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Form <b>990</b>  Department of the Treasury Internal Revenue Service	<b>Return of Organization Exempt From Income Tax</b>  <b>Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)</b>	OMB No 1545-0047 <div> <div>2012</div> <div>Open to Public Inspection</div> </div>
	The organization may have to use a copy of this return to satisfy state reporting requirements	

**A For the 2012 calendar year, or tax year beginning 01-01-2012 , 2012, and ending 12-31-2012**

<b>B</b> Check if applicable <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization INDEPENDENT HEALTH ASSOCIATION INC		<b>D</b> Employer identification number 16-1080163
	Doing Business As		
	Number and street (or P O box if mail is not delivered to street address) 511 FARBER LAKES DRIVE	Room/suite	<b>E</b> Telephone number (716) 631-3001
	City or town, state or country, and ZIP + 4 BUFFALO, NY 14221		<b>G</b> Gross receipts \$ 1,542,720,435
	<b>F</b> Name and address of principal officer MICHAEL CROPP 511 FARBER LAKES DRIVE BUFFALO, NY 14221		<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions) <b>H(c)</b> Group exemption number ▶
<b>I</b> Tax-exempt status <input type="checkbox"/> 501(c)(3) <input checked="" type="checkbox"/> 501(c) ( 4 ) ◀ (insert no ) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			
<b>J</b> Website: ▶ WWW.INDEPENDENTHEALTH.COM			

**K** Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ☐ **L** Year of formation 1980 **M** State of legal domicile NY

## Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities WE PROVIDE HEALTH-RELATED PRODUCTS AND SERVICES THAT ENABLE AFFORDABLE ACCESS TO QUALITY HEALTH CARE		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	19
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	13
	5 Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	1,240
6 Total number of volunteers (estimate if necessary)	6	197	
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	58,173,828	
7b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 0	Current Year 0
	9 Program service revenue (Part VIII, line 2g)	1,207,031,999	1,355,311,963
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	12,576,768	12,788,782
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	63,208,988	58,176,913
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	1,282,817,755	1,426,277,658
	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	543,850	653,465
Expenses	14 Benefits paid to or for members (Part IX, column (A), line 4)	1,047,641,195	1,254,827,966
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	116,261,330	105,295,614
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	16b Total fundraising expenses (Part IX, column (D), line 25) <input type="checkbox"/> 0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	105,832,903	119,294,801
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	1,270,279,278	1,480,071,846
	19 Revenue less expenses Subtract line 18 from line 12	12,538,477	-53,794,188
	Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 672,797,157
21 Total liabilities (Part X, line 26)		126,927,851	182,454,368
22 Net assets or fund balances Subtract line 21 from line 20		545,869,306	496,272,379

## Part II Signature Block

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

<b>Sign Here</b>	<div> <div></div> <div>Signature of officer</div> </div>				<div> <div></div> <div>2013-11-11</div> </div>	
	<div> <div></div> <div>MICHAEL CROPP MD PRESIDENT &amp; CEO</div> </div>					
<b>Paid Preparer Use Only</b>	<div> <div></div> <div>Print/Type preparer's name</div> <div>LORI BOYCE</div> </div>		<div> <div></div> <div>Preparer's signature</div> </div>		<div> <div></div> <div>Date</div> <div>2013-11-15</div> </div>	
	<div> <div></div> <div>Firm's name</div> <div>DELOITTE TAX LLP</div> </div>				<div> <div></div> <div>Check <input type="checkbox"/> if self-employed</div> <div>PTIN</div> <div>P00121981</div> </div>	
	<div> <div></div> <div>Firm's address</div> <div>200 RENAISSANCE CENTER SUITE 3900</div> <div>DETROIT, MI 482431895</div> </div>				<div> <div></div> <div>Phone no (313) 396-3000</div> </div>	

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

### Part III Statement of Program Service Accomplishments

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

**1** Briefly describe the organization's mission

WE PROVIDE HEALTH-RELATED PRODUCTS AND SERVICES THAT ENABLE AFFORDABLE ACCESS TO QUALITY HEALTH CARE

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

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

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

If "Yes," describe these changes on Schedule O

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a	(Code)	(Expenses \$)	1,289,575,245	including grants of \$	653,465 ) (Revenue \$ 1,355,311,963
		<p>SEE SCHEDULE O INDEPENDENT HEALTH ASSOCIATION (IHA) COORDINATES THE DELIVERY OF QUALITY HEALTH CARE COVERAGE THROUGH CONTRACTS WITH THE INDIVIDUAL PRACTICE ASSOCIATION OF WESTERN NEW YORK (IPAWNY), A TAXABLE NON-PROFIT, FOR ITS COMMERCIAL AND MEDICARE HMO PRODUCTS WITHIN THE 8 COUNTIES OF WESTERN NEW YORK (WNY) IHA ALSO PROVIDES COVERAGE AND COORDINATES SERVICES TO ITS MEDICAID HMO PRODUCT (WHICH INCLUDES THE FAMILY HEALTH PLUS (FHP) PROGRAM AVAILABLE TO ELIGIBLE RESIDENTS OF ERIE COUNTY AND THE CHILD HEALTH PLUS (CHP) PROGRAM) FOR THE ARRANGEMENT OF PHYSICIAN, HOSPITAL, MEDICALLY NECESSARY HEALTH SERVICES, DIAGNOSTIC AND PREVENTIVE HEALTH SERVICES TO THE COMMUNITIES LOCATED IN ERIE AND NIAGARA COUNTY IHA OFFERS ITS MEMBERS HEALTH RISK MANAGEMENT TOOLS INCLUDING AN ONLINE HEALTH RISK ASSESSMENT AND USES INFORMATION OBTAINED FROM ITS DATA WAREHOUSE TO ANALYZE AND PREDICT POTENTIAL RISK AND DEVELOP SOLUTIONS TO HELP CONTROL PROBLEMS FOR MEMBERS PROGRAMS FOR COVERED EMPLOYEES AS WELL AS FOR EMPLOYERS HELP THEM MAKE GOOD HEALTH A PART OF THEIR CULTURE IHA OFFERS A 24-HOUR MEDICAL HELP LINE WITH ACCESS TO A REGISTERED NURSE, CASE MANAGEMENT, DISEASE MANAGEMENT AND HEALTH COACHES IHA ALSO ESTABLISHED AN ADVANCED PATIENT CENTERED MEDICAL HOME (PCMH) PILOT PROGRAM IN JANUARY 2009 THE PCMH PROGRAM INCLUDED 18 DIVERSE PRIMARY CARE PRACTICES ACROSS WNY, 130 PHYSICIANS AND NEARLY 50,000 IHA MEMBERS THE PRACTICES WORKED TOWARD IMPROVED QUALITY OF CARE WITH EXPANDED ACCESS TO ALLOW SAME-DAY APPOINTMENTS AND AFTER-HOURS CARE, ENHANCED TECHNOLOGY TO INCLUDE ELECTRONIC MEDICAL RECORDS AND EMAILS WITH PATIENTS, AND A COMPREHENSIVE CARE TEAM FOR THOSE WITH OR AT RISK OF HAVING A CHRONIC CONDITION ADMINISTRATIVE ASSISTANCE WAS ALSO PROVIDED TO HELP IMPLEMENT NEW OFFICE PROCEDURES ANOTHER IMPORTANT ASPECT OF THE PCMH MODEL WAS THAT IT ALSO INCLUDED MANY OF THE FEDERAL HEALTH CARE REFORM EFFORTS INCLUDING PREVENTION AND WELLNESS THROUGH COORDINATED CARE, EVIDENCED-BASED GUIDELINES TO GAUGE OUTCOMES AND REFORM OF PHYSICIAN PAYMENT TO IMPROVE QUALITY AND EFFICIENCY IHA DEVOTED TIME AND FINANCIAL RESOURCES THAT ENABLED THE 130 PHYSICIANS IN THIS PROGRAM TO REDESIGN THEIR PRACTICES IHA ALSO PROVIDED DETAILED MEMBER INFORMATION TO ENABLE OUR PHYSICIANS TO MANAGE CARE OPPORTUNITIES FOR IHA MEMBERS THE 18 PRIMARY CARE PRACTICES INVOLVED IN THE PILOT PROGRAM ACHIEVED THE HIGHEST RECOGNITION BY THE NATIONAL COMMITTEE FOR QUALITY ASSURANCE (NCQA) THE PATIENT CENTRIC MODEL IS A VIABLE WAY TO ACHIEVE THE "TRIPLE AIM" BETTER CARE, IMPROVED SATISFACTION AND BENDING THE MEDICAL TREND HEALTH CARE REFORM INITIATIVES ENCOURAGE THIS TYPE OF CARE DELIVERY AND IHA AND THESE PROGRESSIVE PRIMARY CARE PHYSICIAN PRACTICES ARE AT THE FOREFRONT OF WHAT THE NATION WILL BE DOING IN 2012, IHA EVOLVED ITS SUCCESSFUL PCMH CARE MODEL FOR PRIMARY CARE(ESTABLISHED IN 2009) INTO A MORE COMPREHENSIVE PROGRAM FOR OUR COMMERCIAL AND MEDICARE ADVANTAGE LINES OF BUSINESS CALLED THE PRIMARY CONNECTION, WHICH OFFICIALLY BEGAN JULY 1, 2012 THE INITIATIVE CONNECTS A STRONG, COLLABORATIVE GROUP OF PRIMARY CARE PHYSICIAN PRACTICES WITH SPECIALISTS AND OTHER HEALTH CARE PROVIDERS PRACTICES ARE UNDERGOING TRANSFORMATION TO IMPROVE CARE COORDINATION, ACCESS AND AVAILABILITY THE PRIMARY CONNECTION FOSTERS INTERDEPENDENCY AND INTENSE COLLABORATION AMONG THE PRACTICES TO CREATE AND IMPLEMENT SPECIFIC CARE COORDINATION PROGRAMS (SUCH AS HOSPITAL ALTERNATIVE PROGRAMS, CARE TRANSITION PROGRAMS FROM HOSPITAL TO HOME), DESIGNATED PRACTICE RESOURCES (SUCH AS PHARMACISTS PROVIDING MEDICATION THERAPY MANAGEMENT, IMBEDDED BEHAVIORAL COUNSELORS WITHIN PRACTICES), AND CARE COORDINATION CONTRACTS BETWEEN PRIMARY AND SPECIALTY CARE PHYSICIANS THE PRIMARY CONNECTION PRACTICES ARE CLOSELY MONITORED FOR PERFORMANCE AND ADHERENCE TO THE TENETS OF THE TRIPLE AIM THESE PRACTICES ARE REIMBURSED UNDER AN INNOVATIVE HYBRID REIMBURSEMENT METHODOLOGY THAT RETAINS ELEMENTS OF FEE-FOR-SERVICE PAYMENT, BUT INCLUDES A RISK-ADJUSTED POPULATION-BASED CARE COORDINATION FEE AND A SHARED SAVINGS COMPONENT THE HYBRID PAYMENT SYSTEM ALLOWS PRIMARY CARE PRACTICES TO MORE FULLY UTILIZE ANCILLARY NURSING AND MIDLEVEL STAFF, RECOGNIZES THE PRACTICE'S EFFORTS TO IMPLEMENT E-COMMUNICATION STRATEGIES, AND REWARDS EFFORTS TO WORK COOPERATIVELY AND EFFECTIVELY WITH HOSPITALS AND SPECIALTY PHYSICIANS TO REDUCE MEDICALLY UNNECESSARY SERVICES AND POTENTIALLY AVOIDABLE ADMISSIONS THIS PROGRESSIVE APPROACH INITIALLY INVOLVED 21 PRACTICES, THEIR 140 PHYSICIANS AND MORE THAN 54,000 PATIENTS AS PART OF IHA'S EFFORTS TO IMPROVE THE QUALITY, ACCESS AND AFFORDABILITY OF HEALTH CARE, THE HEALTH CARE INSURER IS ATTEMPTING TO REDUCE UNNECESSARY EMERGENCY ROOM VISITS AND PREVENT HOSPITAL ADMISSIONS AND READMISSIONS THROUGH VARIOUS INITIATIVES IHA RECOGNIZES CARE COORDINATION AMONG PHYSICIANS AND OTHER HEALTH PROVIDERS INCLUDING HOSPITALS, NURSING HOMES AND OTHERS IMPROVES EFFICIENCY AND PATIENT OUTCOMES IHA PROVIDES PRACTICE CARE COORDINATORS (PCC) TO THE 21 PHYSICIAN OFFICES OF THE PRIMARY CONNECTION THE PCCS ARE WORKING RIGHT WITHIN PRIMARY CARE PRACTICES AS EXTENDED CASE MANAGERS TO ENSURE THE DELIVERY OF QUALITY, EFFICIENT AND COORDINATED HEALTH CARE SERVICES USING A TEAM APPROACH WITH THE OFFICE PRACTICES TO OPTIMIZE A MEMBER'S CARE, THE PCC PLANS, COORDINATES AND EVALUATES ALL OPTIONS AND SERVICES AVAILABLE TO DEVELOP AN INDIVIDUALIZED PLAN FOR THE PATIENT OTHER MEMBERSHIP SERVICES INCLUDE PREVENTIVE CARE WITH ACTIVE PARTICIPATION BY COMMUNITY ORGANIZATIONS IN INITIATIVES SUCH AS THE P2 COLLABORATIVE OF WESTERN NEW YORK (P2), A NOT-FOR-PROFIT DEDICATED TO IMPROVING THE HEALTH OF PEOPLE IN WESTERN NEW YORK IT DEPENDS ON UNPRECEDENTED COLLABORATION AMONG KEY STAKEHOLDERS AND THE SHARING OF CLINICAL INFORMATION, AS WELL AS THE ADOPTION OF HEALTH INFORMATION TECHNOLOGY AND ELECTRONIC MEDICAL RECORDS, THROUGH ORGANIZATIONS SUCH AS HEALTHLINK THE IHA HEALTH COACH PROGRAM OFFERS A BROAD RANGE OF SERVICES, INCLUDING EDUCATION AND CARE COORDINATION, TO IMPROVE THE HEALTH OF IHA MEMBERS AND EMPLOYEES HEALTH COACHES ARE LICENSED REGISTERED NURSES, DIETITIANS, RESPIRATORY THERAPISTS, SOCIAL WORKERS, AND OTHER CERTIFIED HEALTH PROFESSIONALS WHO ENCOURAGE SELF-MANAGEMENT AND EDUCATE MEMBERS ON LIVING A HEALTHY LIFE THEY PROVIDE PERSONALIZED SERVICES TO HELP MEMBERS MAKE LASTING CHANGES TO ACHIEVE BETTER HEALTH AND WELL-BEING EXAMPLES OF THEIR SUPPORT INCLUDE HELPING DEVELOP A DIET PLAN TO ASSIST WITH WEIGHT LOSS, ASSISTANCE WITH A SPECIFIC MEDICAL CONDITION OR COMPILING A LIST OF QUESTIONS FOR THE MEMBER TO ASK HIS/HER DOCTOR OUR HEALTH COACHES AND DISEASE MANAGERS FREQUENTLY ENGAGE IN ON-SITE WORKPLACE WELLNESS ACTIVITIES, SUCH AS EMPLOYEE HEALTH FAIRS THEY ALSO REGULARLY REACH OUT TO SUPPORT MEMBERS IDENTIFIED AS HAVING A CHRONIC DISEASE OR CARE OPPORTUNITY IHA IS COMMITTED TO IMPROVING THE QUALITY, ACCESS AND AFFORDABILITY OF HEALTH CARE THROUGH MANY COMMUNITY OUTREACH PROGRAMS IHA COMMUNITY HEALTH OUTREACH WORKERS (CHOWS) ARE BASED IN THE COMMUNITY, MAKING HOME VISITS TO MEDISOURCE MEMBERS IN NEED THROUGHOUT ERIE AND NIAGARA COUNTIES AND BUILDING RELATIONSHIPS IN TARGETED NEIGHBORHOODS TO PROMOTE HEALTH AND WELLNESS BEHAVIORS AND BELIEFS CHOWS SPECIFICALLY WORK WITH HIGH-COST MEMBERS OR THOSE WHO INAPPROPRIATELY UTILIZE SERVICES, AS WELL AS HIGH-RISK PATIENTS WHO HAVE UNMANAGED OR END-STAGE CHRONIC DISEASES THESE DEDICATED WORKERS ALSO PROVIDE CARE COORDINATION SERVICES TO MEMBERS IN NEED OF PREVENTIVE SERVICES, SCREENINGS OR A PRIMARY CARE PROVIDER, AND OFFER SPECIAL OUTREACH PROGRAMS SUCH AS THE MAMMOGRAPHY BUS CHOWS COLLABORATE WITH IHA'S CASE MANAGEMENT DEPARTMENT TO BRING MEMBERS HOPE AND AN UNDERSTANDING OF COMPLEX ISSUES PART OF THE AFFORDABLE CARE ACT AND MEDICAID REFORM EFFORTS, HEALTH HOMES ARE COMMUNITY NETWORKS OF PROVIDERS DESIGNATED BY THE STATE TO COORDINATE CARE AND SOCIAL NEEDS FOR MEDICAID MEMBERS WITH CHRONIC CONDITIONS, SUCH AS HIV/AIDS, SERIOUS MENTAL ILLNESS OR MULTIPLE CHRONIC HEALTH PROBLEMS IHA ASSIGNS MEMBERS TO HEALTH HOMES AND SUPPORTS THESE NETWORKS ADMINISTRATIVELY, BILLING FOR SERVICES RENDERED AND REIMBURSING THEM HEALTH HOMES ALSO REPORT QUALITY INDICATORS TO IHA</p>			

















