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Form 990  Department of the Treasury Internal Revenue Service	Return of Organization Exempt From Income Tax Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)	OMB No 1545-0047 2012 Open to Public Inspection
	▶ 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 07-01-2012 , 2012, and ending 06-30-2013

B Check if applicable ☐ Address change ☐ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending	C Name of organization MIDMICHIGAN HEALTH		D Employer identification number 38-2459948
	Doing Business As		
	Number and street (or P O box if mail is not delivered to street address) 4000 WELLNESS DRIVE	Room/suite	E Telephone number (989) 839-3181
	City or town, state or country, and ZIP + 4 MIDLAND, MI 48670		G Gross receipts \$ 77,256,790
	F Name and address of principal officer DIANE POSTLER-SLATTERY 4000 WELLNESS DRIVE MIDLAND, MI 48670		H(a) Is this a group return for affiliates? ☐ Yes ☒ No H(b) Are all affiliates included? ☐ Yes ☐ No If "No," attach a list (see instructions) H(c) Group exemption number ▶
I Tax-exempt status ☒ 501(c)(3) ☐ 501(c) () ◀(Insert no) ☐ 4947(a)(1) or ☐ 527			
J Website: ▶ WWW.MIDMICHIGAN.ORG			

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities TO PROVIDE EXCELLENT HEALTH SERVICES TO IMPROVE THE QUALITY OF LIFE FOR PEOPLE IN OUR COMMUNITIES		
	2 Check this box ☐ 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	16
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	15
	5 Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	142
	6 Total number of volunteers (estimate if necessary)	6	15
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	445,795
7b Net unrelated business taxable income from Form 990-T, line 34	7b	400,215	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	26,051	475
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	17,634,451	17,617,352
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	24,272,367	49,262,603
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	277,230	616,547
		42,210,099	67,496,977
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	193,425	198,125
	14 Benefits paid to or for members (Part IX, column (A), line 4)		0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	10,706,554	10,900,390
	16a Professional fundraising fees (Part IX, column (A), line 11e)		0
	b Total fundraising expenses (Part IX, column (D), line 25) ☐ 0		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	10,381,479	9,324,023
	18 Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	21,281,458	20,422,538
	19 Revenue less expenses Subtract line 18 from line 12	20,928,641	47,074,439
	Net Assets or Fund Balances		Beginning of Current Year
20 Total assets (Part X, line 16)		646,422,658	699,997,713
21 Total liabilities (Part X, line 26)		111,177,382	73,735,087
22 Net assets or fund balances Subtract line 21 from line 20		535,245,276	626,262,626

Part II Signature Block

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

Sign Here	*****			2014-05-15	
	Signature of officer			Date	
	FRANCINE M PADGETT SR VP & TREASURER				
	Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name LAURA M EBEL		Preparer's signature		Date 2014-05-15
	Check ☐ if self-employed			PTIN	
	Firm's name  ANDREWS HOOPER PAVLIK PLC			Firm's EIN 	
	Firm's address  5300 GRATIOT RD SAGINAW, MI 486386035			Phone no (989) 497-5300	

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

TO PROVIDE EXCELLENT HEALTH SERVICES TO IMPROVE THE QUALITY OF LIFE FOR PEOPLE IN OUR COMMUNITIES

2

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

If “Yes,” describe these new services on Schedule O

3

Did the organization cease conducting, or make significant changes in how it conducts, any program services?

If “Yes,” describe these changes on Schedule O

4

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

4a

(Code) (Expenses \$ 13,866,280 including grants of \$ 198,125) (Revenue \$ 17,387,099)

THE HOLDING COMPANY PROVIDES ASSISTANCE TO OUR VARIOUS AFFILIATES IN ORDER TO IMPROVE THE QUALITY OF CARE AND PROVIDE SERVICES AT THE LOWEST POSSIBLE COST EXPERTISE AT THE HOLDING COMPANY LEVEL INCLUDES STRATEGIC PLANNING, TREASURY, INFORMATION RESOURCES, HUMAN RESOURCES, INTERNAL AUDIT, FINANCE, MATERIALS MANAGEMENT AND RISK MANAGEMENT

4b

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

4c

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

4d

Other program services (Describe in Schedule O)

(Expenses \$ including grants of \$) (Revenue \$)

4e

Total program service expenses ▶ 13,866,280

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	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 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II 	4 Yes	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III 	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part 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	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V 	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 Yes	
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII 	11c Yes	
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX 	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X 	11e Yes	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X 	11f	No
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI 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	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the 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	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, 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		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	Yes	
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	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	Yes	
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <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? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

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

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

Part VI

Governance, Management, and Disclosure

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

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

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	16	
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	15	
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	Yes
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	Yes
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	Yes
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	No

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

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	Yes
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	Yes
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	Yes

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed	MI
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. ☐ Own website ☐ Another's website ☒ Upon request ☐ 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	FM PADGETT SR VP TREASURER 4000 WELLNESS DR MIDLAND, MI (989) 839-3181

Part VII

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

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

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

- 1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year
- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation 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

(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			
(1) RICHARD REYNOLDS PRESIDENT	50 00	X		X				1,490,788	0	335,094
(2) DIANE POSTLER-SLATTERY PRESIDENT	50 00	X		X				48,183	0	0
(3) JEFFERY ALLEN MD DIRECTOR	2 00	X						0	0	0
(4) ERIC BLACKHURST CHAIR	2 00	X						0	0	0
(5) JOAN DAVID DIRECTOR	2 00	X						0	0	0
(6) NANCY GALLAGHER DIRECTOR	2 00	X						0	0	0
(7) BOBBIE ARNOLD VICE CHAIR	2 00	X						0	0	0
(8) SARA WASSENAAR DDS DIRECTOR	2 00	X						0	0	0
(9) WILLIAM HENDERSON DIRECTOR	2 00	X						0	0	0
(10) GLENN SMITH DIRECTOR	2 00	X						0	0	0
(11) BOB DENOOWER DIRECTOR	2 00	X						0	0	0
(12) MARGUERITTE KUHN MD DIRECTOR	2 00	X						0	0	0
(13) CARL SCHWIND DIRECTOR	2 00	X						0	0	0
(14) RANNY REICKER DIRECTOR	2 00	X						0	0	0
(15) RON VERCH DIRECTOR	2 00	X						0	0	0
(16) DON SHEETS DIRECTOR	2 00	X						0	0	0
(17) BILL WEIDEMAN DIRECTOR	2 00	X						0	0	0

Part VII

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

(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			
(18) GREGORY ROGERS EXECUTIVE VP	50 00			X				404,477	0	161,845
(19) FRANCINE PADGETT TREASURER	50 00			X				354,655	0	108,431
(20) DONNA RAPP SECRETARY	50 00			X				317,852	0	107,258
(21) BRIAN RODGERS SENIOR VP	50 00			X				307,351	0	90,201
(22) LYNN BRUCHHOF VP HUMAN RES	50 00				X			223,271	0	32,222
(23) GREG GHILARDI VP HUMAN RES	50 00				X			171,590	0	38,752
(24) MARK SANTAMARIA PRESIDENT-AD	50 00					X		276,917	0	17,294
(25) MICHAEL LARSON CIO - ADMIN	50 00					X		214,778	0	9,601
(26) CHANDRA MORSE VP	50 00					X		200,303	0	42,407
(27) DANIEL SORENSON MD MEDICAL DIRE	50 00					X		199,313	0	40,945
(28) SCOTT CURRIE VP	50 00					X		197,843	0	17,322

