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Form **990**

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter social security numbers on this form as it may be made public

▶ Information about Form 990 and its instructions is at [www.irs.gov/foi/m990](#)

OMB No 1545-0047

2015

Open to Public Inspection

Department of the Treasury

Internal Revenue Service

**A For the 2015 calendar year, or tax year beginning 07-01-2015 , and ending 06-30-2016**

**B** Check if applicable

☐ Address change

☐ Name change

☐ Initial return

☐ Final return/terminated

☐ Amended return

☐ Application pending

**C** Name of organization  
Spectrum Health System

Doing business as

Number and street (or P O box if mail is not delivered to street address)Room/suite

100 Michigan ST NE

City or town, state or province, country, and ZIP or foreign postal code  
Grand Rapids, MI 49503

**F** Name and address of principal officer  
Richard C Breon  
100 Michigan ST NE  
Grand Rapids, MI 49503

**H(a)** Is this a group return for subordinates?

No

☐ Yes ☒

**H(b)** Are all subordinates included?

☐ Yes ☐ No

If "No," attach a list (see instructions)

**H(c)** Group exemption number ▶ 5981

**D** Employer identification number  
38-3382353

**E** Telephone number  
(616) 774-5083

**G** Gross receipts \$ 794,969,546

**I** Tax-exempt status

☒ 501(c)(3) ☐ 501(c) ( ) ◀(insert no ) ☐ 4947(a)(1) or ☐ 527

**J Website:** ▶ www.spectrumhealth.org

**K** Form of organization

☒ Corporation ☐ Trust ☐ Association ☐ Other ▶

**L** Year of formation 1997 **M** State of legal domicile MI

Part I

Summary

Activities & Governance

**1** Briefly describe the organization's mission or most significant activities  
To improve the health of the communities we serve by providing administrative and supporting services to the healthcare system affiliated entities

**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) . . . . .

**4** Number of independent voting members of the governing body (Part VI, line 1b) . . . . .

**5** Total number of individuals employed in calendar year 2015 (Part V, line 2a) . . . . .

**6** Total number of volunteers (estimate if necessary) . . . . .

**7a** Total unrelated business revenue from Part VIII, column (C), line 12 . . . . .

**b** Net unrelated business taxable income from Form 990-T, line 34 . . . . .

**3**

**4**

**5**

**6**

**7a**

**7b**

14

11

4,580

0

-168

0

Revenue

**8** Contributions and grants (Part VIII, line 1h) . . . . .

**9** Program service revenue (Part VIII, line 2g) . . . . .

**10** Investment income (Part VIII, column (A), lines 3, 4, and 7d ) . . . . .

**11** Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)

**12** Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)

**13** Grants and similar amounts paid (Part IX, column (A), lines 1–3 ) . . . . .

**14** Benefits paid to or for members (Part IX, column (A), line 4) . . . . .

**15** Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)

**16a** Professional fundraising fees (Part IX, column (A), line 11e) . . . . .

**b** Total fundraising expenses (Part IX, column (D), line 25) ▶<sup>0</sup>

**17** Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e) . . . . .

**18** Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)

**19** Revenue less expenses Subtract line 18 from line 12 . . . . .

**Prior Year**

**Current Year**

2,342,294

3,256,070

532,448,853

610,952,824

59,756,318

32,771,049

0

594,547,465

646,979,943

307,964

215,809

0

336,577,882

383,733,585

0

189,750,680

242,539,367

526,636,526

626,488,761

67,910,939

20,491,182

Net Assets or Fund Balances

**20** Total assets (Part X, line 16) . . . . .

**21** Total liabilities (Part X, line 26) . . . . .

**22** Net assets or fund balances Subtract line 21 from line 20 . . . . .

**Beginning of Current Year**

**End of Year**

1,484,239,566

1,731,467,664

517,955,231

688,992,387

966,284,335

1,042,475,277

Part II

Signature Block

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

Sign Here

\*\*\*\*\*

Signature of officer

2017-01-24

Date

Ronald J Knaus SVP & CFO

Type or print name and title

**Paid Preparer Use Only**

Print/Type preparer's name  
Rachel Spurlock

Preparer's signature  
Rachel Spurlock

Date

Check ☐ if self-employed

PTIN  
P00520729

Firm's name ▶ CROWE HORWATH LLP

Firm's EIN ▶ 35-0921680

Firm's address ▶ 9600 Brownsboro Road  
Suite 400  
Louisville, KY 402411122

Phone no (502) 326-3996

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

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 11282Y

Form **990**(2015)

Part III

Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

☐

1

Briefly describe the organization's mission

To improve the health of the communities we serve

2

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

☐ Yes ☒ No

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

3

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

☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

4

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

4a

(Code ) (Expenses \$ 621,310,986 including grants of \$ 215,809 ) (Revenue \$ 610,952,824 )

SPECTRUM HEALTH SYSTEM PROVIDES COMMON MANAGEMENT OF THE NOT-FOR-PROFIT HEALTH CARE SYSTEM ACTIVITIES CARRIED ON BY SUPPORTED ORGANIZATIONS. THE SUPPORTED ORGANIZATIONS INCLUDE 11 SEPARATELY LICENSED HOSPITAL FACILITIES, 180 SERVICE SITES, AND 1,978 LICENSED BEDS SYSTEMWIDE WITH FACILITIES THAT INCLUDE A MEDICAL CENTER, REGIONAL COMMUNITY HOSPITALS, A DEDICATED CHILDREN'S HOSPITAL, A MULTISPECIALTY MEDICAL GROUP, AFFILIATED PHYSICIANS AND A NATIONALLY RECOGNIZED HEALTH PLAN WITH NEARLY 750,000 INSURED LIVES.

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 ▶ 621,310,986

Part IV Checklist of Required Schedules

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> 	<b>1</b> Yes	
<b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)? 	<b>2</b> Yes	
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	<b>3</b>	No
<b>4 Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i> 	<b>4</b> Yes	
<b>5</b> Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	<b>5</b>	No
<b>6</b> 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? <i>If "Yes," complete Schedule D, Part I</i>	<b>6</b>	No
<b>7</b> Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	<b>7</b>	No
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	<b>8</b>	No
<b>9</b> 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? <i>If "Yes," complete Schedule D, Part IV</i>	<b>9</b>	No
<b>10</b> Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	<b>10</b>	No
<b>11</b> 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		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> 	<b>11a</b> Yes	
<b>b</b> Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	<b>11b</b>	No
<b>c</b> Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	<b>11c</b>	No
<b>d</b> Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i> 	<b>11d</b> Yes	
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> 	<b>11e</b> Yes	
<b>f</b> Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	<b>11f</b>	No
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	<b>12a</b>	No
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> 	<b>12b</b> Yes	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	<b>13</b>	No
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States?	<b>14a</b>	No
<b>b</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? <i>If "Yes," complete Schedule F, Parts I and IV</i>	<b>14b</b>	No
<b>15</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	<b>15</b>	No
<b>16</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>	<b>16</b>	No
<b>17</b> Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i> (see instructions)	<b>17</b>	No
<b>18</b> Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	<b>18</b>	No
<b>19</b> Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	<b>19</b>	No
<b>20a</b> Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	<b>20a</b>	No
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	<b>20b</b>	

Part IV Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II . . . . .	21	Yes	
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III . . . . .	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? If "Yes," complete Schedule J . . . . .	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a . . . . .	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .	24d		
25a	<b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b>			
	Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I . . . . .	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I . . . . .	25b		No
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If "Yes," complete Schedule L, Part II . . . . .	26	Yes	
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? If "Yes," complete Schedule L, Part III . . . . .	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV . . . . .	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV . . . . .	28b	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? If "Yes," complete Schedule L, Part IV . . . . .	28c	Yes	
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M . . . . .	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M . . . . .	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I . . . . .	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II . . . . .	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I . . . . .	33	Yes	
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1 . . . . .	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)? If "Yes," complete Schedule R, Part V, line 2 . . . . .	35b	Yes	
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2 . . . . .	36	Yes	
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI . . . . .	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O . . . . .	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	1a	376	
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a	4,580	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a		No
b	If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation in Schedule O.	3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		No
b	If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7	Organizations that may receive deductible contributions under section 170(c).			
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		No
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9a	Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10	Section 501(c)(7) organizations. Enter			
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b		
11	Section 501(c)(12) organizations. Enter			
a	Gross income from members or shareholders.	11a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.			
a	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.	13a		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.	13b		
c	Enter the amount of reserves on hand.	13c		
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a		No
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	14b		

Part VI

Governance, Management, and Disclosure

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

Check if Schedule O contains a response or note to any line in this Part VI

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	14	
	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			
b	Enter the number of voting members included in line 1a, above, who are independent	1b	11	
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	3		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	Yes	
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5		No
6	Did the organization have members or stockholders?	6		No
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a		No
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	Yes	
b	Each committee with authority to act on behalf of the governing body?	8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		No

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

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

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed	
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> Other (explain in Schedule O)	
19	Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year	
20	State the name, address, and telephone number of the person who possesses the organization's books and records Celeste M McIntyre 545 Michigan ST NE Grand Rapids, MI 49503 (616) 774-5083	

Check if Schedule O contains a response or note to any line in this Part VII ☐

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

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

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

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

[illegible]



## Part VII

<b>1b</b>	<b>Sub-Total</b>			
<b>c</b>	<b>Total from continuation sheets to Part VII, Section A</b>			
<b>d</b>	<b>Total (add lines 1b and 1c)</b>	15,335,964	1,411,126	4,375,445

**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 ► 505

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

## Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
OPEN SYSTEMS TECHNOLOGIES  605 Seward Ave NE GRAND RAPIDS, MI 49504	IT CONSULTING	7,387,468
KELLY SERVICES INC  3210 EAGLE RUN DR NE 204 GRAND RAPIDS, MI 49525	STAFFING	5,961,206
EMDEON BUSINESS SERVICES  3055 LEBANON PIKE NASHVILLE, TN 37214	IT CONSULTING	5,220,922
ALTEGRA HEALTH OPERATING CO  1725 N Commerce Parkway Weston, FL 33326	IT CONSULTING	2,846,362
CLARITY SOLUTION GROUP  150 S Wacker Dr Chicago, IL 60606	IT CONSULTING	2,311,110