[illegible][illegible]

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

<b>4e</b>	<b>Total program service expenses</b>	<b>1,289,575,245</b>
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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	No
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)? . . . .	2	No
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I . . . . .	3	No
4 <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II . . . . .	4	
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 I  . . . . .	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II  . . . .	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III  . . . . .	8	No
9 Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, 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	Yes
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V  . . . . .	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		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? 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	Yes
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	Yes
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII  . . . . .	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 and XII 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, Parts I and IV  . . . . .	14b	Yes
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV  . . . . .	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV  . . . . .	16	No
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions) . . . . .	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II . . . . .	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III . . . . .	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H . . . . .	20a	No
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> . . . . .	21	Yes	
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> . . . . .	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> . . . . .	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i> . . . . .	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . .	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . .	24d		
25a	<b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> . . . . .	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i> . . . . .	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> . . . . .	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28a	Yes	
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . .	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i> . . . . .	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> . . . . .	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> . . . . .	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	Yes	
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	35b	Yes	
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> . . . . .	36		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i> . . . . .	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

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

☐

		Yes	No			
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a	180			
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes			
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a	1,240			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	Yes			
3a	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? If "No," provide an explanation in Schedule O.	3b	Yes			
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	Yes			
b	If "Yes," enter the name of the foreign country: <b>BD</b> See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a				No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b				No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c				
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a				No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b				
7	<b>Organizations that may receive deductible contributions under section 170(c).</b>					
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a				No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b				
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c				No
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d	0			
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e				No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f				No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g				
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h				
8	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8				
9	<b>Sponsoring organizations maintaining donor advised funds.</b>					
a	Did the organization make any taxable distributions under section 4966?	9a				
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b				
10	<b>Section 501(c)(7) organizations.</b> Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b				
11	<b>Section 501(c)(12) organizations.</b> Enter					
a	Gross income from members or shareholders.	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b				
12a	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	12a				
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b				
13	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>					
a	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.	13a				
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b				
c	Enter the amount of reserves on hand.	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a				No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	14b				

Part VI

Governance, Management, and Disclosure

For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	19	
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O			
1b	Enter the number of voting members included in line 1a, above, who are independent	13	
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	Yes
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	Yes
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	No
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
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	8a	Yes
8b	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	Yes

Section B. Policies

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

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	No
10b	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
11b	Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes
12b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
12c	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?		
15a	The organization's CEO, Executive Director, or top management official	15a	Yes
15b	Other officers or key employees of the organization	15b	Yes
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes
16b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	No

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed	NY
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> Other (explain in Schedule O)	
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 during the tax year	
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization	MICHAEL J FASO 511 FARBER LAKES DRIVE BUFFALO, NY (716) 631-3001

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

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

[illegible]



## Part VII

<b>1b</b>	<b>Sub-Total . . . . .</b>			
<b>c</b>	<b>Total from continuation sheets to Part VII, Section A . . . . .</b>			
<b>d</b>	<b>Total (add lines 1b and 1c) . . . . .</b>	10,313,492	0	2,432,459

**2** Total number of individuals (including but not limited to those listed in Item 1) who received more than \$100,000 of reportable compensation from the organization: 148

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

## Section B. Independent Contractors

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
INDIVIDUAL PRACTICE ASSOCIATION OF WNY 511 FARBER LAKES DRIVE BUFFALO NY 14221	MEDICAL & PHARMACY BENEFIT SERVICES	972,304,891
COMPUTER TASK GROUP PO BOX 711778 CINICINNATI OH 452711778	PRODUCTION & PROJECT SUPPORT SERVICES	16,068,930
HEALTHEDGE SOFTWARE INC PO BOX 347589 PITTSBURGH PA 152514589	PRODUCTION & PROJECT SUPPORT SERVICES	7,934,838
SIRIUS COMPUTER SOLUTIONS 4810 KIRKWOOD ROAD COHOCTON NY 14826	SALE & MAINTENANCE OF SERVERS	7,878,986
HEALTHPLEX IPA 333 EARLE OVINGTON BLVD UNIONDALE NY 115533608	DENTAL BENEFITS COMPANY	5,671,431

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ►194

Part VIII

Statement of Revenue

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

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . . . . . 1a					
	b	Membership dues . . . . . 1b					
	c	Fundraising events . . . . . 1c					
	d	Related organizations . . . . . 1d					
	e	Government grants (contributions) 1e					
	f	All other contributions, gifts, grants, and similar amounts not included above 1f					
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f . . . . .					
Program Service Revenue	2a	PREMIUMS, COB & REINS	524114	1,355,311,963	1,355,311,963		
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f . . . . .		1,355,311,963			
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) . . . . .	11,651,834			11,651,834
4		Income from investment of tax-exempt bond proceeds . . . . .					
5		Royalties . . . . .					
6a		Gross rents	(i) Real	(ii) Personal			
			3,900				
			815				
			3,085				
d		Net rental income or (loss) . . . . .	3,085			3,085	
7a		Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
			117,578,910				
			116,346,054	95,908			
			1,232,856	-95,908			
d		Net gain or (loss) . . . . .	1,136,948			1,136,948	
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 . . . . .					
a							
b		Less direct expenses . . . . . b					
c		Net income or (loss) from fundraising events . . . . .					
9a		Gross income from gaming activities See Part IV, line 19 . . . . .					
a							
b		Less direct expenses . . . . . b					
c	Net income or (loss) from gaming activities . . . . .						
10a	Gross sales of inventory, less returns and allowances . . . . .						
a							
b	Less cost of goods sold . . . . . b						
c	Net income or (loss) from sales of inventory . . . . .						
Miscellaneous Revenue		Business Code					
11a	CONSULTING	541610	58,173,828		58,173,828		
b							
c							
d	All other revenue . . . . .						
e	Total. Add lines 11a-11d . . . . .		58,173,828				
12	Total revenue. See Instructions . . . . .		1,426,277,658	1,355,311,963	58,173,828	12,791,867	

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).

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States. See Part IV, line 21.	509,500	509,500		
2	Grants and other assistance to individuals in the United States. See Part IV, line 22.	143,965	143,965		
3	Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.				
4	Benefits paid to or for members.	1,254,827,966	1,254,827,966		
5	Compensation of current officers, directors, trustees, and key employees.	11,068,392		11,068,392	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).				
7	Other salaries and wages.	65,247,032	10,029,152	55,217,880	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	10,722,637	921,000	9,801,637	
9	Other employee benefits.	12,619,230	1,916,324	10,702,906	
10	Payroll taxes.	5,638,323	823,102	4,815,221	
11	Fees for services (non-employees):				
a	Management.				
b	Legal.	278,727		278,727	
c	Accounting.	248,366		248,366	
d	Lobbying.	174,816		174,816	
e	Professional fundraising services. See Part IV, line 17.				
f	Investment management fees.	967,437		967,437	
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	30,052,597	546,434	29,506,163	
12	Advertising and promotion.	5,708,421	175,433	5,532,988	
13	Office expenses.	9,292,274	432,655	8,859,619	
14	Information technology.	21,179,896	2,776,472	18,403,424	
15	Royalties.				
16	Occupancy.	7,911,662		7,911,662	
17	Travel.	388,957	62,216	326,741	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.	64,436	40,309	24,127	
20	Interest.				
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	15,752,388		15,752,388	
23	Insurance.	2,234,724	1,350,726	883,998	
24	Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O).				
a	BAD DEBT & CHARITY, GME	13,636,774	13,636,774	0	0
b	FAMLIY CHOICE	4,124,372	0	4,124,372	0
c	MISCELLANEOUS	3,633,818	1,383,217	2,250,601	0
d	NYS ASSESSMENT	2,064,787	0	2,064,787	0
e	All other expenses.	1,580,349		1,580,349	
25	Total functional expenses. Add lines 1 through 24e.	1,480,071,846	1,289,575,245	190,496,601	0
26	Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

