			
	g Prioritization of health needs in the community			
	h 「 Prioritization of services that the hospital facility will undertake to meet health needs in its community			
	i Other (describe in Part VI)			
7	Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	7		
Fir	nancial Assistance Policy			
	Did the hospital facility have in place during the tax year a written financial assistance policy that]		
8	Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	8	Yes	
9	Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	9	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for free care $$ $$ $$ $$ $$ $$ $$ $$ $$ If "No," explain in Part VI the criteria the hospital facility used			
	Schadula	U /Eor	000°	2011

P	art V Facility Information (continued)			
			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 150 % If "No," explain in Part VI the criteria the hospital facility used			
11	Explained the basis for calculating amounts charged to patients?	11	Yes	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
	a 🔽 Income level			
	b 🔽 Asset level			
	c 🔽 Medical indigency			
	d Insurance status			
	e Uninsured discount			
	f 🔽 Medicaid/Medicare			
	g State regulation			
	h Cother (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
	a 🔽 The policy was posted at all times on the hospital facility's web site			
	b 🔽 The policy was attached to all billing invoices			
	c 🔽 The policy was posted in the hospital facility's emergency rooms or waiting rooms			
	d The policy was posted in the hospital facility's admissions offices			
	e 🔽 The policy was provided, in writing, to patients upon admission to the hospital facility			
	f 🔽 The policy was available upon request			
	g			
Bil	ling and Collections			
14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial			
4-	assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	Yes	
15	Check all of the following collection actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's			
	FAP			
	a 🔽 Reporting to credit agency			
	b Lawsuits			
	c 🔽 Liens on residences			
	d F Body attachments or arrests			
	e Cother similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before	ایرا		
	making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16	Yes	
	If "Yes," check all actions in which the hospital facility or a third party engaged			
	a Reporting to credit agency			
	b			
	c Liens on residences			
	d Body attachments			
	e Cother similar actions (describe in Part VI)			
1/	Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply)			
	a Notified patients of the financial assistance policy upon admission			
	b 🔽 Notified patients of the financial assistance policy prior to discharge			
	c Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
	d Documented its determination of whether patients were eligible for financial assistance under the hospital			
	facility's financial assistance policy			
	e C Other (describe in Part VI)			

Part V Facility Information (continued) Policy Relating to Emergency Medical Care Yes No 18 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals **18** | Yes If "No " indicate why

	ii No, illulcate wily		
	a The hospital facility did not provide care for any emergency medical conditions		
	b The hospital facility's policy was not in writing		
	c The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part		
	VI)		
	d Cother (describe in Part VI)		
In	dividuals Eligible for Financial Assistance	•	
19	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care		
	The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
	b $\overline{\lor}$ The hospital facility used the average of it's three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
	c The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
	d Other (describe in Part VI)		
20	Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	20	No
	If "Yes," explain in Part VI		
21	Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for services provided to that patient?		l
		21	No
	If "Yes," explain in Part VI		

 Page **7**

P	Part V Facility Information (continued)					
Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility (list in order of size from largest to smallest)						
Hov	w many non-hospital facilities did the organiza	tion operate during the tax year?3				
Naı	me and address	Type of Facility (Describe)				
1	northwoods surgery center LLC 611 Veterans Parkway woodruff, WI 54568	general medical & surgical				
2	Pine ridge surgery center 2500 pine ridge blvd wausau, WI 54401	general medical & surgical				
3	Stevens point surgery center llc 5409 vern holmes drive stevens point, WI 54481	general medical & surgical				
4						
5						

Part VI Supplemental Information

Complete this part to provide the following information

- Required descriptions. Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part III, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21
- 2 **Community health needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any community health needs assessments reported in Part V, Section B
- Patient education of eligibility for assistance. Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- Promotion of community health. Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.)
- Affiliated health care system. If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 5 State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Identifier	ReturnReference	Explanation
rt I, line 7		The provision for bad debts is based on management's
		assessment of historical and expected net collection
		considering business and economic conditions, trends in
		healthcare coverage, and other collection indicators
		Throughout the year, management assesses the adequacy of
		the allowance for uncollectible accounts based upon these
		trends The results of this review are then used to make any
		modifications to the provision for bad debts to establish an
		estimated allowance for uncollectible accounts Accounts
		receivable are written off after all collection efforts have beer
		followed in accordance with Aspirus' policies Bad Debt Polic
		and Procedure I Wausau Hospitals financial policy requires
		settlement of a patient bill in one of four manners A Paymer
		in full in 45 days B 3-4 equal monthly payments C Placing
		the account on a medical note D Special arrangements mad
		through a financial counselor II Failure to meet these
		requirements will result in the account being considered a ba
		debt once all collection efforts have been exhausted. The
		account will be removed from accounts receivable and turned
		over to an outside agency for collection Prior to this happen
		the following criteria must be met A Patient Financial Service
		staff will make reasonable collection efforts by way of 1
		Monthly statements 2 Collection letters 3 Collection phone
		calls III The number of statement (minimum of 2) and
		collection letters (minimum of 1) is determined by the
		parameters set to the financial codes Collection calls can be
		made Monday through Friday from 8 00 a m through 8 00 p
		and on Saturday from 8 00 a m through 5 00 p m IV All
		collection activity and patient contacts will be completely
		documented electronically on the individual accounts V A
		Medicare account must be over 120 days outstanding from t
		date of the initial bill to the patient before it can be considere
		bad debt and placed with a collection agency. Commercial ar
		Self pay accounts that have received their final 10 day letter
		could then be considered a bad debt and placed with a
		collection agency A default order with the state can be filed
		Workers Compensation accounts that are over \$5,000 00 wi
		no response from the insurer after 60 days. The state will se
		a letter to the insurer requesting the review and will allow the
		insurer 20 days to respond VI All collection accounts are to
		be treated the same regardless of payer type self pay, gener
		insurance, Medicare, or Medical Assistance VII Patient
		Financial Services staff will use sound business judgment wh
		working with the account At the discretion of the financial
		counselor, credit reports will be requested from the credit
		bureau and property verification obtained through the County
		Treasurers Office VIII All individuals qualifying for Aspirus
		Financial Aid (Community Care) under the Hospitals policy a
		considered needy. The policy uses a sliding scale up to 300°
		of the federal poverty guidelines. These accounts are written
		the Aspirus Financial Aid (Community Care) allowance once
		eligibility is determined. There is no minimum waiting period
	I	programmy is determined. There is no minimum waiting period

Identifier	ReturnReference	Explanation
Part III, Line 4		The provision for bad debts is based on management's assessment of historical and expected net collection considering business and economic conditions, trends in health care coverage, and other collection indicators. Throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon these trends. The results of this review are then used to make any modifications to the provision for bad debts to establish an estimated allowance for uncollectible accounts. Accounts receivable are written off after all collection efforts have been followed in accordance with Aspirus' policies. Overall, the allowance for uncollectible accounts as a percentage of accounts receivable has not changed significantly for the year ended June 30, 2012. The costing methodology used was the patient care cost to charge ratio which was derived from the calculation on IRS Worksheet.

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

Schedule H (Form 990) 2011 Page **8**

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

Identifier	ReturnReference	Explanation
Needs Assessment		In many ways, Aspirus Wausau Hospital is a leader in assessing the health needs of the community. It has developed strong partnerships with key community agencies, and helped spearhead initiatives to assess the community's health needs and factors supporting a high quality of life and vibrant community. In 1996, the United Way led a collaborative effort to perform a community health assessment that focused on data rather than perception. With support from Aspirus and other community partners, the United Way performed a community assessment and published in June 1997, the first issue of what was called the Marathon County Local Indicators. For Excellence (LIFE) Report. Since that time, Aspirus Wausau Hospital has maintained strong involvement in the community assessment process, from pledging cash support and in kind donations to steering committee members. The eighth and most recent version of the needs assessment (2011-2013) identified five Top Calls to Action of Unemployment/Jobs. Providing a Living Wage of Alcohol and Drug Misuse of Development of Young Children - Ages 0-6 of Overweight/Obesity of Basic Needs - Food and Shelter In addition to the above listed five health priorities, the 2011-2013 LIFE Report also identified two Issues to Watch. Aging Issues and Domestic Abuse. Here are some facts about Marathon County of Surveyed residents, 76.8 percent agreed that obesity is a concern in the community of 12.2 percent of residents live at or below the poverty level, and 18.7 percent of Children live at or below the poverty level, and 18.7 percent of Marathon County residents are 6.5 or older of In 2010, there were 760 Driving While Intoxicated arrests in Marathon County.