1b	Sub-Total	▶			
c	Total from continuation sheets to Part VII, Section A	▶			
d	Total (add lines 1b and 1c)	▶	4,407,321		1,001,372

2

Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization▶33

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

Section B. Independent Contractors

1	Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year	
(A) Name and business address	(B) Description of services	(C) Compensation
CERNER CORP PO BOX 412702 KANSAS CITY MO 641412702	COMPUTER	5,804,038
KAUFMAN HALL 6024 EASTMAN AVE MIDLAND MI486402518	CONSULTING	892,529
TOWERS WATSON DELAWARE INC 1079 SOLUTIONS CENTER CHICAGO IL 606771000	ACTUARIAL	564,482
MIDLAND EMERGENCY RM CORP 2000 DILLOWAY DR MIDLAND MI48640	ER PHYSICIANS	384,687
DELOITTE & TOUCHE LLP 4205 COLLECTION CENTER DR CHICAGO IL 60693	AUDIT	334,600
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 ▶19	

Part VIII

Statement of Revenue

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

				(A)	(B)	(C)	(D)	
				Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512, 513, or 514	
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	475				
	g	Noncash contributions included in lines 1a-1f \$						
	h	Total. Add lines 1a-1f			475			
Program Service Revenue	2a	EXEMPT AFFILIATE REVENUE	Business Code					
			561000	17,387,099	17,387,099			
	b	512(B)(17) INCOME	524126	230,253		230,253		
	c							
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f			17,617,352			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		46,333,118	45,112,453		1,220,665	
	4	Income from investment of tax-exempt bond proceeds . .						
	5	Royalties						
	6a	Gross rents	(i) Real	(ii) Personal				
		b	Less rental expenses					
		c	Rental income or (loss)					
	d	Net rental income or (loss)						
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			12,689,298					
		b	Less cost or other basis and sales expenses	9,756,604	3,209			
		c	Gain or (loss)	2,932,694	-3,209			
	d	Net gain or (loss)		2,929,485			2,929,485	
	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	MCCO	900099	313,080	313,080				
b	MIDMICHIGAN HLTH NETWORK LLC	900099	199,444		199,444			
c	EXEMPT JOINT VENTURE REVENUE	900099	24,000	24,000				
d	All other revenue		80,023		16,098	63,925		
e	Total. Add lines 11a-11d			616,547				
12	Total revenue. See Instructions			67,496,977	62,836,632	445,795	4,214,075	

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.	198,125	198,125		
2	Grants and other assistance to individuals in the United States. See Part IV, line 22.				
3	Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16.				
4	Benefits paid to or for members.				
5	Compensation of current officers, directors, trustees, and key employees.	3,639,114	1,819,557	1,819,557	
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.	4,780,968	4,517,741	263,227	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	1,150,577	871,701	278,876	
9	Other employee benefits.	792,133	618,715	173,418	
10	Payroll taxes.	537,598	403,199	134,399	
11	Fees for services (non-employees):				
a	Management.				
b	Legal.	728,939		728,939	
c	Accounting.	94,038	70,529	23,509	
d	Lobbying.	54,200		54,200	
e	Professional fundraising services. See Part IV, line 17.				
f	Investment management fees.	202,571		202,571	
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O).	6,487,611	5,014,287	1,473,324	
12	Advertising and promotion.	12,384	9,908	2,476	
13	Office expenses.	291,424	218,609	72,815	
14	Information technology.	50,048	37,620	12,428	
15	Royalties.				
16	Occupancy.	40,955	30,716	10,239	
17	Travel.	111,146	55,573	55,573	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.	49,641		49,641	
20	Interest.				
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	209,333		209,333	
23	Insurance.	991,733		991,733	
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					
b					
c					
d					
e	All other expenses.				
25	Total functional expenses. Add lines 1 through 24e.	20,422,538	13,866,280	6,556,258	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 ☐ 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

☐

				(A)		(B)
				Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			1	
	2	Savings and temporary cash investments		1,187,795	2	2,079,809
	3	Pledges and grants receivable, net		1,398	3	950
	4	Accounts receivable, net			4	
	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		11,509,287	9	16,508,753
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D.	10a1,894,401			
	b	Less: accumulated depreciation	10b701,898	769,382	10c	1,192,503
	11	Investments—publicly traded securities		22,808,870	11	29,823,430
	12	Investments—other securities. See Part IV, line 11.		74,659,498	12	76,619,151
	13	Investments—program-related. See Part IV, line 11.		534,405,968	13	572,619,636
	14	Intangible assets			14	
	15	Other assets. See Part IV, line 11.		1,080,460	15	1,153,481
	16	Total assets. Add lines 1 through 15 (must equal line 34).		646,422,658	16	699,997,713
Liabilities	17	Accounts payable and accrued expenses		14,667,567	17	16,126,163
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D.			21	
	22	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.		96,509,815	25	57,608,924
	26	Total liabilities. Add lines 17 through 25.		111,177,382	26	73,735,087
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here ☒ and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets		535,206,178	27	626,225,031
	28	Temporarily restricted net assets		39,098	28	37,595
	29	Permanently restricted net assets			29	
	Organizations that do not follow SFAS 117 (ASC 958), check here ☐ 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.		535,245,276	33	626,262,626
	34	Total liabilities and net assets/fund balances.		646,422,658	34	699,997,713

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	67,496,977
2	Total expenses (must equal Part IX, column (A), line 25)	2	20,422,538
3	Revenue less expenses Subtract line 2 from line 1	3	47,074,439
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	535,245,276
5	Net unrealized gains (losses) on investments	5	3,568,598
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	40,374,313
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	626,262,626

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 ☐ Cash ☒ Accrual ☐ 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 ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	2a	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 ☐ Separate basis ☒ Consolidated basis ☐ Both consolidated and separate basis	2b	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	2c	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?	3a	No
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	3b	

SCHEDULE A
(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

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

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
MIDMICHIGAN HEALTH

Employer identification number
38-2459948

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

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

1

☐

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

2

☐

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

3

☐

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

4

☐

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

5

☐

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

6

☐

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

7

☐

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

8

☐

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

9

☐

An organization that normally receives (1) more than 33¹/₃% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33¹/₃% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10

☐

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

11

☒

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

a

☒

Type I

b

☐

Type II

c

☐

Type III - Functionally integrated

d

☐

Type III - Non-functionally integrated

e

☒

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

f

☐

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

g

☐

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

(i)

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

(ii)

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

(iii)

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

h

☐

Provide the following information about the supported organization(s)

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

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

Part II

Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						

Section B. Total Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage						
14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))		14				
15 Public support percentage for 2011 Schedule A, Part II, line 14		15				
16a 33 1/3% support test—2012. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization						▶
b 33 1/3% support test—2011. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization						▶
17a 10%-facts-and-circumstances test—2012. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization						▶
b 10%-facts-and-circumstances test—2011. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization						▶
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions						▶