Part X

Balance Sheet

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

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				(A)		(B)
				Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			1	
	2	Savings and temporary cash investments		60,536,178	2	24,619,375
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		86,424,404	4	101,490,542
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use			8	
	9	Prepaid expenses and deferred charges		11,871,620	9	15,079,818
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	148,247,875		
	b	Less accumulated depreciation	10b	93,830,345	44,510,971	10c 54,417,530
	11	Investments—publicly traded securities		299,108,574	11	307,001,651
	12	Investments—other securities See Part IV, line 11			12	
	13	Investments—program-related See Part IV, line 11			13	601,001
	14	Intangible assets		2,396,667	14	2,394,668
	15	Other assets See Part IV, line 11		167,948,743	15	173,122,162
	16	Total assets. Add lines 1 through 15 (must equal line 34)		672,797,157	16	678,726,747
Liabilities	17	Accounts payable and accrued expenses		58,805,445	17	73,889,799
	18	Grants payable		6,324	18	6,098
	19	Deferred revenue		12,608,512	19	17,184,761
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D		1,260,068	21	1,604,472
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			22	
	23	Secured mortgages and notes payable to unrelated third parties			23	
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		54,247,502	25	89,769,238
	26	Total liabilities. Add lines 17 through 25		126,927,851	26	182,454,368
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets		419,149,742	27	340,663,407
	28	Temporarily restricted net assets		126,719,564	28	155,608,972
	29	Permanently restricted net assets			29	0
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		545,869,306	33	496,272,379
	34	Total liabilities and net assets/fund balances		672,797,157	34	678,726,747

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,426,277,658
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,480,071,846
3	Revenue less expenses Subtract line 2 from line 1	3	-53,794,188
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	545,869,306
5	Net unrealized gains (losses) on investments	5	4,197,261
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	496,272,379

Part XII Financial Statements and Reporting

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

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

Additional Data

Software ID:

Software Version:

EIN: 16-1080163

Name: INDEPENDENT HEALTH ASSOCIATION INC

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(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-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
ANTKOWIAK JOHN CHAIRPERSON	12 00 1 00	X						63,000	0	6,188
HEIMERL MICHAEL VICE CHAIRPERSON	3 00	X						32,300	0	6,188
ANGERT STUART H SECOND VICE CHAIRPERSON	3 00 1 00	X						31,000	0	2,076
SULLIVAN NORA B SECRETARY	3 00	X						31,000	0	6,188
COLANTUONO FRANK J BOARD MEMBER	3 00	X						38,000	0	6,188
COTTON SHAWN BOARD MEMBER	3 00	X						32,700	0	6,188
CULKIN JOHN J BOARD MEMBER	3 00	X						31,000	0	6,188
KELSCH DONNA M BOARD MEMBER	3 00	X						31,000	0	6,188
MARTINO ANTHONY B BOARD MEMBER	3 00	X						31,000	0	3,609
MCDUFFIE BRENDA W BOARD MEMBER	3 00 1 00	X						31,000	0	6,188
ROBINSON DONALD BOARD MEMBER	3 00	X						42,738	0	6,188
STEHLIK EDWARD BOARD MEMBER	3 00	X						39,300	0	6,188
SUDIT MOISES BOARD MEMBER	3 00	X						38,000	0	0
SUNDELL DUANE J BOARD MEMBER	3 00	X						31,000	0	0
TILLOTSON JR RICHARD T BOARD MEMBER	3 00 1 00	X						31,000	0	6,188
WALSH III JOHN N BOARD MEMBER	3 00 1 00	X						31,000	0	0
WEISS SIDNEY N BOARD MEMBER	3 00	X						38,000	0	6,188
WINGATE R MARSHALL BOARD MEMBER	3 00	X						31,000	0	6,188
CROPP MICHAEL W PRESIDENT & CEO	33 00 21 00	X		X				1,508,361	0	373,154
JOHNSON MARK EVP & CFO	36 00 16 00			X				1,623,883	0	344,911
FOELS THOMAS J EVP-CHIEF MED OFFICER	42 00 14 00			X				544,810	0	115,011
DIGIULIO LAWRENCE C VP & GENERAL COUNSEL	5 00 7 00			X				416,182	0	35,983
MINEO JOHN ESQ SECRETARY, GENERAL COUNSEL	27 00 11 00			X				219,939	0	12,910
DUNNE CARLEEN A GOVT PRG COMPLIANCE OFF	40 00 10 00			X				94,351	0	33,870
TULYK-ROSSI LAURA COMPLIANCE OFFICER	7 00 44 00			X				88,796	0	17,670

Form 990, Part VII - Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors										
(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(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-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
MCDONALD AMY R GOVT PRG COMPLIANCE OFF	11 00			X				38,174	0	-4,408
RODGERS JOHN R EVP-CHIEF OPERATING OFF	37 00				X			625,970	0	229,392
SYRACUSE JILL EVP-CHIEF SERVICING OFF	16 00 22 00				X			532,415	0	220,921
PENTKOWSKI ANN M SVP-CHIEF ACT & UNDERWRI	35 00 16 00				X			461,231	0	160,790
FASO MICHAEL J SVP-FINANCE & BUS DEVEL	25 00 22 00				X			345,159	0	267,105
CUMMING GORDON B SVP-CHIEF ADMIN OFFICER	27 00 1 00				X			464,775	0	77,211
FELDMAN JUDITH ANN SVP-INFORMATION TECHNOLO	35 00 20 00				X			343,635	0	102,404
DISERAFINO LOUIS CHIEF RISK OFFICER	45 00 9 00				X			355,601	0	36,950
MCGUIRE NORA K SVP-CHIEF MARKETING OFF	32 00 20 00				X			343,472	0	7,507
WALLESHAUSER JAMES B VP - OFFICE STRATEGY	27 00 28 00				X			263,667	0	46,428
MENARD PAMELA SVP-HEALTHCARE DELIVERY INNOVATION	32 00 17 00					X		273,075	0	110,248
DONOVAN DAVID W VP - SALES	33 00 19 00					X		336,288	0	31,452
SAME J BRIAN ASSOC MED DIRECTOR	29 00 12 00					X		267,249	0	57,112
BASILE WILLIAM R VP-ACTUARIAL/UNDERWRITING/INFORMATICS	18 00 32 00					X		259,875	0	43,719
MYLOTTE KATHLEEN MARIE ASSOC MED DIRECTOR	31 00 10 00					X		272,546	0	25,990

SCHEDULE D  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Financial Statements

OMB No 1545-0047

2012

Open to Public Inspection

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

<b>Name of the organization</b> INDEPENDENT HEALTH ASSOCIATION INC	<b>Employer identification number</b>  16-1080163
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Part I

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

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

Part II

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

1

Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or education) ☐ Preservation of an historically important land area  
☐ Protection of natural habitat ☐ Preservation of a certified historic structure  
☐ Preservation of open space

2

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

	Held at the End of the Year
a	Total number of conservation easements
b	Total acreage restricted by conservation easements
c	Number of conservation easements on a certified historic structure included in (a)
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register

3

Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ \_\_\_\_\_

4

Number of states where property subject to conservation easement is located ▶ \_\_\_\_\_

5

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

☐ Yes ☐ No

6

Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ \_\_\_\_\_

7

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

8

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

☐ Yes ☐ No

9

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

Part III

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

1a

If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b

If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1

▶ \$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X

▶ \$ \_\_\_\_\_

2

If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a

Revenues included in Form 990, Part VIII, line 1

▶ \$ \_\_\_\_\_

b

Assets included in Form 990, Part X

▶ \$ \_\_\_\_\_



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

3

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

a

☐ Public exhibition

b

☐ Scholarly research

c

☐ Preservation for future generations

d

☐ Loan or exchange programs

e

☐ Other

4

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

5

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

☐ Yes

☐ No

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

1a

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

☐ Yes

☒ No

b

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

	Amount
1c	
1d	
1e	
1f	

2a

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

☒ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII

☒

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

	(a)Current year	(b)Prior year	b (c)Two years back	(d)Three years back	(e)Four years back
1a	Beginning of year balance				
b	Contributions				
c	Net investment earnings, gains, and losses				
d	Grants or scholarships				
e	Other expenditures for facilities and programs				
f	Administrative expenses				
g	End of year balance				

2

Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a

Board designated or quasi-endowment

b

Permanent endowment

c

Temporarily restricted endowment

The percentages in lines 2a, 2b, and 2c should equal 100%

3a

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

(i)

unrelated organizations

3a(i)

☐ Yes

☐ No

(ii)

related organizations

3a(ii)

☐ Yes

☐ No

b

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

3b

☐ Yes

☐ No

4

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

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

Description of property	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		542,713		542,713
b Buildings		18,316,583	5,157,472	13,159,111
c Leasehold improvements		10,484,667	3,407,265	7,077,402
d Equipment		31,170,494	26,086,429	5,084,065
e Other		87,733,418	59,179,179	28,554,239
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				54,417,530



Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return				
1	Total revenue, gains, and other support per audited financial statements . . . . .	1		1,425,209,220
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12			
a	Net unrealized gains on investments . . . . .	2a	4,197,261	
b	Donated services and use of facilities . . . . .	2b		
c	Recoveries of prior year grants . . . . .	2c		
d	Other (Describe in Part XIII ) . . . . .	2d	-1,344,806	
e	Add lines 2a through 2d . . . . .	2e		2,852,455
3	Subtract line 2e from line 1 . . . . .	3		1,422,356,765
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1			
a	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	4a		
b	Other (Describe in Part XIII ) . . . . .	4b	3,920,893	
c	Add lines 4a and 4b . . . . .	4c		3,920,893
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12 ) . . . . .	5		1,426,277,658
Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return				
1	Total expenses and losses per audited financial statements . . . . .	1		1,470,952,216
2	Amounts included on line 1 but not on Form 990, Part IX, line 25			
a	Donated services and use of facilities . . . . .	2a		
b	Prior year adjustments . . . . .	2b		
c	Other losses . . . . .	2c		
d	Other (Describe in Part XIII ) . . . . .	2d	-3,920,893	
e	Add lines 2a through 2d . . . . .	2e		-3,920,893
3	Subtract line 2e from line 1 . . . . .	3		1,474,873,109
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	4a		
b	Other (Describe in Part XIII ) . . . . .	4b	5,198,737	
c	Add lines 4a and 4b . . . . .	4c		5,198,737
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18 ) . . . . .	5		1,480,071,846

Part XIII Supplemental Information

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

Identifier	Return Reference	Explanation
	PART IV, LINE 2B	LONG TERM INCENTIVE DEFERRED COMPENSATION PLAN IS OFFERED TO KEY EXECUTIVES. FUTURE PAYMENT IS BASED ON PERFORMANCE AND HISTORICAL COMPENSATION. ASSETS ARE UNDER CUSTODIAL ARRANGEMENT WITH M&T BANK.
DESCRIPTION OF UNCERTAIN TAX POSITIONS UNDER FIN 48	PART X, LINE 2	INDEPENDENT HEALTH ASSOCIATION & AFFILIATES (THE ASSOCIATION) ADOPTED THE PROVISIONS OF ASC 740 RELATED TO ACCOUNTING FOR UNCERTAINTY IN INCOME TAXES EFFECTIVE JANUARY 1, 2009. THE ASSOCIATION RECOGNIZED NO MATERIAL ADJUSTMENT IN THE LIABILITY FOR UNRECOGNIZED INCOME TAX BENEFITS. THE ASSOCIATION DID NOT RECORD INTEREST & PENALTIES RELATED TO UNRECOGNIZED TAX BENEFITS IN 2012.
PART XI, LINE 2D - OTHER ADJUSTMENTS		BANK CHARGES & INVESTMENT FEES NETTED AGAINST OTHER INCOME -1,344,580. P4P GRANT EXPENSES NETTED AGAINST OTHER INCOME -226.
PART XI, LINE 4B - OTHER ADJUSTMENTS		COB REVENUE 884,082. RENTAL EXPENSE INCLUDED ON PART VIII, LINE 6B -815. MASON & NYS REINSURANCE 1,775,738. REINSURANCE ADJUSTMENT 61,062. RX REBATE 1,200,826.
PART XII, LINE 2D - OTHER ADJUSTMENTS		COB REVENUE -884,082. RENTAL EXPENSE INCLUDED ON PART VIII, LINE 6B 815. MASON & NYS REINSURANCE - 1,775,738. REINSURANCE ADJUSTMENT -61,062. RX REBATE -1,200,826.
PART XII, LINE 4B - OTHER ADJUSTMENTS		BANK CHARGES & INVESTMENT FEES NETTED AGAINST OTHER INCOME 1,344,580. P4P GRANT EXPENSE 226. PENSION RELATED CHANGES OTHER THAN NET PERIODIC PENSION COST 3,853,932. ROUNDING -1.