Schedule H (Form 990) 2011

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

Schedule H (Form 990) 2011

Identifier	ReturnReference	Explanation
Community Information		According the U.S. Census Bureau, Marathon County had a
		population of 134,063 in 2010 And while there are demographic and population numbers for the areas that Aspirus
		Wausau Hospital considers its primary and secondary market
		areas, Marathon County bears special attention, as it is the home of Aspirus Wausau Hospital and many of the systems
		corporate functions In fact, Marathon County in many respects
		is the "home" of Aspirus and is the single largest source of patients among the counties Aspirus serves. About Marathon
		County Persons per square mile (2010) 86 8 White persons
		(2011) 92% Asian persons (2011) 5 5% Hispanic or Latino persons (2011) 2 3% Persons per household (2011) 2 49
		Persons below poverty level (2011) 9 4% Service Areas and
		Demographics Aspirus Wausau Hospital The AWH considers its market to be 13 counties located in North Central Wisconsin
		and four counties located in Upper Michigan The 13 North
		Central Wisconsin counties represent its primary and secondary service areas and accounted for 94 1% of all admissions in
		calendar year 2012 The following table presents data about the
		demographics of the counties that make up this area 2011 2011 % OF MEDIAN NOV 2012 2000 2010 POP
		HOUSEHOLD UNEMPLOY- Primary Area POP POP INCR
		AGE 65+INCOME MENT RATE Langlade Co 20,723 19,977 - 3 6% 20 4% \$42,045 7 8% Lincoln Co 29,142 28,743 -1 4%
		18 7% \$47,426 8 2% Marathon Co 127,280 134,063 5 3%
		14 4% \$54,316 6 3% Taylor Co 19,680 20,689 5 1% 16 3% \$45,024 6 8% Area Sub 196,825 203,472 3 4% 15 8%
		\$51,212 6 7% Secondary Area Clark Co 32,939 34,690 5 3%
		15 6% \$42,756 6 6% Forest Co 9,313 9,304 -0 1% 20 3%
		\$38,176 8 6% Iron Co 6,333 5,916 -6 6% 25 4% \$37,413 11 9% Oneida Co 34,979 35,998 2 9% 22 0% \$45,184 8 8%
		Portage Co 67,690 70,019 3 4% 12 9% \$51,887 5 7% Price
		Co 16,365 14,159 -13 5% 21 4% \$41,458 6 3% Shawano Co 39,212 41,949 7 0% 18 7% \$45,587 7 0% Vılas Co 19,741
		21,430 8 6% 26 6% \$41,195 9 8% Wood Co 77,930 74,749
		-4 1% 17 3% \$47,182 6 2% Area Sub 304,502 308,214 1 22% 17 9% \$46,170 6 9% Grand Total 501,327 511,686
		2 1% 17 1% \$48,176 6 8% WISCONSIN 5,363,715
		5,686,986 6 0% 13 9% \$52,374 6 6% Michigan Area Gogebic Co 17,370 16,427 -5 4% 21 7% \$34,917 8 7%
		Houghton Co 36,016 36,628 1 7% 15 2% \$34,625 6 7%
		Keweenaw Co 2,301 2,156 -6 3% 24 8% \$39,821 16 8% Ontonagon Co 7,818 6,780-13 3% 27 3% \$34,786 12 7%
		Area Sub 63,505 61,991 -2 4% 18 5% \$34,902 8 1%
		Michigan 9,938,444 9,883,640 -0 6% 14 1% \$48,669 8 9% Source US Census Bureau, Wisconsin Department of Work
		Force Development, Michigan Department of Technology,
		Management, and Budget, January 2013 The largest employers in Marathon County Employer Approximate Employees Aspirus
		Wausau Hospital 3,000 Greenheck Fan Corp 1,500 Wausau
		School District 1,476 Footlocker com/Eastbay 1,300 Kolbe & Kolbe Millworks Inc 1,122 Wausau Papers 984 Prime
		Healthcare/UMR 820 Marathon Cheese 800 Marathon County
		752 North Central Health Care 685 Source Comprehensive Annual Financial Report Marathon County, Wisconsin,
		December 31, 2011 Much of north central and central
		Wisconsin and the Upper Peninsula of Michigan qualify as health professional shortage areas and medically underserved areas
		According to the Health Resources and Services
		Administration, all or part of the following 16 counties are designated as health professional shortage areas Clark,
		Florence, Forest, Iron (WI), Langlade, Marathon, Oneida, Price,
		Shawano, Taylor, Vılas, Wood, Gogebic, Iron (MI), Keweenaw, and Ontonagon The following 14 counties are designated as
		health professional shortage areas for mental health Clark,
		Florence, Forest, Iron (WI), Langlade, Marathon, Oneida, Price, Shawano, Taylor, Vilas, Wood, Gogebic, and Iron (MI) Similarly,
		all or part of the following 18 counties are designated as
		medically underserved areas Clark, Florence, Forest, Iron (WI), Langlade, Marathon, Portage, Price, Shawano, Taylor, Vilas,
		Wood, Baraga, Gogebic, Houghton, Iron (MI), Keweenaw, and
<u> </u>	l	O ntonagon Schedule H (Form 990) 2011

Identifier	ReturnReference	Explanation
Identifier Promotion of Community Health	ReturnReference	Explanation Aspirus Wausau Hospital is a true community organization. It was created in the 1970s when community leaders decided the two local hospitals operating at that time could be more effective and more efficient if they merged. Today, that community leadership and vision endures. Aspirus Wausau Hospital is guided by a community board of directors, which the organizations bylaws state must consist of eight or nine physicians and 11 to 14 community members. This board helps ensure that strategic and operational decisions at Aspirus. Wausau Hospital are made with the communitys best interest in mind. In addition, Aspirus Wausau Hospital maintains an open medical staff, meaning that it extends medical staff privileges to all qualified physicians in the community. As a not-for-profit organization, Aspirus Wausau Hospital reinvests surplus funds in health services for the community, such as new technology that advances care and improves access. Aspirus Wausau Hospital also works collaboratively with other health care and academic entities to offer professional health education opportunities that benefit the communities. For example, the University of Wisconsin Wausau Family Medicine Residency. Program is based on the Aspirus Wausau Hospital medical campus, and produces skilled, dedicated family medicine physicians. The vast majority of residency graduates end up practicing in north central Wisconsin, making the residency program incredibly valuable to the ongoing easy access to high quality primary health care. Aspirus Wausau Hospital is also the vehicle by which extensive volunteer efforts are organized. There are more than 1,000 Aspirus Volunteers who support the provision of excellent medical care at the hospital and in other venues. These volunteers also provide valuable community outreach through the Lifeline home health monitoring program, the HANDS program that teaches young children the importance of hand hygiene, and Meals on Wheels. Aspirus Wausau Hospital also supports valuable clinical research th
		Oncology Network offering clinical trials to patients with advanced disease ARCC is also able to offer federally sponsored studies available through the Eastern Cooperative
]	I	Oncology Group and the Radiologic Therapy Oncology Group

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

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Identifier	ReturnReference	Explanation
State Filing of Community Benefit Report		Aspirus has three hospitals in Wisconsin Aspirus Wausau Hospital in Wausau, Langlade Hospital in Antigo and Memorial Health Center in Medford Each of these centers files a community benefit report Aspirus also has three hospitals in Michigans Upper Peninsula Aspirus Keweenaw Hospital in Laurium, Aspirus Grand View in Ironwood and Aspirus Ontonagon Hospital in Ontonagon Each of these facilities is responsible for its own community benefits reporting

Schedule H (Form 990) 2011

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Schedule I (Form 990)

Grants and Other Assistance to Organizations, Governments and Individuals in the United States OMB No 1545-0047

DLN: 93493134066613

Department of the Treasury Internal Revenue Service Name of the organization

ASPIRUS WAUSAU HOSPITAL Inc

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

Inspection Employer identification number

Form 990, Part I\	/, line 21 for any	o Governments and recipient that received 00) if additional space	l more than \$5,000.	Check this box if r	no one recipient rece	ived more than \$5,0	000. Use
(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) A mount of non- cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
1) WAUSAU AREA MOBILE MEALS610 SCOTT STREET STE G WAUSAU,WI 54403	39-1238060	501(c)(3)	11,000				GENERAL SUPPORT
2) WAUSAU DANCE THEATREPO BOX 18015 MERRIFIELD, VA 22118	23-7367344	501(c)(3)	7,500				Sponsorship
3) LEIGH YAWKEY NOODSON ART MUSEUM 700 N TWELFTH STREET NAUSAU, WI 54403	23-7281913	501(c)(3)	7,500				GENERAL SUPPORT
4) WIFC-DISCO CURES CANCERPO BOX 2048 NAUSAU,WI 54402	39-0942767	n/a	7,500				sponsorship

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

			1		
(a)Type of grant or assistance	(b)Number of recipients	(c)A mount of cash grant	(d)A mount of non-cash assistance	(e)Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
(1) Festival of Trees	4	6,000			

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

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

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DLN: 93493134066613

OMB No 1545-0047

Schedule J (Form 990)

Department of the Treasury Internal Revenue Service

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

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

► Attach to Form 990. ► See separate instructions.

Open to Public Inspection

Name	ot	the	orga	ınıza	tion
ASPIRU	s W	/AUS/	AU HO)SPIT	AL In

Employer identification number

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

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use 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 o	f W-2 and/or 1099-MI	SC compensation	(C) Retirement and	(D) Nontaxable	(E) Total of columns	(F) Compensation
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation	other deferred compensation	benefits	(B)(ı)-(D)	reported in prior Form 990 or Form 990-EZ
See Additional Data Table							

Part III Supplemental Information

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

Identifier	Return Reference	Explanation
Supplemental Compensation Information		Tavel for companions Retreat in which spouses attended, spousal portion taxed Companion Travel Wendy Hannemen \$295 Brian Smith \$225 Thomas Voelker \$225 Diane Postler-Slattery \$125 Duane Erwin \$325 Sidney Sczygelski \$200 Joel Rueber \$325 Kathryn Drengler \$100 Roger Lucas \$225 Rick Nevers \$325 Gerald Mourey \$200 Gross-Up Payments Wendy Hannemen \$8,080 Brian Smith \$8,080 Rick Reding \$8,080 Peter Hessert \$3,156 David Tange \$6,680 Robert Millican \$6,680 Club Dues Duane Erwin \$826 Jeanne Rowe \$191 Joel Rueber \$826 Norma Jean Burgener \$572 Kathryn Drengler \$826 Marita Hattem \$572 Jeanne Scinto \$1,078 Rick Nevers \$1,018 Dean Danner \$1,078 Peter Hessert \$1,078 Timothy Gengler \$509 Gerald Mourey \$1,018
Compensation Information		Jeanne Rowe \$187,054 Schedule J, Part I, Line 4b - Supplemental nonqualified retirement 457F distribution- DIANE POSTLER-SLATTERY \$35,626 JEAN BURGENER \$21,298 Roger Lucas \$16,647 MARITA HATTEM \$19,190 RICK NEVERS \$10,138 Dean Danner \$18,844 Jeanne Rowe \$38,097 Peter Hessert \$45,848
457(f) Retirement Plan profile		KEY EMPLOYEES OF THE COMPANY OR A PARTICIPATING AFFILIATE ARE ELIGIBLE TO PARTICIPATE IN PLAN THE PLAN YEAR IS JANUARY 1 TO DECEMBER 31ST EMPLOYER CONTRIBUTIONS THE CONTRIBUTION MADE BY THE EMPLOYER IS A THREE-TIERED STRUCTURE DEPENDING UPON THE EXECUTIVES POSITION, WHICH ARE AS FOLLOWS 9% FOR VICE PRESIDENT, 13% FOR SENIOR LEADERSHIP COUNCIL, AND 15% FOR THE CEO IF THE PARTICIPANT TERMINATES DURING THE YEAR, THE PARTICIPANT'S EXECUTIVE ALLOWANCE IS PRORATED BASED ON THE NUMBER OF FULL CALENDAR MONTHS FROM THE BEGINNING OF THE PLAN YEAR TO THE BEGINNING OF THE CALENDAR MONTH CLOSEST TO THE CHANGE OR TERMINATION OF EMPLOYMENT, TO 12 DISTRIBUTIONS CONTINUATION OF EMPLOYMENT THROUGH THE DEFERRED VESTING DATE, THE DATE ON WHICH THE PARTICIPANT OF DEATH OR DISABILITY, THE DATE ON WHICH THE PARTICIPANT INCURS AN INVOLUNTARY SEPARATION FROM SERVICE WITHOUT REASONABLE CAUSE, OR THE DATE THAT IS 24 MONTHS FOLLOWING THE PARTICIPANT'S INTEREST HAS NOT BEEN FORFEITED FOR COMPETITION DURING SUCH 24 MONTH PERIOD AND THE PARTICIPANT HAS NOT ENGAGED IN COMPETITION AFTER HIS OR HER SEPARATION FROM SERVICE AND PRIOR TO HIS OR HER DEATH, THE PARTICIPANT SHALL BE VESTED AT HIS OR HER DATE OF DEATH

Schedule J (Form 990) 2011

Software ID: Software Version:

EIN: 39-1138241

Name: ASPIRUS WAUSAU HOSPITAL Inc

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name		(B) Breakdown of	f W-2 and/or 1099-MI	SC compensation	(C) Deferred	(D) Nontaxable	(E) Total of columns	(F) Compensation
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) O ther compensation	compensation	benefits	(B)(ı)-(D)	reported in prior Form 990 or Form 990-EZ
WENDY L HANNEMAN MD	(1) (11)	0 452,272	0 250	0 18,105	0 17,056	0 24,953	0 512,636	0 0
THOMAS RENGEL MD	(I) (II)	362,530 0	35,700 0	14,478 0	4,900 0	14,254 0	431,862 0	0
BRIAN D SMITH MD	(I) (II)	0 299,431	0	0 18,120	0 17,056	0 28,058	0 362,665	0
THOMAS A VOELKER MD	(I) (II)	0 261,796	0	0 8,305	0 17,056	0 26,538	0 313,695	0
DUANE L ERWIN	(I) (II)	0 544,701	0 191,221	0 14,704	0 10,193	0 116,174	0 876,993	0
DIANE S POSTLER- SLATTERY PHD	(I) (II)	275,709 0	76,159 0	37,873 0	12,560 0	65,250 0	467,551 0	0
SIDNEY C SCZYGELSKI	(I) (II)	0 292,917	0 79,742	0 5,065	0 13,428	0 63,332	0 454,484	0
JEANNE ROWE thru 5511	(I) (II)	106,153 0	0	227,794 0	6,600 0	22,371 0	362,918 0	0
JOEL RUEBER thru 011913	(I) (II)	173,993 0	32,288 0	2,261 0	7,084 0	22,723 0	238,349 0	0
JACOB KEMPEN	(I) (II)	139,452 0	10,081	5,192 0	6,850 0	16,907 0	178,482 0	0
NORMA JEAN BURGENER	(I) (II)	145,676 0	26,313 0	26,176 0	7,332 0	16,465 0	221,962 0	0
KATHRYN J DRENGLER	(I) (II)	170,159 0	31,502 0	2,925 0	10,196 0	33,976 0	248,758 0	0
ROGER LUCAS	(I) (II)	0 185,158	0 56,372	0 21,784	0 4,817	0 42,984	0 311,115	0
MARITA HATTAM	(1) (11)	163,058 0	30,330 0	29,037 0	6,484 0	32,622 0	261,531 0	0
JEANNE D SCINTO	(1) (11)	155,562 0	32,960 0	3,730 0	8,511 0	44,382 0	245,145 0	0
RICK L NEVERS	(I) (II)	0 170,569	0 47,697	0 12,940	0 10,317	0 49,692	0 291,215	0
DEAN DANNER	(I) (II)	0 206,433	0 57,789	0 24,896	0 15,557	0 24,645	0 329,320	0
PETER HESSERT thru 62511	(ı) (ıı)	0 243,535	0 49,237	0 54,055	0 13,428	0 48,197	0 408,452	0

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name		(B) Breakdown of	f W-2 and/or 1099-MIS	SC compensation	(C) Deferred	(D) Nontaxable	(E) Total of columns	(F) Compensation	
T.		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) O ther compensation	compensation	benefits	(B)(ı)-(D)	reported in prior Form 990 or Form 990-EZ	
RICK R REDING	(1) (11)	0 300,840	0	0 20,193	0 17,056	0 28,129	0 366,218	0 0	
DAVID TANGE	(I) (II)		0	0 20,840	0 17,056	0 26,717	0 343,726	0	
GERALD MOUREY thru 52612	(1) (11)		0 60,047	0 4,580	0 9,038	0 53,981	0 321,276	0	
TIMOTHY GENGLER	(I) (II)	101,405 11,008		2,084 213	5,721 0	525 0	139,069 11,221	0 0	
CATHERINE WALDVOGEL	(I) (II)	170,000 0	0	1,303 0	9,985 0	21,578 0	202,866 0	0	
JILL MICHAUD	(I) (II)		11,262 0	4,169 0	8,284 0	24,810 0	182,495 0	0	
RAYMOND WERY	(I) (II)		0	2,280 0	8,882 0	21,743 0	178,996 0	0	
DAVID BLIVEN	(I) (II)		9,786 0	8,790 0	7,736 0	19,343	169,334 0	0	
SANDRA NOLAND	(1) (11)		0	179 0	11,173 0	24,907 0	178,098 0	0	
CARI LOGEMANN as of 62611	(I) (II)		0	0 355	0 5,988	0 34,138	0 214,624	0	
Robert Milican	(I) (II)		0	0 16,254	0 17,056	0 35,986	0 300,492	0	

Schedule K (Form 990)

Supplemental Information on Tax Exempt Bonds

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

► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2011

DLN: 93493134066613

Open to Public Inspection

Internal Revenue Service

Name of the organization

Department of the Treasury

ASPIRUS WAUSAU HOSPITAL Inc

Employer identification number

39-1138241

										3	39-113	8241			
Pa	rt I Bond Issues			_											
	(a) Issuer Name	(b) Issuer EIN	(c) CUSIP #	(d) Date Issued	(e) Issue P	rıce	(f)	Description	of Purpose			On alf of uer	olf of financ		
							,		Yes	No	Yes	No	Yes	No	
A	Wisconsin Health & Educational facilities auth	39-1337855	97710BLY6	10-07-2009	23,000		Refund 3/18/	d Bonds issi 2009	ıed		x		х		Х
В	wisconsin health & educational facilities auth	39-1337855	97710BLW0	10-07-2009	27,200	1 000 1	Refund 3/18/	d Bonds issi 2009	ıed		Х		Х		Х
c	Wisconsin Health & Educational facilities Auth	39-1337855	97710BLV2	10-07-2009	20,000	,000	Series	s 1998-VAR	rate demand		х		х		Х
D	Wisconsin Health & Educational Facilities Auth	39-1337855		02-29-2012	32,025			d Bonds Iss 9/1998	ued		Х		х		Х
Pa	rt III Proceeds														
					, and the second	١		E	3		С			D	
1	A mount of bonds retired						0		0			C			0
2	A mount of bonds defeased						0		0			C			0
_3	Total proceeds of issue					24,345	,462		27,833,241		20,8	341,864		32	,025,000
4	Gross proceeds in reserve fun	nds					0		0			С			0
_5	Capitalized interest from proc						0		0			C			0
6	Proceeds in refunding escrow						0		0			C			0
7	Issuance costs from proceeds	S				1,064	,490		1,429,347		3	340,678			0
8	Credit enhancement from proc	ceeds					0		0			C			0
9	Working capital expenditures	from proceeds					0		0			C			0
10	Capital expenditures from pro	ceeds				23,280	,972	·	26,403,894		20,5	501,186			0
11	Other spent proceeds						0		0			C			0
12	Other unspent proceeds						0		0			C			0
13	Year of substantial completion	n			20	01		20	06		1999				
					Yes	No	0	Yes	No	Yes		No	Yes		No
14	Were the bonds issued as part	t of a current refund	ding issue?		X			X		Х			Х		
15	Were the bonds issued as part	t of an advance refu	unding issue?			Х			Х			Χ			X
16	Has the final allocation of prod	ceeds been made?			Х			Х		Х			Х		
17	Does the organization maintai	·	and records to supp	port the final	Х			Х		Х			х		_
Pai	t IIII Private Business U	Jse													
						A. 		V	B		<u> </u>		 	D	

property financed by tax-exempt bonds?

Was the organization a partner in a partnership, or a member of an LLC, which owned

Are there any lease arrangements that may result in private business use of bond-

No

Х

Yes

No

Χ

Χ

Yes

Х

Yes

Χ

Yes

No

Χ

No

Sch	edule K (Form 990) 2011									Page 2
Pai	rt III Private Business Use (Continued)									_
				Α		В		С		D
			Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private use?	e business		х		Х		Х		
b	If 'Yes' to line 3a, does the organization routinely engage bond counsel or counsel to review any management or service contracts relating to the fin property?							х		
с	Are there any research agreements that may result in private business us financed property?	se of bond-		х		х				
d	If 'Yes' to line 3c, does the organization routinely engage bond counsel or counsel to review any research agreements relating to the financed prope							х		
4	Enter the percentage of financed property used in a private business use other than a section 501(c)(3) organization or a state or local governmen	•		1 420 %		1 200	%	0 930	%	2 830 %
5	Enter the percentage of financed property used in a private business use unrelated trade or business activity carried on by your organization, anoth 501(c)(3) organization, or a state or local government									
6	Total of lines 4 and 5			1 420 %		1 200 '	%	0 930 %	,	2 8 3 0 %
7	Has the organization adopted management practices and procedures to e post-issuance compliance of its tax-exempt bond liabilities?	nsure the	Х		Х		х			
Pa	rt IV Arbitrage						•			
		Α			В		С		D	
		Yes	No	Yes	No		Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?									
		X		X			Х			X

	CIV Albidage								
		Α		В		С		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?	X		×		Х			Х
2	Is the bond issue a variable rate issue?	×		Х		Х			Х
3a	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		×		х		х		х
—— Ь	Name of provider	0		0		0			
С	Term of hedge								
d	Was the hedge superintegrated?		х		х		х		×
e	Was a hedge terminated?		х		х		х		х
4a	Were gross proceeds invested in a GIC?		Х		Х		Х		Х
ь	Name of provider	0		0	•	0		0	
С	Term of GIC								
d	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
5	Were any gross proceeds invested beyond an available temporary period?		х		х		х		Х
6	Did the bond issue qualify for an exception to rebate?	X		X		X		×	

Part V **Procedures To Undertake Corrective Action**

Check the box if the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations .

Part VI Supplemental Information

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

Identifier	Return Reference	Explanation
See Schedule	0	
o		

DLN: 93493134066613

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.