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 ► 139

Part VIII

Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

☒

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . . .	1a					
	b	Membership dues . . . . .	1b					
	c	Fundraising events . . . . .	1c					
	d	Related organizations . . . .	1d	3,256,070				
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f					
	g	Noncash contributions included in lines 1a-1f \$						
	h	Total. Add lines 1a-1f . . . . .			3,256,070			
Program Service Revenue	2a	Management Fee Revenue	Business Code 561000	606,537,323	606,537,323			
	b	Shared Services Revenue	561000	435,656	435,656			
	c	Affiliate Physician Program	900099	182,245	182,245			
	d	Medical Record Fees	900099	154,804	154,804			
	e	Spectrum Health Innovations	900099	75			75	
	f	All other program service revenue		3,642,721	3,642,889	-168	0	
	g	Total. Add lines 2a-2f . . . . .			610,952,824			
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) . . . . .		23,505,936			23,505,936
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)	0	0			
		d	Net rental income or (loss) . . . . .					
7a		Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		b	Less cost or other basis and sales expenses	147,989,603				
		c	Gain or (loss)	9,265,113	0			
		d	Net gain or (loss) . . . . .		9,265,113			9,265,113
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								
b								
c								
d	All other revenue . . . . .			0	0	0	0	
e	Total. Add lines 11a-11d . . . . .			0				
12	Total revenue. See Instructions . . . . .			646,979,943	610,952,917	-168	32,771,124	

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 or note to any line 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 domestic organizations and domestic governments. See Part IV, line 21.	215,809	215,809		
2	Grants and other assistance to domestic individuals. See Part IV, line 22.				
3	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16.				
4	Benefits paid to or for members.				
5	Compensation of current officers, directors, trustees, and key employees.	11,987,321	11,987,321		
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B).	493,523	493,523		
7	Other salaries and wages.	292,764,424	292,648,462	115,962	
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	16,257,662	16,257,662		
9	Other employee benefits.	40,254,597	40,220,233	34,364	
10	Payroll taxes.	21,976,058	21,976,058		
11	Fees for services (non-employees):				
a	Management.				
b	Legal.	3,195,323		3,195,323	
c	Accounting.	1,767,203		1,767,203	
d	Lobbying.	324,794	324,794		
e	Professional fundraising services. See Part IV, line 17.				
f	Investment management fees.				
g	Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	53,782,179	53,767,183	14,996	0
12	Advertising and promotion.	17,370,123	17,348,533	21,590	
13	Office expenses.	16,218,263	16,200,989	17,274	
14	Information technology.	68,673,327	68,673,327		
15	Royalties.				
16	Occupancy.	21,398,292	21,393,310	4,982	
17	Travel.	5,449,070	5,448,026	1,044	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.	4,356,197	4,354,663	1,534	
20	Interest.	-823,445	-823,445		
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	26,467,059	26,465,973	1,086	
23	Insurance.	164,777	162,782	1,995	
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	Dues and Subscriptions.	2,299,554	2,299,554		
b	Staff Recognition.	1,256,551	1,256,551		
c	Recruitment Expense.	1,075,946	1,075,946		
d	Medical Supplies.	181,419	181,419		
e	All other expenses.	19,382,735	19,382,313	422	0
25	<b>Total functional expenses.</b> Add lines 1 through 24e.	626,488,761	621,310,986	5,177,775	0
26	<b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720).				

**Part X Balance Sheet**Check if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .	1,500	<b>1</b>	1,500
	<b>2</b> Savings and temporary cash investments . . . . .	23,141,356	<b>2</b>	32,187,212
	<b>3</b> Pledges and grants receivable, net . . . . .		<b>3</b>	
	<b>4</b> Accounts receivable, net . . . . .		<b>4</b>	
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L . . . . .		<b>5</b>	14,428
	<b>6</b> 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 . . . . .		<b>6</b>	0
	<b>7</b> Notes and loans receivable, net . . . . .	51,983,675	<b>7</b>	42,387,708
	<b>8</b> Inventories for sale or use . . . . .		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges . . . . .	24,856,607	<b>9</b>	34,148,362
	<b>10a</b> Land, buildings, and equipment—cost or other basis. Complete Part VI of Schedule D . . . . .	<b>10a</b> 140,360,897		
	<b>b</b> Less: accumulated depreciation . . . . .	<b>10b</b> 59,546,072		
		66,710,692	<b>10c</b>	80,814,825
	<b>11</b> Investments—publicly traded securities . . . . .	1,068,985,740	<b>11</b>	1,261,999,996
	<b>12</b> Investments—other securities. See Part IV, line 11 . . . . .	1,649,831	<b>12</b>	2,656,680
	<b>13</b> Investments—program-related. See Part IV, line 11 . . . . .	55,102,716	<b>13</b>	47,785,020
	<b>14</b> Intangible assets . . . . .	8,218,902	<b>14</b>	8,213,711
<b>15</b> Other assets. See Part IV, line 11 . . . . .	183,588,547	<b>15</b>	221,258,222	
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	1,484,239,566	<b>16</b>	1,731,467,664	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	87,976,721	<b>17</b>	101,454,224
	<b>18</b> Grants payable . . . . .		<b>18</b>	
	<b>19</b> Deferred revenue . . . . .	68,598	<b>19</b>	37,302
	<b>20</b> Tax-exempt bond liabilities . . . . .		<b>20</b>	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .		<b>21</b>	
	<b>22</b> 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 . . . . .		<b>22</b>	0
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .	36,449,440	<b>24</b>	47,955,598
	<b>25</b> 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 . . . . .	393,460,472	<b>25</b>	539,545,263
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 . . . . .	517,955,231	<b>26</b>	688,992,387
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets . . . . .	966,284,335	<b>27</b>	1,042,475,277
	<b>28</b> Temporarily restricted net assets . . . . .		<b>28</b>	
	<b>29</b> Permanently restricted net assets . . . . .		<b>29</b>	
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds . . . . .		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building or equipment fund . . . . .		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .		<b>32</b>	
	<b>33</b> Total net assets or fund balances . . . . .	966,284,335	<b>33</b>	1,042,475,277
	<b>34</b> Total liabilities and net assets/fund balances . . . . .	1,484,239,566	<b>34</b>	1,731,467,664

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	646,979,943
2	Total expenses (must equal Part IX, column (A), line 25)	2	626,488,761
3	Revenue less expenses Subtract line 2 from line 1	3	20,491,182
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	966,284,335
5	Net unrealized gains (losses) on investments	5	-79,720,393
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	135,420,153
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	1,042,475,277

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

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

### Additional Data

**Software ID:** 15000238

**Software Version:** 2015v3.0

**EIN:** 38-3382353

**Name:** Spectrum Health System

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Richard DeVos Jr Chair	2 0 ..... 0	X		X				0	0	0
Timothy O'Donovan Chair - Part Year	2 0 ..... 0	X		X				4,700	0	0
ROBERT ROTH Vice Chair	1 0 ..... 0	X		X				26,250	0	0
Elizabeth Nickels Treasurer	1 0 ..... 0	X		X				31,250	0	0
Richard Breon PRESIDENT / CEO	46 0 ..... 4 0	X		X				3,113,921	0	1,064,130
Stephen Boshoven Director	1 0 ..... 0	X						24,250	0	0
Steve Ender Director	1 0 ..... 0	X						24,750	0	0
Melonie Ice MD Director	1 0 ..... 0	X						25,750	0	0
Michael Jandernoa Director	1 0 ..... 0	X						0	0	0
Rex Killian Director	1 0 ..... 0	X						41,250	0	0

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

(A) Name and Title	(B) Average hours per week (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			
M Ashraf Mansour MD Director	1 0 ..... 49 0	X						0	797,868	39,569
Mark Murray Director	1 0 ..... 0	X						23,750	0	0
William Payne Director	1 0 ..... 0	X						0	0	0
Stephen Rechner MD Director - Part Year	1 0 ..... 0	X						0	473,531	24,387
Michelle Van Dyke Director	1 0 ..... 0	X						25,250	0	0
Sean Welsh Director	1 0 ..... 0	X						0	0	0
MICHAEL P FREED President/CEO - Pronty Health - Part Year	50 0 ..... 0			X				1,673,795	0	402,199
Ronald Knaus SVP, Chief Financial Officer	50 0 ..... 0 0			X				1,142,642	0	387,302
David Leonard Secretary, SVP, Chief Legal Officer	50 0 ..... 0			X				940,295	0	290,236
Jill Ferris SVP - Nexus / Corporate Controller - Part Year	50 0 ..... 0				X			451,176	0	104,896

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Instructional Trustee	Officer	Key employee	Highest compensated employee	Former			
Patrick O'Hare										
SVP, Facilities & Chief Information Officer	49 0 ..... 1 0				X			982,558	0	303,352
Pamela Ries										
SVP, Chief Human Resources Officer	34 0 ..... 16 0				X			293,561	139,727	178,296
Lon Smith										
SVP, Treasury	50 0 ..... 0				X			378,199	0	111,060
Seth Wolk MD										
System CMO / President, SHMG	46 0 ..... 4 0					X		1,142,691	0	439,886
John Mosley										
EVP, Special Projects	50 0 ..... 0					X		1,032,907	0	187,216
Roger Jansen										
SVP, Business Development / Chief Strategy Officer	50 0 ..... 0					X		1,028,345	0	332,425
J Michael Kramer										
SVP, Chief Quality Officer	50 0 ..... 0					X		841,435	0	276,514
Steven Heacock										
SVP, Public Affairs / Research	49 0 ..... 1 0					X		811,043	0	233,977
Matthew Van Vranken										
Former EVP, SH Delivery System	0 0 ..... 0 0						X	1,276,196	0	0



SCHEDULE A  
(Form 990 or 990EZ)

Public Charity Status and Public Support

OMB No 1545-0047

2015

Open to Public Inspection

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.  
▶ Attach to Form 990 or Form 990-EZ.  
▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization  
Spectrum Health System

Employer identification number  
38-3382353

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 (Form 990 or 990-EZ))
- 3

☐

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

☐

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

☐

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

☐

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

☐

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

☐

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

☐

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

☐

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

☒

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

☐

**Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B.**
- b

☐

**Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C.**
- c

☒

**Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E.**
- d

☐

**Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V.**
- e

☒

Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization
- f

Enter the number of supported organizations . . . . .