SCHEDULE F  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Statement of Activities Outside the United States

► Complete if the organization answered "Yes" to Form 990,  
Part IV, line 14b, 15, or 16.  
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization  
INDEPENDENT HEALTH ASSOCIATION INC

Employer identification number  
16-1080163

Part I

General Information on Activities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

- 1 For grantmakers. Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . . ☐ Yes ☐ No
- 2 For grantmakers. Describe in Part V the organization's procedures for monitoring the use of grant funds outside the United States.
- 3 Activites per Region (The following Part I, line 3 table can be duplicated if additional space is needed )

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
CENTRAL AMERICA AND THE CARIBBEAN	0	0	PROGRAM SERVICE	REINSURANCE	62,997
CENTRAL AMERICA AND THE CARIBBEAN			INVESTMENT		3,810,000
3a Sub-total	0	0			3,872,997
b Total from continuation sheets to Part I	0	0			0
c Totals (add lines 3a and 3b)	0	0			3,872,997

**Part II** **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Part II can be duplicated if additional space is needed.

[illegible]

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . ►

3 Enter total number of other organizations or entities . . . . . ►

## Part III

[illegible]

**Part IV Foreign Forms**

- 1

Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*

☒ Yes ☐ No
- 2

Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)*

☐ Yes ☒ No
- 3

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

☒ Yes ☐ No
- 4

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

☐ Yes ☒ No
- 5

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

☐ Yes ☒ No
- 6

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

☐ Yes ☒ No

**Supplemental Information**  
Complete this part to provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

[illegible]



Schedule I  
(Form 990)

Department of the Treasury  
Internal Revenue Service

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

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

OMB No 1545-0047

2012

Open to Public  
Inspection

Name of the organization  
INDEPENDENT HEALTH ASSOCIATION INC

Employer identification number  
16-1080163

Part I General Information on Grants and Assistance

1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . .

☒ Yes ☐ No

2

Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
See Additional Data Table							

2

Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . .

21

3

Enter total number of other organizations listed in the line 1 table . . . . .

1

**Part III**

**Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22.  
Part III can be duplicated if additional space is needed.

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

Part IV Supplemental Information.		
Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information		
Identifier	Return Reference	Explanation
PROCEDURE FOR MONITORING GRANTS IN THE U S	PART I, LINE 2	SCHEDULE I, PART I, LINE 2 INDEPENDENT HEALTH ASSOCIATION SUPPORTS NON-PROFIT ORGANIZATIONS THAT ARE ALIGNED WITH OUR MISSION TO PROVIDE ACCESS TO AFFORDABLE, QUALITY HEALTH CARE, AND/OR WOULD BENEFIT FROM INDEPENDENT HEALTH'S COMMUNITY LEADERSHIP AND GOODWILL AMOUNTS ARE RECORDED IN THE GENERAL LEDGER, PRIMARILY UNDER COMMUNITY RELATIONS, AND HARD COPIES OF ALL PAYMENTS ARE KEPT ON FILE (BOTH PAPER AND ELECTRONICALLY)

Additional Data

Return to Form

Software ID:

Software Version:

EIN: 16-1080163

Name: INDEPENDENT HEALTH ASSOCIATION INC

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
THEATRE OF YOUTH203 ALLEN STREET BUFFALO,NY 14201	23-7286004	501(C)(3)	100,000	0			TO IMPACT THE HEALTH OF YOUTH THROUGH LIVE THEATRE STRATEGIC TRANSFORMATION SPONSORSHIP
SENECA DIABETES FOUNDATIONPO BOX 309 IRVING,NY 140810309	20-3214056	501(C)(3)	40,000	0			SUPPORT THE MISSION TO PROVIDE EDUCATION OUTREACH, PREVENTION AWARENESS, AND FUND RESEARCH TO IMPROVE THE LIVES OF THOSE AFFECTED WITH DIABETES
BUFFALO NIAGARA PARTNERSHIPPO BOX 53 BUFFALO,NY 14205	16-0365700	501(C)(3)	30,000	0			STRATEGIC SUPPORT FOR COMMUNITY
P2 COLLABORATIVE6225 SHERIDAN DRIVE SUITE 206 WILLIAMSVILLE,NY 14221	42-1604185	501(C)(3)	30,000	0			SUPPORT THE ORGANIZATION'S COMMITMENT TO COLLABORATION AND IMPROVING THE HEALTH OF ALL INDIVIDUALS IN WNY STRATEGIC TRANSFORMATION SPONSORSHIP
SHEA'S PERFORMING ARTS CENTER646 MAIN STREET BUFFALO,NY 142021978	16-1158412	501(C)(3)	35,000				CORPORATE SPONSORSHIP TO SUPPORT THE ARTS AND IMPROVE INDIVIDUALS' WELL-BEING AND QUALITY OF LIFE
CANISIUS COLLEGE2001 MAIN STREET BUFFALO,NY 14208	16-0743942	501(C)(3)	20,000				GENERAL SUPPORT - 2012 REGENTS SCHOLARSHIP BALL & CONFERENCE
JAMES P WILMOT CANCER CENTERADVANCEMENT CENTER 300 E RIVER RD BOX 278996 ROCHESTER,NY 14627	16-0743209	501(C)(3)	75,000				GENERAL SUPPORT FOR RPCI-WILMOT CANCER CENTER COLLABORATION
BUFFALO URBAN LEAGUE 15 E GENESEE ST BUFFALO,NY 14203	16-0743940	501(C)(3)	25,000				SUPPORT TO EMPOWER MINORITIES AND DISADVANTAGE INDIVIDUALS, SPECIFICALLY IN THE AREAS OF HEALTH AND QUALITY OF LIFE
UNIVERSITY AT BUFFALO FOUNDATIONBOX 900 BUFFALO,NY 14226	16-0865182	501(C)(3)	25,000				STRATEGIC SUPPORT FOR COMMUNITY
LEADERSHIP BUFFALO237 MAIN STREET - SUITE 1500 BUFFALO,NY 142032720	16-1363536	501(C)(3)	22,000				STRATEGIC SUPPORT COMBINING COMMUNITY SUPPORT, VISIBILIY AND ALIGNMENT WITH OUR MISSION
CATHOLIC CHARITIES OF BUFFALO NEWYORK741 DELAWARE AVENUE BUFFALO,NY 14209	16-0743251	501(C)(3)	10,000				GENERAL SUPPORT - 2012 CORPORATE APPEAL
BUFFALO ZOO (ZOOLOGICAL SOCITY OF BUFFALO INC)300 PARKSIDE AVENUE BUFFALO,NY 14214	16-0911204	501(C)(3)	20,000				GENERAL SUPPORT TO INCORPORATE FUN FAMILY FITNESS ACTIVITIES AT BUFFALO ZOO TO SUPPORT COMMUNITY HEALTH ENGAGEMENT
TASTE OF BUFFALO INC 276 GREENWOOD COURT EAST AURORA,NY 14052	16-1390601	501(C)(6)	15,500				GENERAL SUPPORT FOR THE 2012 TASTE OF BUFFALO
LEUKEMIA & LYMPHOMA SOCIETY1311 MAMARONECK AVENUE SUITE 310 WHITE PLAINS,NY 10605	13-5644916	501(C)(3)	8,000				GENERAL SUPPORT TO ORGANIZATION ALIGNED WITH OUR MISSION
BUFFALO PHILHARMONIC ORCHESTRA499 FRANKLIN STREET BUFFALO,NY 14202	16-0755739	501(C)(3)	12,500				CORPORATE SPONSORSHIP TO SUPPORT THE ARTS AND IMPROVE INDIVIDUALS' WELL BEING AND QUALITY OF LIFE
POLICE ATHLETIC LEAGUE 65 NIAGARA SQUARE 21ST FL BUFFALO,NY 14202	16-1468698	501(C)(3)	7,500				TO SUPPORT THE IMPROVEMENT OF THE IMMEDIATE AND FUTURE QUALITY OF LIFE FOR THE YOUTH IN THE COMMUNITY THROUGH EDUCATIONAL, RECREATIONAL, CULTURAL, ENVIRONMENTAL, AND PREVENTION PROGRAMMING
HERITAGE CENTERS ERIE COUNTY101 OAK STREET BUFFALO,NY 14203	16-0769044	501(C)(3)	7,500				GENERAL SUPPORT - STRIDE WITH PRIDE RUN/WALK
CANISIUS COLLEGE ATHLETICS2001 MAIN STREET BUFFALO,NY 14208	16-0743942	501(C)(3)	6,000				GENERAL SUPPORT - COPORATE SPONSORSHIP
SUMMIT EDUCATIONAL RESOURCES INC150 STAHL ROAD GETZVILLE,NY 14068	16-1095750	501(C)(3)	5,000				GENERAL SUPPORT - 2012 AUTISM AWARENESS WALK
NFJC360 DELAWARE AVENUE ROOM 106 BUFFALO,NY 14202	20-3185568	501(C)(3)	5,500				GENERAL SUPPORT - ORGANIZATION ALIGNED WITH OUR MISSION

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV , appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
OPPORTUNITIES UNLIMITED OF NIAGARA 1555 FACTORY OUTLET BLVD NIAGARA FALLS,NY 14304	22-2221343	501(C)(3)	5,000				GENERAL SUPPORT - CORPORATE SPONSORSHIP
AMERICAN HEART ASSOCIATION7272 GREENVILLE AVE DALLAS,TX 75231	13-5613797	501(C)(3)	5,000				SUPPORT THE ENCOURAGEMENT OF HEALTHY LIFESTYLES TO PREVENT CARDIOVASCULAR DISEASES AND STROKES

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.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization  
INDEPENDENT HEALTH ASSOCIATION INC

Employer identification number  
16-1080163

Part I

Questions Regarding Compensation

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

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
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, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
	PART I, LINE 1A	AT THE DISCRETION OF THE CEO, KEY EXECUTIVES (OFFICERS AND KEY EMPLOYEES) ARE ELIGIBLE TO RECEIVE A DISCRETIONARY SPENDING ACCOUNT. THESE AMOUNTS ARE A PERCENTAGE OF BASE COMPENSATION AND ARE CAPPED AT SPECIFIC AMOUNTS. ANY REIMBURSEMENT WHICH IS NOT DEDUCTIBLE UNDER IRS REGULATIONS OR ANY UNCLAIMED AMOUNT AT THE END OF THE CALENDAR YEAR IS TREATED AS INCOME AND ADDED TO THE EXECUTIVE'S W-2. \$296,183 WAS RECEIVED IN 2012 AND \$196,876 WAS REPORTED AS TAXABLE COMPENSATION.
SUPPLEMENTAL INFORMATION	PART III	THE FOLLOWING LISTED PERSONS FROM PART VII, SECTION A RECEIVED SEVERANCE PAYMENTS AS PART OF A SEPARATION AGREEMENT WITH INDEPENDENT HEALTH. 2012 AMOUNTS RECEIVED AND ACCRUED INCLUDED: SALARY AND HEALTH BENEFIT COMPONENTS. 1) GORDON CUMMING - RECEIVED \$130,212 DURING 2012 WITH \$177,323 ACCRUED AT 12/31/12 WITH AN END DATE OF 07/13, AND 2) LAWRENCE DIGIULIO - RECEIVED \$247,692 DURING 2012 WITH \$103,183 ACCRUED AT 12/31/12 WITH AN END DATE OF 04/13.
SUPPLEMENTAL INFORMATION	PART III	PART I, LINE 4B. THE FOLLOWING LISTED PERSONS FROM PART VII, SECTION A PARTICIPATED IN A SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN (457(F)) WITH INDEPENDENT HEALTH. MICHAEL CROPP, M.D. AMOUNT RECEIVED \$0, VALUE INCREASE INCLUDED IN PART VII, SECTION A, COLUMN F \$226,573. MARK JOHNSON AMOUNT RECEIVED \$663,420, VALUE INCREASE INCLUDED IN PART VII, SECTION A, COLUMN F \$152,908. JOHN RODGERS AMOUNT RECEIVED \$0, VALUE INCREASE INCLUDED IN PART VII, SECTION A, COLUMN F \$98,712. ANN PENTKOWSKI AMOUNT RECEIVED \$0, VALUE INCREASE INCLUDED IN PART VII, SECTION A, COLUMN F \$71,618. JILL SYRACUSE AMOUNT RECEIVED \$0, VALUE INCREASE INCLUDED IN PART VII, SECTION A, COLUMN F \$86,341. THOMAS J. FOELS AMOUNT RECEIVED \$0, VALUE DECREASE INCLUDED IN PART VII, SECTION A, COLUMN F (\$15,965). JUDITH FELDMAN AMOUNT RECEIVED \$0, VALUE INCREASE INCLUDED IN PART VII, SECTION A, COLUMN F \$52,384. GORDON CUMMING AMOUNT RECEIVED \$0, VALUE INCREASE INCLUDED IN PART VII, SECTION A, COLUMN F \$47,978. MICHAEL J. FASO AMOUNT RECEIVED \$0, VALUE INCREASE INCLUDED IN PART VII, SECTION A, COLUMN F \$179,755.