OMB No 1545-0047

Open to Public Inspection

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

ldentifier	Return Reference	Explanation
Delegation of control over management duties	Form 990, Part VI, Question 3	ASPIRUS WAUSAU HOSPITAL, INC HAS AN AGREEMENT WITH NORTH CENTRAL HEALTH CARE TO MANAGE THE BEHAVIORAL HEALTH DEPARTMENT
Members of Stockholders	Form 990, Part VI, Question 6	ASPIRUS, INC IS THE SOLE CORPORATE MEMBER OF ASPIRUS WAUSAU HOSPITAL, INC
descr classes of persons, decisions requiring appr & type of voting rights	form 990, part vi, question 7b	THE FOLLOWING ACTIONS MUST BE APPROVED BY THE SOLE MEMBER OF THE ORGANIZATION, ASPIRUS WAUSAU HOSPITAL 1) CHANGE OR AMEND THE ARTICLES OF INCORPORATION OR BY LAWS, 2) CHANGE THE MISSION, PURPOSE OR SCOPE OF THE CORPORATION, 3) RATIFICATION OR REMOVAL OF DIRECTORS OR OFFICERS, 4) CHANGE THE FORMULA OR METHODOLOGY FOR DETERMINING PHY SICIAN COMPENSATION, 5) APPROVAL OF ANNUAL OPERATING AND CAPITAL EXPENDITURE BUDGETS, STRATEGIC AND LONG RANGE PLANS Describe the Process used by Management &/or Governing Body to Review 990 FORM 990, PART VI, LINE 11A THE ORGANIZATION'S MANAGEMENT REVIEWS THE 990 REPORT AND THEN THE FORM IS PROVIDED TO THE BOARD MEMBERS FOR FINAL REVIEW AND APPROVAL PRIOR TO FILING
Description of process to monitor transactions for conflicts of interest	form 990, part vı, line 12c	BOARD MEMBERS AND KEY EMPLOYEES ARE REQUIRED TO SIGN ANNUAL CONFLICT OF INTEREST STATEMENTS AND ALL MANAGERS ARE REQUIRED TO SIGN BIANNUAL CONFLICT OF INTEREST STATEMENTS THE ORGANIZATION'S CEO AND BOARD CHAIR REVIEW THE STATEMENTS AND HIGHLIGHT POTENTIAL CONFLICTS THE BOARD DETERMINES ON A CASE BY CASE BASIS ANY ACTIONS REQUIRED INDIVIDUALS ARE NOT PERMITTED TO VOTE ON ANY TRANSACTION WHERE A CONFLICT HAS BEEN DETERMINED TO EXIST ALL CONFLICTS AND PROCEEDINGS ARE NOTED IN THE MEETING MINUTES
Offices & positions for which process was used, & year process was begun	form 990, part vi, question 15a & 15b	THE ORGANIZATION HAD AN INDEPENDENT AUDIT FOR EXECUTIVE COMPENSATION WHICH INCLUDED BASE SALARY, INCENTIVE PLANS, AND BENEFITS FOR ALL OFFICER AND EXECUTIVE POSITIONS THE REVIEW WAS COMMISSIONED BY THE COMPENSATION COMMITTEE OF THE BOARD AND WAS CONDUCTED BY AN INDEPENDENT CONSULTING FIRM THE MARKET ANALYSIS WAS COMPLETED IN JUNE AND JULY OF 2009 AND PRESENTED TO THE COMPENSATION COMMITTEE OF THE BOARD IN AUGUST FOR FINAL COMPENSATION DETERMINATION
Avail of gov docs, conflict of interest policy, & fin stmts to gen public	form 990, part vi, question 19	THE ORGANIZATION DOES NOT MAKE ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, NOR ITS FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC
hours devoted to related organizations	form 990, part vii	THE HOURS DEVOTED TO THE POSITIONS REPORTED ON PART VII AND SCHEDULE J REFLECT THE AGGREGATE TOTAL HOURS THESE INDIVIDUALS DEVOTE TO THEIR POSITIONS FOR ASPIRUS WAUSAU HOSPITAL, INC. AND ASPIRUS, INC. SUBSIDIARIES
Other changes in net assets or fund balances	form 990, part XI, line 5	Unrealized gain on investments (5,731,962) Interest rate swap (4,284,579) interest rate swap valuation adjustment (53,968) post retirement healthcare benefit adjustment (337,008) net asset transfer to aspirus inc (14,000,000) Loss on early estinquishment of debt (997,703) Total Adjustments (25,405,220)
Schedule K, part I, Bond B		Aspirus Wausau Hospital is a member of an obligated group for this bond that includes memorial health center, inc. Aspirus Wausau Hospital's share of the proceeds was \$44,750,000

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

Related Organizations and Unrelated Partnerships

► See separate instructions.

OMB No 1545-0047

Open to Public

DLN: 93493134066613

Department of the Treasury Internal Revenue Service

(Form 990)

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

► Attach to Form 990.

Inspection

Name of the org					Employ	er iden	tification number		
					39-113				
Part I Id	dentification of Disregarded Entities (Comple	te if the organization	on answered "Yes'	" on Form 990,	Part IV, line 33	3.) T			
Na	(a) ame, 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		
(1) Stevens Point 5409 Vern Holmes Stevens Point, WI 20-2259562		Medical Srvs	WI	1,074,959	-20,476	NA			
Part II Id	dentification of Related Tax-Exempt Organiz r more related tax-exempt organizations during th	ations (Complete e tax year.)	ıf the organızatıor	n answered "Ye	s" on Form 990	, Part	: IV, line 34 becau	se it had	one
Nar	(a) me, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity s (if section 501((f) Direct controlling entity	Section 5 cont organ	rolled nization
See Additional Data	a Table				+			Yes	No
For Privacy Act	and Paperwork Reduction Act Notice, see the Instruction	ns for Form 990.	Cat No 5	0135Y	•		Schedule R (Form 990	2011

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 Disprop allocat	rtionate	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j Gener mana partr	al or ging	(k) Percentage ownership
							Yes	No		Yes	No	i

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) Aspirus Network Inc 3000 Westhill Drive Suite 300 Wasau, WI 54401 39-1931679	Medical Contracts	WI	NA	C Corp			

(6)

Pa	rt V	Transactions With Related Organizations (Complete if the organization answered "Yes	" on Form 990, Par	t IV, line 34, 35, 3	5A, or 36.)				
	Note.	Complete line 1 if any entity is listed in Parts II, III or IV				Yes	No		
1 D	urıng th	e tax year, did the orgranization engage in any of the following transactions with one or more related organ	ızatıons lısted ın Parts	s II-IV?					
а	Recei	ot of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity			18	3	No		
b	Gıft, g	rant, or capital contribution to related organization(s)			11	,	No		
c	Gıft, g	rant, or capital contribution from related organization(s)			10	c Yes	;		
d	Loans	or loan guarantees to or for related organization(s)			10	1	No		
е	Loans	or loan guarantees by related organization(s)			16	2	No		
f	Sale	fassets to related organization(s)			11	f Yes	;		
g	Purch	ase of assets from related organization(s)			19	j	No		
h	Excha	nge of assets with related organization(s)			11	1	No		
i	i Lease of facilities, equipment, or other assets to related organization(s)								
j	Lease	of facilities, equipment, or other assets from related organization(s)			1j	j Yes	i		
k	k Performance of services or membership or fundraising solicitations for related organization(s)								
I	l Performance of services or membership or fundraising solicitations by related organization(s)								
m	m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)								
n	Sharıı	g of paid employees with related organization(s)			1r	n Yes	i		
0	Reimb	ursement paid to related organization(s) for expenses			10	yes	i		
р	Reimb	ursement paid by related organization(s) for expenses			11	p Yes	<u>·</u>		
					L				
q	Other	transfer of cash or property to related organization(s)			—	Yes			
r	Other	transfer of cash or property from related organization(s)			11	r	No		
_2	Ifthe	answer to any of the above is "Yes," see the instructions for information on who must complete this line, in	cluding covered relati	onships and transact	ion thresholds				
		(a)	(b) Transaction	(c)	(d) Method of determ	uning ar	nount		
		Name of other organization	type(a-r)	Amount involved	involve				
(1) Se	ee Additio	nal Data Table							
(-)									
(3)									
(4)									
(5)					1				
			l	1	1				

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	org	(e) Are all partners section 501(c)(3) janizations?	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate alloc		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	Gene man part	j) eral or aging ener?	(k) Percentage ownership
			,	Yes	No			Yes	No		Yes	No	

Schedule R (Form 990) 2011

Part VII Supplemental Information

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

Identifier Return Reference Explanation

Schedule R (Form 990) 2011

Software ID: Software Version:

EIN: 39-1138241

Name: ASPIRUS WAUSAU HOSPITAL Inc

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

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)		(e) Public charity status (if 501(c) (3))	(f) Direct Controlling Entity	g Section 512 (b)(13) controlled organization						
Aspirus Ontonagon Hospital Inc 601 Seventh Street Ontonagon, WI 49953 26-0806477	Hospital	WI	501(c) (3)	3	Aspirus Inc	Yes					
Aspirus Health Foundation 425 Pine Ridge Blvd Wausau, WI 54401 39-1256656	Public Fdn	WI	501(c) (3)	7	Aspirus Inc	Yes					
Aspirus Doctor's Clinic Inc 420 Dewey Street Wisconsin Rapids, WI 54495 39-1972671	Medical Serv	WI	501(c) (3)	9	Aspırus Inc	Yes					
Aspirus Grand View N 10561 Grand View Lane Ironwood, WI 49938 38-2908586	Hospital	WI	501(c) (3)	3	Aspirus Inc	Yes					
Aspirus Buildings Inc 333 Pine Ridge Blvd Wausau, WI 54401 39-1406537	Leasing	WI	501(c) (3)	9	Aspirus Inc	Yes					
Aspirus Specialists Inc 425 Pine Ridge Blvd Wausau, WI 54401 39-1945080	Medical Svcs	WI	501(c) (3)	9	Aspirus Inc	Yes					
Aspirus Extended Services 425 Pine Ridge Blvd Wausau, WI 54401 39-0782130	Nursing Home	WI	501(C) (3)	9	Aspirus Inc	Yes					
Aspirus Clinics Inc 425 Pine Ridge Blvd Wausau, WI 54401 39-1670223	Medical Srvcs	WI	501(c) (3)	9	Aspirus Inc	Yes					
Aspirus VNA Home Health Inc 520 N 32nd Avenue Wausau, WI 54401 39-0808511	Home Health	WI	501(c) (3)	9	Aspirus Inc	Yes					
Aspirus VNA Extended Care Inc 520 N 32nd Avenue Wausau, WI 54401 39-1597350	Personal Care	WI	501(c) (3)	9	Aspirus Inc	Yes					
Aspirus Inc 425 Pine Ridge Blvd Wausau, WI 54401 39-1328331	healthcare	WI	501(c) (3)	11- Type II	na	N	0				

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

	(a) Name of other organization	(b) Transaction type(a-r)	(c) A mount Involved (\$)	(d) Method of determining amount involved
(1)	ASPIRUS BUILDINGS INC	N	137,243	cost
(2)	ASPIRUS BUILDINGS INC	Р	249,577	cost
(3)	ASPIRUS BUILDINGS INC	0	64,965	cost
(4)	ASPIRUS BUILDINGS INC	J	429,973	cost
(5)	ASPIRUS CLINICS INC	к	576,835	cost
(6)	ASPIRUS CLINICS INC	Р	2,090,042	cost
(7)	ASPIRUS CLINICS INC	I	3,841,688	cost
(8)	ASPIRUS CLINICS INC	N	9,088,177	cost
(9)	ASPIRUS CLINICS INC	L	568,640	cost
(10)	ASPIRUS CLINICS INC	J	1,514,593	cost
(11)	ASPIRUS CLINICS INC	0	2,289,430	cost
(12)	ASPIRUS CLINICS INC	N	2,552,216	cost
(13)	ASPIRUS DOCTORS CLINIC	N	73,506	cost
(14)	ASPIRUS EXTENDED SERVICES INC	P	96,135	cost
(15)	ASPIRUS EXTENDED SERVICES INC	N	369,528	cost
(16)	ASPIRUS GRAND VIEW HOSPITAL	к	74,824	cost
(17)	ASPIRUS GRAND VIEW HOSPITAL	N	1,554,055	cost
(18)	ASPIRUS GRAND VIEW SVC CORP	N	350,303	cost
(19)	ASPIRUS HEALTH FOUNDATION	P	65,400	cost
(20)	ASPIRUS HEALTH FOUNDATION	N	68,799	cost