1 1
- g

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 (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
See Additional Data Table						
Total11					382,853,097	

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)2011	(b)2012	(c)2013	(d)2014	(e)2015	(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)2011	(b)2012	(c)2013	(d)2014	(e)2015	(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 VI )						
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 section 501(c)(3) organization, check this box and stop here . . . . .						<input type="checkbox"/>

Section C. Computation of Public Support Percentage						
14 Public support percentage for 2015 (line 6, column (f) divided by line 11, column (f))		14				
15 Public support percentage for 2014 Schedule A, Part II, line 14		15				
16a 33 1/3% support test—2015.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						<input type="checkbox"/>
b 33 1/3% support test—2014.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						<input type="checkbox"/>
17a 10%-facts-and-circumstances test—2015.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 VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization						<input type="checkbox"/>
b 10%-facts-and-circumstances test—2014.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 VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization						<input type="checkbox"/>
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						<input type="checkbox"/>

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a)2011	(b)2012	(c)2013	(d)2014	(e)2015	(f)Total
<b>1</b> Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
<b>2</b> 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						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total.</b> Add lines 1 through 5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</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						
<b>c</b> Add lines 7a and 7b						
<b>8 Public support.</b> (Subtract line 7c from line 6.)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a)2011	(b)2012	(c)2013	(d)2014	(e)2015	(f)Total
<b>9</b> Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.)						
<b>14 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> <span style="float: right;">► <input type="checkbox"/></span>						

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2015 (line 8, column (f) divided by line 13, column (f))	<b>15</b>	
<b>16</b> Public support percentage from 2014 Schedule A, Part III, line 15	<b>16</b>	

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for <b>2015</b> (line 10c, column (f) divided by line 13, column (f))	<b>17</b>	
<b>18</b> Investment income percentage from <b>2014</b> Schedule A, Part III, line 17	<b>18</b>	

**19a 33 1/3% support tests—2015.** 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—2014.** 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 Supporting Organizations

(Complete only if you checked a box on line 11 of Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in <b>Part VI</b> how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.	1 Yes	
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in <b>Part VI</b> how the organization determined that the supported organization was described in section 509(a)(1) or (2).	2	No
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.	3a	No
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in <b>Part VI</b> when and how the organization made the determination.	3b	
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in <b>Part VI</b> what controls the organization put in place to ensure such use.	3c	
4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.	4a	No
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.	4b	
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.	4c	
5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).	5a Yes	
b <b>Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?	5b	
c <b>Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?	5c	
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations, (b) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (c) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in <b>Part VI</b> .	6 Yes	
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990).	7	No
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part II of Schedule L (Form 990).	8	No
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in <b>Part VI</b> .	9a	No
b Did one or more disqualified persons (as defined in line 9(a)) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in <b>Part VI</b> .	9b	No
c Did a disqualified person (as defined in line 9(a)) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in <b>Part VI</b> .	9c	No
10a Was the organization subject to the excess business holdings rules of IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer b below.	10a	No
b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)	10b	
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?	11a	No
b A family member of a person described in (a) above?	11b	No
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI.	11c	No

Part IV

Supporting Organizations (continued)

Section B. Type I Supporting Organizations

	Yes	No
<div>1</div> <div>Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? <i>If "No," describe in <b>Part VI</b> how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i></div>		
<div>2</div> <div>Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in <b>Part VI</b> how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization.</i></div>		

Section C. Type II Supporting Organizations

	Yes	No
<div>1</div> <div>Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in <b>Part VI</b> how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i></div>		

Section D. All Type III Supporting Organizations

	Yes	No
<div>1</div> <div>Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (1) a written notice describing the type and amount of support provided during the prior tax year, (2) a copy of the Form 990 that was most recently filed as of the date of notification, and (3) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?</div>	Yes	
<div>2</div> <div>Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in <b>Part VI</b> how the organization maintained a close and continuous working relationship with the supported organization(s).</i></div>		No
<div>3</div> <div>By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in <b>Part VI</b> the role the organization's supported organizations played in this regard.</i></div>	Yes	

Section E. Type III Functionally-Integrated Supporting Organizations

	Yes	No
<div>1</div> <div>Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions)</div> <div><div>a</div><div><input type="checkbox"/> The organization satisfied the Activities Test. Complete <b>line 2</b> below.</div></div> <div><div>b</div><div><input checked="" type="checkbox"/> The organization is the parent of each of its supported organizations. Complete <b>line 3</b> below.</div></div> <div><div>c</div><div><input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).</div></div>		
<div>2</div> <div>Activities Test. Answer (a) and (b) below.</div>		
<div>a</div> <div>Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in <b>Part VI</b> identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i></div>		
<div>b</div> <div>Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in <b>Part VI</b> the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i></div>		
<div>3</div> <div>Parent of Supported Organizations. Answer (a) and (b) below.</div>		
<div>a</div> <div>Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI.</div>	Yes	
<div>b</div> <div>Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.</div>	Yes	

**Part V**    **Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

**1**    Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E ☐

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
<b>1</b>	Net short-term capital gain	<b>1</b>	
<b>2</b>	Recoveries of prior-year distributions	<b>2</b>	
<b>3</b>	Other gross income (see instructions)	<b>3</b>	
<b>4</b>	Add lines 1 through 3	<b>4</b>	
<b>5</b>	Depreciation and depletion	<b>5</b>	
<b>6</b>	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	<b>6</b>	
<b>7</b>	Other expenses (see instructions)	<b>7</b>	
<b>8</b>	<b>Adjusted Net Income</b> (subtract lines 5, 6 and 7 from line 4)	<b>8</b>	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
<b>1</b>	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)	<b>1</b>	
<b>a</b>	Average monthly value of securities	<b>1a</b>	
<b>b</b>	Average monthly cash balances	<b>1b</b>	
<b>c</b>	Fair market value of other non-exempt-use assets	<b>1c</b>	
<b>d</b>	<b>Total</b> (add lines 1a, 1b, and 1c)	<b>1d</b>	
<b>e</b>	<b>Discount</b> claimed for blockage or other factors (explain in detail in Part VI) _____		
<b>2</b>	Acquisition indebtedness applicable to non-exempt use assets	<b>2</b>	
<b>3</b>	Subtract line 2 from line 1d	<b>3</b>	
<b>4</b>	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions)	<b>4</b>	
<b>5</b>	Net value of non-exempt-use assets (subtract line 4 from line 3)	<b>5</b>	
<b>6</b>	Multiply line 5 by .035	<b>6</b>	
<b>7</b>	Recoveries of prior-year distributions	<b>7</b>	
<b>8</b>	<b>Minimum Asset Amount</b> (add line 7 to line 6)	<b>8</b>	

Section C - Distributable Amount		Current Year	
<b>1</b>	Adjusted net income for prior year (from Section A, line 8, Column A)	<b>1</b>	
<b>2</b>	Enter 85% of line 1	<b>2</b>	
<b>3</b>	Minimum asset amount for prior year (from Section B, line 8, Column A)	<b>3</b>	
<b>4</b>	Enter greater of line 2 or line 3	<b>4</b>	
<b>5</b>	Income tax imposed in prior year	<b>5</b>	
<b>6</b>	<b>Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	<b>6</b>	
<b>7</b>	Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions) <input type="checkbox"/>		

**Part V** Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions	Current Year
<b>1</b> Amounts paid to supported organizations to accomplish exempt purposes	
<b>2</b> Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
<b>3</b> Administrative expenses paid to accomplish exempt purposes of supported organizations	
<b>4</b> Amounts paid to acquire exempt-use assets	
<b>5</b> Qualified set-aside amounts (prior IRS approval required)	
<b>6</b> Other distributions (describe in Part VI) See instructions	
<b>7 Total annual distributions.</b> Add lines 1 through 6	
<b>8</b> Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
<b>9</b> Distributable amount for 2015 from Section C, line 6	
<b>10</b> Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2015	(iii) Distributable Amount for 2015
<b>1</b> Distributable amount for 2015 from Section C, line 6			
<b>2</b> Underdistributions, if any, for years prior to 2015 (reasonable cause required--see instructions)			
<b>3</b> Excess distributions carryover, if any, to 2015			
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b> From 2013. . . . .			
<b>e</b> From 2014. . . . .			
<b>f Total</b> of lines 3a through e			
<b>g</b> Applied to underdistributions of prior years			
<b>h</b> Applied to 2015 distributable amount			
<b>i</b> Carryover from 2010 not applied (see instructions)			
<b>j</b> Remainder Subtract lines 3g, 3h, and 3i from 3f			
<b>4</b> Distributions for 2015 from Section D, line 7 \$			
<b>a</b> Applied to underdistributions of prior years			
<b>b</b> Applied to 2015 distributable amount			
<b>c</b> Remainder Subtract lines 4a and 4b from 4			
<b>5</b> Remaining underdistributions for years prior to 2015, if any Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)			
<b>6</b> Remaining underdistributions for 2015 Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions)			
<b>7 Excess distributions carryover to 2016.</b> Add lines 3j and 4c			
<b>8</b> Breakdown of line 7			
<b>a</b>			
<b>b</b>			
<b>c</b> Excess from 2013. . . . .			
<b>d</b> From 2014. . . . .			
<b>e</b> From 2015. . . . .			

Part VI

Supplemental Information.

Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Return Reference	Explanation
Schedule A, Part IV, Section A, Line 1 SUPPLEMENTAL INFORMATION	SPECTRUM HEALTH SYSTEM IS THE PARENT ORGANIZATION AND SUPPORTING ORGANIZATION TO THE HEALTH SYSTEM THE PURPOSES OF THIS ORGANIZATION, AS DEFINED IN THE ARTICLES OF INCORPORATION, ARE AS FOLLOWS PURPOSES 2 1 THE PURPOSES FOR WHICH THE CORPORATION IS ORGANIZED ARE TO OPERATE EXCLUSIVELY FOR THE BENEFIT OF, TO PERFORM THE FUNCTIONS OF, AND TO CARRY OUT ALL OF THE PURPOSES OF MECOSTA COUNTY MEDICAL CENTER, MEMORIAL MEDICAL CENTER OF WEST MICHIGAN, NEWAYGO COUNTY GENERAL HOSPITAL ASSOCIATION, PENNOCK HOSPITAL, REED CITY HOSPITAL CORPORATION, SPECTRUM HEALTH CONTINUING CARE, SPECTRUM HEALTH FOUNDATION, SPECTRUM HEALTH HOSPITALS, SPECTRUM HEALTH PRIMARY CARE PARTNERS, SPECTRUM HEALTH UNITED, AND ZEELAND COMMUNITY HOSPITAL (THE "SUPPORTED ORGANIZATIONS") ALL OF WHICH ARE DESCRIBED IN SECTION 501(C)(3) AND EITHER SECTION 509(A)(1) OR SECTION 509(A)(2) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED OR COMPARABLE PROVISIONS OF SUBSEQUENT LEGISLATION (THE "CODE") SUBJECT TO AND IN FURTHERANCE OF THE FOREGOING, THE PURPOSES OF THE CORPORATION SHALL BE 2 1 1 TO FORMULATE AND IMPLEMENT POLICIES AND PROGRAMS DESIGNED TO ENABLE AND/OR CAUSE THE SUPPORTED ORGANIZATIONS TO FUNCTION AS A COORDINATED HEALTH CARE DELIVERY SYSTEM , TO PROVIDE DIRECTION AND MANAGEMENT TO THE SUPPORTED ORGANIZATIONS, AND TO ACT AND/OR MAKE DECISIONS FOR THE BENEFIT OF SUCH SUPPORTED ORGANIZATIONS 2 1 2 TO ESTABLISH AND MAINTAIN, EITHER DIRECTLY, THROUGH SUPPORTED ORGANIZATIONS OR IN COOPERATION WITH OTHER ORGANIZATIONS, SUCH FACILITIES AND SERVICES FOR THE CARE OF PERSONS SUFFERING FROM ILLNESS, INJURY OR DISABILITY, THE ELDERLY AND THE INDIGENT AND FOR THE PRESERVATION AND IMPROVEMENT OF HEALTH AS THE BOARD OF DIRECTORS MAY DETERMINE, INCLUDING, WITHOUT LIMITATION 2 1 2 1 HOSPITALS FOR THE INPATIENT OR OUTPATIENT CARE OF PERSONS SUFFERING FROM ILLNESS, INJURY AND DISABILITY, FOR THE PREVENTION OF ILLNESS, INJURY AND DISABILITY AND FOR THE MAINTENANCE OF HEALTH 2 1 2 2 FACILITIES PROVIDING AMBULATORY CARE, NURSING CARE, REHABILITATION AND OTHER SERVICES 2 1 2 3 CLINICS THROUGH WHICH PHYSICIANS AND OTHER PROVIDERS RENDER PROFESSIONAL MEDICAL SERVICES 2 1 2 4 OTHER ACTIVITIES AND PROGRAMS DESIGNED AND CARRIED ON TO PROMOTE THE GENERAL HEALTH OF THE COMMUNITY 2 1 3 TO PROMOTE AND CARRY ON SUCH SCIENTIFIC RESEARCH AS THE BOARD OF DIRECTORS MAY DETERMINE WITH RESPECT TO THE CAUSE, TREATMENT AND PREVENTION OF ILLNESS AND INJURY, THE IMPROVEMENT OF PUBLIC HEALTH AND OTHER MATTERS 2 1 4 TO PARTICIPATE IN AND TO CARRY ON SUCH ACTIVITIES AS THE BOARD OF DIRECTORS MAY DETERMINE FOR THE EDUCATION OF PHYSICIANS, NURSES, OTHER PROFESSIONAL AND PARAPROFESSIONAL PERSONNEL AND THE PUBLIC ABOUT RENDERING CARE TO THE SICK, INJURED AND DISABLED, ABOUT PREVENTION OF ILLNESS AND INJURY AND ABOUT THE PROMOTION OF HEALTH 2 1 5 TO CONDUCT ACTIVITIES, EITHER DIRECTLY, THROUGH RELATED ORGANIZATIONS OR IN COOPERATION WITH ORGANIZATIONS EXEMPT FROM TAX UNDER SECTION 501 (C)(3) OF THE CODE OR COMPARABLE PROVISIONS OF SUBSEQUENT LEGISLATION IN ORDER TO RAISE FUNDS TO FURTHER THE PURPOSES OF THE CORPORATION, SUBJECT, HOWEVER, TO ALL LIMITATIONS ON THE NATURE OR EXTENT OF SUCH ACTIVITIES APPLICABLE, FROM TIME TO TIME, TO ORGANIZATIONS DESCRIBED IN SECTIONS 501(C)(3) AND 509(A)(3) OF THE CODE 2 1 6 TO ACQUIRE, TO OWN, TO DISPOSE OF AND TO DEAL WITH REAL AND PERSONAL PROPERTY AND INTERESTS THEREIN AND TO APPLY GIFTS, GRANTS, BEQUESTS AND DEVICES AND THE PROCEEDS THEREOF IN FURTHERANCE OF THE PURPOSES OF THE CORPORATION 2 1 7 TO DEAL WITH AND DISTRIBUTE THE CORPORATION'S INCOME AND ASSETS IN SUCH MANNER AS IN THE JUDGMENT OF THE BOARD OF DIRECTORS WILL BEST PROMOTE ITS OBJECTIVES AND PURPOSES, WITHOUT LIMITATION EXCEPT SUCH, IF ANY, AS MAY BE CONTAINED IN INSTRUMENTS UNDER WHICH SUCH PROPERTY IS CONVEYED TO THE CORPORATION 2 1 8 TO DO SUCH THINGS AND TO PERFORM SUCH ACTS TO ACCOMPLISH ITS PURPOSES AS ARE PERMITTED BY SECTIONS 501(C)(3) AND 509(A)(3) OF THE CODE, WITH ALL THE POWERS CONFERRED ON NONPROFIT CORPORATIONS BY THE LAWS OF THE STATE OF MICHIGAN THE AMOUNTS REPORTED IN SCHEDULE A, PART I, LINE 11H, COLUMN (VII) RELATE TO EXPENSES INCURRED BY THE ORGANIZATION ON BEHALF OF THE SUPPORTED ENTITIES (REIMBURSED IN WHOLE OR IN PART THROUGH MANAGEMENT FEES)
Schedule A, Part IV, Section A, Line 5a Added, Substituted, or Removed Sup Org	(i)Name Pennock Hospital d/b/a Spectrum Health Pennock EIN 38-1360562 (ii)Reason Pennock Hospital was acquired and integrated into the Spectrum Health System Group, of which Spectrum Health System is the Supporting Organization (iii) THE PURPOSES FOR WHICH THE CORPORATION (Spectrum Health System) IS ORGANIZED ARE TO OPERATE EXCLUSIVELY FOR THE BENEFIT OF, TO PERFORM THE FUNCTIONS OF, AND TO CARRY OUT ALL OF THE PURPOSES OF MECOSTA COUNTY MEDICAL CENTER, MEMORIAL MEDICAL CENTER OF WEST MICHIGAN, NEWAYGO COUNTY GENERAL HOSPITAL ASSOCIATION, PENNOCK HOSPITAL, REED CITY HOSPITAL CORPORATION, SPECTRUM HEALTH CONTINUING CARE, SPECTRUM HEALTH FOUNDATION, SPECTRUM HEALTH HOSPITALS, SPECTRUM HEALTH PRIMARY CARE PARTNERS, SPECTRUM HEALTH UNITED, AND ZEELAND COMMUNITY HOSPITAL (THE "SUPPORTED ORGANIZATIONS") ALL OF WHICH ARE DESCRIBED IN SECTION 501(C)(3) AND EITHER SECTION 509(A)(1) OR SECTION 509(A)(2) OF THE INTERNAL REVENUE CODE OF 1986 (iv) The addition of Pennock Hospital as a supported organization was accomplished through an amendment to the organizing document
Schedule A, Part IV, Section A, Line 6 Support to other supported orgs	Spectrum Health System provides services and support to organizations within the integrated health care system that are outside of Spectrum Health System's supported organizations The other organizations Spectrum Health System provides services and support to are related organizations reported on Schedule R
Schedule A, Part IV, Section D, Line 2 Officers Appointed Or Serving Supported Org	Spectrum Health System maintains a close and continuous working relationship with its supported organizations through integrated policies and procedures and unified leadership As described in Schedule A, Part IV, Section E, line 3a, Spectrum Health System is the parent to all supported organizations and as such has the power to appoint/elect a majority of officers, directors, and trustees of each of the supported organizations
Schedule A, Part IV, Section D, Line 3 Supp Org Have Significant Voice In Investment Policies	As noted below, cash and investments, whether on an individual basis or as part of a pooled investment strategy, is a reserved power maintained by the supporting organization The consolidated treasury function is considered a shared service function provided by the supporting organization to each supported organization As part of that shared service function, the supporting organization controls all investment policies, and directs all investment strategies This provides many benefits including reduced costs and subject matter expertise to yield greater results The supported organizations have the ability to provide direction specifically related to their respective assets as it relates to grant making and directing the use of the organization's income or assets
Schedule A, Part IV, Section E, Line 3a Power To Appoint/Elect Majority of Officer/Director/Trustee	Each of the supported organizations' bylaws set forth the following reserved powers of Spectrum Health System The Corporation's Board of Directors may recommend action to the System with respect to the following reserved powers The actions listed below may, notwithstanding any other provision of these Bylaws or the Articles of Incorporation, be unilaterally caused and/or taken by the System, within its sole and exclusive power and discretion, and shall not be deemed authorized unless and until approved by the System -Election and/or removal of the members of the Corporation's Board of Directors pursuant to the nomination, election and removal processes set forth in these Bylaws, -Election and/or removal of the Corporation's Chairperson of the Board of Directors, and -Hiring, discharge, and evaluation of the Corporation's President as delegated by the System's Board of Directors to the System's Chief Executive Officer (or designee)
Schedule A, Part IV, Section E, Line 3b Substantial Direction Over Policies/Programs/Activities	Each of the supported organizations' bylaws set forth the following reserved powers of Spectrum Health System The actions listed below may be unilaterally caused and/or taken by the System, within its sole and exclusive power and discretion, and shall not be deemed authorized unless and until approved by the System -Amendment of the Articles of Incorporation or Bylaws of the supported organization, -Election and/or removal of the members of the supported organization's Board of Directors, -Election and/or removal of the supported organization's Chairperson of the Board of Directors, -Hiring, discharge, and evaluation of the supported organization's President, -Adoption of the supported organization's strategic plan, -Adoption of the supported organization's annual operating and capital budgets and any amendments to such budgets in excess of the Authority Matrix Amount, -All capital expenditures by the supported organization in excess of the amount which would require approval by the System (the "Authority Matrix Amount"), -All borrowings or guarantees of indebtedness by the supported organization (or any entity controlled by the supported organization through ownership or membership interest), -All lending by the supported organization (or any subsidiary) to persons other than the System or a subsidiary in excess of the Authority Matrix Amount, -The supported organization's or any subsidiary's investments of cash and/or reserves, whether on an individual basis or as part of a pooled investment strategy, -Any merger or consolidation of the supported organization (or any subsidiary), or any other change in ownership percentages, control, or capital structure, -The creation of any entity controlled, directly or indirectly, by the supported organization, -The sale or transfer of more than ten percent (10%) of the assets of the supported organization (or any subsidiary) to any person or entity not controlled by the System, -Dissolution of the supported organization or any subsidiary, -The selection, retention, and oversight of the outside auditors for the supported organization (or any subsidiary), and -Any other approval for which System approval is required by law