Software ID:  
Software Version:  
EIN: 16-1080163  
Name: INDEPENDENT HEALTH ASSOCIATION INC

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

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
CROPP MICHAEL W	(i)	863,202	631,742	13,417	321,976	51,178	1,881,515	0
	(ii)	0	0	0	0	0	0	0
JOHNSON MARK	(i)	595,738	1,000,056	28,089	297,662	47,249	1,968,794	510,512
	(ii)	0	0	0	0	0	0	0
FOELS THOMAS J	(i)	345,692	174,015	25,103	75,170	39,841	659,821	15,965
	(ii)	0	0	0	0	0	0	0
DIGIULIO LAWRENCE C	(i)	110,206	52,500	253,476	22,900	13,083	452,165	0
	(ii)	0	0	0	0	0	0	0
MINEO JOHN ESQ	(i)	209,890	0	10,049	0	12,910	232,849	0
	(ii)	0	0	0	0	0	0	0
RODGERS JOHN R	(i)	371,007	241,996	12,967	172,547	56,845	855,362	0
	(ii)	0	0	0	0	0	0	0
SYRACUSE JILL	(i)	305,586	223,452	3,377	187,961	32,960	753,336	0
	(ii)	0	0	0	0	0	0	0
PENTKOWSKI ANN M	(i)	307,750	130,500	22,981	135,231	25,559	622,021	0
	(ii)	0	0	0	0	0	0	0
FASO MICHAEL J	(i)	242,738	80,500	21,921	249,569	17,536	612,264	0
	(ii)	0	0	0	0	0	0	0
CUMMING GORDON B	(i)	194,938	130,500	139,337	65,657	11,554	541,986	0
	(ii)	0	0	0	0	0	0	0
FELDMAN JUDITH ANN	(i)	235,642	94,000	13,993	82,931	19,473	446,039	0
	(ii)	0	0	0	0	0	0	0
DISERAFINO LOUIS	(i)	251,193	82,110	22,298	17,118	19,832	392,551	0
	(ii)	0	0	0	0	0	0	0
MCGUIRE NORA K	(i)	234,470	90,000	19,002	0	7,507	350,979	0
	(ii)	0	0	0	0	0	0	0
WALLESHAUSER JAMES B	(i)	180,884	63,000	19,783	28,645	17,783	310,095	0
	(ii)	0	0	0	0	0	0	0
MENARD PAMELA	(i)	212,385	58,436	2,254	101,874	8,374	383,323	0
	(ii)	0	0	0	0	0	0	0
DONOVAN DAVID W	(i)	222,256	112,114	1,918	29,789	1,663	367,740	0
	(ii)	0	0	0	0	0	0	0
SAME J BRIAN	(i)	249,828	11,127	6,294	39,982	17,130	324,361	0
	(ii)	0	0	0	0	0	0	0
BASILE WILLIAM R	(i)	190,660	51,408	17,807	25,743	17,976	303,594	0
	(ii)	0	0	0	0	0	0	0
MYLOTTE KATHLEEN MARIE	(i)	258,373	11,621	2,552	16,415	9,575	298,536	0
	(ii)	0	0	0	0	0	0	0



Schedule L  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization INDEPENDENT HEALTH ASSOCIATION INC	Employer identification number 16-1080163
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Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1	(a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
				Yes	No

2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958 . . . . . ▶ \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ \$

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?	(i) Written agreement?	
			To	From			Yes	No		Yes	No
Total ▶ \$											

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

Part IV

**Business Transactions Involving Interested Persons.**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
See Additional Data Table					

Part V

**Supplemental Information**  
Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

Identifier	Return Reference	Explanation
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Additional Data

Software ID:  
Software Version:  
EIN: 16-1080163  
Name: INDEPENDENT HEALTH ASSOCIATION INC

Form 990, Schedule L, Part IV - Business Transactions Involving Interested Persons

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) EAST AURORA FAMILY PRACTICE	PARTNERSHIP MORE THAN 5% OWNED BY SHAWN COTTON, CURRENT BOARD MEMBER	598,919	INDEPENDENT CONTRACTOR ARRANGEMENT, DELIVERY OF HEALTH CARE		No
(2) TONAWANDA PEDIATRICS	PARTNERSHIP MORE THAN 5% OWNED BY MICHAEL HEIMERL, CURRENT BOARD MEMBER	2,142,782	INDEPENDENT CONTRACTOR ARRANGEMENT, DELIVERY OF HEALTH CARE		No
(3) BUFFALO GERIATRIC AND REHABILITATION MEDICINE LLP	PARTNERSHIP MORE THAN 5% OWNED BY KATHLEEN MYLOTTE, CURRENT KEY EMPLOYEE	350,111	PAYMENTS TO PROVIDER FOR HEALTHCARE SERVICES RENDERED TO IHA MEMBERS		No
(4) WALSH DUFFIELD COMPANIES	ENTITY INDIRECTLY OWNED BY MORE THAN 35% BY JOHN WALSH,CURRENT BOARD MEMBER	478,932	BROKER OF IHA PRODUCTS		No
(5) DONALD W ROBINSON MD	100% OWNERSHIP IN MEDICAL PRACTICE BY DR DONALD ROBINSON, CURRENT BOARD MEM	473,806	INDEPENDENT CONTRACTOR ARRANGEMENT, DELIVERY OF HEALTH CARE		No
(6) AMERICA'S HEATH INSURANCE PLANS	SHARED BOARD MEMBER, DR MICHAEL CROPP	207,351	SERVICE PROVIDER (MEMBERSHIP DUES, LOBBYING ACTIVITIES)		No
(7) NORTHTOWNS MEDICAL GROUP	PARTNERSHIP MORE THAN 5% OWNED BY EDWARD STEHLIK, CURRENT BOARD MEMBER	384,897	INDEPENDENT CONTRACTOR ARRANGEMENT, DELIVERY OF HEALTH CARE		No
(8) WESTERN NEW YORK HEALTHENET	SHARED INTERESTED PERSON, JUDITH FELDMAN	120,000	FUNDING OF OPERATIONS		No
(9) ALDEN PHARMACY INC	40% OWNED BY JOHN RODGERS, CURRENT KEY EMPLOYEE	887,050	PROVIDING PHARMACY SERVICES TO INDEPENDENT HEALTH		No

2012

Open to Public Inspection

SCHEDULE O

(Form 990 or 990-EZ)

Department of the Treasury

Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on

Form 990 or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

Name of the organization

INDEPENDENT HEALTH ASSOCIATION INC

Employer identification number

16-1080163

Identifier	Return Reference	Explanation
		<p>FOR FRAIL ELDERLY MEMBERS AND THEIR CAREGIVERS, THE CAREPARTNERS PROGRAM IS AVAILABLE AT NO ADDITIONAL COST. THIS HOME-BASED PROGRAM FACILITATES THE RIGHT CARE AND LIVING ENVIRONMENT AND IS DESIGNED TO PREVENT EMERGENCY ROOM VISITS AND HOSPITALIZATIONS. THROUGH HOME VISITS AND PHONE CALLS, REGISTERED NURSES AND SOCIAL WORKERS HELP COORDINATE CARE AND OFFER PSYCHO-SOCIAL SUPPORT, INCLUDING LINKING MEMBERS AND CAREGIVERS TO COMMUNITY AND FINANCIAL RESOURCES, ASSESSING THE SAFETY OF THE MEMBER AND HELPING COMPLETE ADVANCE DIRECTIVES IN ACCORDANCE WITH THE MEMBER'S WISHES. MEMBERS ALSO HAVE 24-HOUR ACCESS TO A REGISTERED NURSE THROUGH THIS PROGRAM. IHA OFFERS AN ADDITIONAL LEVEL OF SUPPORT AT NO COST TO MEMBERS FACING SERIOUS ILLNESS AND THEIR FAMILIES THROUGH OUR PALLIATIVE CARE PROGRAM. OUR PALLIATIVE CARE TEAM, WHICH INCLUDES A REGISTERED NURSE, SOCIAL WORKER AND MEDICAL DIRECTOR, PARTNER S WITH THE MEMBER'S PHYSICIAN TO COORDINATE CARE AND REDUCE AVOIDABLE HOSPITAL VISITS AND ADMISSIONS. THE PALLIATIVE CARE PROFESSIONALS HAVE OPEN AND SUPPORTIVE DISCUSSIONS ABOUT TREATMENT CHOICES WITH THE MEMBER AND PROVIDE THE SAME OUTREACH AND SERVICES AS CAREPARTNER S WITH THE GOAL OF HELPING MEMBERS LIVE MORE COMFORTABLY BY MANAGING SYMPTOMS IN ACCORDANCE WITH THEIR HEALTH CARE WISHES TO PROVIDE A BETTER QUALITY OF LIFE. IN ADDITION, IHA HAS QUALITY INCENTIVE PROGRAMS IN PLACE WITH SELECT PROVIDERS IN ORDER TO FACILITATE QUALITY IMPROVEMENT INITIATIVES IN THE COMMUNITY. IT ALSO WORKS WITH THE COMMUNITY OF HEALTH CARE PROVIDERS TO MANAGE AND DEVELOP INNOVATIVE HEALTH CARE SYSTEMS TO PROVIDE AFFORDABLE ACCESS TO COVERAGE AND TO REDUCE MEDICAL EXPENSE WITHIN THE COMMUNITY. SPECIFICALLY, IHA DEVELOPS AND CONDUCTS EXTENSIVE COMMUNITY WELLNESS AND BENEFIT INITIATIVES THAT HELP MEMBERS LEAD HEALTHIER LIVES AND HELP EMPLOYERS CONTROL HEALTH CARE COSTS. INCLUDED AMONG THESE INITIATIVES ARE COMMUNITY WELLNESS AWARENESS PROGRAMS, AND PRACTICE EXCELLENCE, THE NATIONALLY RECOGNIZED PAY FOR PERFORMANCE PROGRAM. IHA ALSO CONTRACTED WITH THE NEW YORK STATE DEPARTMENT OF HEALTH IN A HCRA PAY FOR PERFORMANCE DEMONSTRATION PROJECT (P4P) TO SUPPORT REGIONAL EFFORTS TO IMPROVE THE QUALITY OF HEALTH CARE BY DEVELOPING A STANDARDIZED PHYSICIAN PERFORMANCE MEASUREMENT AND REPORTING SYSTEM. THIS GRANT EXPIRED DECEMBER 31, 2009, HOWEVER AT THE END OF THIS GRANT PERIOD THE THREE REGIONAL HEALTH PLANS ENDORSED A CONTINUATION STRATEGY FOR THE QUALITY MEASURES COLLABORATIVE PROGRAM. THE PLANS CONTINUE TO PROVIDE REGULAR DATA EXTRACTS TO P2'S DESIGNATED DATA MANAGEMENT VENDOR, VIPS, WHO PERFORMS DATA AGGREGATION AND ANALYSIS. THE P2 COLLABORATIVE THEN REPORTS THIS PERFORMANCE DATA TO PROVIDERS VIA A SECURE INTERNET BASED PORTAL. EACH PLAN PROVIDES ONGOING FUNDING FOR THE QUALITY MEASURES COLLABORATIVE PROPORTIONATE TO ITS RESPECTIVE MARKET SHARE. THERE IS ALSO THE COMMUNITY ELECTRONIC MEDICAL RECORDS (EMR) PROGRAM THAT INCLUDES THREE REGIONAL HEALTH PLANS OF WNY, WHERE ALL PARTIES AGREED TO CREATE A FUNDING MECHANISM TO PROMOTE THE ADOPTION OF EMR TECHNOLOGIES IN WNY. THE LARGEST PORTION OF THIS FUNDING HAS BEEN ALLOCATED TO A HEAL 10 GRANT AS AN "IN-KIND" CONTRIBUTION TO COMMUNITY EMR'S EFFORTS TO IMPLEMENT EMRS IN PRIMARY CARE PRACTICES UNDER THE MEDICAL HOME CONCEPT WITH A CLINICAL FOCUS ON IMPROVING DIABETES MANAGEMENT. THE REMAINING PORTION OF THE COMMUNITY EMR FUNDING, NOT ALLOCATED TO THE HEAL 10 GRANT, HAS BEEN DEVOTED TOWARD IMPLEMENTATION OF EMRS IN PRIMARY AND SPECIALTY PHYSICIAN OFFICES, PER A MUTUALLY AGREED UPON NEEDS ASSESSMENT. IHA ALSO SUBSIDIZES INDIGENT CARE AND HEALTH CARE INITIATIVES UNDER THE HEALTH CARE REFORM ACT LAW AND CONTRIBUTES TO A PROFESSIONAL EDUCATION POOL, LARGELY TO FUND GRADUATE MEDICAL EDUCATION EXPENSES. IHA IS ALSO RESPONSIBLE FOR THE COVERED LIVES ASSESSMENT BASED ON THE REGION IN WHICH THE MEMBER RESIDES AND HIS/HER ENROLLMENT STATUS (FAMILY OR INDIVIDUAL). SURCHARGES AND COVERED LIVES REMITTANCES ARE REQUIRED MONTHLY, AND TOTALED APPROXIMATELY \$14 MILLION DURING 2012. IHA IS THE PRIMARY DEVELOPER OF MY ONLINE RECORD TO ACCESS RESOURCES (MORTAR), A SOFTWARE PROGRAM DESIGNED SPECIFICALLY FOR UNDERSERVED COMMUNITY POPULATIONS TO IDENTIFY HEALTH AND SOCIAL CONCERNS AND THEN ASSIST PEOPLE IN CONNECTING WITH SERVICES TO ADDRESS THESE ISSUES. MORTAR CAPTURES DATA RELATED TO A PERSON'S HEALTH (MEDICATIONS, HEALTH STATUS, FAMILY HISTORY, ETC) BUT ALSO INCORPORATES LIVING CONDITIONS THAT AFFECT HEALTH, SUCH AS NOT HAVING ELECTRICITY OR LIVING IN AN UNSAFE HOME. THE INITIATIVE RECOGNIZES THE SOCIAL AND ENVIRONMENTAL BARRIERS THESE POPULATIONS OFTEN ENCOUNTER IN ACCESSING HEALTH CARE. MORTAR WORKS TO SUPPORT AN INDIVIDUAL'S NEED FOR OBTAINING A VARIETY OF SERVICES, FROM APPLYING FOR HEALTH INSURANCE AND FINDING A PRIMARY CARE PHYSICIAN TO GETTING INFORMATION AND COUNSEL ON MEDICAL CONDITIONS, NUTRITION AND PRESCRIPTION DRUG USE, AS WELL AS ADDRESSING OTHER SOCIAL DETERMINANTS OF HEALTH, FOR EXAMPLE HEATING SUPPORT AND OB</p>