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

Form 990, Schedule K, Part V - Transactions with Related Organizations									
	(a) Name of other organization	(b) Transaction type(a-r)	(c) A mount Involved (\$)	(d) Method of determining amount involved					
(21)	ASPIRUS HEALTH FOUNDATION	С	365,000	cost					
(22)	ASPIRUS NETWORK INC	к	54,316	cost					
(23)	ASPIRUS NETWORK INC	N	151,487	cost					
(24)	ASPIRUS ONTANAGON HOSPITAL	Р	185,526	cost					
(25)	ASPIRUS ONTANAGON HOSPITAL	N	1,158,021	cost					
(26)	ASPIRUS STEVENS POINT SURGERY CENTER	I	141,018	cost					
(27)	ASPIRUS STEVENS POINT SURGERY CENTER	N	179,046	cost					
(28)	ASPIRUS VISITNG NURSES ASSOCIATION	I	76,698	cost					
(29)	ASPIRUS VISITNG NURSES ASSOCIATION	J	96,207	cost					
(30)	ASPIRUS VISITNG NURSES ASSOCIATION	Р	437,205	cost					
(31)	ASPIRUS VISITNG NURSES ASSOCIATION	N	1,804,228	cost					

Software ID: Software Version:

EIN: 39-1138241

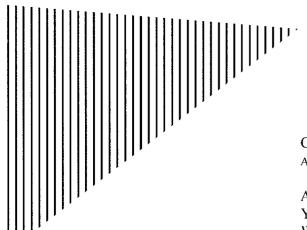
Name: ASPIRUS WAUSAU HOSPITAL Inc

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

Compensated Employees, and Independent Contractors										
(B) Average hours		tion	(che	/)			(D) Reportable compensation from the	(E) Reportable compensation from related	(F) Estimated amount of other compensation	
week	Individual trustee or director	Institutional Truste	Officei	Key employee	Highest compensat employee	Former	organization (W- 2/1099-MISC)	organizations (W- 2/1099- MISC)	from the organization and related organizations	
		ō.			2					
1 0	Х		Х							
1 0	Х		Х							
1 0	Х		Х							
1 0	х		Х							
1 0	Х									
1 0	Х									
1 0	Х									
1 0	Х						0	470,627	42,009	
1 0	Х									
1 0	Х									
1 0	Х									
1 0	Х									
1 0	Х									
1 0	х						412,708	0	19,154	
1 0	Х									
1 0	Х									
1 0	Х						0	317,551	45,114	
1 0	Х						0	270,101	43,594	
1 0	Х									
1 0	Х									
40 0			х				0	750,626	126,367	
40 0			×				389,741	0	77,810	
40 0			Х				0	377,724	76,760	
40 0				х			333,947	0	28,971	
40 0				Х			208,542	0	29,807	
	(B) Average hours per week 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1 0 1	(B) Average hours per week Possible 1 0 X	(B) Average hours per week Position that a per limit white the limit with the last of chief or white the limit wheek 1 0 X Individual trustee 1 0 X Individual trustee	(B) Average hours per week (C) Individual investee 10 X X 10 X X <td< td=""><td>(B) A verage hours per week</td><td> CC</td><td> Co</td><td> C</td><td> Compensation (whether week Compensation (whether whether wheth</td></td<>	(B) A verage hours per week	CC	Co	C	Compensation (whether week Compensation (whether whether wheth	

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

Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours		(tion that a			II		(D) Reportable compensation	(E) Reportable compensation	(F) Estimated amount of other
	per week	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	from the organization (W- 2/1099-MISC)	from related organizations (W- 2/1099- MISC)	compensation from the organization and related organizations
JACOB KEMPEN vp clinical services	400				Х			154,725	0	23,757
NORMA JEAN BURGENER VP EXTENDED SERVICES	40 0				х			198,165	0	23,797
KATHRYN J DRENGLER VP patient care	400				х			204,586	0	44,172
ROGER LUCAS vp human resources	40 0				Х			0	263,314	47,801
MARITA HATTAM VP PHYSICIAN SUPPORT SERVICES	400				х			222,425	0	39,106
JEANNE D SCINTO VP CORP QUALITY & PT SAFETY	400				Х			192,252	0	52,893
RICK L NEVERS VP of marketing/planning	400				х			0	231,206	60,009
DEAN DANNER SVP COO of ACI	400				х			0	289,118	40,202
PETER HESSERT thru 62511 SR VP & GENERAL COUNSEL	400				х			0	346,827	61,625
GERALD MOUREY thru 52612 VP chief information officer	400				х			0	258,257	63,019
CARI LOGEMANN as of 62611 sr vp general counsel	400				Х			0	174,498	40,126
CATHERINE WALDVOGEL registered nurse	400					Х		171,303	0	31,563
JILL MICHAUD director of pharmacy	400					Х		149,401	0	33,094
RAYMOND WERY medical physicist consultant	400					Х		148,371	0	30,625
DAVID BLIVEN Dir of Real estate/projects	400					х		142,255	0	27,079
SANDRA NOLAND registered nurse	40 0					х		142,018	0	36,080
RICK R REDING Former board member	400						х	0	321,033	45,185
DAVID TANGE Former board member	400						х	0	299,953	43,773
Robert Milican Former Board Member	400						х	0	247,450	53,042
TIMOTHY GENGLER FORMER CHIEF NURSING OFFICER	400						х	132,823	11,221	6,246



CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

Aspirus, Inc. and Subsidiaries Years Ended June 30, 2012 and 2011 With Reports of Independent Auditors

Ernst & Young LLP





Ernst & Young LLP Suite 1400 220 South Sixth Street Minneapolis, MN 55402 4509

Tel +1 612 343 1000 Fax +1 612 339 1726 www.ev.com

Report of Independent Auditors

The Board of Directors Aspirus, Inc.

We have audited the accompanying consolidated balance sheets of Aspirus, Inc. and Subsidiaries (Aspirus) as of June 30, 2012 and 2011, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of Aspirus' management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of Aspirus Grand View Hospital, Inc., Aspirus Clinics, Inc., and Aspirus Health Foundation, Inc., consolidated subsidiaries, which statements reflect total assets of 18% as of June 30, 2012 and 2011, and total revenue of 27% and 19%, respectively, for the years then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Aspirus Grand View Hospital, Inc., Aspirus Clinics, Inc., and Aspirus Health Foundation, Inc., is based solely on the reports of other auditors.

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

In our opinion, based on our audits and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Aspirus, Inc. at June 30, 2012 and 2011, and the consolidated results of its operations and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

Ernst + Young LLP

October 3, 2012

Consolidated Balance Sheets

	June 30				
		2012		2011	
		(In The	าแรล	sands)	
Assets				•	
Current assets:					
Cash and cash equivalents	\$	75,167	\$	66,077	
Short-term investments		755		1,309	
Current portion of investments limited as to use		5,283		5,289	
Patient accounts receivable, net		66,780		65,365	
Inventory		8,810		8,587	
Prepaid expenses and other current assets		12,955		7,451	
Total current assets		169,750		154,078	
Investments		59,218		58,536	
Investments limited as to use		143,711		134,788	
Property and equipment, net		174,224		180,379	
Other assets:					
Investments in unconsolidated entities		69,532		57,583	
Goodwill and other intangibles		4,183		4,316	
Deferred bond issuance costs, net		499		1,573	
Cash value of life insurance and other noncurrent assets		5,999		3,155	
Total other assets		80,213		66,627	

Total assets \$ 627,116 \$ 594,408

	June 30			
		2012		2011
		(In The	ousa	nds)
Liabilities and net assets		·		
Current liabilities:				
Current maturities of long-term debt:				
Hospital revenue bonds	\$	4,860	\$	4,675
Clinic revenue bonds		150		150
Other debt		2,495		3,388
	-	7,505		8,213
Accounts payable		7,345		7,149
Amounts payable to third-party reimbursement programs		2,668		2,050
Accrued interest payable		655		955
Accrued salaries and wages		18,785		17,442
Other accrued liabilities		18,633		16,221
Total current liabilities	-	55,591		52,030
Long-term liabilities: Long-term debt: Hospital revenue bonds Clinic revenue bonds Other debt		97,595 7,200 2,116		102,455 7,350 2,621
D. C 1		106,911		112,426
Deferred compensation Postretirement benefits		16,249 4,006		14,147 3,626
		7,477		4,575
Interest rate swaps Other long-term liabilities		4,623		1,541
Total long-term liabilities		139,266		136,315
Total liabilities	<u></u>	194,857		188,345
Net assets: Net assets Net assets attributable to noncontrolling interest Total unrestricted net assets		418,921 13,338 432,259		392,778 13,285 406,063
Total liabilities and net assets	\$	627,116	\$	594,408

See accompanying notes

Consolidated Statements of Operations and Changes in Net Assets

	Year Ended June 30 2012 2011			
	(In The	ousands)		
Revenue:	0 707 307	4 76.500		
Net patient service revenue Provision for bad debts		\$ 476,509		
Provision for bad debts	(8,046)	(7,155)		
Other operating revenue	499,350	469,354		
Total revenue	30,402	26,608		
total revenue	529,752	495,962		
Expenses:				
Salaries and wages	222,566	202,378		
Employee benefits	59,382	53,618		
Medical fees	4,007	4,228		
Supplies	81,837	80,135		
Purchased services and other	97,980	89,323		
Insurance and utilities	8,163	7,039		
Depreciation	25,864	26,452		
Interest	2,641	3,195		
Amortization	255	467		
Total expenses	502,695	466,835		
Income from operations	27,057	29,127		
Nonoperating (losses) gains.				
Investment income	2,548	30,082		
Contributions	551	590		
Change in fair value of interest rate swap	(4,285)	(518)		
Loss on early extinguishment of debt	(998)	_		
Gain on acquisition of controlled affiliate	-	16,721		
Other gains (losses)	1,663	(500)		
Total nonoperating (losses) gains, net	(521)	46,375		
Revenue in excess of expenses before non-controlling interest	26,536	75,502		
Noncontrolling interest	(17)	324		
Revenue in excess of expenses	26,519	75,826		
November in excess of expenses	20,517	73,020		
Other changes in unrestricted net assets:				
Increase in noncontrolling interest	53	10,942		
Change in fair value of interest rate swap	(54)	(54)		
Equity and other changes in net assets of unconsolidated affiliates	(130)	282		
Postretirement healthcare benefit adjustment	(192)	(349)		
Increase in unrestricted net assets	26,196	86,647		
Unrestricted net assets at beginning of year	406,063	319,416		
Unrestricted net assets at end of year	\$ 432,259	\$ 406,063		
•		55,555		