Part IIIPart III

Support Schedule for Organizations Described in Section 509(a)(2)
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here ▶						

Section C. Computation of Public Support Percentage			
15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15		
16 Public support percentage from 2011 Schedule A, Part III, line 15	16		

Section D. Computation of Investment Income Percentage			
17 Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	17		
18 Investment income percentage from 2011 Schedule A, Part III, line 17	18		
19a 33 1/3% support tests—2012. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ▶			
b 33 1/3% support tests—2011. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization ▶			
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶			

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

Facts And Circumstances Test

Explanation
THE AMOUNT OF SUPPORT PROVIDED TO THE SUPPORTED ORGANIZATIONS IS EQUAL TO THE PROGRAM SERVICE EXPENSE REPORTED ON FORM 990, PART IX MIDMICHIGAN HEALTH IS LISTED IN THE GOVERNING DOCUMENTS OF EACH OF THE SUPPORTED ORGANIZATIONS AS THE SOLE MEMBER OF THE ORGANIZATION THE PURPOSE OR PURPOSES FOR WHICH THE CORPORATION IS ORGANIZED ARE AS FOLLOWS (1) TO OWN, OPERATE, ACQUIRE, ESTABLISH, SPONSOR, DEVELOP AND MAINTAIN HOSPITALS, HEALTH CARE RELATED FACILITIES, HEALTH PROMOTION AND EDUCATION PROGRAMS, AND OTHER ACTIVITES DESIGNED TO PROVIDE FOR THE CARE AND TREATMENT OF THE SICK, INFIRM, AGED, AND DISTRESSED, AND TO FURTHER THE GENERAL HEALTH AND WELL BEING OF THE PUBLIC WITHOUT REGARD TO RACE, COLOR, CREED, SEX, NATIONAL ORIGIN OR ECONOMIC CONDITION (2) TO DEVELOP AND IMPLEMENT MANAGEMENT SYSTEMS AND POLICIES WHICH WILL CARRY OUT AND CONDUCT THE HEREIN STATED PURPOSES (3) TO CARRY OUT AND CONDUCT THE HEREIN STATED PURPOSES AND ACTIVITIES DIRECTLY OR THROUGH ONE OR MORE SUBSIDIARY ORGANIZATIONS OR JOINTLY IN CONJUNCTION WITH ONE OR MORE OTHER ORGANIZATIONS ENGAGED IN HEALTH CARE ACTIVITIES FOR MEMBERS OF THE PUBLIC

Additional Data

Software ID:
Software Version:
EIN: 38-2459948
Name: MIDMICHIGAN HEALTH

Form 990, Sch A, Part I, Line 11h - Provide the following information about the supported organization(s).

(i) Name of Supported Organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section)	(iv) Is the organization in (i) listed in your governing document?		(v) Did you notify the organization in (i) of your support?		(vi) Is the organization in (i) organized in the U S ?		(vii) Amount of support?
			Yes	No	Yes	No	Yes	No	
MIDMICHIGAN MEDICAL CENTER - MIDLAND	380833014	3		No	Yes		Yes		0
MIDMICHIGAN MEDICAL CENTER - GRATIOT	381437919	3		No	Yes		Yes		0
MIDMICHIGAN MEDICAL CENTER - CLARE	381518643	3		No	Yes		Yes		0
MIDMICHIGAN MEDICAL CENTER - GLADWIN	386020434	3		No	Yes		Yes		0
MIDMICHIGAN STRATFORD VILLAGE	382623324	9		No	Yes		Yes		0
MIDMICHIGAN GLADWIN PINES	382754875	9		No	Yes		Yes		0
MIDMICHIGAN REGIONAL IMAGING	352182295	9		No	Yes		Yes		0
MIDMICHIGAN VISITING NURSE ASSOCIATION	381459397	9		No	Yes		Yes		0
MIDMICHIGAN URGENT CARE	205064848	9		No	Yes		Yes		0

SCHEDULE C

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

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

OMB No 1545-0047

2012

Open to Public Inspection

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

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

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

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

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

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

Name of the organization MIDMICHIGAN HEALTH	Employer identification number 38-2459948
--	--

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

1	Provide a description of the organization’s direct and indirect political campaign activities in Part IV	
2	Political expenditures	▶ \$ _____
3	Volunteer hours	_____

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

1	Enter the amount of any excise tax incurred by the organization under section 4955	▶ \$ _____
2	Enter the amount of any excise tax incurred by organization managers under section 4955	▶ \$ _____
3	If the organization incurred a section 4955 tax, did it file Form 4720 for this year?	☐ Yes ☐ No
4a	Was a correction made?	☐ Yes ☐ No
b	If “Yes,” describe in Part IV	

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

1	Enter the amount directly expended by the filing organization for section 527 exempt function activities	▶ \$ _____
2	Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities	▶ \$ _____
3	Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b	▶ \$ _____
4	Did the filing organization file Form 1120-POL for this year?	☐ Yes ☐ No
5	Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization’s funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV	

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

Part II-A

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

- A
- Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)
- B
- Check ☐ if the filing organization checked box A and "limited control" provisions apply

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

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

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B

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

For each "Yes" response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.		(a)		(b)
		Yes	No	Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?	Yes		54,200
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities?		No	
j	Total. Add lines 1c through 1i.			54,200
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912.			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912.			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A

Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

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

Part III-B

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

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

Part IV

Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, Part II-A (affiliated group list), Part II-A, line 2, and Part II-B, line 1. Also, complete this part for any additional information.

Identifier	Return Reference	Explanation
	SCHEDULE C, PART II-B, LINE 1	MIDMICHIGAN HEALTH CONTRACTS WITH THE FREDRICK GROUP TO MONITOR HEALTHCARE LEGISLATION AND EVALUATE THE POTENTIAL IMPACT OF THE LEGISLATION ON OUR HEALTH SYSTEM

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
MIDMICHIGAN HEALTH

Employer identification number
38-2459948

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? ☐ Yes☐ No	
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? ☐ Yes☐ No	

Part II

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

1

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

☐ Preservation of land for public use (e g , recreation or 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

▶ \$ _____

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

Cat No 52283D

Schedule D (Form 990) 2012

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				
b Buildings		32,966	13,860	19,106
c Leasehold improvements				
d Equipment		1,585,462	688,038	897,424
e Other		275,973		275,973
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				1,192,503

Schedule D (Form 990) 2012

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	23,877,155
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	3,568,598
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII)	2d	1,978
e	Add lines 2a through 2d	2e	3,570,576
3	Subtract line 2e from line 1	3	20,306,579
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	202,571
b	Other (Describe in Part XIII)	4b	46,987,827
c	Add lines 4a and 4b	4c	47,190,398
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	67,496,977

Part XII

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	18,260,734
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	3,209
e	Add lines 2a through 2d	2e	3,209
3	Subtract line 2e from line 1	3	18,257,525
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	202,571
b	Other (Describe in Part XIII)	4b	1,962,442
c	Add lines 4a and 4b	4c	2,165,013
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	20,422,538