Identifier	Return Reference	Explanation
		<p>TAINING PERSONAL HYGIENE ITEMS IHA CONTRIBUTED MORE THAN 57 HOURS OF PERSONNEL SUPPORT TO THIS INITIATIVE AND INVESTED MORE THAN \$94,000 IN 2012 IT IS OUR HOPE THE PROGRAM WILL P ROVIDE SUPPORT TO HEALTH AND HUMAN RESOURCE ORGANIZATIONS, SOCIAL SERVICE AGENCIES, COMMUN ITY HEALTH WORKERS, HEALTH CARE PROVIDERS, AND OTHERS, AS WE ATTEMPT TO BRIDGE THE GAP BET WEEN SOCIAL AND MEDICAL PROBLEMS MORTAR WILL SUPPORT THESE ORGANIZATIONS AS THEY ATTEMPT TO IMPROVE THEIR CLIENTS' LIVES AND ADDRESS SOCIAL PROBLEMS WITH SOCIAL SOLUTIONS, RATHER THAN MEDICAL SOLUTIONS THERE IS AN EXPECTATION THAT THIS PROGRAM CAN BE BROUGHT TO OTHERS LOCATED IN UNDERSERVED AREAS IHA'S REDSHIRT VOLUNTEER PROGRAM PROVIDES IHA EMPLOYEES AN OPPORTUNITY TO VOLUNTEER IN THEIR COMMUNITY , WHILE PROMOTING IHA AS A COMPANY WHO IS WILLING TO HELP GIVE BACK TO WNY REDSHIRT EMPLOYEE VOLUNTEERS PROVIDE THE REDSHIRT TREATMENT T O THE COMMUNITY THROUGH DIRECT EMPLOYEE INTERACTION AND EXHIBIT IHA'S MESSAGE OF QUALITY C ARE THROUGHOUT WNY THE REDSHIRT TREATMENT IS A COMPANY -WIDE COMMITMENT TO DEMONSTRATE OUR CORE VALUES OF BEING PASSIONATE, CARING, RESPECTFUL, COLLABORATIVE AND ACCOUNTABLE DURI N G 2012, 184 IHA EMPLOYEES SERVED AS REDSHIRT VOLUNTEERS IN TOTAL, THESE INDIVIDUALS VOLUN TEERED AT 30 COMMUNITY EVENTS, WHICH REPRESENTED 552 HOURS OF VOLUNTEER TIME IHA ENCOURAG ES ITS MANAGEMENT TEAM AND EMPLOYEES TO SUPPORT THE LOCAL COMMUNITY TO THIS END, WE ARE P ROUD TO SAY THAT 125 OF OUR MANAGEMENT TEAM ARE VOLUNTEERS OR ACTIVE PARTICIPANTS AS DIREC TORS ON COMMUNITY BOARDS THE IHA EMPLOYEE DRESS DOWN DAY AND MONTH PROGRAM ALLOWS EMPLOYE ES TO MAKE A CHARITABLE CONTRIBUTION IN EXCHANGE FOR THE PRIVILEGE OF DRESSING DOWN FOR WO RK THIS PROGRAM HAS RESULTED IN SUBSTANTIAL SUPPORT FOR THE CHARITABLE ORGANIZATIONS IN O UR COMMUNITY AND DEMONSTRATES THE GOODWILL OF IHA EMPLOYEES THE PROGRAM IS EMPLOYEE-DRIVE N WITH A GOAL TO BROADLY SUPPORT MANY 501(C)(3) ORGANIZATIONS THROUGHOUT WESTERN NEW YORK IN 2012, IHA RAISED MORE THAN \$150,000 FOR NON-PROFIT ORGANIZATIONS IN OUR COMMUNITY IN ADDITION, IHA EMPLOYEES SUPPORT THE UNITED WAY OF BUFFALO AND ERIE COUNTY'S COMMUNITY CARE CAMPAIGN THE UNITED WAY OF BUFFALO AND ERIE COUNTY WORKS TO ADVANCE THE COMMON GOOD BY F OCUSING ON WELLNESS, INCOME AND EDUCATION IT PROMOTES LONG-TERM GOOD HEALTH AND INDEPENDE NCE, AND WORKS TO CREATE LONG-LASTING CHANGES THAT WILL IMPROVE THE LIVES OF PEOPLE LIVING IN POVERTY IN ERIE COUNTY IHA CONDUCTS A MONTH-LONG CAMPAIGN EACH FALL TO RAISE MONEY FO R UNITED WAY IHA CARES ABOUT MAKING A DIFFERENCE IN THE LIVES OF INDIVIDUALS IN THE COMMU NITIES WE SERVE THE 2012-2013 CAMPAIGN RAISED \$90,591 THE COMMUNITY ALSO BENEFITS FROM IHA'S SPONSORSHIPS THAT PROMOTE HEALTH AND WELLNESS ONE EXAMPLE IS IHA'S COMMITMENT OF SUP PORT TO THEATRE OF YOUTH'S (TOY) HEALTH SERIES, A PROFESSIONAL THEATRE FOR YOUNG AUDIENCES THAT FOCUSES ON HEALTH-RELATED ISSUES IN CHILDREN</p>

Identifier	Return Reference	Explanation
		<p>THERE IS ALSO A UNIQUE PARTNERSHIP WITH THE YMCA BUFFALO NIAGARA AND IHA THAT INTEGRATES PERSONAL AND FAMILY FITNESS OPPORTUNITIES WITH ONSITE MEDICAL SERVICES IN A NEW STATE-OF-THE-ART, 92,000-SQUARE-FOOT FACILITY THAT OPENED IN EARLY 2013. IHA HAS PROVIDED \$2 MILLION TOWARDS THIS INITIATIVE. THE CLINICIANS FROM OUR CASE AND DISEASE MANAGEMENT DEPARTMENT WORK COLLABORATIVELY WITH THE YMCA AND INDEPENDENT HEALTH FOUNDATION TO OFFER CLASSES IN AN INDEPENDENT HEALTH INFORMATION CENTER ONSITE AT THE YMCA BRANCH. PROGRAMS COVER TOPICS INCLUDING HOW TO MANAGE CHRONIC DISEASES SUCH AS DIABETES AND DEPRESSION, AS WELL HEALTH AND WELLNESS PROGRAMS AND CUSTOMIZED FITNESS PROGRAMS TARGETING OBESITY. YMCA BUFFALO NIAGARA AND IHA ALSO TEAMED UP WITH LOCAL PARKS IN THE SUMMER OF 2012 TO PROMOTE THE VALUE OF A HEALTHY LIFESTYLE AND ENCOURAGE WESTERN NEW YORK RESIDENTS TO PARTICIPATE IN PHYSICAL ACTIVITY THROUGHOUT THE MONTHS OF JUNE, JULY AND AUGUST. THE WNY COMMUNITY WAS ABLE TO PARTICIPATE IN FREE 60-MINUTE FITNESS CLASSES WITH YMCA-CERTIFIED INSTRUCTORS AT SIX AREA PARKS. IHA AND THE YMCA ALSO DEVELOPED THE FITNESS PROGRAM FITSTART, A STRUCTURED, EVIDENCE-BASED, 12-WEEK EXERCISE PROGRAM DESIGNED AROUND THE CONCEPT OF SMALL GROUP PERSONAL TRAINING (8-10 PARTICIPANTS TO TWO PERSONAL TRAINERS) TO TEACH INDIVIDUALS HOW TO SAFELY AND EFFECTIVELY EXERCISE. PARTICIPANTS LEARN HOW TO DESIGN AN EXERCISE PROGRAM, AS WELL AS DEVELOP A SENSE OF BELONGING AND BUILD RELATIONSHIPS WITH OTHER PARTICIPANTS TO GIVE A FOUNDATION OF SUPPORT TO IMPROVE THEIR HEALTH. THIS COLLABORATIVE EFFORT IS A VISIBLE SHOW OF SUPPORT FOR THE HEALTH OF PEOPLE IN OUR COMMUNITY, AN INITIATIVE THAT IS IN LINE WITH IHA'S EFFORTS TO TRANSFORM HEALTH CARE AND DEVELOP WESTERN NEW YORK AS A HIGH-QUALITY, HIGH-PERFORMING PLACE TO LIVE. IN AN EFFORT TO FURTHER PROMOTE HEALTHIER LIFESTYLES IN OUR COMMUNITY, IHA JOINED FORCES WITH SNYDER CORPORATION AND FITNESS RIDGE WORLDWIDE TO BRING THE BIGGEST LOSER RESORT NIAGARA TO WNY AT THE BEAVER HOLLOW CONFERENCE CENTER IN WYOMING COUNTY. THE RESORT FOCUSES ON EXERCISE, HEALTH NUTRITION AND EDUCATION. THE PROGRAM ENGAGES PARTICIPANTS IN THEIR OWN HEALTH AND GIVES THEM THE TOOLS THEY NEED TO ADOPT LIFESTYLE CHANGES TO STAY HEALTHY AND REDUCE THEIR RISK OF CHRONIC DISEASE LIKE DIABETES AND HEART DISEASE. IHA SPONSORSHIP IS EXPECTED TO PROVIDE \$3 MILLION TOWARDS THIS INITIATIVE. IN ANOTHER PARTNERSHIP THAT SUPPORTS THE HEALTH OF THE COMMUNITY, IHA AND THE BUFFALO MUSEUM OF SCIENCE HAVE TEAMED UP TO PROVIDE INNOVATIVE OPPORTUNITIES FOR INDIVIDUALS AND FAMILIES TO BECOME BETTER INFORMED AND ENGAGED IN THEIR HEALTH. IHA AND THE BUFFALO MUSEUM OF SCIENCE PARTNERED TO DEVELOP A HEALTH SCIENCES STUDIO CALLED "EXPLORE YOU PRESENTED BY INDEPENDENT HEALTH." OUR HEALTH COACHES AND DISEASE MANAGERS HAVE A MONTHLY PRESENCE AT THE INTERACTIVE STUDIO. THEY ARE ALSO REGULARLY ON HAND TO SPEAK TO PATRONS AND ANSWER ANY QUESTIONS AT THE MUSEUM'S BODY WORLDS VITAL TRAVELING EXHIBIT, CO-SPONSORED BY INDEPENDENT HEALTH. THIS EXHIBIT TELLS THE FASCINATING STORY OF HOW TO MANAGE AND PREVENT LIFE-THREATENING DISEASES SUCH AS CANCER, DIABETES AND HEART DISEASE THROUGH HEALTHY CHOICES AND LIFESTYLE CHANGES. IHA FURTHER COLLABORATES WITH THE WESTERN NEW YORK COMMUNITY IN ITS AFFILIATION WITH THE HEALTH SCIENCES CHARTER SCHOOL THAT WAS DEVELOPED TO PROVIDE OPPORTUNITIES FOR HIGH SCHOOL STUDENTS FOR CAREERS IN THE MEDICAL FIELD. WNYHEALTHENET FURTHERS IHA'S COMMITMENT TO REDUCING THE COST OF AND IMPROVING THE QUALITY OF HEALTH CARE IN THE WESTERN NEW YORK COMMUNITY. WNYHEALTHENET OPTIMIZES THE DELIVERY OF PATIENT INFORMATION THAT SPEEDS THE DELIVERY AND ACCURACY OF VITAL ELIGIBILITY, CLAIM STATUS, REFERRAL AND AUTHORIZATION INFORMATION TO THE PROVIDER COMMUNITY, AND THE WESTERN NEW YORK CLINICAL INFORMATION EXCHANGE ("HEALTHELINK") - A 501(C)(3) ORGANIZATION THAT OPERATES AN INFORMATION EXCHANGE TO FACILITATE ACCESS TO CLINICAL INFORMATION AMONG HEALTH CARE PROVIDERS AND HEALTH INSURERS. HEALTHELINK IS NEARING COMPLETION OF A THREE-YEAR FEDERAL BEACON COMMUNITY GRANT TO SUPPORT THE USE OF HEALTH INFORMATION TECHNOLOGY TO IMPROVE CLINICAL OUTCOMES AND PATIENT SAFETY IN DIABETES CARE MANAGEMENT IN THE WESTERN NEW YORK REGION. HEALTHELINK IS ONE OF ONLY 17 COMMUNITIES SELECTED BY THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES TO PARTICIPATE IN THE BEACON COMMUNITY PROGRAM AND RECEIVED A \$16.1 MILLION FEDERAL GRANT IN 2010. THE GRANT HAS PROVIDED SIGNIFICANT OPPORTUNITIES TO BUILD HEALTH INFORMATION TECHNOLOGY INFRASTRUCTURE, IMPROVE HEALTH CARE AND COSTS, AND TEST INNOVATIVE APPROACHES. THE WORK OF THE BEACON COMMUNITY GRANT IS INCREASING AND ENHANCING THE QUALITY OF DATA AVAILABLE TO PARTICIPATING PHYSICIANS THROUGH HEALTHELINK. FOR EXAMPLE, FOUR LONG-TERM CARE FACILITIES TO DATE HAVE CONNECTED TO THE HEALTH INFORMATION EXCHANGE TO ENABLE BETTER TRANSITIONS OF CARE COORDINATION AMONG PATIENTS. APPROXIMATELY 105 DIABETIC PATIENTS ARE CURRENTLY PARTICIPATING</p>