Additional Data

Software ID: 15000238  
Software Version: 2015v3.0  
EIN: 38-3382353  
Name: Spectrum Health System

Form 990, Sch A, Part I, Line 11g - 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 (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A) SPECTRUM HEALTH HOSPITALS	381360529		Yes		266,129,840	0
(A) SPECTRUM HEALTH PRIMARY CARE PARTNERS	381358164		Yes		67,185,460	0
(B) SPECTRUM HEALTH UNITED	381358412		Yes		9,691,654	0
(C) SPECTRUM HEALTH CONTINUING CARE	383242232		Yes		8,580,000	0
(D) NEWAYGO COUNTY GENERAL HOSPITAL ASSOCIATION	381359517		Yes		7,143,328	0
(E) MECOSTA COUNTY MEDICAL CENTER	381368744		Yes		5,752,995	0
(F) ZEELAND COMMUNITY HOSPITAL	381411184		Yes		5,712,483	0
(G) REED CITY HOSPITAL CORPORATION	382770076		Yes		5,645,734	0
(H) MEMORIAL MEDICAL CENTER OF WEST MICHIGAN	381359266		Yes		5,103,505	0
(I) Pennock Hospital	381360562		Yes		1,896,098	0
(J) SPECTRUM HEALTH FOUNDATION	382752328		Yes		12,000	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.  
▶Information about Schedule C (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

2015

Open to Public Inspection

If the organization answered "Yes" on 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" on 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" on Form 990, Part IV, Line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then

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

Name of the organization Spectrum Health System	Employer identification number 38-3382353
--	--

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?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4a	Was a correction made?	<input type="checkbox"/> Yes <input type="checkbox"/> 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?	<input type="checkbox"/> Yes <input type="checkbox"/> 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-
2				
3				
4				
5				
6				

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><th>If the amount on line 1e, column (a) or (b) is:</th><th>The lobbying nontaxable amount is:</th></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 separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a)2012	(b)2013	(c)2014	(d)2015	(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 on 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)?	Yes	
c Media advertisements?		No
d Mailings to members, legislators, or the public?	Yes	10
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	183,260
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No
i Other activities?	Yes	141,524
j Total Add lines 1c through 1i		324,794
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

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, lines 1 and 2 (see instructions), and Part II-B, line 1. Also, complete this part for any additional information.

Return Reference	Explanation
Schedule C, Part II-B, Line 1 Description of the activities reported on lines 1A through 1I	Spectrum Health System employs government affairs staff who are chiefly responsible for Government Affairs activities. Additionally the organization employs a Vice President, Public Affairs to oversee this role. Other executive staff are engaged on a very limited basis for lobbying purposes. Spectrum Health System retains federal and state level multi-client lobby firms. The function of their respective duties involves direct contact with legislators, their staff, government officials, or a legislative body on numerous legislative and regulatory issues of interest to the organization. The amount is reported in lines 1g "Direct contact with legislators, their staffs, government officials, or a legislative body" and 1i, "Other activities." Direct contact with qualifying individuals includes sending letters, publications, making phone calls or meeting with government officials, their staff or legislators.
Schedule C, Part II-B, Line 1i Other activities	Spectrum Health System is a member of the American Hospital Association, American Medical Group Association, Michigan Health & Hospital Association and Children's Hospital Association. Lobbying expenditures reported on Line 1i reflect activities performed by trade organizations on the filing organization's behalf.

SCHEDULE D  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Financial Statements

► Complete if the organization answered "Yes," on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.  
► Attach to Form 990.  
Information about Schedule D (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization  
Spectrum Health System

Employer identification number  
38-3382353

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

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

Part II Conservation Easements. Complete if the organization answered "Yes" on 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)  
☐ Protection of natural habitat  
☐ Preservation of open space

☐ Preservation of an historically important land area  
☐ Preservation of a certified historic structure

2

Complete lines 2a 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, handling of violations, and enforcing conservation easements during the year  
►

7

Amount of expenses incurred in monitoring, inspecting, handling of violations, 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" on 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)

Revenue included on 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

Revenue included on Form 990, Part VIII, line 1

► \$

b

Assets included in Form 990, Part X

► \$

Part III

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

(continued)

3

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

a☐ Public exhibition

b☐ Scholarly research

c☐ Preservation for future generations

d☐ Loan or exchange programs

e☐ Other

4

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

5

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

☐ Yes

☐ No

Part IV

Escrow and Custodial Arrangements.

Complete if the organization answered "Yes" on 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

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

Amount

1c

1d

1e

1f

2a

Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?

☐ 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 on 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 . . . . .

(ii) related organizations . . . . .

3a(i)

3a(ii)

3b

Yes

No

b

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

4

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

Part VI

Land, Buildings, and Equipment.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	Accumulated (c)depreciation	(d)Book value
1a	Land . . . . .			
b	Buildings . . . . .	2,213,314	412,155	1,801,159
c	Leasehold improvements . . . . .	7,095,303	1,941,419	5,153,884
d	Equipment . . . . .	7,376,259	1,827,414	5,548,845
e	Other . . . . .	123,676,021	55,365,084	68,310,937
Total.	Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c) ) . . . . . ▶			80,814,825



**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return**  
Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

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

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**  
Complete if the organization answered 'Yes' on Form 990, Part IV, line 12a.

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

**Part XIII Supplemental Information**

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.

Return Reference	Explanation



**Part XIII**   **Supplemental Information** *(continued)*

Return Reference	Explanation

**Open to Public Inspection**

38-3382353

## Schedule I (Form 990) 2015

Part III

Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" on 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. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Return Reference	Explanation
Schedule I, Part I, Line 2 Procedures for monitoring use of grant funds	Grants are received by the Healthier Communities department within Spectrum Health System and they are administered/awarded by Spectrum Health Hospitals, a related tax-exempt organization. Spectrum Health only provides grants to organizations that have a mission and values that closely align with the mission and values of Spectrum Health. Spectrum Health focuses on providing grants to organizations that improve the health of the underserved in the community and/or organizations that increase access to health care. Recipients receiving grants greater than \$25,000 are required to submit to Spectrum Health quarterly itemized financial reports. For grants less than \$25,000, Spectrum Health documents the restriction of the funds for specific programs that support the underserved or increase access to health care. The purpose of not requesting financial reports for smaller gifts is due to the significant level of effort that it would impose upon the community organizations who often have limited resources to provide the documentation.

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" on Form 990, Part IV, line 23.  
▶ Attach to Form 990.  
▶ Information about Schedule J (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

2015

Open to Public Inspection

Name of the organization  
Spectrum Health System

Employer identification number  
38-3382353

Part I Questions Regarding Compensation

	Yes	No
<b>1a</b> Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. <div><div><input checked="" type="checkbox"/> First-class or charter travel</div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input checked="" type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Tax indemnification and gross-up payments</div><div><input checked="" type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Discretionary spending account</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div>		
<b>b</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	
<b>2</b> Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	2 Yes	
<b>3</b> Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III. <div><div><input checked="" type="checkbox"/> Compensation committee</div><div><input checked="" type="checkbox"/> Written employment contract</div><div><input checked="" type="checkbox"/> Independent compensation consultant</div><div><input checked="" type="checkbox"/> Compensation survey or study</div><div><input type="checkbox"/> Form 990 of other organizations</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>		
<b>4</b> During the year, did any person listed on Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization: <b>a</b> Receive a severance payment or change-of-control payment?	4a Yes	
<b>b</b> Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b Yes	
<b>c</b> Participate in, or receive payment from, an equity-based compensation arrangement? If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.	4c	No
<b>Only 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.</b>		
<b>5</b> For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of: <b>a</b> The organization?	5a	No
<b>b</b> Any related organization? If "Yes," on line 5a or 5b, describe in Part III.	5b	No
<b>6</b> For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of: <b>a</b> The organization?	6a	No
<b>b</b> Any related organization? If "Yes," on line 6a or 6b, describe in Part III.	6b	No
<b>7</b> For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III.	7	No
<b>8</b> Were any amounts reported on 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
<b>9</b> If "Yes" on 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 on 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 in column(B) reported as deferred on prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
See Additional Data Table							

**Part III** Supplemental Information

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.

Return Reference	Explanation
Schedule J, Part I, Line 1a First-class or charter travel	The organization has provided first class travel and/or charter travel for certain executive employees and/or board members in limited situations. First class and/or charter travel is utilized when commercial air travel was not available for a destination, or not efficient due to schedules and/or connections, and also for bi-annual board retreat travel. In the limited situations where first class and/or charter travel was utilized, it was paid for as part of a corporate award airline mileage program at no additional cost to the organization. To the extent the benefit is deemed reportable, it is treated as taxable compensation in a 1099 or W-2 to the recipient.
Schedule J, Part I, Line 1a Travel for companions	The organization provided companion travel for six executive employees and three board members. The related amounts were treated as taxable compensation and included in Form W-2.
Schedule J, Part I, Line 1a Health or social club dues or initiation fees	The organization provided health club dues for twelve executive employees. These amounts were treated as taxable compensation and included in Form W-2.
Schedule J, Part I, Line 4a Severance or change-of-control payment	\$942,722 Matthew Van Vranken
Schedule J, Part I, Line 4b Supplemental nonqualified retirement plan	\$1,143,851 Richard Breon \$120,847 Jill Ferris \$473,927 Michael P. Freed \$240,952 Steven Heacock \$282,285 Roger Jansen \$283,092 Ronald Knaus \$245,041 J. Michael Kramer \$292,190 David Leonard \$379,135 John Mosley \$282,064 Patrick O'Hare \$118,318 Pamela Ries \$21,280 Lori Smith \$333,474 Matthew Van Vranken \$275,427 Seth Wolk SCHEDULE J, PART I, LINE 4B IS ANSWERED "YES" BECAUSE CERTAIN INDIVIDUALS, DO "PARTICIPATE IN" SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN(S). ALL INDIVIDUALS WHO PARTICIPATED RECEIVED DISTRIBUTIONS DURING THE YEAR. DISTRIBUTIONS REPORTED ON THIS LINE ARE ALSO INCLUDED IN SCHEDULE J, PART II, COLUMN F AS COMPENSATION REPORTED IN A PRIOR YEAR.