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
REVENUE AMOUNTS INCLUDED IN FINANCIALS - OTHER	SCHEDULE D, PAGE 4, PART XI, LINE 2D	NET ASSETS RELEASED FROM RESTRICTIONS 1,978
REVENUE AMOUNTS INCLUDED ON RETURN - OTHER	SCHEDULE D, PAGE 4, PART XI, LINE 4B	RECLASSED AFFILIATE EXPENSE 1,962,442 INCOME FROM CONSOLIDATED SUBSIDIARIES 44,798,341 512(B)(17) INCOME 230,253 LOSS ON DISPOSAL -3,209
EXPENSE AMOUNTS INCLUDED IN FINANCIALS - OTHER	SCHEDULE D, PAGE 4, PART XII, LINE 2D	LOSS ON DISPOSAL 3,209
EXPENSE AMOUNTS INCLUDED ON RETURN - OTHER	SCHEDULE D, PAGE 4, PART XII, LINE 4B	RECLASSED AFFILIATE EXPENSE 1,962,442

Additional Data

Software ID:
Software Version:
EIN: 38-2459948
Name: MIDMICHIGAN HEALTH

Form 990, Schedule D, Part VIII - Investments— Program Related

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) MIDMICHIGAN MEDICAL CENTER-MIDLAND	393,302,756	C
(2) MIDMICHIGAN MEDICAL CENTER-GRATIOT	71,186,412	C
(3) MIDMICHIGAN MEDICAL CENTER-GLADWIN	34,024,784	C
(4) MIDMICHIGAN MEDICAL CENTER-CLARE	25,441,310	C
(5) MIDMICHIGAN HEALTH DEVELOPMENT ASSOC	18,407,418	C
(6) MIDMICHIGAN VISITING NURSE ASSOC	16,699,573	C
(7) MIDMICHIGAN REGIONAL IMAGING	4,272,998	C
(8) MIDMICHIGAN STRATFORD VILLAGE	2,764,188	C
(9) MIDMICHIGAN GLADWIN PINES	2,523,505	C
(10) MIDMICHIGAN HEALTH NETWORK	1,726,284	C
(11) MIDMICHIGAN URGENT CARE	827,683	C
(12) REGIONAL DIALYSIS SERVICES	485,385	C
(13) MIDMICHIGAN PHYSICIANS GROUP	481,605	C
(14) MIDMICHIGAN COLLABORATIVE CARE ORG	200,562	C
(15) THUMB AREA DIALYSIS	155,173	C
(16) MIDMICHIGAN ASSURANCE GROUP	120,000	C
(17) ISOMM		C

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
(1) MIDLAND CENTER FOR THE ARTS 1801 W ST ANDREWS ST MIDLAND, MI 48640	38-6114020	501C3	10,000				GENERAL SUPPORT
(2) AMERICAN CANCER SOCIETY - MIDMI REGIONAL OFFICE 1111 S HENRY SUITE A BAY CITY, MI 48706	13-1788491	501C3	24,500				GENERAL SUPPORT
(3) MIDLAND COMMUNITY TENNIS CENTER 900 EAST WACKERLY ST MIDLAND, MI 48642	38-1534400	501C3	6,500				GENERAL SUPPORT
(4) CENTRAL MICHIGAN UNIVERSITY 1200 S FRANKLIN ST MOUNT PLEASANT, MI 48859	38-6004447	501C3	6,250				GENERAL SUPPORT
(5) MIDLAND TOMORROW 300 RODD ST SUITE 201 MIDLAND, MI 48640	38-2600199	501C3	10,000				GENERAL SUPPORT
(6) MIDMICHIGAN COMMUNITY COLLEGE 1375 S CLARE AVENUE HARRISON, MI 48625	38-1812272	501C3	13,214				GENERAL SUPPORT
(7) MIDMICHIGAN DISTRICT HEALTH DEPT 651 N STATE STREET STE 2 STANTON, MI 48888	38-1808049	501C3	11,200				GENERAL SUPPORT
(8) FREELAND COMMUNITY SPORTS ASSOCIATION 5690 MIDLAND RD FREELAND, MI 48623	20-4803638	501C3	6,100				GENERAL SUPPORT
(9) MIDLAND AREA CHAMBER OF COMMERCE 300 RODD STREET SUITE 101 MIDLAND, MI 48642	38-0832915	501C6	6,100				GENERAL SUPPORT

Part III

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
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
PROCEDURES FOR MONITORING THE USE OF GRANT FUNDS INSIDE THE UNITED STATES	SCHEDULE I, PAGE 1, PART I, LINE 2	MIDMICHIGAN HEALTH PROVIDES CHARITABLE CONTRIBUTIONS TO THOSE ORGANIZATIONS THAT APPLY AND MEET THE REQUIRED CRITERIA FOR CHARITABLE GIVING THE MIDMICHIGAN HEALTH COMMUNITY BENEFIT COORDINATOR FOLLOWS UP WITH EACH REQUEST TO ASCERTAIN THAT EACH REQUEST MEETS THE COMMUNITY BENEFIT STANDARDS NO FUNDS ARE PROVIDED DIRECTLY TO INDIVIDUALS AND IT IS EXPECTED THAT WRITTEN ACKNOWLEDGEMENT FROM THE DONEE IS RECEIVED IN A TIMELY FASHION

Software ID:

Software Version:

EIN: 38-2459948

Name: MIDMICHIGAN HEALTH

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
MIDLAND CENTER FOR THE ARTS1801 W ST ANDREWS ST MIDLAND, MI 48640	38-6114020	501C3	10,000				GENERAL SUPPORT
AMERICAN CANCER SOCIETY - MIDMI REGIONAL OFFICE1111 S HENRY SUITE A BAY CITY, MI 48706	13-1788491	501C3	24,500				GENERAL SUPPORT

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
MIDLAND COMMUNITY TENNIS CENTER900 EAST WACKERLY ST MIDLAND,MI 48642	38-1534400	501C3	6,500				GENERAL SUPPORT
CENTRAL MICHIGAN UNIVERSITY1200 S FRANKLIN ST MOUNT PLEASANT,MI 48859	38-6004447	501C3	6,250				GENERAL SUPPORT

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
MIDLAND TOMORROW300 RODD ST SUITE 201 MIDLAND,MI 48640	38-2600199	501C3	10,000				GENERAL SUPPORT
MIDMICHIGAN COMMUNITY COLLEGE 1375 S CLARE AVENUE HARRISON,MI 48625	38-1812272	501C3	13,214				GENERAL SUPPORT

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
MIDMICHIGAN DISTRICT HEALTH DEPT651 N STATE STREET STE 2 STANTON,MI 48888	38-1808049	501C3	11,200				GENERAL SUPPORT
FREELAND COMMUNITY SPORTS ASSOCIATION5690 MIDLAND RD FREELAND,MI 48623	20-4803638	501C3	6,100				GENERAL SUPPORT

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
MIDLAND AREA CHAMBER OF COMMERCE300 RODD STREET SUITE 101 MIDLAND, MI 48642	38-0832915	501C6	6,100				GENERAL SUPPORT