Identifier	Return Reference	Explanation
		<p>IN A TELEMONTORING PILOT, WITH A GOAL OF REDUCING PREVENTABLE EMERGENCY ROOM VISITS AND FUTURE HOSPITAL RE-ADMISSIONS THROUGH THE USE OF MOBILE DEVICES, CRITICAL DATA SUCH AS BLOOD PRESSURE, GLUCOSE READINGS AND OTHER VITAL SIGNS ARE REPORTED ELECTRONICALLY TO HEALTH CARE PROVIDERS THROUGH HEALTHLINK. HEALTHLINK WAS ALSO SELECTED BY THE DEPARTMENT OF VETERANS AFFAIRS (VA) TO PARTICIPATE IN THE VIRTUAL LIFETIME ELECTRONIC RECORD (VLER) HEALTH COMMUNITIES PROGRAM, A PILOT PROJECT TO IMPROVE THE DELIVERY OF CARE AND SERVICES TO VETERANS IN BOTH THE PUBLIC AND PRIVATE HEALTH CARE SECTORS THROUGH HEALTH INFORMATION TECHNOLOGY. THE WESTERN NEW YORK REGION IS SETTING AN EXAMPLE FOR THE NATION BY LINKING DOCTORS, HOSPITALS AND OTHER PROVIDERS ELECTRONICALLY TO IMPROVE THE CARE THAT PATIENTS RECEIVE AND HELP AVOID UNNECESSARY COSTS. CURRENTLY, THE MAJORITY OF WESTERN NEW YORK PROVIDERS HAVE SIGNED PARTICIPATION AGREEMENTS, MORE THAN 95 MILLION RESULTS (LAB, RADIOLOGY AND TRANSCRIBED REPORTS, WITH APPROXIMATELY 2 MILLION NEW RESULTS ADDED PER MONTH), AND MORE THAN 500,000 COMMUNITY-WIDE CONSENTS HAVE BEEN SIGNED BY PATIENTS AUTHORIZING TREATING PHYSICIANS TO ACCESS THEIR ELECTRONIC MEDICAL RECORDS THROUGH HEALTHLINK. PATIENTS DO NOT HAVE TO HAVE INSURANCE COVERAGE TO BE ELIGIBLE TO PARTICIPATE IN THIS COMMUNITY-WIDE PROGRAM. WITH THIS CONSENT, 324,500 QUERIES FOR PATIENT INFORMATION OCCURRED IN 2012, REPRESENTING A 197 PERCENT INCREASE OVER 2011. THROUGH JUNE 2013, THE SIGNIFICANT UPWARD TREND CONTINUES. IHA HAS PROVIDED ALMOST \$8.5 MILLION TO SUPPORT THESE INITIATIVES SINCE THEIR INCEPTION (\$3.5 MILLION IN 2012). ADDITIONALLY, DURING 2012, NIAGARA FAMILY MEDICINE ASSOCIATES PARTNERED WITH IHA IN AN ONSITE HEALTH OFFICE, WHICH PROVIDES 3,700 EMPLOYEES THROUGHOUT WESTERN NEW YORK ACCESS TO IMMEDIATE AND PREVENTIVE HEALTH CARE SERVICES AT NO COST. THE 865-SQUARE-FOOT FACILITY INCLUDES TWO EXAM ROOMS, A NURSE'S STATION, A CONSULTATION AREA AND A HEALTH COACH, WITH HOURS EVERY TUESDAY-SATURDAY FROM 11 AM TO 7 PM. A FULL-TIME NURSE PRACTITIONER FROM NIAGARA FAMILY MEDICINE ASSOCIATES EVALUATES AND TREATS COMMON AILMENTS. OTHER SERVICES ARE AVAILABLE, SUCH AS SPOT TESTS FOR CHOLESTEROL LEVELS OR STREP THROAT, BLOOD PRESSURE SCREENING, BLOOD SUGAR MONITORING AND FLU VACCINES. IN ADDITION, A HEALTH COACH AND WELLNESS SPECIALIST FROM IHA PROVIDE EMPLOYEES WITH SERVICES SUCH AS STRESS MANAGEMENT AND CHRONIC CARE EDUCATION SERVICES FOR DIABETES, HEART DISEASE, ASTHMA AND OBESITY. SERVICES OF THE HEALTH OFFICE ARE PROVIDED FREE-OF-CHARGE, AND THERE ARE NO CO-PAYMENTS OR ANY OTHER COSTS TO EMPLOYEES REGARDLESS OF WHETHER OR NOT THEY PARTICIPATE IN THE SENECA GAMING CORPORATION HEALTH PLAN (IHA) OR HAVE COVERAGE THROUGH ANOTHER SOURCE. THE HEALTH OFFICE HAS HAD MORE THAN 1,000 VISITS SINCE ITS INSTITUTION IN 2011.</p>



Identifier	Return Reference	Explanation
		<p>IHA COORDINATES THE DELIVERY OF HEALTH CARE SERVICES FOR APPROXIMATELY 179,939 MEMBERS OF IHA'S COMMERCIAL PRODUCTS UNDER ARTICLE 44 OF THE NEW YORK PUBLIC HEALTH LAW, MEDICAID MANAGED CARE PRODUCTS AS ADMINISTERED BY THE STATE OF NEW YORK, AND MEDICARE MANAGED CARE PRODUCTS AS ADMINISTERED BY CMS COMBINED, THE COMPANY PROVIDES HEALTH BENEFITS AND SERVICES TO NEARLY 377,291 INDIVIDUALS IN WESTERN NEW YORK AND THROUGHOUT THE COUNTRY THE QUALITY OF SERVICES IS EVIDENCED BY IHA BEING NAMED, FOR THE FOURTH CONSECUTIVE YEAR, THE TOP HEALTH INSURANCE PLAN IN THE NEW YORK/NEW JERSEY REGION, ACCORDING TO J D POWER AND ASSOCIATES 2013 MEMBER HEALTH INSURANCE PLAN STUDY<sup>SM</sup> THE ANNUAL STUDY RANKS MEMBERS' EXPERIENCES IN SEVEN CATEGORIES, INCLUDING COVERAGE AND BENEFITS, INFORMATION AND COMMUNICATION, PROVIDER CHOICE, CUSTOMER SERVICE, CLAIMS PROCESSING, APPROVAL PROCESS AND STATEMENTS WITHIN THE NEW YORK/NEW JERSEY REGION, IHA ACHIEVED THE HIGHEST MEMBER SATISFACTION SCORES IN EACH OF THE CATEGORIES SURVEYED THE STUDY, CONDUCTED THROUGH AN ONLINE SURVEY, WAS BASED ON THE RESPONSES OF 32,868 MEMBERS IN 141 HEALTH PLANS THROUGHOUT THE UNITED STATES FOR THE 16TH CONSECUTIVE YEAR, IHA ALSO RECEIVED THE NATIONAL COMMITTEE FOR QUALITY ASSURANCE'S (NCQA) HIGHEST ACCREDITATION STATUS OF "EXCELLENT" FOR OUR COMMERCIAL HMO/POS AND MEDICARE LINES OF BUSINESS, AS WELL AS THE 2ND HIGHEST ACCREDITATION STATUS OF "COMMENDABLE" FOR OUR COMMERCIAL PPO AND MEDICAID LINES OF BUSINESS IHA IS AGAIN THE ONLY LOCAL PLAN IN WESTERN NEW YORK TO RECEIVE THIS RECOGNITION, WHICH IS PROOF THAT ITS PROGRAMS AND INITIATIVES TO ACHIEVE IMPROVED PATIENT CARE AND SATISFACTION ARE WORKING LONG BEFORE THE ENACTMENT OF THE AFFORDABLE CARE ACT (ACA), IHA WAS TAKING STEPS TO TRANSFORM HEALTH CARE IN WESTERN NEW YORK, PROVIDING OUR MEMBERS WITH MANY OF THE QUALITY COVERAGE AND MARKET REFORM PROVISIONS CONTAINED IN THE LAW (\$0 COPAY FOR PREVENTIVE SERVICES, AGE-EXTENSION RIDERS UP TO AGE 26, NO LIFETIME LIMITS ON MEMBERS' COVERAGE, AND COMPREHENSIVE INTERNAL AND EXTERNAL REVIEW PROCESSES TO ENSURE OUR MEMBERS RECEIVED NEEDED HEALTH CARE SERVICES) IHA CONTINUES TO LOOK FOR OPPORTUNITIES TO IMPROVE THE QUALITY AND AFFORDABILITY OF HEALTH CARE FOR OUR REGION, AS ACHIEVING HEALTH CARE REFORM WILL REQUIRE COMMUNITY OWNERSHIP, WIDE-RANGING PARTNERSHIPS AND RENEWED COLLABORATION AMONG DIVERSE STAKEHOLDERS BY FOCUSING ON COLLABORATION AND HEALTH ENGAGEMENT, IHA CAN HELP BUILD A CULTURE OF HEALTH IN OUR REGION AS A COMMUNITY, WE MUST CONTINUE TO DEVELOP PROGRAMS THAT ENHANCE FITNESS, FOSTER PREVENTION AND ENGAGE PEOPLE IN BETTER HEALTH THESE EFFORTS WILL HELP PEOPLE MAKE POSITIVE LIFESTYLE CHANGES AND REDUCE CHRONIC DISEASE ESSENTIAL ELEMENTS FOR LOWERING HEALTH CARE COSTS AND IMPROVING THE OVERALL HEALTH STATUS OF OUR COMMUNITY IHA'S COLLABORATIVE EFFORTS ARE HAVING AN IMPACT RECENTLY, THE COMMONWEALTH FUND REPORT RANKED BUFFALO 54TH BEST AMONG 306 MEDICARE SERVICE AREAS FOR QUALITY, ACCESSIBILITY AND AFFORDABILITY OF CARE IHA WAS IN THE TOP 10 PERCENT FOR ACCESS AND AFFORDABILITY AND IN THE TOP QUARTILE FOR PREVENTION, TREATMENT AND OVERALL PERFORMANCE THIS RANKING IS EVEN MORE IMPRESSIVE GIVEN THAT BUFFALO IS CITED AS THE THIRD-POOREST CITY IN THE U.S AND THE STUDY REVEALED A STRONG CORRELATION BETWEEN POVERTY AND A POOR SCORE AMONG THE RANKED AREAS THE REPORT ALSO DEMONSTRATES THAT IMPROVED ACCESS HAS A STRONG CORRELATION TO BETTER CARE AND LOWER COSTS, AND UNDERSCORES THE NEED FOR LOCAL SOLUTIONS AND COLLABORATIVE EFFORTS TO ACHIEVE THESE GOALS</p>