Additional Data

Software ID: 15000238

Software Version: 2015v3.0

EIN: 38-3382353

Name: Spectrum Health System

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

(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 in column (B) reported as deferred on prior Form 990
		(i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1Richard Breon PRESIDENT / CEO	(i)	1,269,163	1,806,443	38,315	861,667	202,463	4,178,051	1,143,851
	(ii)	0	0	0	0	- 0	- 0	0
1M Ashraf Mansour MD Director	(i)	0	0	0	0	0	0	0
	(ii)	627,696	159,581	10,591	26,500	- 13,069	- 837,437	0
2Stephen Rechner MD Director - Part Year	(i)	0	0	0	0	0	0	0
	(ii)	395,682	67,119	10,730	5,300	- 19,087	- 497,918	0
3MICHAEL P FREED President/CEO - Prnorty Health - Part Year	(i)	810,040	842,092	21,663	296,945	105,254	2,075,994	473,927
	(ii)	0	0	0	0	- 0	- 0	0
4Ronald Knaus SVP, Chief Financial Officer	(i)	606,820	507,223	28,599	283,847	103,455	1,529,944	283,092
	(ii)	0	0	0	0	- 0	- 0	0
5David Leonard Secretary, SVP, Chief Legal Officer	(i)	449,300	470,270	20,725	207,270	82,966	1,230,531	292,190
	(ii)	0	0	0	0	- 0	- 0	0
6Jill Ferns SVP - Nexus / Corporate Controller - Part Year	(i)	259,982	188,767	2,427	52,565	52,331	556,072	120,847
	(ii)	0	0	0	0	- 0	- 0	0
7Patrick O'Hare SVP, Facilities & Chief Information Officer	(i)	489,681	472,436	20,441	227,261	76,091	1,285,910	282,064
	(ii)	0	0	0	0	- 0	- 0	0
8Pamela Ries SVP, Chief Human Resources Officer	(i)	167,996	122,565	3,000	88,794	32,005	414,360	80,163
	(ii)	79,962	58,337	1,428	42,264	- 15,233	- 197,224	38,155
9Lon Smith SVP, Treasury	(i)	276,335	95,294	6,570	53,327	57,733	489,259	21,280
	(ii)	0	0	0	0	- 0	- 0	0
10Matthew Van Vranken Former EVP, SH Delivery System	(i)	0	333,474	942,722	0	0	1,276,196	333,474
	(ii)	0	0	0	0	- 0	- 0	0
11Seth Wolk MD System CMO / President, SHMG	(i)	702,712	419,700	20,279	328,852	111,034	1,582,577	275,427
	(ii)	0	0	0	0	- 0	- 0	0
12John Mosley EVP, Special Projects	(i)	450,974	556,878	25,055	118,829	68,387	1,220,123	379,135
	(ii)	0	0	0	0	- 0	- 0	0
13Roger Jansen SVP, Business Development / Chief Strategy Officer	(i)	521,233	488,857	18,255	248,646	83,779	1,360,770	282,285
	(ii)	0	0	0	0	- 0	- 0	0
14J Michael Kramer SVP, Chief Quality Officer	(i)	410,574	408,715	22,146	206,263	70,251	1,117,949	245,041
	(ii)	0	0	0	0	- 0	- 0	0
15Steven Heacock SVP, Public Affairs / Research	(i)	393,949	397,903	19,191	169,682	64,295	1,045,020	240,952
	(ii)	0	0	0	0	- 0	- 0	0





**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) MR MICHAEL BREON	FAMILY	156,320	SEE SCHEDULE L, PART V		No
(2) AMWAY HOTEL CORPORATION	BUSINESS	155,980	SEE SCHEDULE L, PART V		No
(3) MS ALLYSON BREON	FAMILY	116,617	SEE SCHEDULE L, PART V		No
(4) MS LAURA FREED	FAMILY	88,788	SEE SCHEDULE L, PART V		No
(5) MR FRANCIS RECHNER	FAMILY	78,184	SEE SCHEDULE L, PART V		No
(6) MS KRISTEN O'HARE	FAMILY	53,614	SEE SCHEDULE L, PART V		No

**Part V Supplemental Information**

Provide additional information for responses to questions on Schedule L (see instructions)

Return Reference	Explanation
Schedule L, Part V FAMILY AND BUSINESS TRANSACTIONS WITH INTERESTED PERSONS	MR RICHARD BREON, AN OFFICER AND BOARD MEMBER, HAS A SON AND DAUGHTER-IN-LAW WHO ARE EMPLOYED BY THE ORGANIZATION (PART IV, LINES 1 & 3) MR RICHARD DEVOS, JR, A BOARD MEMBER, HAS INDIRECT OWNERSHIP IN TWO TAXABLE ENTITIES THAT HAVE A BUSINESS RELATIONSHIP WITH THE ORGANIZATION (PART IV, LINE 2) MR MICHAEL FREED, AN OFFICER, HAS A DAUGHTER WHO IS EMPLOYED BY THE ORGANIZATION (PART IV, LINE 4) MR STEPHEN RECHNER, A BOARD MEMBER, HAS A SON WHO IS EMPLOYED BY THE ORGANIZATION (PART IV, LINE 5) MR PATRICK O'HARE, A KEY EMPLOYEE, HAS A DAUGHTER WHO IS EMPLOYED BY THE ORGANIZATION (PART IV, LINE 6)

**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 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at  
[www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

**2015****Open to Public  
Inspection**Name of the organization  
Spectrum Health System**Employer identification number**

38-3382353

**Return Reference****Explanation**Form 990, Part VI, Line 6 CLASSES OF MEMBERS OR  
STOCKHOLDERSTHE ORGANIZATION IS ORGANIZED ON A NON-STOCK DIRECTORSHIP BASIS  
WITH NO MEMBERS

Return Reference	Explanation
Form 990, Part VI, Line 7b DECISIONS SUBJECT TO APPROVAL OF MEMBERS	THE ORGANIZATION IS ORGANIZED ON A NON-STOCK DIRECTORSHIP BASIS WITH NO MEMBERS

Return Reference	Explanation
Form 990, Part VI, Line 2 Family/business relationships amongst interested persons	MR DAVID LEONARD AND MR PATRICK O'HARE - Business relationship, MS ELIZABETH NICKELS AND MR TIMOTHY O'DONOVAN - Business relationship, Mr Richard Breon and Mr Michael Freed - Business relationship, MR RICHARD DEVOS, JR AND MR WILLIAM PAYNE - Business relationship

Return Reference	Explanation
Form 990, Part VI, Line 4 Significant changes to organizational documents	Pennock Hospital (FEIN 38-1360562) was added as a supported organization to the governing documents of Spectrum Health System

Return Reference	Explanation
Form 990, Part VI, Line 11b Review of form 990 by governing body	<p>A copy of the Form 990 is provided to the Board of Directors prior to filing. The review process for this Form 990 is as follows:</p> <ol style="list-style-type: none"><li>1. Preparation of the return is supervised and reviewed by the Organization's Corporate Tax Manager.</li><li>2. A second review is performed by an external CPA firm with expertise in tax-exempt return preparation.</li><li>3. The return is reviewed by the Organization's finance and legal departments (including the Chief Financial Officer, Chief Legal Officer and Corporate Controller) and shared with the members of the Finance Committee and Board of Directors.</li><li>4. The Organization's Chief Financial Officer reviews comments or questions received by members of the Board of Directors, if any, to address or to incorporate, as appropriate, into the return prior to filing.</li></ol>

Return Reference	Explanation
Form 990, Part VI, Line 12c Conflict of interest policy	<p>BOARD OF DIRECTORS 1 Conflicts of interest must be disclosed, BOTH VIA AN ANNUAL ELECTRONIC DISCLOSURE PROCESS as well as verbally at a board meeting prior to discussion of any agenda item with regard to which a board member has a conflict 2 A person having a financial interest in a proposed transaction or arrangement may make a presentation at a meeting of the Board of Directors or committee considering that transaction or arrangement, but after that presentation he or she shall leave the meeting during discussion and voting on that proposed transaction or arrangement The person having the financial interest shall not be counted in determining whether a quorum is present 3 The chairperson of the Board of Directors or committee shall, if appropriate, appoint a disinterested person or committee (including outside advisors) to investigate alternatives to the proposed transaction or arrangement, and to advise whether the proposed transaction or arrangement is in Spectrum Health's best interest 4 The Board of Directors or committee shall exercise due diligence to determine whether Spectrum Health can, with reasonable efforts, obtain a more advantageous transaction or arrangement that would not give rise to a conflict of interest 5 If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Board of Directors or committee shall determine by a majority vote of the disinterested directors and members whether the proposed transaction or arrangement is in Spectrum Health's best interest and for its own benefit and whether the transaction is fair and reasonable to Spectrum Health, and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination 6 The minutes of the meetings of the Board of Directors and all of Spectrum Health's committees shall set forth a)The names of the persons who disclosed a financial interest in a proposed transaction or arrangement involving Spectrum Health or any of its subsidiaries and the nature of the financial interest, and b)The names of the persons who were present for discussions and votes relating to such transaction or arrangement, including any discussion of alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with that matter The votes of individual members need not be recorded unless otherwise directed by the Board of Directors or committee 7 There is an ongoing requirement that members of the board of directors complete another disclosure questionnaire at any point during his/her tenure on the board of directors when a new potential conflict of interest arises If a member of the board of directors completes a disclosure questionnaire as a result of a new potential conflict of interest, that disclosure questionnaire is submitted to the legal, organizational integrity, internal audit, and human resources departments for review</p> <p>MANAGEMENT 1 Upon acceptance of an employment offer, each member of management completes a conflict of interest disclosure questionnaire A copy of the member of management's disclosure questionnaire is sent to Spectrum Health's organizational integrity department A copy of the member of management's disclosure is reviewed by Spectrum Health's COI coordinator and escalated to the COI Committee if necessary 2 Annually, each member of management completes a conflict of interest disclosure questionnaire electronically The disclosure questionnaire is reviewed by the legal, organizational integrity, internal audit, and human resources departments 3 There is an ongoing requirement that members of management complete another disclosure questionnaire at any point during his/her employment when a new potential conflict of interest arises If a member of management completes a disclosure questionnaire as a result of a new potential conflict of interest, that disclosure questionnaire is submitted to the legal, organizational integrity, internal audit, and human resources departments 4 The legal, organizational integrity, internal audit, and human resources departments, in consultation with executive management, determine how any reported conflicts should be managed Management of a conflict may take a variety of different forms from implementation of a management plan to requiring that the member of management cease the activity creating the conflict or, in extreme cases, leave Spectrum Health's employment Management is determined on an individual basis based upon the facts and circumstances surrounding the disclosure The purpose of conflict management is to provide transparency within Spectrum Health and to ensure that Spectrum Health's employees are always acting in the best interest of Spectrum Health</p>