See accompanying notes

Consolidated Statements of Cash Flows

	Year Ended June 30 2012 2011			
		(In Th	ousan	ds)
Operating activities Increase in unrestricted net assets	\$	26,196	\$	86,647
Adjustments to reconcile increase (decrease) in unrestricted net assets to net cash	Ψ	20,170	Ψ	00,047
provided by operating activities.				
Depreciation and amortization		26,119		26,919
Provision for bad debts		8,046		7,155
Net change in unrealized gains and losses on investments		5,884		(23,968)
Unrealized loss on interest rate swaps		2,902		572
Interest rate lock amortization		48		64
Share of earnings in unconsolidated affiliates		(8,078)		(6,659)
Gain on purchase of controlled affiliate		_		(16,721)
Loss on early extinguishment of debt		(998)		_
Loss on sale of property and equipment		(165)		324
Write-off of goodwill				579
Changes in assets and liabilities:				
Patient accounts receivable		(9,461)		(12,200)
Other current assets		(5,173)		(3,071)
Investments		(10,483)		(7,487)
Accounts payable, accrued and other liabilities		3,376		647
Other long-term assets and liabilities		2,829		(12,542)
Net cash provided by operating activities		41,042		40,259
Investing activities				
Additions to property and equipment		(19,544)		(26,109)
Purchase of investments		(39,894)		(16,027)
Proceeds from sale of investments		34,894		14,601
Cash from acquisition of controlled affiliate				4,644
Purchase of interest in unconsolidated entities		(4,538)		(3,673)
Cash used in investing activities		(29,082)		(26,564)
Financing activities				
Principal payments on bonds		(3,827)		(4,858)
Bond issue costs		957		(32)
Proceeds from long-term debt		32,025		_
Retirement of long-term debt		(32,025)		
Cash used in financing activities		(2,870)		(4,890)
Net increase in cash and cash equivalents		9,090		8,805
Cash and cash equivalents at beginning of year		66,077		57,272
Cash and cash equivalents at end of year	\$	75,167	\$	66,077
Supplemental disclosure of cash flow information				
Interest paid	\$	3,192	\$	3,318

See accompanying notes

Notes to Consolidated Financial Statements

June 30, 2012

1. Summary of Significant Accounting Policies

Principal Business Activity

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

Principles of Consolidation

All significant intercompany accounts and transactions have been eliminated in consolidation.

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

Use of Estimates

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

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

Cash Equivalents and Short-Term Investments

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

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Patient Service Revenue and Accounts Receivable

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

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

Aspirus has agreements with third-party payors that provide for payments to Aspirus at amounts different from its established rates. For uninsured patients that do not qualify for community care, Aspirus recognizes revenue on the basis of its standard or discounted rates for services provided. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

The provision for bad debts is based on management's assessment of historical and expected net collection considering business and economic conditions, trends in healthcare coverage, and other collection indicators. Throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon these trends. The results of this review are then used to make any modifications to the provision for bad debts to establish an estimated allowance for uncollectible accounts. Accounts receivable are written off after all collection efforts have been followed in accordance with Aspirus' policies. Overall, the allowance for uncollectible accounts as a percentage of accounts receivable has not changed significantly for the year ended June 30, 2012.

Changes in estimated reimbursement related to prior periods increased net patient service revenue by approximately \$4,269,000 and \$3,429,000 for the years ended June 30, 2012 and 2011, respectively.

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Inventory

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

Investments and Investment Income

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

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

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

Property and Equipment

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

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

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

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

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

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

Deferred Bond Issuance Costs

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

Interest Rate Swaps

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

Intangible assets

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

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Investments in Unconsolidated Entities

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

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

Revenue in Excess of Expenses

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

Community Care

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

Contributions

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

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

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

Unemployment Compensation

Aspirus has elected reimbursement financing under provisions of the Wisconsin and Michigan unemployment compensation laws. Unemployment claims are paid to the state of Wisconsin and the state of Michigan as incurred. Aspirus has obtained letters of credit totaling \$1,789,000 and \$1,116,000 at June 30, 2012, and \$1,789,000 and \$306,000 at June 30, 2011, to comply with the funding requirements for the states of Wisconsin and Michigan, respectively. No draws have been made against the letters of credit to date.

Advertising Costs

Advertising expenses amounted to \$3,001,000 and \$2,813,000 for the years ended June 30, 2012 and 2011, respectively. All advertising costs are expensed as incurred.

Income Taxes

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

Aspirus pays taxes on certain activities considered taxable in accordance with the Code. Taxes for Aspirus Network, Inc., a for-profit taxable corporation, were immaterial for the years ended June 30, 2012 and 2011.

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Reclassifications

Certain reclassifications have been made to the 2011 consolidated financial statements to conform with the 2012 classifications, which had no impact on net assets or changes in net assets as previously reported.

Recent Accounting Pronouncements

In July 2011, Aspirus adopted the authoritative guidance issued by the Financial Accounting Standards Board (FASB), Accounting Standards Update (ASU) 2011-07, Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and Allowance for Doubtful Accounts for Certain Health Care Entities. ASU 2011-07 amends Accounting Standards Codification (ASC) 954, Health Care Entities, and requires health care entities to change the presentation of their statement of operations by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue. Entities also are required to enhance disclosures about their policies for recognizing revenue and assessing bad debts. In addition, the guidance requires disclosure of qualitative and quantitative information about changes in the allowance for doubtful accounts. Aspirus early adopted this guidance for its year ended June 30, 2012.

In August 2010, ASU 2010-23, *Measuring Charity Care for Disclosure*, was issued. ASU 2010-23 was effective for Aspirus for its year ended June 30, 2012. ASU 2010-23 addresses the diversity in the accounting for charity care disclosures, which some entities determine on the basis of a cost measurement, while others use a revenue measurement. ASU 2010-23 requires that the measurement of charity care for disclosure purposes be based on the direct and indirect costs of providing the charity care. The adoption of this new guidance did not have a material impact on Aspirus' consolidated financial statements.

In September 2011, ASU 2011-08, *Intangibles-Goodwill and Other*, was issued. ASU 2011-08 was effective for Aspirus for its year ended June 30, 2012. ASU 2011-08 addresses an entity's option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than the carrying amount. The adoption of this guidance did not have a material impact on Aspirus' consolidated financial statements.

Notes to Consolidated Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

In August 2010, ASU 2010-24, *Presentation of Insurance Claims and Related Insurance Recoveries*, was issued. ASU 2010-24 was effective for Aspirus for its year ended June 30, 2012. ASU 2010-24 addresses the diversity in the accounting for medical malpractice and similar liabilities and their related anticipated insurance recoveries by health care entities that mostly have netted insurance recoveries against the accrued liability, although some have presented the anticipated insurance recovery and the liability on a gross basis. The ASU clarifies that a health care entity should not net insurance recoveries against a related claim liability; the amount of the claim liability should be determined without consideration of insurance recoveries. The adoption of this new guidance did not have a material impact on Aspirus' consolidated financial statements.

Pending Accounting Guidance Not Yet Adopted

In May 2011, the FASB issued ASU 2011-04, Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS). The amendments in ASU 2011-04 result in common fair value measurement and disclosure requirements in GAAP and IFRS. The guidance also changes the wording used to describe many of the requirements in GAAP for measuring fair value and for disclosing information about fair value measurements. This new guidance is effective for Aspirus for its year ending June 30, 2013. The adoption of this standard is not expected to have a material impact on Aspirus' consolidated financial statements.

2. Reimbursement Arrangements With Third-Party Payors

Aspirus has agreements with third-party payors that provide for reimbursement at amounts that vary from their established rates. Changes in Medicare and Medicaid programs and reduction of funding levels could have a material adverse effect on the future amounts recognized as patient service revenue. A summary of the basis of reimbursement with major third-party payors follows:

Notes to Consolidated Financial Statements (continued)

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

Medicare

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

Medicaid

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

Blue Cross

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

Other

Aspirus also receives increased lump-sum payments for Medicaid HMO beneficiaries based on their percentage of beneficiaries with claims during the preceding month to all Medicaid claims processed the preceding month within the state. These new payments were part of the State of Wisconsin Act 2 and Act 28 signed into law on February 19, 2009 and June 29, 2009, respectively, which established a hospital revenues assessment tax on most Wisconsin hospitals for the state fiscal years 2009 to 2011. For the years ended June 30, 2012 and 2011, Aspirus' tax totaled \$8,494,000 and \$8,139,000, respectively, which is reported as an expense and the related additional Medicaid reimbursement of \$12,763,000 and \$12,125,700, respectively, as net patient service revenue in the consolidated statements of operations and changes in net assets.

Notes to Consolidated Financial Statements (continued)

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

Aspirus has entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment under these agreements includes prospectively determined rates per discharge, discounts from established charges, and fee schedules. Aspirus also has policies to provide a discount from established charges to uninsured patients. Aspirus' discount was 14% and 12% for the years ended June 30, 2012 and 2011, respectively.

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

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

3. Patient Accounts Receivable

Patient accounts receivable consisted of the following at June 30:

	2012		2011
	 (In Thoi	usar	nds)
Patient accounts receivable	\$ 124,345	\$	121,878
Less:			
Allowance for contractual adjustments Allowance for uncollectible accounts and community	44,161		45,180
care	13,404		11,333
Patient accounts receivable, net	\$ 66,780	\$	65,365

Notes to Consolidated Financial Statements (continued)

4. Net Patient Service Revenue

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

		2012		2011
		(In Tho	usa	nds)
Gross patient charges:				
Inpatient services	\$	381,701	\$	376,195
Outpatient services		353,398		325,504
Physician clinic services		301,050		250,525
Nursing home and long-term care services	_	10,196		12,139
		1,046,345		964,363
Less contractual adjustments		538,949		487,854
		507,396		476,509
Less provision for bad debts		8,046		7,155
Net patient service revenue	\$	499,350	\$	469,354

The Medicare program represented 47% and 46% of gross patient charges for each of the years ended June 30, 2012 and 2011. The Medicaid program represents 11% and 12% of gross patient charges the years ended June 30, 2012 and 2011, respectively.