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
MIDMICHIGAN HEALTH

Employer identification number
38-2459948

Part I

Questions Regarding Compensation

		Yes	No
1a	Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items		
	☐ First-class or charter travel ☐ Travel for companions ☐ Tax idemnification and gross-up payments ☐ Discretionary spending account ☐ Housing allowance or residence for personal use ☐ Payments for business use of personal residence ☒ Health or social club dues or initiation fees ☐ Personal services (e g , maid, chauffeur, chef)		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2 Yes	
3	Indicate which, if any, of the following the 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		
	☒ Compensation committee ☒ Independent compensation consultant ☐ Form 990 of other organizations ☒ Written employment contract ☒ Compensation survey or study ☒ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
a	Receive a severance payment or change-of-control payment?	4a	No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c	No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III		
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.		
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of		
a	The organization?	5a	No
b	Any related organization?	5b	No
	If "Yes," to line 5a or 5b, describe in Part III		
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of		
a	The organization?	6a	No
b	Any related organization?	6b	No
	If "Yes," to line 6a or 6b, describe in Part III		
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7 Yes	
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use 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
FRINGE OR EXPENSE EXPLANATION	SCHEDULE J, PAGE 1, PART I, LINE 1A	THE FOLLOWING PERSONS LISTED IN PART VII, SECTION A, RECEIVED PAYMENT FOR COUNTRY CLUB DUES. THIS PAYMENT WAS INCLUDED IN TAXABLE WAGES. BRUCHHOF, LYNN - VP HUMAN RESOURCES. ROGERS, GREGORY - EXEC VICE PRES. PADGETT, FRANCINE - TREASURER. RODGERS, BRIAN - SENIOR VICE PRES. RAPP, DONNA - SECRETARY. MORSE, CHANDRA - VICE PRESIDENT. REYNOLDS, RICHARD - PRESIDENT. WAGNER, JEFFREY - VICE PRESIDENT. LARSON, MICHAEL - CIO - ADMIN CORP.
NON-FIXED PAYMENTS PROVIDED	SCHEDULE J, PAGE 1, PART I, LINE 7	MIDMICHIGAN HEALTH'S COMPENSATION INCLUDES BOTH BASE AND VARIABLE COMPENSATION (NONFIXED PAYMENTS) IN ACCORDANCE WITH ITS POLICIES. ALL ELEMENTS (BASE, VARIABLE, BENEFITS, AND PERQUISITES) ARE COMPARED TO MARKET AND ARE DETERMINED BY THE INDEPENDENT COMPENSATION COMMITTEE AFTER A REVIEW BY AN INDEPENDENT CONSULTANT, SULLIVAN COTTER, TO ENSURE THAT TOTAL COMPENSATION REMAINS WITHIN ACCEPTABLE GUIDELINES (60% OF MEDIAN). THE COMPENSATION COMMITTEE, WHO IS AUTHORIZED TO ACT ON BEHALF OF THE MIDMICHIGAN HEALTH BOARD OF DIRECTORS, APPROVED COMPENSATION FOR THE MIDMICHIGAN HEALTH CEO, SENIOR EXECUTIVES AND PHYSICIANS. SULLIVAN COTTER ISSUED A COMPREHENSIVE ASSESSMENT IN 2009 AND AGAIN IN 2013. IN ADDITION, AS A PART OF THE PHYSICIAN ENTERPRISE ENGAGEMENT, KAUFMAN HALL ISSUED A SAFE HARBOR LETTER THAT WAS REVIEWED AT THE JUNE 2013 COMPENSATION COMMITTEE MEETING.
OTHER ADDITIONAL INFORMATION	SCHEDULE J, PART III	ON MAY 8, 2009, MIDMICHIGAN HEALTH'S COMPENSATION COMMITTEE APPROVED ITS FIRST COMPENSATION COMMITTEE CHARTER AND EXECUTIVE COMPENSATION PHILOSOPHY AND STRATEGY. THE BOARD OF DIRECTORS OF MIDMICHIGAN HEALTH APPROVED BOTH THE CHARTER AND THE STRATEGY ON JUNE 8, 2009. MIDMICHIGAN HEALTH ALSO CONTINUES TO UTILIZE AN INDEPENDENT COMPENSATION CONSULTANT TO ASSIST WITH THE GOVERNANCE PROCESS AND TO REVIEW AND REPORT ON ALL SYSTEM-LEVEL EXECUTIVES, HOSPITAL-LEVEL EXECUTIVES AND SELECTED OTHER EXECUTIVES. MIDMICHIGAN HEALTH HAS TAKEN A CONSERVATIVE POSTURE WITH RESPECT TO ALL PERQUISITES AND ALL PERQUISITES MUST BE JUSTIFIED BY BUSINESS NEED. MIDMICHIGAN HEALTH TARGETS THE BASE SALARY OF ITS EXECUTIVES WITHIN A MARKET COMPETITIVE SALARY RANGE WITH A MIDPOINT APPROXIMATELY EQUAL TO THE 50TH PERCENTILE OF THE BASE SALARY MARKET DATA. MARKET DATA IS OBTAINED NATIONALLY FROM HEALTH SYSTEMS, HOSPITALS AND ORGANIZATIONS OF COMPARABLE SIZE BY SULLIVAN COTTER, AN INDEPENDENT CONSULTANT. NET OPERATING REVENUE IS THE CRITICAL FACTOR UTILIZED TO DETERMINE COMPARABILITY. PART I, LINE 4B - REYNOLDS, ROGERS, PADGETT, RAPP, RODGERS, POSTLER-SLATTERY, SANTAMARIA, AND BRUCHHOF ARE PARTICIPANTS IN A 457(F) PLAN. THE ONLY PAYMENT MADE IN 2012 WAS TO REYNOLDS WHO HAD VESTED AS OF 1/1/2012 AND RECEIVED THE AMOUNT REQUIRED TO BE PAID OUT ACCORDING TO THE PLAN. THE SERP IS UNFUNDED AND BEGAN ON JANUARY 1, 2009. THE CURRENT PARTICIPANTS OF THE PLAN ARE THOSE WHO HOLD A CORPORATE OFFICE OF VICE PRESIDENT OR ABOVE. EACH PARTICIPANT'S ANNUAL AWARD IS A BENEFIT RESTORATION AMOUNT THAT PROVIDES THE ADDITIONAL BENEFITS THAT THE PARTICIPANT DID NOT EARN UNDER THE PENSION PLAN AND 403(B) PLAN DURING A PLAN YEAR BECAUSE OF THE STATUTORY LIMITS. A PARTICIPANT'S ACCOUNT SHALL BE 100% VESTED IF THE PARTICIPANT IS EMPLOYED BY MIDMICHIGAN HEALTH ON THE DATE THE FIRST OF THE FOLLOWING VESTING EVENTS OCCUR: ATTAINMENT OF NORMAL RETIREMENT AGE, DEATH, TERMINATION OF EMPLOYMENT BECAUSE OF TOTAL DISABILITY, OR PROVIDED THEY HAVE BEEN EMPLOYED AT LEAST FIVE YEARS AND THE PARTICIPANT EARNS 75 POINTS.