Return Reference	Explanation
<p>Form 990, Part VI, Line 15a Process to establish compensation of top management official</p>	<p>The Spectrum Health System Board of Directors (through its Executive Committee) uses the following process for determining compensation of the top management official, other officers, and key employees at Spectrum Health System. Labor market data reflecting comparable organizations and jobs (prepared by independent firms) are relied upon. Competitive assessment reports are provided to the Executive Committee in advance of meetings. The competitive assessment report is prepared by a nationally known independent executive compensation firm and, for FY 2016 (7/1/15-6/30/16), was based on the following independent surveys of health care executives at comparable health systems, health plans, and medical groups: * American Medical Group Association 2014 Medical Group Compensation &amp; Financial Survey * Chief Executive of Multi-site organizations 2014 Leading Age-CEMO Leadership Compensation Survey * Integrated Healthcare Strategies 2014 Children's Hospitals Executive Compensation Survey * Integrated Healthcare Strategies 2014 Health Care Executive Compensation Survey * Mercer Human Resources Consulting 2014 Benchmark Database Executive Survey * Mercer Human Resources Consulting 2014 Integrated Health Networks Compensation Survey * Medical Group Management Association 2014 Management Compensation Survey * Sullivan, Cotter and Associates 2014 Survey of Manager and Executive Compensation in Hospitals and Health Systems * Sullivan, Cotter and Associates 2014 Survey of Manager and Executive Compensation in Children's Hospitals * Sullivan, Cotter and Associates 2014 Physician Compensation and Productivity Survey Report * Towers Watson 2014 Health Care Executive and Management Compensation Survey Report * Towers Watson 2014 General Industry Top Management Compensation Survey Report * Warren Fall 2014 The HMO Salary Survey. In addition to the above data sources, the Executive Committee approved the creation of a custom peer group of high performing integrated health systems to ensure robust data and a relevant comparator universe. The peer group organizations are approved by the Executive Committee and consist of double A bond rated and / or Truven top quintile organizations. Data for the peer group organizations is compiled by the independent executive compensation firm. Compensation adjustments are approved by Executive Committee members, consistent with the Spectrum Health compensation philosophy described below. Minutes of Committee discussions and decisions are prepared to memorialize Executive Committee decisions based upon the above data. Cash compensation data relied upon by the Executive Committee is national and reflects the compensation paid to executives in comparable jobs in comparably-sized healthcare and / or health insurance organizations. Spectrum Health recruits nationally for its executives. Benefits data reflect national healthcare / health insurance market practices. Geographic pay differential and cost of living data indicates consistency with national data. This process is intended to assist Spectrum Health in qualifying for the rebuttable presumption of reasonableness (Intermediate Sanctions Regulations) and complying with the potential Spectrum Health Excess Benefit Transaction Policy for those individuals in the group who are disqualified persons. The opinion submitted from the third party independent consulting firm is in accordance with the provisions of Treasury Regulations Section 53.4958-6(c)(2) and is also intended to satisfy the professional advice requirement of Treasury Regulations Section 53.4958-1(d)(4)(iii).</p>



Return Reference	Explanation
Form 990, Part VI, Line 15b Process to establish compensation of other employees	See explanation provided for Form 990, Part VI, Line 15a

Return Reference	Explanation
Form 990, Part VI, Line 19 Required documents available to the public	The organization's Articles of Incorporation have been provided to the State of Michigan and are available to the public on the State's website. The organization's Bylaws and internal policies are generally not made available to the public. The overall system consolidated financial statements are provided at <a href="http://www.spectrumhealth.org">www.spectrumhealth.org</a> in the section titled "About Us"

Return Reference	Explanation
Form 990, Part VII, Section A Reported Compensation and Hours	THE COMPENSATION REPORTED FOR EMPLOYEES OF THE ORGANIZATION IS NOT FOR SERVICES IN THEIR CAPACITY AS MEMBERS OF THE BOARD OF DIRECTORS BUT FOR SERVICES AS EMPLOYEES OF THE Health System CERTAIN DIRECTORS WERE PAID REASONABLE COMPENSATION FOR THEIR SERVICES AS MEMBERS OF THE BOARD CONSISTENT WITH PRIOR YEARS, COMPENSATION AND BENEFITS ARE REPORTED USING THE MOST RECENT CALENDAR YEAR COMPENSATION DATA THE COMPENSATION FIGURES REPORTED IN THESE SECTIONS ARE FOR THE YEAR ENDED DECEMBER 31, 2015 EMPLOYEES WITH COMPENSATION REPORTED IN PART VII WORK A COMBINED AVERAGE OF 50 HOURS PER WEEK FOR THE Health System

Return Reference	Explanation
Form 990, Part VII, Section A Compensation of Directors	Based on external opinion by Sullivan Cotter and Associates, Inc , Spectrum Health System compensates board members in a manner that is reasonable in relation to market data Board of directors compensation is continually review ed to confirm compensation falls w ithin reasonable limits Any compensation amount is treated as taxable to the board member and is reported and provided to them on Form 1099

Return Reference	Explanation
Form 990, Part VIII, Line 2f Other Program Service Revenue	Other Revenue - Total Revenue 3642721, Related or Exempt Function Revenue 3642889, Unrelated Business Revenue -168, Revenue Excluded from Tax Under Sections 512, 513, or 514 ,

Return Reference	Explanation
Form 990, Part XI, Line 9 Fund balance adjustment to transfer investments	HISTORICALLY THE ORGANIZATION HAS REPORTED INVESTMENT ACCOUNTS ON THE BALANCE SHEETS OF EACH ENTITY WITHIN THE HEALTH SYSTEM IN FY2016 THE ORGANIZATION MADE A ONE TIME ADJUSTMENT TO TRANSFER THE BALANCES OF THE INVESTMENT ACCOUNTS TO SPECTRUM HEALTH SYSTEMS BALANCE SHEET

Return Reference	Explanation
Form 990, Part XI, Line 9 Other changes in net assets or fund balances	VALUATION ALLOWANCE - -8226348, MINIMUM PENSION LIABILITY - -79387939, FUND BALANCE ADJUSTMENT RELATED TO INVESTMENT TRANSFERS FROM RELATED ENTITY - 223034440,

SCHEDULE R  
(Form 990)

Related Organizations and Unrelated Partnerships

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

▶ Attach to Form 990.▶ Information about Schedule R (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No 1545-0047

2015

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

Name of the organization  
Spectrum Health System

Employer identification number  
38-3382353

Part I

Identification of Disregarded Entities

Complete if the organization answered "Yes" on 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) PHMB PROPERTIES LLC 1231 EAST BELTLINE NE GRAND RAPIDS, MI 49525 38-2715520	PROP MGMT	MI	3,353,567	25,470,369	PRIORITY HEALTH
(2) MMPC REAL ESTATE LLC 4100 LAKE DR SE STE 300 GRAND RAPIDS, MI 49525 26-2744213	DORMANT	MI			MICHIGAN MEDICAL PATIENT CARE
(3) SPECTRUM HEALTH INNOVATIONS LLC 100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 27-2868213	IP DEVELOP	MI	107	339,943	SPECTRUM HEALTH SYSTEM
(4) SHPHC LLC 750 FULLER AVE NE GRAND RAPIDS, MI 49503 45-2911064	DORMANT	MI			SPECTRUM HEALTH CONTINUING CARE

Part II

Identification of Related Tax-Exempt Organizations

Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
See Additional Data Table							



Part III

Identification of Related Organizations Taxable as a Partnership

Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512- 514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	

Part IV

Identification of Related Organizations Taxable as a Corporation or Trust

Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end- of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No
See Additional Data Table									

**Part V Transactions With Related Organizations** Complete if the organization answered "Yes" on 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
<b>1a</b>	Yes	
<b>1b</b>	Yes	
<b>1c</b>	Yes	
<b>1d</b>	Yes	
<b>1e</b>		No
<b>1f</b>		No
<b>1g</b>		No
<b>1h</b>		No
<b>1i</b>		No
<b>1j</b>	Yes	
<b>1k</b>		No
<b>1l</b>	Yes	
<b>1m</b>	Yes	
<b>1n</b>		No
<b>1o</b>	Yes	
<b>1p</b>		No
<b>1q</b>	Yes	
<b>1r</b>	Yes	
<b>1s</b>	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 related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
See Additional Data Table			

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

[illegible]

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

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference	Explanation
Schedule R, Part II, Column (g) SECTION 512(B)(13) CONTROLLED ENTITY	THE ORGANIZATION IS THE COMMON PARENT ORGANIZATION OF A CONSOLIDATED HEALTH SYSTEM, SPECTRUM HEALTH SYSTEM
Schedule R, Part IV IDENTIFICATION OF RELATED ORGANIZATIONS	35 MICHIGAN STREET CONDOMINIUM ASSOCIATION AND LEMMEN-HOLTON CANCER PAVILION CONDOMINIUM ASSOCIATION ARE INCLUDED ON SCHEDULE R, PART IV AS THE VOTING POWER IS CONTROLLING UNDER THE CONSTRUCTIVE OWNERSHIP RULES OF UNDER SECTION 318 OF THE INTERNAL REVENUE CODE SCHEDULE R, PART IV, COLUMNS (F) SHARE OF TOTAL INCOME AND (G) SHARE OF END-OF-YEAR ASSETS ARE REPORTED BASED ON OWNERSHIP RATHER THAN VOTING POWER SCHEDULE R, PART IV, COLUMN (H) IS REPORTED BASED ON THE GREATER OF OWNERSHIP OR VOTING POWER