5. Community Care

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

	2012		2011		
	(In Thousands)				
Charges forgone, based on established rates	\$ 24,910	\$	23,933		
Equivalent percentage of community care charges forgone to gross patient charges	2.4%	, 0	2.5%		

Total amount of charity care provided, determined on the basis of cost, was approximately \$11,876,000 and \$11,629,000 for the years ended June 30, 2012 and 2011, respectively. Cost of providing care is estimated using internal cost data.

Notes to Consolidated Financial Statements (continued)

6. Investments

At June 30, 2012 and 2011, investments, stated at fair value, totaled \$59,973,000 and \$59,845,000, respectively, of which \$59,176,000 and \$58,496,000, respectively, were invested in mutual funds.

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

		2012		2011	
	(In Thousands)				
Cash and cash equivalents	\$	6,493	\$	5,944	
Mutual funds		142,472		134,111	
Corporate stocks		29		22	
Total investments limited as to use	\$	148,994	\$	140,077	

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

	2012			2011		
	(In Thousands)					
Cash and cash equivalents	\$	27	\$	442		
Bond sinking fund		244		2,070		
Debt service reserve fund		525		789		
By Board for capital improvements		122,076		115,659		
Held for deferred compensation		16,329		14,315		
Other		9,793		6,802		
Total assets limited as to use		148,994		140,077		
Less current portion of assets limited as to use		5,283		5,289		
Total noncurrent investments limited as to use	\$	143,711	\$	134,788		

Notes to Consolidated Financial Statements (continued)

6. Investments (continued)

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

		2012		2011	
	(In Thousands)				
Interest and dividend income	\$	5,801	\$	7,111	
Net realized gains (losses)		2,631		(997)	
Net change in unrealized gains and losses		(5,884)		23,968	
	\$	2,548	\$	30,082	

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

7. Fair Value Measurements

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

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

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

There were no significant transfers into or out of Level 1 or Level 2 that occurred during the year ended June 30, 2012.

Notes to Consolidated Financial Statements (continued)

7. Fair Value Measurements (continued)

The financial instruments carried at fair value as of June 30, 2012, by valuation hierarchy, are as follows:

		Level 1]	Level 2	I	Level 3	Total
	<u> </u>			(In Tho	usan	ds)	
Assets							
Cash equivalents	\$	6,509	\$		\$	_ 5	6,509
Mutual funds:							
Fixed income		62,713		_			62,713
Equity		139,682		_		_	139,682
Corporate stocks		63					63
Total	\$	208,967	\$	<u>-</u>	\$	_ (208,967
Liabilities Interest rate swaps	\$		\$	(7,477)	\$	_ 5	§ (7,477)

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

	 Level 1	Level 2	Level 3	 Total
		(In Thou	isands)	
Assets				
Cash equivalents	\$ 7,286	\$ _ 9	S –	\$ 7,286
Mutual funds:				
Fixed income	77,202	_	_	77,202
Equity	115,382	_	_	115,382
Corporate stocks	52	_	_	52
Total	\$ 199,922	\$ - 9	5 –	\$ 199,922
Liabilities				
Interest rate swaps	\$ 	\$ (4,575) \$	<u> </u>	\$ (4,575)

Notes to Consolidated Financial Statements (continued)

7. Fair Value Measurements (continued)

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

At June 30, 2012 and 2011, the fair value of Aspirus' long-term fixed-rate debt is estimated to be \$34,170,000 and \$36,979,000, respectively. The recorded value of the variable rate bonds approximates fair value at June 30, 2012 and 2011.

8. Property and Equipment

Property and equipment consisted of the following at June 30:

		2012		2011		
	(In Thousands)					
Land	\$	12,164	\$	12,164		
Land improvements		11,280		10,383		
Buildings		154,052		145,660		
Building improvements		741		826		
Building equipment		81,226		76,812		
Equipment		162,901		149,046		
		422,364		394,891		
Less accumulated depreciation		250,319		226,230		
Net depreciated value		172,045		168,661		
Construction-in-progress		2,179		11,718		
Total property and equipment, net	\$	174,224	\$	180,379		

Aspirus' Board of Directors has approved various capital expenditures totaling approximately \$46,898,000 for continuing renovations at Aspirus. Construction-in-progress includes \$4,841,000 related to these projects as of June 30, 2012. These amounts will be funded from operating funds.

Notes to Consolidated Financial Statements (continued)

9. Investments in Unconsolidated Entities

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

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

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

AWH has a 49.8% interest in a joint venture, the Westwood Conference Center, LLC (Westwood), which owns and operates the Westwood Conference Center in Wausau, Wisconsin.

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

	2012			2011				
	Inv	estments	Share of Revenue in Excess of Expenses		Inv	vestments	Re E: (Le	hare of venue in xcess of ess than) xpenses
				(In The	usan	ds)		
MHC LH	\$	23,689 34,129	\$	1,719 4,138	\$	21,944 23,610	\$	4,502 2,325
AK AGC Others		7,723 - 3,991		1,137 - 1,084		6,830 1,204 3,995		242 (977) 567
	\$	69,532	\$	8,078	\$	57,583	\$	6,659

Notes to Consolidated Financial Statements (continued)

9. Investments in Unconsolidated Entities (continued)

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

		2012		2011	
	(In Thousands)				
Assets	\$	247,423	\$	237,068	
Liabilities		78,187		73,190	
Equity	\$	169,236	\$	163,878	
		2012		2011	
		(In The	usa	nds)	
Revenue	\$	180,225	\$	231,216	
Expense		162,981		218,115	
Net income	\$	17,244	\$	13,101	

Notes to Consolidated Financial Statements (continued)

10. Long-Term Debt

Hospital Revenue Bonds

Hospital revenue bonds consisted of the following at June 30:

	2012		2011
Series 2012A Refunding Revenue Bonds, subject to redemption through 2020 at amounts varying from \$2,895,000 on August 15, 2012, to \$4,300,000 on August 15, 2019, at a fixed annual rate interest rate of 2.22%. Net unamortized discounts is \$109,000 at June 30, 2012.	\$ (In The	s \$	nds) _
Series 2004 Variable Rate Demand Revenue Bonds, subject to redemption through 2034 at amounts varying from \$1,800,000 on August 15, 2023, to \$2,800,000 on August 15, 2034, variable rate interest. Net unamortized discount is \$161,000 and \$168,000 at June 30, 2012 and 2011, respectively	27,200		27,200
Series 2000 Variable Rate Demand Revenue Bonds, subject to redemption through 2036 at amounts varying from \$525,000 on August 15, 2021, to \$5,075,000 on August 15, 2036, variable rate interest. Net unamortized discount is \$126,000 and \$136,000 at June 30, 2012 and 2011, respectively.	23,000		23,000
Series 1999 Refunding Revenue Bonds subject to redemption through 2016 at amounts varying from \$295,000 on October 1, 2010, to \$410,000 on October 1, 2016, annual interest rates varying from 4 20% to 5 88%. Net unamortized discount is \$11,000 and \$13,000 at June 30, 2012 and 2011, respectively.	1,835		2,145
Series 1998A Revenue Refunding Bonds, refunded in 2012, loss on advance refunding of \$998,000.	_		34,785
Series 1998B Variable Rate Demand Revenue Bonds, subject to redemption through 2021 at amounts varying from \$1,605,000 on August 15, 2011, to \$2,050,000 on August 15, 2021, variable rate interest. Net unamortized discount is \$38,000 and \$73,000 at June 30, 2012 and 2011, respectively	18,395		20,000
Less current maturities	102,455 4,860		107,130 4,675
Total long-term portion	\$ 97,595	\$	102,455

Notes to Consolidated Financial Statements (continued)

10. Long-Term Debt (continued)

In February 2012, the Authority issued \$32,025,000 of Refunding Revenue Bonds for the benefit of Aspirus Wausau Hospital (AWH). JPMorgan Chase Bank, N.A. is the initial purchaser of the bonds. The proceeds from the Series 2012A bonds were used to refund the remaining principal amount on the Series 1998A bonds.

In October 2009, Aspirus' Obligated Group (the Obligated Group), which consists of AWH and MHC, reoffered its Series 2004, Series 2000, and Series 1998B bonds. The existing bank letters of credit for each bond series were replaced with letters of credit issued by a different bank, and bond insurance policies were canceled.

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

Wisconsin Health and Educational Facilities Authority (the Authority) issued \$45,000,000 of Variable Rate Revenue Bonds for the benefit of the Obligated Group. The proceeds from the Series 2004 bonds were shared by AWH, \$27,200,000, and MHC, \$17,800,000. The Series 2004 bonds were issued pursuant to, and secured by, the Master Trust Indenture dated December 1, 2004, between the Authority and the Obligated Group. AWH and MHC are jointly and severally liable for the payment obligations under the loan agreement. The proceeds from the Series 2004 bonds were used to construct, renovate, and equip certain healthcare facilities of AWH and MHC and to pay certain expenses incurred in connection with the issuance. The Series 2004 Variable Rate Revenue Bonds bear interest at interest rates for seven-day auction periods. At June 30, 2012 and 2011, the adjusted annual rate was 0.15% and 0.10%, respectively. The average annual interest rate on the bonds was 0.12% and 0.24% for the years ended June 30, 2012 and 2011, respectively.

Notes to Consolidated Financial Statements (continued)

10. Long-Term Debt (continued)

The Authority has issued \$23,000,000 of Variable Rate Demand Revenue Bonds for the benefit of AWH. The Series 2000 bonds were issued pursuant to and secured by a Bond Trust Indenture, dated March 1, 2000, between the Authority and the trustee. The proceeds from the Series 2000 bonds were used for the AWH building expansion and renovation and equipment and to pay certain expenses incurred in connection with the issuance. At June 30, 2012 and 2011, the adjusted annual rate was 0.18% and 0.06%, respectively. The average annual interest rate on the bonds was 0.12% and 0.19% for the years ended June 30, 2012 and 2011, respectively.

The Gogebic County Hospital Finance Authority has issued \$4,655,000 of Fixed Rate Demand Revenue Bonds for the benefit of AGV. The Series 1999 bonds were issued pursuant to and secured by a Bond Trust Indenture, dated March 1, 1999, between the Gogebic County Hospital Finance Authority and the trustee. The proceeds from the Series 1999 bonds were used for the refinancing of the Series 1991 bonds. At June 30, 2012, the adjusted annual rate was 5.88%. The average annual interest rate on the bonds was 5.88% for the year ended June 30, 2012.

The Authority has issued \$75,070,000 of revenue bonds for the benefit of AWH. The Series 1998 bonds were issued pursuant to and secured by a Bond Trust Indenture dated January 15, 1998, between the Authority and the trustee. The bonds comprised two issues, the Revenue Refunding Bonds Series 1998A and the Variable Rate Demand Revenue Bonds Series 1998B. The Series 1998B proceeds were used for various AWH capital improvement projects and capital budget items. At June 30, 2012 and 2011, the adjusted annual rate was 0.18% and 0.10%, respectively. The average annual interest rate on the bonds was 0.14% and 0.24% during the years ended June 30, 2012 and 2011, respectively.