Software ID:

Software Version:

EIN: 38-2459948

Name: MIDMICHIGAN HEALTH

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				
RICHARD REYNOLDS	(i) (ii)	558,629	50,000	882,159	312,473	22,621	1,825,882	425,203
GREGORY ROGERS	(i) (ii)	368,729		35,748	143,800	18,045	566,322	
FRANCINE PADGETT	(i) (ii)	305,957	15,000	33,698	84,095	24,336	463,086	
DONNA RAPP	(i) (ii)	277,354	15,000	25,498	93,285	13,973	425,110	
BRIAN RODGERS	(i) (ii)	275,055	15,000	17,296	72,765	17,436	397,552	
LYNN BRUCHHOF	(i) (ii)	183,184		40,087	24,740	7,482	255,493	
GREG GHILARDI	(i) (ii)	162,958		8,632	18,877	19,875	210,342	
MARK SANTAMARIA	(i) (ii)	208,060	60,000	8,857	3,355	13,939	294,211	
MICHAEL LARSON	(i) (ii)	174,041	40,000	737	4,298	5,303	224,379	
CHANDRA MORSE	(i) (ii)	186,021	10,000	4,282	37,595	4,812	242,710	
DANIEL SORENSON MD	(i) (ii)	181,813	17,500		30,456	10,489	240,258	
SCOTT CURRIE	(i) (ii)	179,589	10,000	8,254	11,885	5,437	215,165	

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 MIDMICHIGAN HEALTH	Employer identification number 38-2459948
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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
(1) JERAMIE SODERBERG	FAMILY MEMBER	69,635	EMPLOYMENT		No

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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SCHEDULE O

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No 1545-0047

2012

Open to Public
Inspection

Name of the organization MIDMICHIGAN HEALTH	Employer identification number 38-2459948
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Identifier	Return Reference	Explanation
ADDITIONAL INFORMATION	FORM 990	PART I, LINES 3 & 4 AND PART VI, SECTION A, LINE 1 - ANY BOARD MEMBERS WHO HAVE A FAMILY OR BUSINESS RELATIONSHIP AS LISTED IN SCHEDULE L ARE NOT CONSIDERED TO BE INDEPENDENT ALL OTHERS WHO ARE NOT INDEPENDENT ARE EMPLOYEES OF THE ORGANIZATION OR A RELATED ORGANIZATION LISTED IN SCHEDULE R AND ARE COMPENSATED AT MARKET VALUE FOR THE SERVICES PROVIDED TO THAT ORGANIZATION ALL LINES LEFT BLANK ARE NOT APPLICABLE TO THE ORGANIZATION

Identifier	Return Reference	Explanation
FINANCIAL ACCOUNTS IN FOREIGN COUNTRIES	FORM 990, PART V, LINE 4B	CAYMAN ISLANDS, OTHER COUNTRY

Identifier	Return Reference	Explanation
ADDITIONAL INFORMATION	FORM 990, PART VI	LINE 2 - THE FOLLOWING OFFICERS AND DIRECTORS HAVE BUSINESS RELATIONSHIPS THROUGH ANOTHER FOR-PROFIT ENTITY DUE TO THE SMALL SIZE AND LIMITED RESOURCES OF OUR COMMUNITY BOBBIE ARNOLD, ERIC BLACKHURST, RICHARD REYNOLDS, AND DON SHEETS

Identifier	Return Reference	Explanation
SIGNIFICANT CHANGES TO ORGANIZATIONAL DOCUMENTS	FORM 990, PAGE 6, PART VI, LINE 4	ARTICLES XI, XII, AND XIII OF THE ARTICLES OF INCORPORATION WERE DELETED IN THEIR ENTIRETY ARTICLE II, SECTION 10 WAS AMENDED TO ADD THAT THE CORPORATION IS ORGANIZED AS A NONPROFIT CORPORATION AND SHALL BE OPERATED EXCLUSIVELY FOR CHARITABLE, EDUCATIONAL, OR SCIENTIFIC PURPOSES OR FOR THE PURPOSE OF SUPPORTING AND ENCOURAGING HEALTHCARE SERVICES IT ADDS THAT THE CORPORATION SHALL NOT CARRY ON ANY ACTIVITIES NOT PERMITTED TO BE CARRIED ON BY TAX-EXEMPT CORPORATIONS UNDER SECTION 501(C)(3) SECTION 11 WAS ADDED TO ARTICLE II, STATING THE PURPOSES OF THE CORPORATION SHALL INCLUDE PROVIDING BENEFIT TO THE MHC MEMBER CLASS AND THAT NOTHING IN ARTICLE II SHOULD BE CONSTRUED TO PROHIBIT THE CORPORATION FROM DISTRIBUTIONS TO ITS MEMBERS ARTICLE VII WAS AMENDED TO STATE THAT THE CORPORATION IS ORGANIZED ON A MEMBERSHIP BASIS, WITH MORE THAN ONE CLASS OF MEMBERS, AND THE RIGHTS OF THE MEMBERS ARE IN THE BYLAWS OF THE CORPORATION RESERVED POWERS OF THE MHC MEMBER CLASS SHALL NOT BE AMENDED WITHOUT THE CONSENT OF BOTH MEMBER CLASSES ARTICLE VIII WAS AMENDED TO STATE THAT THE FINAL CORPORATE AUTHORITY IS VESTED IN THE BOARD OF DIRECTORS ARTICLE IX WAS AMENDED TO STATE WHEN THE CORPORATION ASSUMES LIABILITY FOR ACTS OR OMISSIONS OF A VOLUNTEER (A) THE VOLUNTEER WAS ACTING WITHIN THE SCOPE OF AUTHORITY, (B) THE VOLUNTEER WAS ACTING IN GOOD FAITH, (C) THE VOLUNTEER'S CONDUCT WAS NOT GROSSLY NEGLIGENT OR WILLFUL MISCONDUCT, (D) THE VOLUNTEER'S CONDUCT WAS NOT INTENTIONAL TORT, (E) THE VOLUNTEER'S CONDUCT WAS NOT A TORT INVOLVING A MOTOR VEHICLE ARTICLE X WAS AMENDED TO STATE THAT UPON THE DISSOLUTION OF THE CORPORATION, AFTER PAYING THE LIABILITIES OF THE CORPORATION, THE BOARD OF DIRECTORS WILL DISTRIBUTE ANY REMAINING ASSETS ACCORDING TO THE INTERNAL REVENUE CODE OR TO THE FEDERAL, STATE OR LOCAL GOVERNMENT FOR PUBLIC PURPOSES ANY ASSETS NOT DISPOSED WILL BE DISPOSED BY THE CIRCUIT FOR THE COUNTY

Identifier	Return Reference	Explanation
CLASSES OF MEMBERS OR STOCKHOLDERS	FORM 990, PAGE 6, PART VI, LINE 6	THE MEMBERS OF THE CORPORATION SHALL BE AT LEAST 115 NATURAL PERSONS, THE MAJORITY OF WHOM SHALL RESIDE IN MIDLAND COUNTY , MICHIGAN MEMBERS OF THE CORPORATION SHALL BE DRAWN FROM THE BROAD CROSS SECTION OF THE CITIZENS OF THE COMMUNITIES SERVED BY THE CORPORATION AND ITS AUXILIARY SERVICES AND SUBSIDIARY INSTITUTIONS WITH PARTICULAR EMPHASIS BEING GIVEN TO THOSE INDIVIDUALS WHO HAVE DEMONSTRATED POSITIVE AND CONSTRUCTIVE INTEREST IN THE PURPOSES OF THE CORPORATION AS EXPRESSED IN THE ARTICLES OF INCORPORATION AND BY LAWS AND IN THE PROMOTION OF HEALTH CARE IN THE COMMUNITIES SERVED BY THE CORPORATION FINAL CORPORATE AUTHORITY NECESSARY OR INCIDENTAL TO THE ADMINISTRATION OF ANY OF THE PURPOSES OF THE CORPORATION SHALL BE VESTED IN THE MEMBERS OF THE CORPORATION, EXCEPT WHERE DELEGATED TO THE BOARD OF DIRECTORS