Additional Data

Software ID: 15000238

Software Version: 2015v3.0

EIN: 38-3382353

Name: Spectrum Health System

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512 (b)(13) controlled entity?	
						Yes	No
SPECTRUM HEALTH HOSPITALS 100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 38-1360529	HEALTHCARE	MI	501(c)(3	3	SPECTRUM HEALTH SYSTEM	Yes	
SPECTRUM HEALTH PRIMARY CARE PARTNERS 1840 WEALTHY ST SE GRAND RAPIDS, MI 49506 38-1358164	HEALTHCARE	MI	501(c)(3	3	SPECTRUM HEALTH SYSTEM	Yes	
SPECTRUM HEALTH FOUNDATION 100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 38-2752328	PHILANTHROPY	MI	501(c)(3	7	SPECTRUM HEALTH SYSTEM	Yes	
SPECTRUM HEALTH CONTINUING CARE 750 FULLER AVE NE GRAND RAPIDS, MI 49503 38-3242232	REHAB/CARE	MI	501(c)(3	9	SPECTRUM HEALTH SYSTEM	Yes	
SPECTRUM HEALTH CONTINUING CARE CENTER 750 FULLER AVE NE GRAND RAPIDS, MI 49503 38-2415333	REHAB/NRS	MI	501(c)(3	9	SPECTRUM HEALTH CONTINUING CARE	Yes	
SPECTRUM HEALTH KENT COMMUNITY CAMPUS 750 FULLER AVE NE GRAND RAPIDS, MI 49503 38-3472677	HEALTHCARE	MI	501(c)(3	3	SPECTRUM HEALTH CONTINUING CARE	Yes	
SPECTRUM HEALTH WORTH SERVICES 750 FULLER AVE NE GRAND RAPIDS, MI 49503 38-2786617	HEALTHCARE	MI	501(c)(3	9	SPECTRUM HEALTH CONTINUING CARE	Yes	
VISITING NURSE SERVICES OF WESTERN MICHIGAN 750 FULLER AVE NE GRAND RAPIDS, MI 49503 38-1359195	HEALTHCARE	MI	501(c)(3	9	SPECTRUM HEALTH CONTINUING CARE	Yes	
PRIORITY HEALTH 1231 EAST BELTLINE NE GRAND RAPIDS, MI 49525 38-2715520	HMO	MI	501(c)(4		SPECTRUM HEALTH SYSTEM	Yes	
TRINITY HEALTH PLANS 1231 EAST BELTLINE NE GRAND RAPIDS, MI 49525 38-2663747	HMO MGMT	MI	501(c)(4		PRIORITY HEALTH	Yes	
PRIORITY HEALTH CHOICE INC 1231 EAST BELTLINE NE GRAND RAPIDS, MI 49525 32-0016523	HMO (MEDICAID)	MI	501(c)(3	9	PRIORITY HEALTH	Yes	
SPECTRUM HEALTH KELSEY 615 S BOWER GREENVILLE, MI 48838 38-1297435	HEALTHCARE	MI	501(c)(3	3	SPECTRUM HEALTH UNITED	Yes	
REED CITY HOSPITAL CORPORATION 300 N PATTERSON RD REED CITY, MI 49677 38-2770076	HEALTHCARE	MI	501(c)(3	3	SPECTRUM HEALTH SYSTEM	Yes	
NEWAYGO COUNTY GENERAL HOSPITAL ASSOCIATION 212 S SULLIVAN AVENUE FREMONT, MI 49412 38-1359517	HEALTHCARE	MI	501(c)(3	3	SPECTRUM HEALTH SYSTEM	Yes	
KENT COMMUNITY HEALTH FOUNDATION 750 FULLER AVE NE GRAND RAPIDS, MI 49503 38-3607110	PHILANTHROPY	MI	501(c)(3	Type III-O	SPECTRUM HEALTH KENT COMMUNITY CAMPUS	Yes	
ZEELAND COMMUNITY HOSPITAL 8333 FELCH STREET ZEELAND, MI 49464 38-1411184	HEALTHCARE	MI	501(c)(3	3	SPECTRUM HEALTH SYSTEM	Yes	
SPECTRUM HEALTH UNITED 615 S BOWER GREENVILLE, MI 48838 38-1358412	HEALTHCARE	MI	501(c)(3	3	SPECTRUM HEALTH SYSTEM	Yes	
MEMORIAL MEDICAL CENTER OF WEST MICHIGAN ONE ATKINSON DRIVE LUDINGTON, MI 49431 38-1359266	HEALTHCARE	MI	501(c)(3	3	SPECTRUM HEALTH SYSTEM	Yes	
MECOSTA COUNTY MEDICAL CENTER 605 OAK STREET BIG RAPIDS, MI 49307 38-1368744	HEALTHCARE	MI	501(c)(3	3	SPECTRUM HEALTH SYSTEM	Yes	
PENNOCK HOSPITAL 1009 WEST GREEN STREET HASTINGS, MI 49058 38-1360562	HEALTHCARE	MI	501(c)(3	3	SPECTRUM HEALTH SYSTEM	Yes	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of- year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1) MICHIGAN MEDICAL PATIENT CARE 1840 WEALTHY ST SE GRAND RAPIDS, MI 49506 38-2851295	MEDICAL	MI	SPECTRUM HEALTH SYSTEM	C Corporation	2,333,531	0	100 %	Yes	
PRIORITY HEALTH MANAGED (1) BENEFITS 1231 EAST BELTLINE NE GRAND RAPIDS, MI 49525 38-3085182	THIRD PARTY ADMINISTRATOR	MI	SPECTRUM HEALTH SYSTEM	C Corporation	210,587,288	20,808,582	100 %	Yes	
SPECTRUM HEALTH PHYSICIAN (2) ALLIANCE 100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 37-1655728	PHYSICIANS	MI	SPECTRUM HEALTH SYSTEM	C Corporation	14	124,082	100 %	Yes	
(3) WEST MICHIGAN HEART 2900 BRADFORD STREET NE GRAND RAPIDS, MI 49525 38-2125186	PHYSICIANS	MI	SPECTRUM HEALTH SYSTEM	C Corporation	2,712,719	5,653,125	100 %	Yes	
CAMPUS TOWN CENTRE CONDO (4) ASSOCIATION 4868 LAKE MICHIGAN DRIVE ALLENDALE, MI 49401 38-2910067	MGMT	MI	NA	C Corporation				Yes	
HELEN DEVOS WOMEN'S AND CHILDREN'S HEALTH PAVILION (5) ASSOCIATION 330 BARCLAY NE GRAND RAPIDS, MI 49503 38-3264184	MGMT	MI	NA	C Corporation				Yes	
(6) LEMMEN-HOLTON CANCER PAVILION CONDOMINIUM ASSOCIATION 145 MICHIGAN ST NE GRAND RAPIDS, MI 49503 16-1734150	MGMT	MI	NA	C Corporation				Yes	
MUSCULOSKELETAL CENTER (7) CONDOMINIUM ASSOCIATION 230 MICHIGAN NE GRAND RAPIDS, MI 49503 38-3180086	MGMT	MI	NA	C Corporation				Yes	
PRIORITY HEALTH INSURANCE (8) COMPANY 1231 EAST BELTLINE NE GRAND RAPIDS, MI 49525 20-1529553	INSURANCE	MI	NA	C Corporation				Yes	
(9) THE FRED AND LENA MEIJER HEART CENTER CONDOMINIUM ASSOCIATION 100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 83-0464302	MGMT	MI	NA	C Corporation				Yes	
(10) THE MICHIGAN STREET PARKING CONDOMINIUM ASSOCIATION 100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 16-1734145	MGMT	MI	NA	C Corporation				Yes	
25 MICHIGAN STREET (11) CONDOMINIUM ASSOCIATION 100 MICHIGAN ST NE GRAND RAPIDS, MI 49503 16-1734157	MGMT	MI	NA	C Corporation				Yes	
35 MICHIGAN STREET (12) CONDOMINIUM ASSOCIATION 35 MICHIGAN ST NE GRAND RAPIDS, MI 49503 27-2193084	MGMT	MI	NA	C Corporation				Yes	
(13) PENNOCK VENTURES INC 1009 WEST GREEN STREET HASTINGS, MI 49058 38-2712819	Healthcare	MI	NA	C Corporation				Yes	
(14) PENNOCK PHARMACY 1009 WEST GREEN STREET HASTINGS, MI 49058 38-2750680	HEALTHCARE	MI	NA	C Corporation				Yes	

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

(a) Name of related organization		(b) Transaction type(a-s)	(c) Amount Involved	(d) Method of determining amount involved
(1)	PRIORITY HEALTH	A	1,351,781	GAAP, CASH, OR FMV
(1)	SPECTRUM HEALTH PRIMARY CARE PARTNERS	A	278,461	GAAP, CASH, OR FMV
(2)	SPECTRUM HEALTH HOSPITALS	B	215,809	GAAP, CASH, OR FMV
(3)	SPECTRUM HEALTH FOUNDATION	C	1,989,422	GAAP, CASH, OR FMV
(4)	SPECTRUM HEALTH HOSPITALS	C	1,266,648	GAAP, CASH, OR FMV
(5)	SPECTRUM HEALTH HOSPITALS	L	266,129,840	GAAP, CASH, OR FMV
(6)	PRIORITY HEALTH	L	225,348,622	GAAP, CASH, OR FMV
(7)	SPECTRUM HEALTH PRIMARY CARE PARTNERS	L	67,185,460	GAAP, CASH, OR FMV
(8)	SPECTRUM HEALTH UNITED	L	9,691,654	GAAP, CASH, OR FMV
(9)	Spectrum Health Continuing Care	L	8,580,000	GAAP, CASH, OR FMV
(10)	Newaygo County General Hospital Association	L	7,143,328	GAAP, CASH, OR FMV
(11)	Mecosta County Medical Center	L	5,752,995	GAAP, CASH, OR FMV
(12)	Zeeland Community Hospital	L	5,712,483	GAAP, CASH, OR FMV
(13)	Reed City Hospital Corporation	L	5,645,734	GAAP, CASH, OR FMV
(14)	Memorial Medical Center of West Michigan	L	5,103,505	GAAP, CASH, OR FMV
(15)	Pennock Hospital	L	1,896,098	GAAP, CASH, OR FMV
(16)	Spectrum Health Physician Alliance	L	105,552	GAAP, CASH, OR FMV
(17)	Priority Health	M	43,722,115	GAAP, CASH, OR FMV
(18)	Spectrum Health Primary Care Partners	M	1,320,615	GAAP, CASH, OR FMV