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

2013	\$ 4,860
2014	5,075
2015	5,285
2016	5,515
2017	5,745
Thereafter	75,975
Total	\$ 102,455

Notes to Consolidated Financial Statements (continued)

10. Long-Term Debt (continued)

Clinic Revenue Bonds

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

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

	2012		2011
	 (In The	usan	ds)
Series 2001 Variable Rate Revenue Bonds, subject to redemption through 2031 at amounts varying from \$100,000 on February 1, 2010, to \$650,000 on	,		,
February 1, 2031, variable interest rate	\$ 7,350	\$	7,500
Less current maturities	150		150
Total long-term portion	\$ 7,200	\$	7,350

The Series 2001 bonds bear interest at the market rate for demand loans. At June 30, 2012 and 2011, the annual rate was 0.90% and 1.01%, respectively. The average annual interest rate during 2012 and 2011 on the Series 2001 bonds was 0.89% and 0.99%, respectively. The bond indenture provides for various restrictive covenants. The recorded value of the variable rate bonds approximates fair value at June 30, 2012 and 2011.

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

2013	\$ 150
2014	150
2015	150
2016	150
2017	250
Thereafter	 6,500
Total	\$ 7,350

Notes to Consolidated Financial Statements (continued)

10. Long-Term Debt (continued)

At June 30, 2012 and 2011, other long-term debt totaled \$4,016,000 and \$6,009,000, respectively, including current maturities of \$3,651,000 and \$3,388,000, respectively.

11. Interest Rate Swaps

The following is a summary of the outstanding positions under interest rate swap agreements at June 30, 2012:

Instrument Type	Year of Issuance	Notional Amount	Maturity Date	Annual Interest Rate Paid	Annual Interest Rate Received
Interest rate swap	2007	\$ 29,875,000	August 15, 2020	3.60%	68% of 1-month London Interbank Offered Rate (LIBOR)
Interest rate swap	2004	12,000,000	August 15, 2034	3.56%	68% of 1-month LIBOR

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

Balance Sheet				
Location		2012		2011
		(In Th	nousan	ds)
Interest rate swaps – long-term liability	\$	(3,897)	\$	(3,062)
Interest rate swaps – long-term liability		(3,580)		(1,513)
	\$	(7,477)	\$	(4,575)
Investments limited as to use – noncurrent asset	\$	724	\$	2,209
	Interest rate swaps – long-term liability Interest rate swaps – long-term liability Investments limited as to use –	Interest rate swaps – long-term liability \$ Interest rate swaps – long-term liability \$ Investments limited as to use –	Location Location (In T) Interest rate swaps – long-term liability Interest rate swaps – long-term liability (3,897) Interest rate swaps – long-term liability (3,580) (7,477) Investments limited as to use –	Interest rate swaps – long-term liability \$ (3,897) \$ Interest rate swaps – long-term liability \$ (3,580) \$ Investments limited as to use –

Notes to Consolidated Financial Statements (continued)

11. Interest Rate Swaps (continued)

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

	Statements of Operations and Changes in Net		nount of Gain rivatives Reco Revenue Excess of Ex	ognized in in
	Assets	7	Years Ended .	June 30
	Location		2012	2011
			(In Thousa	ınds)
Net payments on interest rate swaps Unrealized gains (losses) on	Loss on interest rate swaps Loss on interest rate	\$	(1,383) \$	(1,432)
derivatives	swaps		(2,902)	914
	_	\$	(4,285) \$	(518)

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

12. Functional Expenses

Aspirus' functional expenses are as follows:

		2012		2011
	(In Thousands)			
Nursing services	\$	68,000	\$	65,262
Other professional services		306,869		280,683
General services		31,456		32,602
Administrative services		96,370		88,288
Total	\$	502,695	\$	466,835

Notes to Consolidated Financial Statements (continued)

13. Malpractice Insurance

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

Under a claims-made policy, the risk for claims and incidents not asserted within the policy period remains with Aspirus. Aspirus has recorded a liability of \$6,509,000 and \$2,160,000 at June 30, 2012 and 2011, respectively, to cover claims, including unasserted claims. Aspirus has recorded an insurance receivable of \$4,270,000 at June 30, 2012, for insurance reimbursements on known claims. No receivable has been recorded at June 30, 2011, due to immateriality.

14. Self-Funded Insurance

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

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

Self-funded health and dental expense for the years ended June 30, 2012 and 2011, was \$30,260,000 and \$25,465,000, respectively. A liability of \$4,442,000 and \$3,542,000 for claims outstanding has been recorded at June 30, 2012 and 2011, respectively.

Notes to Consolidated Financial Statements (continued)

15. Retirement and Deferred Compensation Plans

Aspirus sponsors various defined-contribution retirement plans, which cover all eligible employees. The contributions vary from 1% to 9% of participant compensation depending on years of service, age, and job classification. Aspirus contributed \$9,108,000 and \$8,667,000 for the years ended June 30, 2012 and 2011, respectively, to the retirement plans.

Aspirus also sponsors a nonqualified deferred compensation plan covering certain management employees. The contributions vary from 9% to 17% of a participant's eligible compensation. Aspirus contributed \$449,000 and \$322,000 to the deferred compensation plan for the years ended June 30, 2012 and 2011, respectively. The total liability recorded for the deferred compensation plan, including unrealized gains and losses net of withdrawals, was \$2,923,000 and \$2,573,000 as of June 30, 2012 and 2011, respectively.

ACI, ADC, ASI, and AOH also sponsor a nonqualified deferred compensation plan covering all eligible employees. The contributions are 6% of the participant's eligible compensation. These affiliates contributed \$1,215,000 and \$1,035,000 to the deferred compensation plan for the years ended June 30, 2012 and 2011, respectively. A liability including unrealized gains and losses on the investments held for the plan, net of withdrawals, totaled \$13,282,000 and 11,574,000 as of June 30, 2012 and 2011, respectively.

16. Postretirement Benefits Other than Pensions

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

Aspirus has recognized the funded status (i.e., the difference between the fair value of plan assets and the projected benefit obligations) of its postretirement benefit plan on its balance sheet. At June 30, 2012 and 2011, \$1,746,000 and \$1,576,000, respectively, are included in other changes in unrestricted net assets that have not yet been recognized in net periodic pension cost.

Notes to Consolidated Financial Statements (continued)

16. Postretirement Benefits Other than Pensions (continued)

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

	 2012		2011
	(In Tho	usar	nds)
Other accrued liabilities	\$ (125)	\$	(95)
Long-term liabilities	 (4,006)	_	(3,626)
Total liability recognized	\$ (4,131)	\$	(3,721)

17. Leases

Aspirus leases various items of equipment and office space under leases classified as operating leases. Future minimum lease payments on operating leases in effect on June 30, 2012, for each of the next five years are as follows (in thousands):

2013	\$ 5,090
2014	4,491
2015	3,245
2016	2,386
2017	1,064
Total	\$ 16,276

Rental expense was \$5,287,000 and \$4,206,000 for the years ended June 30, 2012 and 2011, respectively.

18. Related Parties

AWH provided supplies and various services to MHC totaling \$1,012,000 and \$1,165,000 for the years ended June 30, 2012 and 2011, respectively. The amount owed to AWH from MHC was \$123,000 and \$111,000 at June 30, 2012 and 2010, respectively. AWH provided supplies and various services to LH totaling \$1,400,000 and \$1,260,000 for the years ended June 30, 2012 and 2011, respectively. The amount owed to AWH from LH was \$114,000 and \$31,000 at June 30, 2012 and 2011, respectively.

Notes to Consolidated Financial Statements (continued)

18. Related Parties (continued)

Aspirus, Inc. provided computer services and other contracted services to MHC, LH, and AK totaling \$435,000, \$315,000, and \$101,000, respectively, for the year ended June 30, 2012. The amount owed to Aspirus, Inc. from MHC, LH, and AK was \$(61,000), \$249,000, and \$31,000, respectively, at June 30, 2012.

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

ACI provided insurance, recruitment, billing, and administrative services to MHC's clinics totaling \$105,000 and \$136,000 for the years ended June 30, 2012 and 2011, respectively.

19. Concentrations of Credit Risk

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

Aspirus maintains depository relationships with financial institutions. Operating cash requirements require that amounts on deposit exceed Federal Depository Insurance Corporation (FDIC) limits. At June 30, 2012, the amount of Aspirus' bank deposits in excess of FDIC limits was \$5,693,000. In addition, the investments and assets limited as to use, held by financial institutions and investment companies, are uninsured.

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

	2012	2011
Medicare	34%	33%
Medicaid	11	10
Other third-party payors	38	42
Patients	17	15
Total	100%	100%

Notes to Consolidated Financial Statements (continued)

20. Guarantees

Aspirus has guaranteed payment of \$2,360,000 of revenue bonds that MHC has with the Authority, dated June 3, 1999, which have terms of ten years and are callable by the holder upon demand. The bonds carry an interest rate based on the average annual rate equivalent to the discount rate at which 13-week United States Treasury bills are sold. The amount paid to Aspirus by MHC for guarantees was \$12,000 and \$13,000 for the years ended June 30, 2012 and 2011, respectively.

Aspirus had guaranteed payment of bank loans for medical office buildings on behalf of a certain unconsolidated entity totaling \$2,040,000 as of June 30, 2011. The note payable carries a fixed annual interest rate of 5.75% and was due on February 12, 2012.

21. Acquisitions and Divestitures

Effective October 1, 2010, Aspirus acquired a 70% interest in AGV, a 25-bed critical access nonprofit hospital located in Ironwood, Michigan. The affiliation is viewed as a strategic value to both Aspirus and AGV. Cash and notes receivable provided by Aspirus to AGV totaled \$10,000,000. At the date of acquisition, AGV's assets had a fair value of \$37,022,000, and liabilities were \$9,040,000. The resulting gain of \$16,721,000 is included in nonoperating gains in Aspirus' 2011 consolidated statement of operations and changes in net assets. From October 1, 2010 to June 30, 2011, AGV's operating revenue and operating loss, which have been included in Aspirus' 2011 consolidated statement of operations and changes in net assets, were \$31,717,000 and \$(943,000), respectively. For the years ended June 30, 2012 and 2011, AGV's operating revenue was \$40,782,000 and \$353,000, respectively, and operating loss was \$(151,000) and \$(1,204,000), respectively.

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

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

Notes to Consolidated Financial Statements (continued)

21. Acquisitions and Divestitures (continued)

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

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

22. Subsequent Events

Aspirus has evaluated events and transactions occurring subsequent to June 30, 2012 through October 3, 2012, the date of issuance of its consolidated financial statements. During this period, there were no subsequent events requiring recognition in the consolidated financial statements. Non-recognized subsequent events requiring disclosure have been included in the consolidated financial statements.