Identifier	Return Reference	Explanation
ELECTION OF MEMBERS AND THEIR RIGHTS	FORM 990, PAGE 6, PART VI, LINE 7A	AT LEAST 60 DAYS PRIOR TO THE ANNUAL MEETING, THE CHAIRMAN OF THE BOARD OF DIRECTORS WILL APPOINT A NOMINATING COMMITTEE COMPRISED OF AT LEAST TWO MEMBERS OF THE BOARD OF DIRECTORS AND THREE MEMBERS OF THE CORPORATION AT LARGE. THE NOMINATING COMMITTEE SHALL PREPARE A LIST OF NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS AND SUBMIT THE LIST TO THE MEMBERS AT THE ANNUAL MEETING. THE NOMINATING COMMITTEE SHALL ALSO, AT THE DIRECTION OF THE BOARD, RECOMMEND TO THE MEMBERS OF THE CORPORATION AT THE ANNUAL MEETING, ANY INCREASE OR DECREASE IN THE NUMBER OF DIRECTORS, EX OFFICIO OR NON-EX OFFICIO, TOGETHER WITH A LIST OF NOMINEES FOR THE ADDITIONAL DIRECTORS, IF AN INCREASE IS RECOMMENDED. THE MEMBERS OF THE CORPORATION, AT THE SAME ANNUAL MEETING, SHALL VOTE ON THE RECOMMENDED INCREASE OR DECREASE IN DIRECTORS AND ON THE LIST OF NOMINEES FOR SUCH NEW DIRECTORS.

Identifier	Return Reference	Explanation
DECISIONS SUBJECT TO APPROVAL OF MEMBERS	FORM 990, PAGE 6, PART VI, LINE 7B	ONE OF THE PURPOSES OF THE ANNUAL MEETING OF THE CORPORATION SHALL BE THE ELECTION OF A BOARD OF DIRECTORS THE AMENDMENT OF ARTICLES OF INCORPORATION AND BYLAWS SHALL BE BY A MAJORITY VOTE OF ALL MEMBERS PRESENT AT ANY REGULAR OR SPECIAL MEETING ALL OTHER BASIC CORPORATE CHANGE MATTERS, INCLUDING BUT NOT LIMITED TO ESTABLISHMENT, MERGER, CONSOLIDATION, ACQUISITION, AFFILIATION, DISSOLUTION, OR TERMINATION OF ANY OF THE CORPORATION'S HEALTH CARE FACILITIES, SHALL ALSO REQUIRE A MAJORITY VOTE OF ALL MEMBERS OF THE CORPORATION

Identifier	Return Reference	Explanation
ORGANIZATION'S PROCESS USED TO REVIEW FORM 990	FORM 990, PAGE 6, PART VI, LINE 11B	THE FORM 990 INFORMATION IS PREPARED BY THE FINANCE STAFF AT THIS ORGANIZATION. THE INFORMATION IS SUBMITTED FOR REVIEW BY A SENIOR FINANCE STAFF MEMBER AT MIDMICHIGAN HEALTH. THE STAFF MEMBER IN CONSULTATION WITH OUR TAX ACCOUNTANT (A CERTIFIED PUBLIC ACCOUNTING FIRM) REQUESTS ADDITIONAL INFORMATION AND OBTAINS CLARIFICATION. ONCE THE INITIAL REVIEW IS COMPLETE, THE INFORMATION IS SUBMITTED TO OUR TAX PROFESSIONALS AT ANDREWS HOOPER PAVLIK PLC. UPON REVIEW BY THEIR PROFESSIONALS, INCLUDING A PARTNER, INFORMATION IS RETURNED TO MIDMICHIGAN HEALTH FOR ITS FINAL REVIEW. THIS REVIEW INCLUDES A REVIEW BY THE SVP AND TREASURER. ALL COMPENSATION DISCLOSURES ARE REVIEWED WITH THE MIDMICHIGAN HEALTH CEO PRIOR TO FILING. PRIOR TO FILING THE FORM 990 PART VII AND SCHEDULE J COMPENSATION INFORMATION IS REVIEWED BY THE COMPENSATION COMMITTEE PRIOR TO FILING. FORM 990, INCLUDING ALL SCHEDULES, IS MADE AVAILABLE TO THIS ORGANIZATION'S BOARD OF DIRECTORS IN A SECURE ELECTRONIC FORMAT WITH A SUMMARY OF ALL THE MAJOR CHANGES FROM THE PRIOR YEAR RETURN. QUESTIONS OR CONCERNS ARE ADDRESSED BY THE SVP AND TREASURER. THE QUESTIONS OR CONCERNS OF THESE REVIEWS ARE PRESENTED TO THE MIDMICHIGAN HEALTH BOARD OF DIRECTORS AND THIS ORGANIZATION'S BOARD OF DIRECTORS, IF ANY ARE IDENTIFIED.

Identifier	Return Reference	Explanation
ENFORCEMENT OF CONFLICTS POLICY	FORM 990, PAGE 6, PART VI, LINE 12C	THE ORGANIZATION REQUIRES EACH DIRECTOR, OFFICER, KEY EMPLOYEE AND MEMBER OF A COMMITTEE OF THE BOARD ANNUALLY 1) TO REVIEW THE ORGANIZATION'S CONFLICT OF INTEREST POLICY ("THE POLICY"), 2) TO DISCLOSE ANY POSSIBLE PERSONAL, FAMILIAL, OR BUSINESS RELATIONSHIP THAT REASONABLY COULD GIVE RISE TO A CONFLICT OF INTEREST OR THE APPEARANCE OF A CONFLICT OF INTEREST, AND 3) TO ACKNOWLEDGE BY HIS OR HER SIGNATURE THAT HE OR SHE IS ACTING IN ACCORDANCE WITH THE LETTER AND SPIRIT OF THE POLICY THE COMPLETED FORMS ARE REVIEWED BY THE MIDMICHIGAN HEALTH SECRETARY AND FILED FOR REFERENCE AS NEEDED VOTING BOARD MEMBERS WITH CONFLICTS ON SPECIFIC ISSUES ARE ASKED TO LEAVE THE MEETING DURING DISCUSSIONS AND ABSTAIN FROM VOTING ON ANY ISSUE IN WHICH THEY ARE NOT INDEPENDENT