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 2	THOMAS J FOELS, KATHLEEN MARIE MYLOTTE, AND BRIAN SAME HAVE A BUSINESS RELATIONSHIP (BOARD MEMBERS OF AN AFFILIATED ENTITY) MICHAEL CROPP, MARK JOHNSON, JOHN RODGERS, THOMAS J FOELS, JOHN MINEO, AND MICHAEL FASO HAVE A BUSINESS RELATIONSHIP (BOARD MEMBERS OF AN AFFILIATED ENTITY) SIDNEY N WEISS, R MARSHAL WINGATE, STUART ANGERT, JAMES COPPOLA, FRANK COLANTUONO, MICHAEL CROPP, MOISES SUDIT, NORA SULLIVAN, MARK JOHNSON, JOHN MINEO, JOHN RODGERS AND JAMES WALLESCHAUER HAVE A BUSINESS RELATIONSHIP (BOARD MEMBERS OF AN AFFILIATED ENTITY) FRANK COLANTUONO, JAMES COPPOLA, AND THOMAS FOELS HAVE A BUSINESS RELATIONSHIP (BOARD MEMBERS OF AN AFFILIATED ENTITY) MARSHALL WINGATE, FRANK COLANTUONO, MARK JOHNSON, AND ANN PENTKOWSKI HAVE A BUSINESS RELATIONSHIP(PRIVATE ENTERPRISE)

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 4	<p>THE FOLLOWING CHANGES WERE MADE TO IHA'S BY-LAWS DURING 2012 ONE OF THE QUALIFICATIONS OF IHA DIRECTORS/BOARD COMPOSITION WAS MODIFIED SPECIFICALLY, THE BY-LAWS NOW STATE AT LEAST FIVE (5) SHALL BE INDEPENDENT PHYSICIANS, FOUR (4) (PREVIOUSLY (5) OF WHOM MUST BE PERSONS WHO SHALL BE A PARTY TO A SERVICE CONTRACT WITH INDEPENDENT HEALTH ASSOCIATION, INC (IHA) OR THE INDIVIDUAL PRACTICE ASSOCIATION OF WESTERN NEW YORK, INC (IPA/WNY) OF WHICH TWO (2) IN NUMBER SHALL BE PHYSICIANS CHOSEN BY THE BOARD OF DIRECTORS FROM A LIST OF AT LEAST FOUR (4) NOMINEES SUBMITTED BY THE BOARD OF DIRECTORS OF IPA/WNY AND TWO (2) IN NUMBER SHALL BE PHYSICIANS NOMINATED BY THE GOVERNANCE AND NOMINATING COMMITTEE FORM 990, PART VI, SECTION A, LINE 9</p> <p>GORDON CUMMING - 210 LORD BYRON LN, WILLIAMSVILLE, NY 14221, LAWRENCE DIGIULIO - 385 MT VERNON ROAD, SNYDER NY 14226, CARLEEN DUNNE - 58 CARPENTER AVE, BUFFALO NY 14223, AMY MCDONALD - 600 YOUNGS RD, UNIT H, WILLIAMSVILLE, NY 14221, AND LAURA TULYK-ROSSI - 233 WARDMAN RD, KENMORE, NY 14217</p>

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 11	FORM 990 WAS REVIEWED WITH THE EXECUTIVE COMMITTEE OF IHA'S BOARD OF DIRECTORS AND THE CHAIRMAN OF THE FINANCE AND AUDIT COMMITTEE. THE FINAL FORM 990 WAS DISTRIBUTED TO THE BOARD OF DIRECTORS AT THE BOARD MEETING PRIOR TO THE FILING OF THE RETURN.

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 12C	IHA'S CONFLICT OF INTEREST REPORTING POLICY ENCOMPASSES ALL CURRENT IHA OFFICERS AND EMPLOYEES (INCLUDING KEY EMPLOYEES) OF THE ORGANIZATION. THE CEO, CHIEF LEGAL COUNSEL, CORPORATE COMPLIANCE/PRIVACY OFFICER, OR SPECIAL INVESTIGATIONS UNIT MAY MAKE THE DETERMINATION THAT A CONFLICT OF INTEREST EXISTS AND WILL REVIEW THE ACTUAL CONFLICT AS CONFLICTS ARE REPORTED TO THEM. CONFLICTS ARE ALSO IDENTIFIED ANNUALLY WHEN THE SIGNED EMPLOYEE ATTESTATIONS, CONFIDENTIAL QUESTIONNAIRES & PLEDGE OF CONFIDENTIALITY AND CONTINUING DISCLOSURE FORM (FOR BOD MEMBERS) ARE RECEIVED. IF A CONFLICT OF INTEREST IS IDENTIFIED, THE INDIVIDUAL IS PROHIBITED FROM PARTICIPATING IN THE DELIBERATIONS OR DECISIONS RELATED TO THIS TRANSACTION.

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 15	<p>THE GOVERNING BOARD OF DIRECTORS OF INDEPENDENT HEALTH ASSOCIATION, INC. APPOINTED A GROUP OF BOARD MEMBERS TO ACT AS THE COMPENSATION COMMITTEE. COMPENSATION OF THE CEO IS SUBJECT TO REVIEW AND APPROVAL BY THE COMPENSATION COMMITTEE AND THE BOD ANNUALLY. ADDITIONALLY, THE RECOMMENDATIONS OF THE CEO PERTAINING TO THE COMPENSATION OF HIS/HER DIRECT REPORTS ARE SUBJECT TO REVIEW AND ADVISEMENT BY THE COMPENSATION COMMITTEE. TO DETERMINE EXECUTIVE COMPENSATION AND INCENTIVE ELIGIBILITY OF THE CEO AND HIS/HER DIRECT REPORTS, THE COMPENSATION COMMITTEE ENGAGES AN INDEPENDENT COMPENSATION CONSULTANT TO REVIEW THE RECOMMENDATIONS AND ANY COMPARABLE DATA (COMPENSATION OF SIMILARLY QUALIFIED PERSONS IN FUNCTIONALLY COMPARABLE POSITIONS AT SIMILARLY SIZED ORGANIZATIONS). COMPARABILITY DATA MAY BE OBTAINED VIA THE FORM 990 OF OTHER ORGANIZATIONS AND/OR COMPENSATION SURVEYS OR STUDIES. THE COMPENSATION COMMITTEE, IN DELIBERATIONS WITH THE INDEPENDENT CONSULTANT, DETERMINES THE COMPENSATION AND INCENTIVE FOR THE CEO. THE COMPENSATION COMMITTEE WILL DOCUMENT THE DELIBERATIONS AND DECISIONS REGARDING THE COMPENSATION ARRANGEMENTS. THE BOD WILL THEN RATIFY ALL DECISIONS OF THE COMPENSATION COMMITTEE AT ITS REGULARLY SCHEDULED BOARD MEETING. IHA'S EXECUTIVE COMPENSATION POLICY/PROCESS IS AN ANNUAL PROCESS (LAST PERFORMED IN 2012) AND WAS USED TO ESTABLISH COMPENSATION FOR THE FOLLOWING POSITIONS: EXECUTIVE VICE PRESIDENT - CHIEF FINANCIAL OFFICER, EXECUTIVE VICE PRESIDENT - CHIEF SERVICING OFFICER, EXECUTIVE VICE PRESIDENT - CHIEF OPERATING OFFICER, SENIOR VICE PRESIDENT - CHIEF ADMINISTRATIVE OFFICER, EXECUTIVE VICE PRESIDENT - CHIEF MEDICAL OFFICER, VICE PRESIDENT &amp; GENERAL COUNSEL, SENIOR VICE PRESIDENT - HUMAN RESOURCES &amp; ORGANIZATIONAL DEVELOPMENT, SENIOR VICE PRESIDENT - GENERAL COUNSEL, VICE PRESIDENT - CHIEF AUDIT EXECUTIVE, AND VICE PRESIDENT - GOVERNMENT AFFAIRS. THE CEO EXCLUDES HIMSELF/HERSELF FROM DELIBERATIONS WHEN DISCUSSING HIS/HER COMPENSATION.</p>

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION C, LINE 19	UPON REQUEST, THE ORGANIZATION WILL MAKE AVAILABLE A COPY OF ITS 990, ITS AUDITED FINANCIAL STATEMENTS, AND ANY OTHER DOCUMENTS AS REQUIRED

SCHEDULE R  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Related Organizations and Unrelated Partnerships

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization  
INDEPENDENT HEALTH ASSOCIATION INC

Employer identification number  
16-1080163

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) INDEPENDENT HEALTH FOUNDATION  777 INTERNATIONAL DRIVE  WILLIAMSVILLE, NY 14221 16-1417199	TO PROMOTE GOOD HEALTH IN WESTERN NY & TO SUPPORT THE ACTIVITIES OF IHA, INC	NY	501(C)(3)	LINE 11,TYPE I 509(	INDEPENDENT HEALTH ASSOCIATION INC		No



Part III

Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to 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) Disproprtionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) LIGHTHOUSE NATURALS LLC  525 OVERLOOK DRIVE N PALM BEACH, FL 33408 26-2015851	RETAIL SALES OF FOOD-BASED NUTRITIONAL SUPPLEMENTS	FL	INDEPENDENT HEALTH CORPORATION	RELATED	91,453	5,907		No			No	
(2) SPECIALTY PHARMACY MANAGEMENT LLC  511 FARBER LAKES DRIVE WILLIAMSVILLE, NY 14221 27-2204019	SPECIALTY PHARMACEUTICAL MANAGEMENT	NY	INDEPENDENT HEALTH CORPORATION	RELATED	2,274,052	13,373,998		No			No	

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" to 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	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
(1) INDEPENDENT HEATH CORPORATION AND SUBSIDIARY  511 FARBER LAKES DRIVE BUFFALO, NY 14221 16-1237733	THIRD PARTY CLAIMS ADMINISTRATION	NY	INDEPENDENT HEALTH ASSOCIATION	C	31,672,876	24,398,586	100 000 %		No
(2) INDEPENDENT HEALTH BENEFITS CORPORATION  511 FARBER LAKES DRIVE BUFFALO, NY 14221 16-1483784	POS AND INDEMNITY PRODUCT ADMINISTRATION	NY	INDEPENDENT HEALTH ASSOCIATION	C	515,918,706	172,857,979	100 000 %		No
(3) NOVA INC  511 FARBER LAKES DRIVE BUFFALO, NY 14221 16-6443379	THIRD PARTY CLAIMS ADMINISTRATION	NY	INDEPENDENT HEALTH ASSOCIATION	C			100 000 %		No
(4) MASON INSURANCE COMPANY LTD  16 CHURCH STREET HAMILTON BD	REINSURANCE	BD	INDEPENDENT HEALTH ASSOCIATION	C	2,971,425	17,045,163	100 000 %		No
(5) AZEROS HEALTH PLANS INC  6125 SHERIDAN DRIVE WILLIAMSVILLE, NY 14221 27-0722677	PROVIDING SFS ADMINISTRATION	NY	NOVA INC	C			100 000 %		No

Part V

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

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

1

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

a

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

b

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

c

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

d

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

e

Loans or loan guarantees by related organization(s)

f

Dividends from related organization(s)

g

Sale of assets to related organization(s)

h

Purchase of assets from related organization(s)

i

Exchange of assets with related organization(s)

j

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

k

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

l

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

m

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

n

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

o

Sharing of paid employees with related organization(s)

p

Reimbursement paid to related organization(s) for expenses

q

Reimbursement paid by related organization(s) for expenses

r

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

s

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

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

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

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
See Additional Data Table			

Schedule R (Form 990) 2012

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

[illegible]

**Part VII**   **Supplemental Information**

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

Identifier	Return Reference	Explanation
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Software ID:

Software Version:

EIN: 16-1080163

Name: INDEPENDENT HEALTH ASSOCIATION INC

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

(a) Name of other organization	(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
INDEPENDENT HEALTH FOUNDATION	B	826,000	FMV
INDEPENDENT HEALTH BENEFITS CORPORATION	M	12,293,366	FMV
INDEPENDENT HEALTH BENEFITS CORPORATION	N	22,200,628	FMV
INDEPENDENT HEALTH CORPORATION	N	900,624	FMV
INDEPENDENT HEALTH BENEFITS CORPORATION	O	27,119,896	FMV
INDEPENDENT HEALTH CORPORATION	O	5,985,600	FMV
INDEPENDENT HEALTH FOUNDATION	P	259,524	FMV
INDEPENDENT HEALTH FOUNDATION	Q	248,602	FMV
INDEPENDENT HEALTH FOUNDATION	R	583,233	FMV
INDEPENDENT HEALTH BENEFITS CORPORATION	P	35,724,564	FMV
INDEPENDENT HEALTH CORPORATION	P	178,466,624	FMV
INDEPENDENT HEALTH CORPORATION	Q	7,948,414	FMV
MASON INSURANCE CORPORATION	R	10,502,451	FMV
MASON INSURANCE CORPORATION	S	5,880,982	FMV
INDEPENDENT HEALTH BENEFITS CORPORATION	S	7,799,782	FMV
INDEPENDENT HEALTH CORPORATION	S	176,844,299	FMV
INDEPENDENT HEALTH BENEFITS CORPORATION	Q	56,237,758	FMV