Identifier	Return Reference	Explanation
COMPENSATION PROCESS FOR TOP OFFICIAL	FORM 990, PAGE 6, PART VI, LINE 15A	ALL CEOS AND OPERATING OFFICERS COMPENSATION IS ANNUALLY APPROVED BY AN INDEPENDENT COMPENSATION COMMITTEE OF MIDMICHIGAN HEALTH THE COMPENSATION IS THEN REVIEWED BY THE BOARD OF DIRECTORS (OR SUBCOMMITTEE THEREOF) FOR DETAILED INFORMATION ON COMPENSATION, PLEASE SEE SCHEDULE J

Identifier	Return Reference	Explanation
COMPENSATION PROCESS FOR OFFICERS	FORM 990, PAGE 6, PART VI, LINE 15B	ALL OFFICERS AND KEY EMPLOYEE COMPENSATION IS REVIEWED ANNUALLY BY THE COMPENSATION COMMITTEE FOR ADHERENCE TO CORPORATE POLICIES FOR DETAILED INFORMATION ON COMPENSATION, PLEASE SEE SCHEDULE J

Identifier	Return Reference	Explanation
GOVERNING DOCUMENTS DISCLOSURE EXPLANATION	FORM 990, PAGE 6, PART VI, LINE 19	ALL DOCUMENTS ARE AVAILABLE UPON REQUEST

Identifier	Return Reference	Explanation
RELATED ORGANIZATIONS	FORM 990, PAGE 7, PART VII	NO DIRECTORS RECEIVE PAY FOR THE PURPOSE OF SERVING ON THE BOARD THEY ARE CONSIDERED TO WORK AN AVERAGE OF 2 HOURS A WEEK ON BOARD-RELATED MATTERS ALL INDIVIDUALS WITH REPORTABLE COMPENSATION ARE PAID BY EITHER THE REPORTING ORGANIZATION OR A RELATED ORGANIZATION FOR SERVICES RELATED TO A PART-TIME OR FULL-TIME POSITION AVERAGE HOURS PER WEEK FOR THOSE WITH REPORTABLE COMPENSATION ARE RELATED TO THE AFOREMENTIONED POSITIONS THOSE PERSONS WITH FULL-TIME POSITIONS ARE ESTIMATED TO WORK AN AVERAGE OF 50 HOURS A WEEK

Identifier	Return Reference	Explanation
OTHER FEES FOR SERVICES	FORM 990, PART IX, LINE 11G	ASSOCIATION DUES & OTHER FEES 1,265,597 1,265,597 0 PURCHASED/CONTRACT SERVICES 3,748,690 207,727 0

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
MIDMICHIGAN HEALTH

Employer identification number
38-2459948

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
(1) MIDMICHIGAN COLLABORATIVE CARE ORG 4000 WELLNESS DRIVE MIDLAND, MI 48670 46-0548987	SUPPORT	MI	200,562	360,562	MIDMI HLTH

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
See Additional Data Table							

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) Dispropportionate 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	

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) MIDMICHIGAN ASSURANCE GROUP LTD PO BOX 1051 23 LIME TREE BAY AVE GOVERNORS SQUARE BLDG 4 2ND FLOOR GRAND CAYMAN CJ 98-0585596	INSURANCE	CJ	MIDMI HLTH	C CORP	100	100	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

No

No

No

Yes

No

Yes

No

No

No

No

Yes

No

No

No

No

Yes

Yes

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]

Software ID:

Software Version:

EIN: 38-2459948

Name: MIDMICHIGAN HEALTH

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation	
--> 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
MIDMICHIGAN REGIONAL IMAGING	F	5,000,000	BOOKS RECORDS
MIDMICHIGAN MEDICAL CENTER-MIDLAND	Q	9,624,333	BOOKS RECORDS
MIDMICHIGAN MEDICAL CENTER-GRATIOT	Q	2,292,718	BOOKS RECORDS
MIDMICHIGAN MEDICAL CENTER-CLARE	Q	1,016,133	BOOKS RECORDS
MIDMICHIGAN MEDICAL CENTER-GLADWIN	Q	720,815	BOOKS RECORDS
MIDMI VNA DBA MIDMI HOME CARE	Q	523,552	BOOKS RECORDS
MIDMICHIGAN GLADWIN PINES	Q	202,523	BOOKS RECORDS
MIDMICHIGAN STRATFORD VILLAGE	Q	189,023	BOOKS RECORDS
MIDMICHIGAN REGIONAL IMAGING	Q	332,205	BOOKS RECORDS
MIDMICHIGAN PHYSICIANS GROUP	Q	588,144	BOOKS RECORDS
MIDMICHIGAN HDA	Q	109,240	BOOKS RECORDS
REGIONAL DIALYSIS SERVICES	F	1,452,686	BOOKS RECORDS
MIDMICHIGAN HDA	R	558,413	BOOKS RECORDS
MIDMICHIGAN REGIONAL IMAGING	F	5,000,000	BOOKS RECORDS
MIDMICHIGAN MEDICAL CENTER-MIDLAND	Q	9,624,333	BOOKS RECORDS
MIDMICHIGAN MEDICAL CENTER-GRATIOT	Q	2,292,718	BOOKS RECORDS
MIDMICHIGAN MEDICAL CENTER-CLARE	Q	1,016,133	BOOKS RECORDS
MIDMICHIGAN MEDICAL CENTER-GLADWIN	Q	720,815	BOOKS RECORDS
MIDMI VNA DBA MIDMI HOME CARE	Q	523,552	BOOKS RECORDS
MIDMICHIGAN GLADWIN PINES	Q	202,523	BOOKS RECORDS
MIDMICHIGAN STRATFORD VILLAGE	Q	189,023	BOOKS RECORDS
MIDMICHIGAN REGIONAL IMAGING	Q	332,205	BOOKS RECORDS
MIDMICHIGAN PHYSICIANS GROUP	Q	588,144	BOOKS RECORDS
MIDMICHIGAN HDA	Q	109,240	BOOKS RECORDS
REGIONAL DIALYSIS SERVICES	F	1,452,686	BOOKS RECORDS

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
MIDMICHIGAN HDA	R	558,413	BOOKS RECORDS
MIDMICHIGAN REGIONAL IMAGING	F	5,000,000	BOOKS RECORDS
MIDMICHIGAN MEDICAL CENTER-MIDLAND	Q	9,624,333	BOOKS RECORDS
MIDMICHIGAN MEDICAL CENTER-GRATIOT	Q	2,292,718	BOOKS RECORDS
MIDMICHIGAN MEDICAL CENTER-CLARE	Q	1,016,133	BOOKS RECORDS
MIDMICHIGAN MEDICAL CENTER-GLADWIN	Q	720,815	BOOKS RECORDS
MIDMI VNA DBA MIDMI HOME CARE	Q	523,552	BOOKS RECORDS
MIDMICHIGAN GLADWIN PINES	Q	202,523	BOOKS RECORDS
MIDMICHIGAN STRATFORD VILLAGE	Q	189,023	BOOKS RECORDS
MIDMICHIGAN REGIONAL IMAGING	Q	332,205	BOOKS RECORDS
MIDMICHIGAN PHYSICIANS GROUP	Q	588,144	BOOKS RECORDS
MIDMICHIGAN HDA	Q	109,240	BOOKS RECORDS
REGIONAL DIALYSIS SERVICES	F	1,452,686	BOOKS RECORDS
MIDMICHIGAN HDA	R	558,413	BOOKS RECORDS